CONTRACT #4
RFS # 324.02-402
FA # 05-16046-00

Tennessee Board of Probation and Parole

VENDOR:
Aegis Science Corporation

REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED	RECEIVED JUN 30 2008 FISCAL REVIEW
Commissioner of Finance & Administration Date:	

EACH REQUEST ITEM BELOW MUST BE DETAILED OR ADDRESSED AS REQUIRED.	
1) RFS #	324.02-402
2) State Agency Name :	Tennessee Board of Probation and Parole
EXISTING CONTRACT INFORMATON	
3) Service Caption :	Confirmation of Drug Testing Samples
4) Contractor :	Aegis Science Corporation
5) Contract #	FA-05-16046-00
6) Contract Start Date :	July 1, 2004
7) Current Contract End Date IF all Options to Extend the Contract are Exercised :	June 30, 2009
8) Current Total Maximum Cost IF all Options to Extend the Contract are Exercised :	$1,090,000.00
PROPOSED AMENDMENT INFORMATON	
9) Proposed Amendment #	6
10) Proposed Amendment Effective Date : (attached explanation required if date is < 60 days after F&A receipt)	July 1, 2008
11) Proposed Contract End Date IF all Options to Extend the Contract are Exercised :	June 30, 2009
12) Proposed Total Maximum Cost IF all Options to Extend the Contract are Exercised :	$1,132,024.00
13) Approval Criteria : (select one)	☒ use of Non-Competitive Negotiation is in the best interest of the state
	☐ only one uniquely qualified service provider able to provide the service

14) Description of the Proposed Amendment Effects & Any Additional Service :

Amendment 6 would increase the maximum liability of this contract to accommodate continued agency and judicial increases in drug testing.

15) Explanation of Need for the Proposed Amendment :

Increasing case loads and increased judicial drug testing have contributed to BOPP's drug testing expenses exceeding the amount

budgeted for FY 08 by April. Additional monies are needed to pay current vendor invoices through FY 08 year's end and accommodate increasing case loads. The additional funds will all come from offender fees. This amendment does not extend the contract term, as Amendment 5 made the final contract term extension allowable in the original contract awarded by RFP.

16) Name & Address of Contractor's Current Principal Owner(s) :
(not required if proposed contractor is a state education institution)

David Black, President, CEO
Aegis Sciences Corporation
345 Hill Avenue
Nashville TN 37210

17) Documentation of Office for Information Resources Endorsement :
(required only if the subject service involves information technology)

select one:	☒ Documentation Not Applicable to this Request	☐ Documentation Attached to this Request

18) Documentation of Department of Personnel Endorsement :
(required only if the subject service involves training for state employees)

select one:	☒ Documentation Not Applicable to this Request	☐ Documentation Attached to this Request

19) Documentation of State Architect Endorsement :
(required only if the subject service involves construction or real property related services)

select one:	☒ Documentation Not Applicable to this Request	☐ Documentation Attached to this Request

20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :

As this amendment simply increases the maximum liability of the contract, no effort to identify an alternative was required.

21) Justification for the Proposed Non-Competitive Amendment :

Increasing case loads and increased drug testing as ordered by judges have contributed to BOPP's drug testing expenses exceeding the amount budgeted for FY 08 by April. Additional monies are needed to pay current vendor invoices through FY 08 year's end and accommodate increasing case loads. The additional funds will all come from offender fees.

REQUESTING AGENCY HEAD SIGNATURE & DATE :
(must be signed & dated by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR— signature by an authorized signatory will be accepted only in documented exigent circumstances)

Robert Irwin - Executive Director 6/23/08

Agency Head Signature **Date**

Additional Justification

Increasing case loads and increased judicial drug testing have contributed to BOPP's drug testing expenses exceeding the amount budgeted for FY 08 by April. Additional monies are needed to pay current vendor invoices through FY 08 year's end and accommodate increasing agency case loads and judicial testing. The additional funds will all come from offender fees. This amendment does not extend the contract term, as Amendment 5 made the final contract term extension allowable in the original contract awarded by RFP.

STATE OF TENNESSEE
BOARD OF PROBATION AND PAROLES
404 JAMES ROBERTSON PARKWAY, SUITE 1300
NASHVILLE, TENNESSEE 37243-0850 (615)741-1673

MEMORANDUM

TO: Fiscal Review Committee

FROM: Robert Irvin, Executive Director

DATE: June 16, 2008

SUBJECT: BOPP REQUEST 324.02-402

The BOPP request RFS # 324.02-402 for Confirmation of Drug Testing Samples is critical to the operation of the agency and to public safety. This amendment will increase the maximum liability in Aegis Science Corporation contract.

Increasing agency case loads and increased judicial drug testing have contributed to BOPP's drug testing expenses exceeding the amount budgeted for FY 08 by April. Additional monies are needed to pay current vendor invoices through FY 08 year's end and accommodate increasing agency case loads and judicial testing.

The agency will draft an RFP and award a new five-year contract in FY 09. We appreciate your consideration of this matter.

CONTRACT SUMMARY SHEET

021908

RFS #	Contract #
324 . 02 — 402 — 09	FA-05-16046-06
State Agency	**State Agency Division**
Tennessee Board of Probation and Parole	Fiscal Services
Contractor Name	**Contractor ID # (FEIN or SSN)**
Aegis Sciences Corporation	☐ C- or ☒ V- 880241758-00

Service Description

Confirmation of Drug Testing Samples

Contract Begin Date	Contract End Date	SUBRECIPIENT or VENDOR?	CFDA #
July 1, 2004	June 30, 2009	Vendor	

Mark Each TRUE Statement

☒ Contractor is on STARS

☒ Contractor's Form W-9 is on file in Accounts

Allotment Code	Cost Center	Object Code	Fund	Funding Grant Code	Funding Subgrant Code
324.02	45	084	11		

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2005	$200,000.00				$200,000.00
2006	$200,000.00				$200,000.00
2007	$200,000.00				$200,000.00
2008	$230,000.00				$230,000.00
2009	$302,024.00				$302,024.00
TOTAL:	$1,132,024.00				$1,132,024.00

— COMPLETE FOR AMENDMENTS ONLY —

FY	Base Contract & Prior Amendments	THIS Amendment ONLY
2005	$200,000.00	
2006	$200,000.00	
2007	$200,000.00	
2008	$230,000.00	
2009	$260,000.00	$42,024.00
TOTAL:	**$1,090,000.00**	$42,024.00
End Date:	June 30, 2009	June 30, 2009

State Agency Fiscal Contact & Telephone #

Jacquelyn M. Baker (615) 532-8090

State Agency Budget Officer Approval

Funding Certification (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)

Contractor Ownership (complete for ALL base contracts— N/A to amendments or delegated authorities)

☐ African American ☐ Person w/ Disability ☐ Hispanic ☐ Small Business ☐ Government

☐ Asian ☐ Female ☐ Native American ☒ NOT Minority/Disadvantaged ☐ Other

Contractor Selection Method (complete for ALL base contracts— N/A to amendments or delegated authorities)

☐ RFP ☐ Competitive Negotiation * ☐ Alternative Competitive Method *

☐ Non-Competitive Negotiation * ☐ Negotiation w/ Government (ID, GG, GU) ☐ Other *

*** Procurement Process Summary** (complete for selection by Non-Competitive Negotiation, Competitive Negotiation, OR Alternative Method)

AMENDMENT Six
TO FA-05-16046-00

This Contract Amendment is made and entered by and between the State of Tennessee, Board of Probation and Parole, hereinafter referred to as the "State" and Aegis Sciences Corporation, hereinafter referred to as the "Contractor." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject Contract is hereby amended as follows:

The text of Contract Section C.1. is deleted in its entirety and replaced with the following:

C.1 Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed One Million, One Hundred Thirty-Two Thousand, Twenty-Four Dollars ($1,132,024.00). The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

The revisions set forth herein shall be effective July 1, 2008. All other terms and conditions not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF:

Aegis Sciences Corporation:

CONTRACTOR SIGNATURE **DATE**

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

Tennessee Board of Probation and Parole:

Robert Irvin, Executive Director **DATE**

APPROVED:

M. D. GOETZ, JR., COMMISSIONER DATE
DEPARTMENT OF FINANCE AND ADMINISTRATION

JOHN G. MORGAN, COMPTROLLER OF THE TREASURY DATE

GENERAL ASSEMBLY OF THE STATE OF TENNESSEE
FISCAL REVIEW COMMITTEE

320 Sixth Avenue, North – 8th Floor
NASHVILLE, TENNESSEE 37243-0057
615-741-2564

Rep. Charles Curtiss, Chairman
Representatives
Curt Cobb
Curtiss Johnson
Gerald McCormick
Mary Pruitt
Craig Fitzhugh, *ex officio*
Speaker Jimmy Naifeh, *ex officio*
Donna Rowland
David Shepard
Curry Todd
Eddie Yokley

Sen. Douglas Henry, Vice-Chairman
Senators
Doug Jackson
Bill Ketron
Paul Stanley
Randy McNally, *ex officio*
Lt. Governor Ron Ramsey, *ex officio*
Reginald Tate
Jamie Woodson

MEMORANDUM

TO: The Honorable Dave Goetz, Commissioner
Department of Finance and Administration

FROM: Charles Curtiss, Chairman, Fiscal Review Committee
Bill Ketron, Chairman, Contract Services Subcommittee

cc BK

DATE: May 1, 2008

SUBJECT: **Contract Comments**
(Contract Services Subcommittee Meetings 4/21 & 4/28)

RFS# 324.02-402
Department: Tennessee Board of Probation & Parole
Division: Field Services
Contractor: AEGIS Science Corporation
Summary: Vendor is currently responsible for state-wide clinical laboratory drug testing confirmation services. This amendment extends the existing contract one year, effective through June 30, 2009, and increases the maximum liability by $260,000.
Maximum liability: $830,000
Maximum liability with amendment: $1,090,000

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment.

cc: Mr. Charles Traughber, Chairman, Board of Probation & Parole
Mr. Robert Barlow, Director, Office of Contracts Review

CONTRACT SUMMARY SHEET

021908

RFS #	Contract #
324 . 02 — 402 — 09	FA-05-16046-05
State Agency	**State Agency Division**
Tennessee Board of Probation and Parole	Fiscal Services
Contractor Name	**Contractor ID # (FEIN or SSN)**
Aegis Sciences Corporation	☐ C- or ☒ V- 880241758-00

Service Description

Confirmation of Drug Testing Samples

Contract Begin Date	Contract End Date	SUBRECIPIENT or VENDOR?	CFDA #
July 1, 2004	June 30, 2009	Vendor	

Mark Each TRUE Statement

☒ Contractor is on STARS ☒ Contractor's Form W-9 is on file in Accounts

Allotment Code	Cost Center	Object Code	Fund	Funding Grant Code	Funding Subgrant Code
324.02	45	084	11		

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2005	$200,000.00				$200,000.00
2006	$200,000.00				$200,000.00
2007	$200,000.00				$200,000.00
2008	$230,000.00				$230,000.00
2009	$260,000.00				$260,000.00
TOTAL:	$1,090,000-				$1,090,000.00

OCR RELEASED
MAY 27 2008
TO ACCOUNTS

— COMPLETE FOR AMENDMENTS ONLY —

FY	Base Contract & Prior Amendments	THIS Amendment ONLY
2005	$200,000.00	
2006	$200,000.00	
2007	$200,000.00	
2008	$230,000.00	
2009		$260,000.00
TOTAL:	$830,000.00	$260,000.00
End Date:	June 30, 2008	June 30, 2009

State Agency Fiscal Contact & Telephone #

Jackie Baker (615) 532-8090

State Agency Budget Officer Approval

Jacquelyn M Baker

Funding Certification (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)

MAY 19 2008

RECEIVED
2008 MAY 22 PM 3:37
COMPTROLLER'S OFFICE
MANAGEMENT SERVICES

Contractor Ownership (complete for ALL base contracts— N/A to amendments or delegated authorities)

☐ African American ☐ Person w/ Disability ☐ Hispanic ☐ Small Business ☐ Government
☐ Asian ☐ Female ☐ Native American ☒ NOT Minority/Disadvantaged ☐ Other

Contractor Selection Method (complete for ALL base contracts— N/A to amendments or delegated authorities)

☒ RFP ☐ Competitive Negotiation * ☐ Alternative Competitive Method *
☐ Non-Competitive Negotiation * ☐ Negotiation w/ Government (ID, GG, GU) ☐ Other *

*** Procurement Process Summary** (complete for selection by Non-Competitive Negotiation, Competitive Negotiation, OR Alternative Method)

OCR
MAY 16 2008
RECEIVED

AMENDMENT Five
TO FA-05-16046-00

This Contract Amendment is made and entered by and between the State of Tennessee, Board of Probation and Parole, hereinafter referred to as the "State" and Aegis Sciences Corporation, hereinafter referred to as the "Contractor." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject Contract is hereby amended as follows:

The text of Contract Section B.1. is deleted in its entirety and replaced with the following:

B.1 This Contract shall be effective for the period commencing on July 1, 2004 and ending on June 30, 2009. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

The text of Contract Section C.1. is deleted in its entirety and replaced with the following:

C.1 Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed One Million, Ninety-Thousand Dollars ($1,090,000.00). The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

The revisions set forth herein shall be effective July 1, 2008. All other terms and conditions not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF:

Aegis Sciences Corporation:

4/22/2008

CONTRACTOR SIGNATURE **DATE**

DR. DAVID L. BLACK President

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

Tennessee Board of Probation and Parole:

Robert Irvin, Executive Director — DATE 5/9/08

APPROVED:

M. D. GOETZ, JR., COMMISSIONER
DEPARTMENT OF FINANCE AND ADMINISTRATION — DATE MAY 21 2008

JOHN G. MORGAN, COMPTROLLER OF THE TREASURY — DATE 5/23/08

CONTRACT SUMMARY SHEET

021406

RFS #	Contract #
324.02-402	FA-05-16046-04
State Agency	**State Agency Division**
Tennessee Board of Probation and Parole	FIELD SERVICES
Contractor Name	**Contractor ID # (FEIN or SSN)**
AEGIS SCIENCE CORPORATION	☐ C- or ☒ V- V880241758-00

Service Description-

CONFIRMATION OF DRUG TESTING SAMPLES

Contract Begin Date	Contract End Date	SUBRECIPIENT or VENDOR?	CFDA #
July 1, 2004	June 30, 2008		

Mark Each TRUE Statement

X Contractor is on STARS

X Contractor's Form W-9 is on file in Accounts

Allotment Code	Cost Center	Object Code	Fund	Funding Grant Code	Funding Subgrant Code
324.02	45	084	11		

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2005	$200,000.00				$200,000.00
2006	$200,000.00				$200,000.00
2007	$200,000.00				$200,000.00
2008	$230,000.00				$230,000.00
TOTAL:	$830,000.00				$830,000.00

— COMPLETE FOR AMENDMENTS ONLY —

FY	Base Contract & Prior Amendments	THIS Amendment ONLY
2005	$200,000.00	
2006	$200,000.00	
2007	$200,000.00	
2008		$230,000.00
TOTAL:	$600,000.00	$230,000.00
End Date:	6/30/07	6/30/07

State Agency Fiscal Contact & Telephone #

Jacquelyn M. Baker (615) 532-8090

State Agency Budget Officer Approval

Jacquelyn M Baker

Funding Certification (certification, required by T.C.A. § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)

Contractor Ownership (complete only for base contracts with contract # prefix: FA or GR)

☐ African American ☐ Person w/ Disability ☐ Hispanic ☐ Small Business ☐ NOT minority/disadvantaged

☐ Asian ☐ Female ☐ Native American ☐ OTHER minority/disadvantaged—

Contractor Selection Method (complete for ALL base contracts— N/A to amendments or delegated authorities)

☐ RFP ☐ Competitive Negotiation ☐ Alternative Competitive Method

☐ Non-Competitive Negotiation ☐ Negotiation w/ Government (e.g., ID, GG, GU) ☐ Other

Procurement Process Summary (complete for selection by Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)

RECEIVED

AMENDMENT TWO (2) TO FA-05-16046-03

This Contract by and between the State of Tennessee, Board of Probation and Parole, hereinafter referred to as the State, and Aegis Analytical Laboratory, hereinafter referred to as the CONTRACTOR, is hereby amended as follows:

Delete Section B.1. in its entirety and insert the following in its place:

B.1. Contract Term. This Contract shall be effective for the period commencing on July 1, 2004 and ending on June 30, 2008. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

Delete Section C.1. in its entirety and insert the following in its place:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Eight Hundred thirty thousand dollars ($830.000.00). The Service Rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, program materials or equipment required. The Service Rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The other terms and conditions of this CONTRACT not amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF:

Aegis Analytical Laboratory:

Director of Marketing 3/9/07

(NAME AND TITLE) Date

Tennessee Board of Probation and Parole:

3/13/07

Charles Traughber, Chairman Date

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

M. D. Goetz, Jr., Commissioner — Date 3/19/07

COMPTROLLER OF THE TREASURY

John G. Morgan, Comptroller of the Treasury — Date 3/21/07

CONTRACT SUMMARY SHEET

RFS Number:	324.02-402	Contract Number:	FA-05-16046-03
State Agency:	TN BOARD OF PROBATION & PAROLE	Division:	FIELD SERVICES

Contractor	Contractor Identification Number
AEGIS SCIENCES CORPORATION	☐ V- ☐ C- 880241758-00

Service Description

CONFIRMATION OF DRUG TESTING SAMPLES

Contract Begin Date	Contract End Date
JULY 1, 2004	JUNE 30, 2007

Allotment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
324.02	45	084	11	☐ on STARS		

FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)
05	$200,000.00				$200,000.00
06	$200,000.00				$200,000.00
07	$200,000.00				$200,000.00
Total:	$600,000.00				$600,000.00

OCR RELEASED
MAY 2 0 2005
TO ACCOUNTS

CFDA #

State Fiscal Contact

Name: Jacquelyn M. Baker
Address: Suite 1310 Parkway Towers
Phone: (615) 532-8090

Procuring Agency Budget Officer Approval Signature

Jacquelyn M Baker

Check the box ONLY if the answer is YES:	
Is the Contractor a SUBRECIPIENT? (per OMB A-133)	
Is the Contractor a VENDOR? (per OMB A-133)	X
Is the Fiscal Year Funding STRICTLY LIMITED?	
Is the Contractor on STARS?	X
Is the Contractor's FORM W-9 ATTACHED?	
Is the Contractors Form W-9 Filed with Accounts?	X

COMPLETE FOR ALL AMENDMENTS (only)

	Base Contract & Prior Amendments	This Amendment ONLY
END DATE →	6/30/07	~~6/30/07~~
FY: 05	$150,000.00	$50,000.00
FY: 06	$150,000.00	$50,000.00
FY: 07	$150,000.00	$50,000.00
FY:		
FY:		
Total:	$450,000.00	$150,000.00

Funding Certification

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

RECEIVED
2005 MAY 13 PM 2:19

PROCESSED
JUN 1 2005
DIRECTOR OF ACCOUNTS

AMENDMENT THREE
TO CONTRACT FA-0516046-00
BETWEEN THE STATE OF TENNESSEE
BOARD OF PROBATION AND PAROLE
AND
AEGIS SCIENCES CORPORATION

This Contract, by and between the State of Tennessee, Board of Probation and Parole hereinafter referred to as the State, and Aegis Sciences Corporation, hereinafter referred to as the Contractor, is hereby amended as follows:

Delete Section C 1 Maximum Liability in its entirety and insert the following in its place:

C. PAYMENT TERMS AND CONDITIONS

C.1 Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Six Hundred Thousand Dollars ($600,000.00). The service rates in Section C. 3 shall constitute the entire compensation due the Contractor for the service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The service rates include, but are not limited to: all applicable taxes, fees, overheads, profit, and all other direct and indirect costs incurred or to be incurred by the contractor.

The other terms and conditions of this Contract not amended hereby shall remain in full force and effect.

05 MAY 13 AM 8:29

IN WITNESS WHEREOF:

AEGIS ANALYTICAL LABORATORIES:

David L. Black, President

5/5/05
Date

BOARD OF PROBATION AND PAROLE:

Charles M. Traughber, Chairman

5/13/05
Date

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION

M. D. Goetz, Jr., Commissioner

MAY 18 2005
Date

COMPTROLLER OF THE TREASURY:

John G. Morgan, Comptroller of the Treasury

5/20/05
Date

CONTRACT SUMMARY

RFS Number:	324.02-402	Contract Number:	FA-05-16046-02
State Agency:	TN.BOARD OF PROBATION & PAROLE	Division:	FIELD SERVICES

Contractor	Contractor Identification Number
AEGIS SCIENCES CORPORATION	[X] V- [ ] C- 880241758-00

COPY

Service Description

CONFIRMATION OF DRUG TESTING SAMPLES

Contract Begin Date	Contract End Date
JULY 1, 2004	JUNE 30, 2007

Allotment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
324.02	45	084	11	[ ] on STARS		

FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)
05	$150,000.00				$150,000.00
06	$150,000.00				$150,000.00
07	$150,000.00				$150,000.00
Total:	$450,000.00				$450,000.00

CFDA #:

State Fiscal Contact

Name: Jacquelyn M. Baker
Address: Suite 1310 Parkway Towers
Phone: (615) 532-8090

Procuring Agency Budget Officer Approval Signature

Jacquelyn M Baker

Check the box ONLY if the answer is YES:	
Is the Contractor a SUBRECIPIENT? (per OMB A-133)	
Is the Contractor a VENDOR? (per OMB A-133)	X
Is the Fiscal Year Funding STRICTLY LIMITED?	
Is the Contractor on STARS?	X
Is the Contractor's FORM W-9 ATTACHED?	
Is the Contractors Form W-9 Filed with Accounts?	X

COMPLETE FOR ALL AMENDMENTS (only)

	Base Contract & Prior Amendments	This Amendment ONLY
END DATE →	6/30/07	~~6/30/07~~
FY: 05	$103,334.00	$46,666.00
FY: 06	$103,333.00	$46,667.00
FY: 07	$103,333.00	$46,667.00
FY:		
FY:		
Total:	$310,000.00	$140,000.00

Funding Certification

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

PROCESSED
MAR 31 2005
DIRECTOR OF ACCOUNTS

RECEIVED
2005 MAR 22 PM 12:42
OFFICE OF MANAGEMENT SERVICES

AMENDMENT TWO
TO CONTRACT FA-0516046-00
BETWEEN THE STATE OF TENNESSEE
BOARD OF PROBATION AND PAROLE
AND
AEGIS SCIENCES CORPORATION

This Contract, by and between the State of Tennessee, Board of Probation and Parole hereinafter referred to as the State, and Aegis Sciences Corporation, hereinafter referred to as the Contractor, is hereby amended as follows:

Delete Section C 1 Maximum Liability in its entirety and insert the following in its place:

C. PAYMENT TERMS AND CONDITIONS

C.1 Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Four Hundred Fifty Thousand Dollars ($450,000.00). The service rates in Section C. 3 shall constitute the entire compensation due the Contractor for the service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The service rates include, but are not limited to: all applicable taxes, fees, overheads, profit, and all other direct and indirect costs incurred or to be incurred by the contractor.

The other terms and conditions of this Contract not amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF:

AEGIS ANALYTICAL LABORATORIES:

David L. Black, President

2-18-05
Date

BOARD OF PROBATION AND PAROLE:

Charles M. Traughber, Chairman

2/28/05
Date

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION

M. D. Goetz, Jr., Commissioner

MAR 2 2 2005
Date

COMPTROLLER OF THE TREASURY:

John G. Morgan, Comptroller of the Treasury

3/23/05
Date

CONTRACT SUMMARY SHEET

RFS Number:	324.02-402	Contract Number:	FA-05-16046-00 01
State Agency:	TN BOARD OF PROBATION & PAROLE	Division:	FIELD SERVICES

Contractor	Contractor Identification Number	
AEGIS SCIENCES CORPORATION	[X] V- [ ] C-	880241758-00

COPY

Service Description

CONFIRMATION OF DRUG TESTING SAMPLES

Contract Begin Date	Contract End Date
JULY 1, 2004	JUNE 30, 2007

Allotment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
324.02	45	084	11	[ ] on STARS		

FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)
05	$103,334.00				$103,334.00
06	$103,333.00				$103,333.00
07	$103,333.00				$103,333.00
Total:	$310,000.00				$310,000.00

CFDA #

State Fiscal Contact

Name: Jacquelyn M. Baker
Address: Suite 1310 Parkway Towers
Phone: (615) 532-8090

Procuring Agency Budget Officer Approval Signature

Jacquelyn M Baker

Check the box ONLY if the answer is YES:	
Is the Contractor a SUBRECIPIENT? (per OMB A-133)	
Is the Contractor a VENDOR? (per OMB A-133)	X
Is the Fiscal Year Funding STRICTLY LIMITED?	
Is the Contractor on STARS?	X
Is the Contractor's FORM W-9 ATTACHED?	
Is the Contractors Form W-9 Filed with Accounts?	X

COMPLETE FOR ALL AMENDMENTS (only)

	Base Contract & Prior Amendments	This Amendment ONLY
END DATE →	6/30/07	6/30/07
FY: 05	$53,334.00	$: 50,000
FY: 06	$53,333.00	$ 50,000
FY: 07	$53,333.00	$: 50,000
FY:		
FY:		
Total:	$160,000.00	$: 50,000

Funding Certification

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

PROCESSED

DEC 1 2006

AMENDMENT ONE
TO CONTRACT FA-0516046-00
BETWEEN THE STATE OF TENNESSEE
BOARD OF PROBATION AND PAROLE
AND
AEGIS SCIENCES CORPORATION

This Contract, by and between the State of Tennessee, Board of Probation and Parole hereinafter referred to as the State, and Aegis Sciences Corporation, hereinafter referred to as the Contractor, is hereby amended as follows:

Delete Section C 1 Maximum Liability in its entirety and insert the following in its place:

C. PAYMENT TERMS AND CONDITIONS

C.1 Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Three Hundred Ten Thousand Dollars ($310,000.00). The service rates in Section C. 3 shall constitute the entire compensation due the Contractor for the service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The service rates include, but are not limited to: all applicable taxes, fees, overheads, profit, and all other direct and indirect costs incurred or to be incurred by the contractor.

The other terms and conditions of this Contract not amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF:

AEGIS ANALYTICAL LABORATORIES:

David L. Black, President

11-10-04
Date

BOARD OF PROBATION AND PAROLE:

Charles M. Traughber, Chairman

11/15/04
Date

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION

M. D. Goetz, Jr., Commissioner

DEC - 7 2004
Date

COMPTROLLER OF THE TREASURY:

John G. Morgan, Comptroller of the Treasury

12/9/04
Date

CONTRACT SUMMARY SHEET

RFS Number:	324.02-402	Contract Number:	FA-05-16046-00
State Agency:	TN BOARD OF PROBATION & PAROLE	Division:	FIELD SERVICES

Contractor	Contractor Identification Number
AEGIS SCIENCES CORPORATION	☐ V- ☐ C- 880241758-00

COPY

Service Description

CONFIRMATION OF DRUG TESTING SAMPLES

Contract Begin Date	Contract End Date
JULY 1, 2004	JUNE 30, 2007

Allotment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
324.02	45	084	11	☐ on STARS		

FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)
05	$53,334.00				$53,334.00
06	$53,333.00				$53,333.00
07	$53,333.00				$53,333.00
Total	$160,000.00				$160,000.00

CFDA #

State Fiscal Contact

Name: Jacquelyn M. Baker
Address: Suite 1310 Parkway Towers
Phone: (615) 532-8090

Procuring Agency Budget Officer Approval Signature

Jacquelyn M Baker

Check the box ONLY if the answer is YES	
Is the Contractor a SUBRECIPIENT? (per OMB A-133)	
Is the Contractor a VENDOR? (per OMB A-133)	X
Is the Fiscal Year Funding STRICTLY LIMITED?	
Is the Contractor on STARS?	X
Is the Contractor's FORM W-9 ATTACHED?	
Is the Contractors Form W-9 Filed with Accounts?	X

COMPLETE FOR ALL AMENDMENTS (only)

	Base Contract & Prior Amendments	This Amendment ONLY
END DATE →		
FY:		
FY:		
FY:		
FY:		
FY:		
Total:		

Funding Certification

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

RECEIVED
2004 JUL 22 AM 10:15
COMPTROLLER'S OFFICE
OFFICE OF
MANAGEMENT SERVICES

COPY

CONTRACT
BETWEEN THE STATE OF TENNESSEE
BOARD OF PROBATION AND PAROLE
AND
AEGIS SCIENCES CORPORATION

This Contract, by and between the State of Tennessee, Board of Probation and Parole, hereinafter referred to as the "State" and AEIGIS SCIENCES CORPORATION, hereinafter referred to as the "Contractor," is for the provision of Clinical Laboratory Drug Confirmation Testing Services, as further defined in the "SCOPE OF SERVICES."

The Contractor is A FOR-PROFIT CORPORATION. The Contractor's address is:

345 Hill Avenue
Nashville, Tennessee 37210

The Contractor's place of incorporation or organization is Delaware.

SCOPE OF SERVICES:

A.1. The Board of Probation and Parole will contract with a Substance Abuse Mental Health Services Administration (SAMHSA) certified clinical laboratory for statewide Clinical Laboratory Drug Testing Confirmation Services.

A.2. The Contractor shall provide an eight-panel drug screen, which shall include confirmation testing for all positive drug screens, for the following drugs:

THC	50 NG/ML; 10 NG/ML
Amphetamines	1000 NG/ML;500 NG/ML
Barbiturates	200 NG/ML;200 NG/ML
Cocaine Metabolite	300 NG/ML;100 NG/ML
Methadone	300 NG/ML;300 NG/ML
Opiates	300 NG/ML;300 NG/ML
Phencyclidine	25 NG/ML; 25 NG/ML
Benzodiazepines	200 NG/ML;200 NG/ML

A.3. All positive drug screens shall be confirmed through Gas Chromatograph/Mass Spectrometer (GC/MS). All costs for GC/MS confirmation services should be factored into the Contractor's Cost Proposal.

A.4. The Contractor shall provide a standard five-panel drug screen, which shall include confirmation testing for all positive screens, for the following drugs:

THC	50 NG/ML; 10 NG/ML
Amphetamines	1000 NG/ML;500 NG/ML
Cocaine Metabolite	300 NG/ML;100 NG/ML
Opiates	300 NG/ML;300 NG/ML
Benzodiazepines	200 NG/ML;200 NG/ML

A.5. The Contractor shall provide a single panel confirmation drug screen, with GC/MS confirmation, for the following drugs as requested by the testing location.

THC	10 NG/ML
Amphetamines	500 NG/ML
MDMA(Ecstasy)	500 NG/ML
Methamphetamine	500 NG/ML
Barbiturates	200 NG/ML
Cocaine Metabolite	100 NG/ML
Methadone	300 NG/ML

Opiates	300 NG/ML
Hydrocodone	300 NG/ML
Oxycodone	300 NG/ML
Hydromorphone	300 NG/ML
Phencyclidine	25 NG/ML
Benzodiazepines	200 NG/ML
TCA (Tricyclic Antidepressants)	500 NG/ML

A.6. The Contractor shall provide alcohol confirmation testing services.

A.7. The Contractor shall check all test samples for adulteration. All urinalysis test samples ph level, creatine level, and specific gravity will be checked and reported on the drug profile result form.

A.8. The Contractor shall provide chain-of-custody services at no cost to the State.

A.9. The Contractor must provide a toxicologist for telephone consultations, with the State, on interpretations of test results. The hourly rate for telephone consultations should be factored into the Contractor's Cost Proposal.

A.10. The Contractor shall designate an agent within Tennessee for acceptance of service of process, including subpoenas.

A.11. The Contractor shall provide, at the State's request, a certifying scientist (with appropriate training and experience in toxicology) who can provide statewide in-court expert witness services. Additional court services shall include, but are not limited to, the following:

(1) testify as to the method used to perform the laboratory test and prepare the report,
(2) provide expert witness testimony about the reliability of the laboratory test results, and
(3) provide court Affidavits upon request.

A.12. The Contractor shall notify the submitting location, in writing, with the reason for the rejection when a specimen is rejected.

A.13. Reporting of Results. Routine negative test results must be received (telephone, telegraph, etc.) by the following morning after shipment is received where appropriate. Both positive and negative written reports must be faxed to the requesting field location within forty-eight (48) hours of the assay.

A.14. A drug screen profile of each test sample submitted to the clinical laboratory for analysis shall be prepared by the clinical laboratory, indicating either positive or negative results, and returned to the designated contact. The laboratory profile shall contain the following information:

a. Name and Address of Clinical Laboratory
b. Account Number
c. Reason for Test
d. Specimen/Donor Identification Number
e. Name of Receiving Field Location
f. Name of Designated Contact
g. Collection Date
h. Date Received from Field Location
i. Date Reported to Field Location
j. Test Methods by Drug Class and Detection Levels (initial and confirmation)
k. Profile Results by Class and Confirmation
l. Detection Levels
m. Name of Certifying Authority
n. Date of Certification

A.15. The Contractor shall include the following statement "Positive results are reported only after confirmation by Gas Chromatography/Mass Spectrometry" on all drug screen profiles.

A.16. Specimen. All specimens must be held refrigerated or consistent with regulatory requirements before discarding, unless otherwise requested from the agency.

A.17. Collection Supplies. Supplies required to collect referred specimens and transport those specimens to the laboratory shall be supplied by the Contractor. The cost for providing collection supplies should be factored into the Contractor's Cost Proposal. All field locations (approximately 74 locations) shall initially receive sufficient inventory for one (1) month per location.

A.18. Laboratory Forms. Preprinted chain-of-custody forms and other laboratory required forms, for ordering drug screens, shall be supplied by the vendor.

A.19. Training. The Contractor shall provide initial and annual statewide on-sight training at the agency's request. The cost for providing initial and annual statewide training should be factored into the Contractor's Cost Proposal. Training may include, but is not limited to, the following:

1. Chain-of-Custody Procedures
2. Specimen Collection Procedures
3. Sample Adulterations (trends and updates)
4. Contractor Forms
5. Drug Testing Procedures
6. Shipping Procedures

A.21. Courier Service. The Contractor shall provide statewide daily specimen pick-up service (i.e., United Parcel Service, Airborne Express, Federal Express, or comparable), from each requesting location, and overnight delivery service to the laboratory regardless of quantity, during normal State business hours 8:00 a.m. to 5:00 p.m., Monday - Friday. Pick-up service, at the State's request, is one pick-up per day per location up to a maximum of two pick-ups per day per location.

A.18. Specimen Mailing Containers. Overnight mailing containers, which are prepaid, self-addressed, and contain shipment tracking from the sending location to the laboratory, shall be provided by the successful vendor. The cost for courier service and overnight mailing containers should be factored into the Contractor's Cost Proposal.

A.22. Freight F.O.B. State and Local Government Agencies. All quotations shall be F.O.B. destination shall mean delivered and unloaded onto the receiving dock of any state agency and, when applicable, any local government agency or authorized corporation within the State of Tennessee, with all charges for transportation and unloading prepaid by the vendor/contractor.

B. CONTRACT TERM:

B.1. Contract Term. This Contract shall be effective for the period commencing on July 1, 2004 and ending on June 30,2007. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

B.2. Term Extension. The State reserves the right to extend this Contract for an additional period or periods of time representing increments of no more than one year and a total contract term of no more than Five (5) years, provided that the State notifies the Contractor in writing of its intention to do so at least ninety (90) days prior to the contract expiration date. An extension of the term of this Contract will be effected through an amendment to the Contract. If the extension of the Contract necessitates additional funding beyond that which was included in the original Contract, the increase in the State's maximum liability will also be effected through an amendment to the Contract and shall be based upon rates provided for in the original contract.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed One Hundred and Sixty Thousand Dollars ($160,000.00). The Service Rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The Service Rates include, but are not limited to, all applicable taxes, fees, supplies, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the Service Rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

C.2. Compensation Firm. The Service Rates and the Maximum Liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.

C.3. Payment Methodology. The Contractor shall be compensated based on the Service Rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1. The Contractor's compensation shall be contingent upon the satisfactory completion of units of service or project milestones defined in Section A. The Contractor shall be compensated based upon the following Service Rates:

SERVICE UNIT	7/1/04-6/30/05	7/01/05-6/30/06	7/01/06-6/30/07	7/01/07-6/30/08*	7/01/08-6/30/09*
Eight (8) Panel Drug Screen with GC/MS Confirmation	$25.00	$25.00	$26.50	$26.50	$28.00
Five (5) Panel Drug Screen with GC/MS Confirmation	$25.00	$25.00	$26.50	$26.50	$28.00
Single Panel Drug Screen with GC/MS Confirmation	$25.00	$25.00	$26.50	$26.50	$28.00
Alcohol with confirmation	$20.00	$20.00	$21.50	$21.50	$23.00
Court Affidavit (each case)	N/C	N/C	N/C	N/C	N/C
In Court Testimony (per hour)	N/C	N/C	N/C	N/C	N/C

* Contingent upon contract extension by amendment.

The Contractor shall submit monthly invoices, in form and substance acceptable to the State with all of the necessary supporting documentation, prior to any payment. Such invoices shall be submitted for completed units of service or project milestones for the amount stipulated.

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.

C.5. Payment of Invoice. The payment of the invoice by the State shall not prejudice the State's right to object to or question any invoice or matter in relation thereto. Such payment by the State shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the amounts invoiced therein.

C.6. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted

in accordance with the terms of this contract, not to constitute proper remuneration for compensable services.

C.7. Deductions. The State reserves the right to deduct from amounts which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee any amounts which are or shall become due and payable to the State of Tennessee by the Contractor.

C.8. Automatic Deposits. The Contractor shall complete and sign an "Authorization Agreement for Automatic Deposit (ACH Credits) Form." This form shall be provided to the Contractor by the State. Once this form has been completed and submitted to the State by the Contractor all payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH). The Contractor shall not invoice the State for services until the Contractor has completed this form and submitted it to the State.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.

D.2. Modification and Amendment. This Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.

D.3. Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the State. The State shall give the Contractor at least thirty (30) days written notice before the effective termination date. The Contractor shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.4. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.

D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Contract pertaining to "Conflicts of Interest" and "Nondiscrimination" (sections D.6. and D.7.). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.

D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.

D.7. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

D.8. Records. The Contractor shall maintain documentation for all charges against the State under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed

or money received under this contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.

D.9. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

D.10. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.

D.11. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

D.12. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.

D.13. State Liability. The State shall have no liability except as specifically provided in this Contract.

D.14. Force Majeure. The obligations of the parties to this contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, strikes, epidemics or any other similar cause.

D.15. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.

D.16. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under ***Tennessee Code Annotated***, Sections 9-8-101 through 9-8-407.

D.17. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

D.18. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.

D.19. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.

E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by facsimile transmission, by overnight courier service, or by first class mail, postage prepaid, addressed to the respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

The State:
Bobby Halliburton, Acting Director Field Services
Board of Probation and Parole
404 James Robertson Parkway
(615) 741-3141 Telephone Number
(615) 532-4846 Facsimile Number

The Contractor:
Frank Moser
Director of Marketing
Aegis Sciences Corporation
345 Hill Avenue
Nashville, TN 37210
Phone: 615.255.2400 ext. 613
Facsimile: 615.255.3030

All instructions, notices, consents, demands, or other communications shall be considered effectively given as of the day of delivery; as of the date specified for overnight courier service delivery; as of three (3)business days after the date of mailing; or on the day the facsimile transmission is received mechanically by the telefax machine at the receiving location and receipt is verbally confirmed by the sender if prior to 4:30 p.m. CST. Any communication by facsimile transmission shall also be sent by United States mail on the same date of the facsimile transmission.

E.3. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

E.4. Incorporation of Additional Documents. Included in this Contract by reference are the following documents:

a. The Contract document and its attachments
b. All Clarifications and addenda made to the Contractor's Proposal
c. The Request for Proposal and its associated amendments
d. Technical Specifications provided to the Contractor
e. The Contractor's Proposal

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

E.5. Confidentiality of Records. Strict standards of confidentiality of records shall be maintained in accordance with the law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of State law and ethical standards

and shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with State law and ethical standards.

The Contractor will be deemed to have satisfied its obligations under this section by exercising the same level of care to preserve the confidentiality of the State's information as the Contractor exercises to protect its own confidential information so long as such standard of care does not violate the applicable provisions of the first paragraph of this section.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

E.6. Copyrights and Patents. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State for infringement of any laws regarding patents or copyrights which may arise from the Contractor's performance of this Contract. In any such action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any final judgment for infringement. The Contractor further agrees it shall be liable for the reasonable fees of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State. The State shall give the Contractor written notice of any such claim or suit and full right and opportunity to conduct the Contractor's own defense thereof.

E.7. Public Accountability. If this Contract involves the provision of services to citizens by the Contractor on behalf of the State, the Contractor agrees to establish a system through which recipients of services may present grievances about the operation of the service program, and the Contractor agrees to display a sign stating:

"NOTICE: This Contractor is a recipient of taxpayer funding. If you observe an employee engaging in any activity which you consider to be illegal or improper, please call the State Comptroller's toll free hotline: 1-800-232-5454"

Said sign shall be displayed in a prominent place, located near the passageway(s) through which the public passes to receive State funded services.

E.8. Date/Time Hold Harmless. As required by ***Tennessee Code Annotated***, Section 12-4-118, the contractor shall hold harmless and indemnify the State of Tennessee; its officers and employees; and any agency or political subdivision of the State for any breach of contract caused directly or indirectly by the failure of computer software or any device containing a computer processor to accurately or properly recognize, calculate, display, sort or otherwise process dates or times.

E.9. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to

the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by *Tennessee Code Annotated*, Section 8-6-106.

E.10. Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, *et. seq.*, the law governing the Tennessee Consolidated Retirement System, provides that if a retired member returns to State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor may be required to repay to the Tennessee Consolidated Retirement System the amount of retirement benefits the Contractor received from the Retirement System during the period of this Contract.

E.11. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it and its principals:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal or State department or agency;

b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining attempting to obtain, or performing a public (Federal, State, or Local) transaction or grant under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

c. are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or Local) with commission of any of the offenses detailed in section b. of this certification; and

d. have not within a three (3) year period preceding this Contract had one or more public transactions (Federal, State, or Local) terminated for cause or default.

E.12. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.

a. Contractor warrants to the State that it is familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this contract.

b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations, in the course of performance of the Contract so that both parties will be in compliance with HIPAA.

c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by HIPAA and that are reasonably necessary to keep the State and Contractor in compliance with HIPAA. This provision shall not apply if information received by the State under this Contract is NOT "protected health information" as defined by HIPAA, or if HIPAA permits the State to receive such information without entering into a business associate agreement or signing another such document.

IN WITNESS WHEREOF:

AEGIS SCIENCES CORPORATION:

David Black, President, CEO — Date 6/21/04

BOARD OF PROBATION AND PAROLE:

Charles M. Traughber, Chairman — Date 6/23/04

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

M. D. Goetz, Jr., Commissioner — Date JUL 13 2004

COMPTROLLER OF THE TREASURY:

John G. Morgan, Comptroller of the Treasury — Date 7/22/04