COOPERATIVE PURCHASING AGREEMENT BETWEEN THE TOWN OF FOUNTAIN HILLS AND SOUTHWEST LABORATORIES, INC.

THIS COOPERATIVE PURCHASING AGREEMENT (this "Agreement") is entered into as of December 17, 2015, between the Town of Fountain Hills, an Arizona municipal corporation (the "Town"), and Southwest Laboratories, Inc., a Nevada corporation (the "Contractor").

RECITALS

A. After a competitive procurement process, the State of Arizona (the "State") entered into Contract No. ADSPO12-018317, dated February 16, 2012, as amended by that certain Amendment No. One, dated January 10, 2013, that certain Amendment No. Two, dated January 27, 2014, that certain Amendment No. Three, dated December 17, 2014, and that certain Amendment No. Four, dated July 2, 2015 (collectively, the "State Contract"), for the Contractor to provide drug and alcohol testing. A copy of the State Contract is attached hereto as Exhibit A and incorporated herein by reference, to the extent not inconsistent with this Agreement.

B. The Town is permitted, pursuant to Section 3-3-27 of the Town Code, to make purchases under the State Contract, at its discretion and with the agreement of the awarded Contractor, and the State Contract permits its cooperative use by other public entities, including the Town.

C. The Town and the Contractor desire to enter into this Agreement for the purpose of (i) acknowledging their cooperative contractual relationship under the State Contract and this Agreement, (ii) establishing the terms and conditions by which the Contractor may provide the Town with drug and alcohol testing, as more particularly set forth in Section 2 below on an "as-required" basis (the "Services") and (iii) setting the maximum aggregate amount to be expended pursuant to this Agreement related to the Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until February 15, 2016 (the "Initial Term"), unless terminated as otherwise provided in this Agreement or the State Contract. After the expiration of the Initial Term, this Agreement may be renewed for one successive one-year term (a "Renewal Term") if (i) it is deemed in the best interests of the Town, subject to availability and appropriation of funds for renewal in the subsequent year, (ii) the term of the State Contract has not expired or has been extended, (iii) at least 30 days prior to the end of the then-current

term of this Agreement, the Contractor requests, in writing, to extend this Agreement for an additional one-year term and (iv) the Town approves the additional one-year term in writing (including any price adjustments approved as part of the State Contract), as evidenced by the Town Manager's signature thereon, which approval may be withheld by the Town for any reason. The Contractor's failure to seek a renewal of this Agreement shall cause this Agreement to terminate at the end of the then-current term of this Agreement; provided, however, that the Town may, at its discretion and with the agreement of the Contractor, elect to waive this requirement and renew this Agreement. The Initial Term and the Renewal Term are collectively referred to herein as the "Term." Upon renewal, the terms and conditions of this Agreement shall remain in full force and effect.

2. Scope of Work. This is an indefinite quantity and indefinite delivery Agreement for Services under the terms and conditions of the State Contract. The Town does not guarantee any minimum or maximum number of purchases will be made pursuant to this Agreement. Purchases will only be made when the Town identifies a need and proper authorization and documentation have been approved. For purchase(s) determined by the Town to be appropriate for this Agreement, the Contractor shall provide the Services to the Town in such quantities and configurations as may be agreed upon between the parties, in the form of a written invoice, quote, work order or other form of written agreement describing the work to be completed (each, a "Work Order"). Each Work Order approved and accepted by the parties pursuant to this Agreement shall (i) contain a reference to this Agreement and the State Contract and (ii) be attached hereto as Exhibit B and incorporated herein by reference. Work Orders submitted without referencing this Agreement and the State Contract will be subject to rejection.

3. Compensation. The Town shall pay Contractor for the Initial Term and for the subsequent Renewal Term, if any, an annual aggregate amount not to exceed $550.00 for the Services at the unit rates set forth in the State Contract. The maximum aggregate amount for this Agreement, including all Renewal Terms, shall not exceed $1,100.00.

4. Payments. The Town shall pay the Contractor monthly for Services performed and completed to date, and upon submission and approval of invoices. Each invoice shall (i) contain a reference to this Agreement and the State Contract and (ii) document and itemize all work completed to date. The invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment. Additionally, invoices submitted without referencing this Agreement and the State Contract will be subject to rejection and may be returned.

5. Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under Section 6 below, Contractor's and its subcontractors' books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (i) evaluation and verification of any invoices, payments or claims based on Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this

Agreement and (ii) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in Section 6 below. To the extent necessary for the Town to audit Records as set forth in this Section, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Contractor pursuant to this Agreement. Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this Section. The Town shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this Section by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

6. E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractors' failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

7. Conflict of Interest. This Agreement may be canceled by the Town pursuant to ARIZ. REV. STAT. § 38-511.

8. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and a suit pertaining to this Agreement may be brought only in courts in Maricopa County, Arizona.

9. Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep Contractor informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. Contractor hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this section.

10. Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the terms of this Agreement, any Town-approved work orders, the State Contract and invoices, the documents shall govern in the order listed herein. Notwithstanding the foregoing, and in conformity with Section 2 above, unauthorized exceptions, conditions, limitations or provisions in conflict with the terms of this Agreement or the State Contract (collectively, the "Unauthorized Conditions"), other than the Town's project-specific requirements, are expressly declared void and shall be of no force and effect. Acceptance by the Town of any work order or invoice containing any such Unauthorized Conditions or failure to demand full compliance with the terms and conditions set forth in this Agreement or under the State Contract shall not alter such terms and conditions or relieve Contractor from, nor be construed or deemed a waiver of, its requirements and obligations in the performance of this Agreement.

11. Rights and Privileges. To the extent provided under the State Contract, the Town shall be afforded all of the rights and privileges afforded to the State and shall be the "State" (as defined in the State Contract) for the purposes of the portions of the State Contract that are incorporated herein by reference.

12. Indemnification; Insurance. In addition to and in no way limiting the provisions set forth in Section 11 above, the Town shall be afforded all of the insurance coverage and indemnifications afforded to the State to the extent provided under the State Contract, and such insurance coverage and indemnifications shall inure and apply with equal effect to the Town under this Agreement including, but not limited to, the Contractor's obligation to provide the indemnification and insurance. In any event, the Contractor shall indemnify, defend and hold harmless the Town and each council member, officer, employee or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions, in connection with the work or services of the Contractor, its officers, employees, agents, or any tier of subcontractor in the performance of this Agreement.

13. Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town: Town of Fountain Hills
16705 East Avenue of the Fountains
Fountain Hills, Arizona 85268
Attn: Grady E. Miller, Town Manager

With copy to:	GUST ROSENFELD P.L.C. One East Washington Street, Suite 1600 Phoenix, Arizona 85004-2553 Attn: Andrew J. McGuire, Esq.
If to Contractor:	Southwest Laboratories, Inc. 4625 East Cotton Center Boulevard, Suite 177 Phoenix, Arizona 85040 Attn: Jennifer Carreras

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

"Town"

TOWN OF FOUNTAIN HILLS,
an Arizona municipal corporation

Grady E. Miller, Town Manager

ATTEST:

Bevelyn J. Bender, Town Clerk

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On January 20th, 2016 SKL, before me personally appeared Grady E. Miller, the Town Manager of the TOWN OF FOUNTAIN HILLS, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of the Town of Fountain Hills.

JENNIFER LYONS
Notary Public, State of Arizona
Maricopa County
My Commission Expires
April 09, 2019

Notary Public

(Affix notary seal here)

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

"Contractor"

SOUTHWEST LABORATORIES, INC.,
a Nevada corporation

By: Sonja Hoppe

Name: Sonja Hoppe

Title: Vice President

(ACKNOWLEDGMENT)

STATE OF Arizona)
) ss.
COUNTY OF Maricopa)

On January 18th, 2016, before me personally appeared Sonja Hoppe, the Vice President of SOUTHWEST LABORATORIES, INC., a Nevada corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he/she claims to be, and acknowledged that he/she signed the above document on behalf of the corporation.

Notary Public

(Affix notary seal here)

My Commission Expires
02-04-2017

2512669.1

EXHIBIT A
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
SOUTHWEST LABORATORIES, INC.

[State Contract]

See following pages.

	Contract Amendment		State of Arizona State Procurement Office 100 N. 15TH Avenue, Suite 201 Phoenix, AZ 85007
	Contract No.: ADSPO12-018317	PAGE 1 OF 1	
	Amendment No.: Four (4)		

CONTRACTOR:	STATE AGENCY:
Southwest Laboratories, Inc. 4625 E. Cotton Center Blvd. Suite 177 Phoenix, AZ 85040	AZ Department of Administration State Procurement Office 100 N. 15th Avenue, Suite 201 Phoenix, AZ 85007
CONTACT: Sonja Hoppe PHONE: 602-438-8507 EMAIL: sonjahoppe@southwestlaboratories.com	CONTACT: Gina DeCotiis PHONE: 602-364-1087 EMAIL: gina.decotiis@azdoa.gov

DRUG AND ALCOHOL TESTING

1. In accordance with the Uniform Terms and Conditions Paragraph 5., Contract Changes, on Page 34 of 41, the aforementioned Collection Sites are hereby in accordance with document entitled CS-Southwest Laboratories Collection Sites July 2015 (2).pdf

2. All other terms, conditions and provisions remain unchanged.

This Contract Amendment is not binding against the State of Arizona unless signed by an authorized representative of the Contractor and then accepted in writing by an authorized representative of the State.

Contractor hereby acknowledges receipt and understanding of the above amendment.	The above referenced contract amendment is hereby executed this date by the State.
Sonja Hoppe 07/02/2015 Signature Date	Gina DeCotiis 7/2/2015 Signature Date
Sonja Hoppe / Vice President Printed/Typed Name and Title	Gina DeCotiis, Sr. Procurement Specialist Printed/Typed Name and Title

	Contract Amendment		State of Arizona State Procurement Office 100 N. 15TH Avenue, Suite 201 Phoenix, AZ 85007
	Contract No.: ADSPO12-018317	PAGE 1 OF 1	
	Amendment No.: THREE (3)		

CONTRACTOR:	STATE AGENCY:
Southwest Laboratories, Inc. 4625 E. Cotton Center Blvd. Suite 177 Phoenix, AZ 85040	AZ Department of Administration State Procurement Office 100 N. 15th Avenue, Suite 201 Phoenix, AZ 85007
CONTACT: Sonja Hoppe **PHONE:** 602-438-8507 **EMAIL:** sonjahoppe@southwestlaboratories.com	**CONTACT:** Gina DeCotiis **PHONE:** 602-364-1087 **EMAIL:** gina.decotiis@azdoa.gov

DRUG AND ALCOHOL TESTING

1. In accordance with the Uniform Terms and Conditions Paragraph 5.1, Contract Changes, on Page 34 of 41, the aforementioned contract Scope of Work Section 5.2, Component I: Collection is hereby amended to include the following:

5.1.6. OUT-OF-STATE DRUG AND/OR ALCOHOL TESTING COLLECTION SERVICES

Using Agency requests for out-of-state drug and/or alcohol testing collection services shall be coordinated by the contracted vendor, taking into consideration the closest facility to candidate requiring testing and cost effectiveness of the subcontracted out-of-state collection site. Contractor shall verify the subcontracted out-of-state collection site is certified to administer collection and other duties in a manner conforming to Federal, State, and Using Agency specific requirements.

The Contractor shall notify the requesting agency in writing of the subcontracted out of state collection site fee. The using agency shall approve the out of state collection charges prior to services being conducted. The Contractor shall ship the required testing kit/supplies to the subcontracted out-of-state collection site the same day the request is approved by the using agency. The Contractor shall bill out-of-state collection services as follows:

1. Out-of-State Shipping/Freight Fee – (Rate charged by shipping company to and from collection site. Contractor shall provide using agency with documentation of shipping fees upon agency request)
2. Out-of-State Collection Services Site Fee– (As charged by the subcontracted out-of-state collection site and approved by the using agency)
3. Out-of-State Contractor Processing Fee (As charged by Contractor for the cost of coordinating an out-of-state collection site and providing supplies)
4. Laboratory Services – (As charged by the Contractor in accordance with contract test performed)

PRICING

- Addition of line item fifty (50). Out-of-State Shipping/Freight Fee – (Rate charged by shipping company to and from collection site. Contractor shall provide using agency with documentation of shipping fees upon agency request)
- Addition of line item fifty one (51). Out-of-State Collection Services Site Fee– (As charged by the subcontracted out-of-state collection site and approved by the using agency)
- Addition of line item fifty two (52). Out-of-State Contractor Processing Fee (As charged by Contractor for the cost of coordinating out-of-state collection site and providing required test supplies). Out-of-State Contractor Processing Fee shall be fifteen (15.00) dollars.

2. In accordance with Uniform Terms and Conditions, Paragraph 5.1, Amendments, on Page 34 of 41, the aforementioned contract Special Terms and Conditions Paragraph 6 Administrative Fee/Usage is hereby amended as follows:

6. ADMINISTRATIVE FEE/USAGE REPORTS

1.1 Administrative Fee.

1.1.1. The Statewide Contracts Administrative Fee shall be one percent (1.0%) of sales receipts under an active Statewide contract, transacted by only the members of the State Purchasing Cooperative, minus any taxes or regulatory fees, minus any returns or credits, and minus any shipping charges not already included in the unit prices. The Administrative Fee percentage is only applicable to amounts actually received by the contractor during the quarter and is not applicable to amounts ordered by customers but not yet paid for. The Administrative Fee is not paid on transactions with state agency customers.

1.1.2. The State may expand or narrow the applicability of this fee at its option. The State shall provide thirty (30) days written notice prior to exercising or changing this option.

1.2 Method of Administrative Fee Assessment and Usage Reporting.

1.2.1 Contractor shall assess an Administrative Fee in the amount of one (1.0%) of sales receipts against all contract sales to members of the State Purchasing Cooperative – including cities, counties, school districts, special districts, other state governments, agencies of the federal government, tribal nations, schools, medical institutions, nonprofit organizations, and other qualified members. The administrative fee is calculated against all sales under this contract minus any taxes or regulatory fees, minus any returns or credits, and minus any shipping charges not already included in the unit prices.

1.2.2 An updated list of State Purchasing Cooperative members may be found at https://spo.az.gov/procurement-services/cooperative-procurement/state-purchasing-cooperative.

1.2.3 The Administrative Fee is the responsibility of the contractor. The Administrative Fee shall be a part of the Contractor's unit prices and is not to be charged directly to the customer in the form of a separate line item. Statewide contracts shall not have separate prices for State Agency customers and State Purchasing Cooperative customers.

1.2.4 The Contractor shall furnish the state a quarterly Usage Report delineating the sales activity as governed by the contract. The contractor identifies all sales receipts transacted by members of the State Purchasing Cooperative and assesses one percent (1.0%) of this amount in their Usage Report. Sales to state agencies and the cooperative members are to be totaled separately.

The contractor summarizes all sales, along with all assessed Administrative Fee amounts within their Usage Report, including total amounts for the following:

•Total sales receipts from State agencies, boards and commissions.

•Total sales receipts from members of the State Purchasing Cooperative.

•Total Administrative Fee amount based on one percent (1.0%) of the sales receipts from members of the State Purchasing Cooperative.

1.2.5 The proper Usage Report forms may be found on the State Procurement Office's web site at https://spo.az.gov/statewide-contracts-administrative-fee.

1.2.6 Contractor is required to complete Form 799 (cover letter that totals transactions) and Form 801 (Excel spreadsheet detailing transactions) when submitting their Usage Report. Any alternate quarterly Usage Report format shall be approved by the Procurement Officer.

1.2.6.1 In the event there is "no contract sales activity" on the contract in a reporting period, the contractor shall submit Form 799 with "$0.00" in the amount fields" and complete the header information with your company name, contract number and contract description.

1.2.6.2 The contractor shall maintain a dedicated email account for the reports.

1.2.6.3 Upon review, report submissions that do not contain all the required information or have entries that are listed incorrectly will be returned to the contractor for correction.

1.2.7 Contractor's failure to remit accurate administrative fees and quarterly usage reports in a timely manner consistent with the contract's requirements may result in the State exercising any recourse available under the contract or as provided for by law.

1.2.8 Additional Reports. The Contractor shall furnish additional reports relating to contract usage upon request.

1.3 Submission of Fees and Reports.

1.3.1 The **submission schedule for Administrative Fees and Usage Reports shall be as follows:**

- State Fiscal Quarter 1 (Jul 1 - Sept 30): **Due by Oct 30**
- State Fiscal Quarter 2 (Oct 1 - Dec 31): **Due by Jan 30**
- State Fiscal Quarter 3 (Jan 1 - Mar 31): **Due by Apr 30**
- State Fiscal Quarter 4 (Apr 1 - Jun 30): **Due by Jul 30**

1.3.2 The applicable Administrative Fee shall be Payable To "State Procurement Office" and submitted to the following address:

Arizona Department of Administration
General Services Division
Attention: "Statewide Contract Administrative Fee"
100 15th Avenue, Suite 202
Phoenix, AZ 85007

1.3.3 The contractor shall submit Usage Reports and any questions electronically to the state's designated usage report email address: usage@azdoa.gov.

3. In accordance with Special Term and Condition Paragraph 9, Term of Contract, on Page 25 of 41, the aforementioned contract is hereby extended for an additional one-year period. **The term of the extended contract shall be from February 15, 2015 to February 15, 2016.**

4. All other terms, conditions and provisions remain unchanged.

This Contract Amendment is not binding against the State of Arizona unless signed by an authorized representative of the Contractor and then accepted in writing by an authorized representative of the State.	
Contractor hereby acknowledges receipt and understanding of the above amendment.	The above referenced contract amendment is hereby executed this date by the State.
Sonja Hoppe 12/17/2014 Signature Date	Gina DeCotiis 12/17/14 Signature Date
Sonja Hoppe / Vice President Printed/Typed Name and Title	Gina DeCotiis, Sr. Procurement Specialist Printed/Typed Name and Title

Contract Amendment

State of Arizona
State Procurement Office

Statewide Contract

Contract No: ADSPO12-018317
Description: Drug & Alcohol testing

Amendment ~~One (1)~~ Two (2) to Contract ADSPO12-018317

Drug and Alcohol Testing

AGENCY: ADOA State Procurement Office
100 N. 15th Ave., Suite 201
Phoenix, AZ 85007

CONTACT: Julie Ascanio
(602) 542-9139
Julie.Ascanio@azdoa.gov

VENDOR: Southwest Laboratories INC
4625 E. Cotton Center Blvd.
Suite 177
Phoenix, AZ 85040

CONTACT: Sonja Hoppe
(602) 438-8507 x177
sonjahoppe@southwestlaboratories.com

THE ABOVE REFERENCED CONTRACT IS AMENDED AS FOLLOWS:

1. Contract Extension
In accordance with Special Terms and Conditions, Section 9, Term of the Contract, on Page 25 of 41, the aforementioned contract is hereby extended from 02/16/2014 to 02/15/2015.

ALL OTHER TERMS, CONDITIONS AND PROVISIONS REMAIN UNCHANGED.

Contractor hereby acknowledges receipt of and agreement with the amendment. A signed copy must be filed with the State Procurement Office.

Sonja Hoppe — 1/22/2014
AUTHORIZED SIGNATURE — DATE

Sonja Hoppe, Vice President
PRINTED NAME AND TITLE

THE ABOVE REFERENCED CONTRACT AMENDMENT IS HEREBY EXECUTED THIS DATE BY THE STATE.

Connie Schneider — 1/28/14
AUTHORIZED SIGNATURE — DATE

Connie Schneider, Procurement Supervisor
PRINTED NAME AND TITLE

	Contract Amendment		State of Arizona State Procurement Office 100 N. 15TH Avenue, Suite 201 Phoenix, AZ 85007
	Contract No.: ADSPO12-018317	PAGE 1 OF 1	
	Amendment No.: One (1)		

CONTRACTOR: Southwest Laboratories Inc.	STATE AGENCY:
Suite 177 4625 E Cotton Center Blvd. Phoenix, AZ 85040	AZ Department of Administration State Procurement Office 100 N. 15th Avenue, Suite 201 Phoenix, AZ 85007
CONTACT: Sonja Hoppe PHONE: (602) 438-~~4723~~ 8507 X111 EMAIL: sonjahoppe@southwestlaboratories.com	CONTACT: Edwin V. Nyberg PHONE: (602) 542-9139 EMAIL: Edwin.Nyberg@azdoa.gov

Drug and Alcohol Testing

1. In accordance with Special Term and Condition Paragraph 9, Term of Contract, on Page 25 of 41, the aforementioned contract is hereby extended for an additional one-year period. The term of the extended contract shall be from February 16, 2013 to February 15, 2014.

2. All other terms, conditions and provisions remain unchanged.

This Contract Amendment is not binding against the State of Arizona unless signed by an authorized representative of the Contractor and then accepted in writing by an authorized representative of the State.

Contractor hereby acknowledges receipt and understanding of the above amendment.	The above referenced contract amendment is hereby executed this date by the State.
Sonja Hoppe 1/9/2013 Signature Date	Edwin V. Nyberg Jan 10, 2013 Signature Date
Sonja Hoppe Vice President Printed/Typed Name and Title	Edwin V. Nyberg, Sr. Procurement Specialist Printed/Typed Name and Title

Offer and Acceptance

State of Arizona
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Description: Drug & Alcohol Testing

OFFER

TO THE STATE OF ARIZONA:

The Undersigned hereby offers and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications and amendments in the Solicitation and any written exceptions in the offer.

Arizona Transaction (Sales) Privilege Tax License No.: 07379795-R

Federal Employer Identification No.: 86-0592413

Phone: 602-438-8507 x 111

Fax: 602-438-1723

Southwest Laboratories Inc.
Company Name

4625 E. Cotton Center Blvd. Suite 177
Address

Phoenix — City
AZ — State
85040-4808 — Zip

Signature of Person Authorized to Sign Offer

Sonja Hoppe
Printed Name

Vice President
Title

By signature in the Offer section above, the Offeror certifies:

1. The submission of the Offer did not involve collusion or other anticompetitive practices.
2. The Offeror shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, State Executive Order 2009-9 or A.R.S. §§ 41–1461 through 1465.
3. The Offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the offer. Signing the offer with a false statement shall void the offer, any resulting contract and may be subject to legal remedies provided by law.
4. The Offeror certifies that the above referenced organization ___ **IS/** ___ **IS NOT** a small business with less than 100 employees or gross revenues of $4 million or less.
5. In accordance with A.R.S. §35–393, the Offeror hereby certifies that the Offeror does not have scrutinized business operations in Iran.
6. In accordance with A.R.S. §35–391, the Offeror hereby certifies that the Offeror does not have scrutinized business operations in Sudan.

Delivery and Installation is promised within ____calendar days after receipt of an order. If payment is made within ___ days after receipt of goods and services, the buyer is entitled to a discount of ____% on the above-listed price(s).

ACCEPTANCE OF OFFER

The Offer is hereby accepted.

The Contractor is now bound to sell the materials or services listed by the attached contract and based upon the solicitation, including all terms, conditions, scope of work requirements/specifications, amendments, etc., and the Contractor's Offer as accepted by the State.

This Contract shall henceforth be referred to as Contract No. ADSPO12-018317. The Contractor has been cautioned not to commence any billable work or to provide any material or service under this contract until Contractor receives purchase order, contact release document or written notice to proceed.

State of Arizona
Awarded this 16th **day of** February **20** 12

Susan Bayer
Procurement Officer

1. INTRODUCTION

1.1. This document constitutes a Request for Proposal (RFP) from qualified individuals, firms, or organizations to provide drug and alcohol testing and related services in one (1) or more of the components of service as described herein. These services will be provided to State Agencies, Boards, Commissions, and political subdivisions (hereafter referred to as State Agency). Individuals subject to testing include, but are not limited to: employees or potential employees of the State Agency; individuals who are licensed, certified, monitored (tracked, supervised, overseen) by a State Agency or their designated representative(s); subject to a regulation/mandate by the State Agency or other governmental entity; or individuals who are subject to a workplace drug and alcohol testing program in accordance with Federal, State, County, or City mandates, regulation, policy and/or procedures. This also includes a culturally diverse population of male and female juveniles eleven (11) years of age and older who have not attained 18 years of age and are under jurisdiction of the state. The contract that results from this RFP may be expanded to meet further needs and it may be modified to incorporate changes in federal regulations or the State of Arizona's policy.

1.1.1. Federally Mandated Testing (DOT)
Individuals who are subject to the federally mandated (e.g., DOT) testing program must have their specimens tested by a laboratory that is certified under the Substance Abuse and Mental Health Service Administration (SAMHSA). The DOT 7-Part Chain Of Custody Form (also known as the Drug Testing Custody & Control Form) would be utilized in compliance with DOT and other federal compliance programs.

1.1.2. Non – Federally Mandated Testing (non-DOT)
Those individuals who are not subject to this Federal mandate (e.g., non-DOT), however, may elect to have their testing performed by a laboratory that holds accreditation for forensic urine drug testing (FUDT) from the Commission on Laboratory Accreditation of the College of American Pathologists (CAP). A 4-Part Chain Of Custody Form will be used in conjunction with the performance of non-DOT testing (or other mandated programs that do not require SAMHSA certification of the testing laboratory).

1.2. The services listed below are fundamental to the performance of DOT and non-DOT specified drug and alcohol testing of individuals referred by the State Agency. Major service components include:

a. Collection (urine specimen for drugs/alcohol and/or breath analysis);
b. Testing performed in the laboratory (inspection, chain of custody, testing, analysis, evaluation, reporting, oversight of work performed by a Subcontractor when utilized, and record administration) and/or alternative alcohol testing performed using other testing devices and procedures (e.g., DOT approved single use saliva alcohol testing device, PBT and/or drug screen device/product that is currently for non-DOT use);
c. Expert witness testimony;
d. Medical Review Officer (MRO);
e. Breath Alcohol Technician (BAT);

1.3 When services are to be provided in conjunction with a federally mandated workplace drug testing program, applicable Federal standards and procedures (i.e., required by the DOT drug and alcohol rules [49 CFR Parts 40 "Procedures for Transportation Workplace Drug Testing Programs", and 382 for Commercial Drivers License holders]) shall be followed. The procedures in 49 CFR Part 40 are based on the U.S. Department of Health and Human Services' Mandatory Guidelines for Federal Workplace Drug Testing Programs in Federal Register (53 CFR 11970). Additionally, in 1991, the Omnibus Transportation Employee Testing Act was introduced by the DOT to require an alcohol testing program in the aviation, motor carrier, rail, and transit industries in the interest of health and safety of the public.

1.3.1. Within State government, there are Agencies that employ individuals who perform safety sensitive functions such as those classifications identified by Agency policy, which require possession of a Commercial Drivers License (CDL).

1.3.2 With few variations (e.g., type of laboratory certification/accreditation, number of parts to the chain-of-custody form), the collection and testing process, standards, and procedures for DOT and non-DOT covered personnel will be conducted in the same manner.

1.4 Occasions for this testing include, but are not limited to, one (1) or more of the following: pre-employment, reasonable suspicion, random, post-accident, return to duty, follow-up, for cause or as part of an individual's participation in a monitored program.

2. BACKGROUND

2.1 Adult operation of equipment and vehicles
The Omnibus Act of 1991 requires drug and alcohol testing of employees performing safety-sensitive functions in the aviation, motor carrier, railroad, and mass transit industries. As required by the Federal Highway and Federal Transit Administrations, 49 CFR Parts 40 and 382, drivers who are required to have a Commercial Driver's License (CDL), who operate vehicles of over 26,001 GV WR, drive DOT placarded vehicles under hazardous material regulations, drive vehicles designed to transport more than sixteen (16) passengers (including the driver) must participate in a drug and alcohol testing program.

2.2 Juveniles adjudicated delinquent
A Select State Agency is responsible for juveniles adjudicated delinquent and committed to its jurisdiction by the county juvenile courts. The State Agency is responsible for establishing and operating a system of community-based programs to supervise and rehabilitate youth in the least restrictive environment, consistent with public safety and the needs of juveniles on parole status or in a secure care facility. The majority of youth referred for substance abuse screenings receive community based services ranging from intensive residential treatment to out-patient counseling and independent living. For example, Community Corrections utilizes the Continuous Case Plan (CCP) to reduce the risk of delinquent activities and recidivism of committed youth. Juveniles committed to a secure care facility are provided high quality behavioral health treatment services to assist them with acquiring the necessary tools to contribute to their healthy, successful and safe transition into the community. Currently, the Residential Substance Abuse Treatment (RSAT) program, operating behind the fence within the secure care facilities, collects samples for drug screening.

3. USAGE

3.1. In order to maintain the integrity of the drug/alcohol testing program, collection services need to be available to State Agencies not only during regular work hours (e.g., from 8 A.M., M.S.T. until 5 P.M., M.S.T.), but other hours of business such as: during early morning hours, evening hours, weekends, and holidays. To that end, each Offeror who should establish and maintain multiple (1) collection sites (within a reasonable travel distance of each town/city to be served in order to insure that services would be available for time frames other than the 8 A.M. To 5 P.M. (M.S.T.) as needed by the State Agency. Usage is spread out through the entire state.

3.1.1. Possible options for providing twenty-four (24) hour service coverage would include, but are not limited to, establishing a subcontract with a facility that either operates twenty-four (24) hours a day, seven (7) days a week, three hundred sixty-five (365) days per year or, at least, during the non-traditional business work hours. Additionally, an on-call or appointment system should be established to provide collection services on an appointment basis.

3.1.2. The State of Arizona, and its political subdivisions, reserve the right to go outside any resultant contract(s) to obtain services as necessary to meet the needs of the State or political subdivision (e.g., Medical Review Officer, provision of collection services in designated areas).

4. GENERAL REQUIREMENTS

4.1. The Contractor shall have the credentials, experience, expertise, record of successful performance, trained personnel, designated equipment/materials/supplies as required to satisfy applicable Federal, State and/or State Agency rules, regulations, mandates, requirements, and procedures associated with the provision of one (1) or more of the service components listed herein:

Component I	Collection services (to include: mobile unit collection; random selection/notification for testing; collection/testing of blood, urine, hair follicle, oral fluid and other services as designated by the Offeror)
Component II	Laboratory services
Component III	Medical Review Officer (MRO)
Component IV	Breath Alcohol Testing performed by a breath alcohol technician (BAT) using DOT approved breath alcohol testing equipment

4.1.1. With very few exceptions, protocols, standards, and procedures utilized in conjunction with any of the above-referenced service components shall be performed in accordance with applicable Federal requirements that include, but are not limited to, 49 CFR Parts 40 and 384 and ARS23-493 THROUGH 23-493-12. It should also be noted that a majority of the tasks/subtasks associated with drug and alcohol testing (e.g., custody and control requirements, specimen processing, transportation, storage/retrieval, reporting, and contract administration) are a shared responsibility among those (Contractors) providing many of the above-listed service components.

4.1.2. The Contractor shall provide, at a minimum, the following as applicable to the service component(s) provided:

a. an adequate number of personnel appropriately trained for the services (function/tasks/subtasks) provided,
b. suitably equipped facility(ies),
c. a sufficient quantity of specified supplies/materials/forms,
d. technical information and assistance,
e. contract administration (that includes, but is not limited to, submission of reports and related service component information),
f. initial and on-going training (e.g., in-service).
g. Saliva and/or Urine analysis collection kits, specimen containers with shipping containers and provide courier/postal service at no additional charge
h. Specimen handling and pick up, if requested by the State Agency

The above-listed are to be furnished and/or maintained in accordance with accepted industry standards, or in keeping with requirements stated, implied, or incorporated by reference in this Request for Proposal (RFP).

4.1.3. The Contractor shall keep the State informed on changes to federal regulations affecting the services described herein.

5. SPECIFIC REQUIREMENTS

The following specifies the primary functions, major tasks/subtasks associated with each service component.

5.1. COMPONENT I: COLLECTION (urine specimen)

The Contractor shall have the capability of providing all of the services as described herein to those individuals referred by the State of Arizona under normal, accident, or other emergency conditions. All services provided in conjunction with the areas of orientation/ education/training as well as the actual collection, transportation of specimens, testing, evaluation, and reporting procedures, and record administration must meet or exceed applicable Federal standards (i.e., 49 CFR Parts 40 and 382 for Commercial Drivers License holders, ARS23-493 through 23-493.12.), SAMHSA and DHHS requirements. These services may be provided in conjunction with situations that include pre-employment, random, reasonable suspicion, post accident, voluntary or self initiated testing, return to duty, or follow up testing.

5.1.1. Donor Identification must be confirmed by the Contractor prior to the commencement of the collection process. The donor must provide the Contractor with an acceptable form or means by which the donor's identification can be confirmed.

Acceptable methods of identification are:

A. photo identification (e.g., driver's license, employee badge);
B. positive identification by an agency representative; and,
C. any identification allowed under an agency's workplace drug testing plan/program.

If the donor is able to produce two (2) items of identification bearing his or her signature, but does not have a photo identification to confirm identification, the Contractor may proceed with the collection if the donor's signature on the Custody and Control Forms (CCF) matches the signature on the identification documents presented. Documentation of the absence of a photo identification and reliance on a signature match must be documented in large print the "REMARKS" portion of the CCF.
If the comparison of signatures does not result in a match with the two forms of identification, the Contractor must state in large print in the "REMARKS" section of the CCF that "signature identification is unconfirmed", the collection must be discontinued, and prompt notification made to the site supervisor and the State Agency.

In situations where a donor does not have either a photo identification or two (2) other appropriate items/forms of identification or has been positively identified by an Agency representative which could be used to verify identity and signature, the Contractor should provide a sufficient level of information in the "REMARKS" portion of the CCF to document that the donor's identification is unconfirmed. (This should not be documented as a refusal to test.)

The Contractor will proceed with the collection process. Immediately after completing the collection process, notification of the event and all details shall be reported to the site supervisor and the State Agency or the Agency's designated representative (e.g., Medical Review Officer). A determination regarding the validity of the specimen and the collection process will then be made by the State Agency (and/or the Agency's designated representative).

5.1.2 The Collection Steps, as identified herein, are mandatory requirements that must be followed by the Contractor whether performing a private, direct observed or "shy bladder" collection. If the individual performing the collection fails to correctly follow established procedures, the Contractor shall comply with and document in writing (for inclusion in the next report provided to the requesting State Agency [or its designated representative] that the following steps have been successfully completed: 1) the Contractor must complete a thorough review of all collection requirements prior to the conduct of the next collection; 2) when this Contractor performs the next collection, the Collector's supervisor (or other approved trained staff member) must observe the collection process and note in writing any deficiencies observed with regard to adherence to collection procedure requirements by this Collector. (If this individual [the Collector] is unable to demonstrate the ability to adhere to all collection process requirements, additional training must be successfully completed before this Contractor shall be permitted to conduct another collection without direct oversight provided by the Collector's supervisor or other approved trained staff member.) If this Contractor continues to demonstrate an inability to independently satisfy all collection requirements, this individual shall no longer be permitted to function in the role of the Collector.

5.1.3 Acceptance of and receipt for monies (money order, checks /cash or credit card) paid by the donor for the collection and testing of said specimen. In some State Agencies, the donor is required to pay for collection and testing (or retesting) costs. Consequently, each collection site utilized under this contract must have the capability of collecting payment (whether paid by money order checks/cash or credit card) in the amount specified to cover the cost of collection and designated testing to be performed by the laboratory as specified on the CCF. In addition to providing the donor with a receipt of monies collected, the collection site must keep a record of monies received from each donor, the amount paid for collection and the amount paid for testing services. If the Contractor providing the collection services is not the same as the Contractor performing the laboratory services (or its Subcontractor), monies collected for testing services, accompanied with a record of monies collected from each donor, must be sent to the designated Contractor performing laboratory services. Unless otherwise agreed upon by all designated Contractors, the Contractor providing collection services shall provide the Contractor (designated on the CCF to provide testing services) with the following on a weekly basis: donor identifier, a record of the amount paid by each donor for testing services, and the total sum of money collected on behalf of the designated Contractor to provide specified for testing services. The Contractor may offer other services related to service components described in this solicitation. These services may include, but are not limited to, the following areas:

5.1.4. On-site collection services (with or without the use of a mobile unit)
Upon request of a State Agency, on-site collection services would be provided at a designated location(s) and time frame(s) for the purpose of collecting specimens. All service standards, procedures and requirements previously described for collection services are applicable for the conduct of onsite collection.

5.1.5. Random selection/notification for donation of specimen for testing
At the request of a State Agency, establish and administer an on-going program that provides for the random selection of individuals the State Agency has designated for participation in the drug/alcohol testing program. Upon selection, the Contractor would provide the required notification of individuals who are designated to provide a specimen sample. The notification will indicate, at a minimum, the type of testing to be performed, and the time frame within which the "donor" must provide the specimen (e.g., urine or saliva) or complete a breathalyzer test, and provide other notification related information as specified by the requesting State Agency.
The Contractor shall be required to adhere to all of the same standards of practice and confidentiality requirements as required of a State Agency that performs this service in-house.

5.2 COMPONENT II: LABORATORY SERVICES

The Contractor, whether a Substance Abuse and Mental Health Service Administration (SAMHSA) certified laboratory or laboratory accredited by the Commission on Laboratory Accreditation of the College of American Pathologists (CAP), shall have the ability, with or without the use of Subcontractor(s), to successfully perform laboratory testing of each of the Panels listed herein. The Contractor shall only use approved equipment and testing procedures for the conduct of drug/alcohol testing as identified in 49 CFR. In most instances, a split sample specimen will be provided to the Contractor for testing. However, the State Agency reserves the right to conduct the initial screen and submit the unadulterated

specimen for purposes of confirmation (e.g., the State Agency elects to use the device/product described in COMPONENT I for purposes of conducting the initial screen in-house).
The Contractor shall also establish/maintain a subcontract with another certified laboratory(ies) (e.g., Subcontractor should have the same certification/accreditation [SAMHSA and/or CAP] as the Contractor which the donor and/or State Agency may request the conduct of a re-test and performance of all related services. Additionally, the Contractor may elect to designate these Subcontractors to provide services on any PANEL(S) or other drugs/substances specified under COMPONENT ONE as designated by the Contractor.

The Contractor shall routinely test for and identify properties ingested or added to the specimen in order to mask, eradicate or detoxify the donor's specimen when conducting tests on each of the Drug Panels identified below.

a. **Steroid:** anabolic steroids (including, but not limited to, bolasterone, bolderone, clostebpl, dehydrochloromethyltes-tosterone, drostanolone, fluoxymesterone, furazabol mesterolone, metandienone, metenolone, methandriol, methyltestosterone, nandrolone, norethandrolone, oxandrolone, oxymesterone, oxymetholone, stanozolol, testerone, and epitesterone)

b. **Standard:** alcohol, amphetamines, cocaine (e.g., benzoylecgonine), cannabinoids (e.g., marijuana/THC metabolite), opiates (e.g., heroin, codeine, morphine, but excluding fentanyl, alfenta, and sufentanyl), oxicodine, and phencyclidine (e.g., PCP)

c. **Expanded:** alcohol, amphetamines, barbiturates, benzodiazepines, cocaine (e.g., benzoylecgonine), cannabinoids (e.g., marijuana THC metabolote), opiates (e.g., heroin, codeine, morphine, but excluding fentanyl, alfenta, and sufentanyl), and phencyclidine (e.g., PCP)

d. **Comprehensive:** alcohol, amphetamines, barbiturates, benzodiazepines, benzoylecgonine (e.g., COG metabolite),cannabinoids (e.g., marijuana/THC metabolote), cocaine (e.g., benzoylecgonine), meperidine, methadone, methaqualone, opiates (e.g., heroin, codeine, morphine, but excluding fentanyl, alfenta, andsufentanyl), oxycodone, phencyclidine (e.g., PCP), and propoxyphene (e.g., darvon)

e. **Professional:** alcohol, schedule I - V controlled substances (excluding fentanyl, alfenta, sufentanyl), prescribed non-controlled substances, over-the-counter substances, designer drugs (e.g., Adam, China White, Ecstacy, Eve, ICE), hallucinogens (e.g., DMT, LSD, and mescaline), look-alikes (simulated controlled substances), and other drugs not necessarily manufactured or FDA approved for use in the United States (refer to ATTACHMENT E for further information on this Panel), but detectable in urine.

f. **Specialized**: other substances requested by the State include, but not limited to, fentanyl, alfenta, spice (synthetic cannabinoids), ecstasy(MDMA) and sufentanyl

5.2.1. Major task areas associated with the performance of laboratory services include: security, equipment , collection supplies, custody and control form completion necessary to verify and maintain chain of custody, specimen verification, testing/analysis, data interpretation, documentation reporting of test results, expert witness testimony, quality assurance program/quality control policy, storage/retrieval and transportation (if required) of specimens, monitoring and oversight of Subcontractors (if utilized), on-going training of staff, the provision of general and technical/scientific assistance, establishment of key contact for each participating State Agency, initial set-up and day-to-day administration of contracted services, communication/newsletter, statistical and other designated reports to the State Agency (or its designated representative) and the State Procurement Office.

5.2.2. Security controls and procedures for the facility, specimens, computer systems and other testing related equipment must meet or exceed industry standards and requirements applicable to the laboratory's certification/accreditation (SAMHSA and/or CAP). The Contractor shall also provide the following:

5.2.2.1 Any incident that constitutes a breach or compromise of security that must be reported to the laboratory's certifying agency(ies) must also be reported in writing to the State Procurement Office. This report shall include, at a minimum, a detailed report of the incident, the specific action(s) the Contractor has and/or shall take to safeguard against future breaches or compromises in security. This report shall be faxed, or otherwise provided, to the attention of the State Procurement Office's Procurement Officer at (602) 542-5508, within two (2) working days from the date the incident is reported to the laboratory's certifying agency(ies).

5.2.3. Any Equipment, utilized by the Contractor (or Subcontractor as applicable), shall meet or exceed applicable Federal and/or industry standards and requirements for the purpose intended. Equipment, used in conjunction with testing, analysis, storage, retrieval or transportation of specimens, shall be inspected, calibrated (where applicable), and maintained in keeping with manufacturer specifications or Federal requirements, whichever is more stringent.

5.2.4. The Contractor is responsible for providing each collection site with collection supplies that include, but are not limited to the following: clean, wrapped or sealed single-use specimen containers/bottles (able to hold 45 ml) with appropriate caps/lids; temperature strips for the exterior surface of the collection containers/bottles (extra test strips are to be provided should some strips malfunction), tampered evident seals/labels for specimen bottles that have the same preprinted specimen I.D. number that appears on the Custody & Control Form, the appropriate approved Custody & Control Forms, tamper-evident labels/seals, a separate supply of tamper-evident seals, leak-proof plastic bags, absorbent packing material, shipping containers/mailers. If a State Agency has elected to provide qualified individuals to handle the collection of the donor specimen, whether on a frequent, infrequent or full-time basis, the Contractor shall provide the above-listed supplies to each of these State Agencies. The Contractor shall provide the designated State Agency with collection supplies in an amount that is specified by the State Agency.

5.2.5. Custody and Control Forms (CCF) are an integral part of the collection and testing process necessary to document and verify chain of custody from the handling of a specimen from collection, to the laboratory for testing, and the reporting of test results. The CCF and other supportive documentation shall, at a minimum, comply with procedures established by the certifying agencies and reflect reported test results and other information required at the Federal and State Agency levels. The Contractor shall provide an ample supply of the appropriate (DOT and non-DOT) CCFs to each collection site and/or, upon request, to the State Agency. (A State Agency may elect to either perform the collection itself and/or provide each donor with a supply of forms that the donor will be responsible for taking to the collection site). The DOT CCF will contain the required seven (7) parts while the non-DOT will consist of four (4) parts. These CCFs must be preprinted with the name and address of both the Contractor and the using State Agency and the medical Review Officer. (On an interim basis or for those State Agencies that will test very few individuals each year, the using State Agency may authorize the Contractor to affix preprinted labels that contain the above-referenced State Agency information.) In the event that a barcode is used for the specimen identification number, there must be an adjacent human readable number associated with the barcode for verification purposes.

5.2.6. Upon receipt, specimen verification is achieved by inspecting both the specimen and the CCF to determine that ID numbers on both items match and the specimen appears to have arrived at the lab in an untampered condition.
With regard to specimens that are collected by the State Agency and submitted for testing, the Contractor shall assume responsibility for all specimens placed in its custody and shall maintain adequate security to provide for the continuity, integrity, and quality of these samples during transportation, testing, analysis, and storage/maintenance.

5.2.7 Subject the specimen to the type and level of testing/analysis, as appropriate to Panel or other designation (e.g., drug/substance not included in one [1] of the established Panels) specified by the State Agency, in accordance with acceptable laboratory standards for screening and confirmation procedures as authorized by the laboratory's credentialing authority (e.g., SAMHSA or CAP).

5.2.8. Data interpretation consists of a thorough review and evaluation of each specimen for identification, complete and proper documentation necessary to ensure maintenance of the proper chain of custody, quality control, specimen integrity, proper calibration and maintenance of testing equipment/instruments, and an appropriate interpretation of test results. Test results and other information shall be documented in keeping with industry established requirements or as otherwise specified herein.

5.2.9. Documentation and reporting of test results, whether a “positive" or "negative" screen or confirmation, shall be provided to the State Agency or its designated representative (e.g., Medical Review Officer) in accordance with the DOT or non-DOT requirement as described below:

a. Testing performed on individuals who come under the DOT mandated testing shall have negative screen results reported as "negative" and only those specimens that are confirmed positive shall be reported as "positive" for a specific drug. Unless otherwise specified herein, both negative and positive results of urine tests shall be available to the State Agency or its designated representative (e.g., Medical Review Officer) within twenty-four (24) hours after receipt of specimens for negative results and forty-eight (48) hours for confirmation of positive results after receipt of specimens.

b. The Contractor shall initially report test results by secure phone, fax or other means (e.g., electronically) as requested by the State Agency then confirm results in writing (hard copy) in accordance with established reporting

mechanisms. If the testing or confirmation process cannot be completed within the above-referenced period (e.g., second confirmation of Fentanyl), the Contractor shall notify the State Agency, at the time of request or immediately upon discovery, and indicate the maximum time necessary to complete the testing and/or confirmation (or second confirmation) process. Said notification (e.g., phone, fax, computer interface, electronically, etc.) shall be provided in a manner that is acceptable to the specific State Agency.

5.2.10. The Contractor shall maintain a quality assurance program based upon a quality control policy that accounts for all aspects of specimen handling, testing and reporting process to ensure the integrity of the specimen, the testing program, and maintain the confidentiality of testing results. The Contractor shall have quality control measures in place with regard to materials, equipment, and procedures used in conjunction with the conduct of these services in a secure environment.
As required by the credentialing agency, each screening run shall include a documented blind sample testing, in accordance with DOT requirements, in order to insure the adequacy of internal quality control in maintaining the integrity of the materials (e.g., reagents, water purity), equipment (e.g., calibration) used, and specimen testing program.

5.2.11. Specimen storage, retrieval, and/or transportation shall be performed by the Contractor in accordance with industry standards previously referenced herein.

5.2.12. The Contractor shall be responsible for performing all functions necessary to the successful monitoring and oversight of any of its Subcontractors, if utilized, during the term of the contract regardless of the function(s) performed by the Subcontractor. Use of a Subcontractor in no way diminishes the Contractor's responsibility to adhere to all requirements as stated or implied herein.

5.2.13. The Contractor shall be responsible, and held accountable, for the on-going training of key personnel who are involved (at the Contractor or Subcontractor level) in providing services under a resultant contract.

5.2.14. The provision of general, technical, and scientific information and/or assistance shall be made available to requesting State Agencies (or their designated representatives) and a representative of the State Procurement Office. The Contractor shall designate and identify by name, phone and fax numbers which key personnel are to be contacted for general, technical and scientific information and/or assistance during the term of the resultant contract.

5.2.15. Upon notification from a State Agency of its intent to use this contract, the Contractor shall establish a key contact for each participating State Agency (and the State Procurement Office as well) and provide the name, phone/fax numbers, email and mailing addresses of the contact person for that specific State Agency. The individual designated as a key contact should be involved in the initial set-up and day-to-day administration of contracted services provided to that Agency (or on a statewide basis).

5.2.16. The Contractor shall issue an informative communication/news letter on drug/alcohol testing and related services or topics on at least a quarterly basis. This information may be provided via e-mail, web site, or a hard copy may be provided to State Procurement Office and a representative at each State Agency using the contract. This service shall be provided at no additional cost to the State of Arizona, the State Procurement Office, or any State Agency utilizing services under this contract. A portion of this communication newsletter or an addendum there to, shall be specific to topic of drug/alcohol testing and the statewide contract with the State of Arizona. The Contractor shall include information specific to collection sites (their locations as well as service related issues/problems and their resolutions).

5.2.17. The Contractor shall provide each using State Agency with statistical, utilization and other designated reports on a monthly, quarterly, semi-annual, or annual basis as requested by the State Agency. These reports shall be submitted in a format and content that conforms to the Federal and/or State Agency specific requirements. Additionally, a quarterly statistical summary report, containing information specific to all testing and related services provided under this statewide contract, shall be provided to the State Procurement Office. The report submitted to each State Agency shall contain information that, at a minimum, includes the number of specimens: received, rejected, and tested by designated Panel, number of donors who paid for services at the collection site, number of reported confirmed positive for each designated Panel. A State Agency reserves the right to receive this statistical report on a monthly rather than on a quarterly basis.

5.2.18. The Contractor shall be responsible for maintaining an adequate level of documentation and contract oversight necessary for the successful performance of contracted services and related contract administration functions (that also includes, but is not limited to, documentation, record keeping, and reporting) in keeping with Federal, State, and State Agency specific requirements as described herein.

5.3. COMPONENT III: MEDICAL REVIEW OFFICER (MRO)

In accordance with 49 CFR, the drug/alcohol testing program includes utilization of a Medical Review Officer (MRO) who must be a licensed physician with knowledge of substance abuse disorders and appropriate medical training to interpret and evaluate an individual's confirmed positive test result, medical history, and other biomedical information relevant to this review. A State Agency, however, may elect to use its own qualified individual (e.g., staff or consultants who are not necessarily employees of the State Agency) to perform the duties of the MRO.

5.3.1 The work performed by the MRO shall comply with the Mandatory Guidelines for Federal Workplace Drug Testing Programs: Final Guidelines, published in the Federal Register on April 11, 1988 (or as amended thereafter) and the individual State Agency's drug testing policy.

5.3.2 The Medical Review Officer (MRO) must be a licensed physician who has knowledge of substance abuse disorders and appropriate medical training to interpret and evaluate an individual's confirmed positive test result, medical history, and other biomedical information that may necessitate the conduct of an in-person or telephone interview of the donor. Besides, the MRO shall obtain and review the donor's medical history or any other biomedical elements that may be relevant to this review. Unless instructed otherwise by the affected State Agency, confirmed positive test results are to be reviewed and interpreted by the MRO before the results are reported to the State Agency.

5.3.3. It is the responsibility of the MRO to determine if there is a valid medical explanation for a positive test result. To this end, specific guidelines must be followed in order to determine if there is an alternative medical explanation for the presence of the identified substance(s) in the donor's specimen prior to reporting confirmed test results as "negative" to the State Agency or their designated representative. MRO must be available for consultation to State Agency representatives during normal business hours.

5.3.4 Each MRO must take those steps necessary to remain informed of MRO policies and practices (e.g., attending conferences, additional training, memberships, and the like) during the term of this contract.

5.3.5 The MRO shall expressly understand and agree that he/she shall have no connection or vested interest (i.e., principal, partner, officer, shareholder, or the like) whatsoever with the laboratory or designated Subcontractor (laboratory) designated to perform the laboratory analysis and report the test results. The Contractor shall furnish, upon request, a qualified and experienced individual who will provide expert witnesses testimony at meetings, administrative hearings or trials as to the procedures/methods used in conjunction with the conduct of DOT and non-DOT specific drug/alcohol testing program. The expert shall be able to testify on matters that include, but are not limited to, the validity and reliability of the test procedures, test result interpretation (screening and confirmation procedures), internal/external CCF documents and procedures, initial screen results and confirmation documents for the donor in question, the meaning of analytical results, other issues and procedures related to equipment (e.g., type, accuracy, calibration), quality control screening results, specimen storage (short and long-term [frozen]), security issues, and supportive documentation related to the drug/alcohol testing program utilized.

5.3.6. The Contractor shall be responsible for the conduct of any research, information or data gathering, or other work as necessary to prepare for and provide the requested expert witness testimony.

5.3.7. The Contractor shall provide supportive documentation (e.g., copies of forms and documents used, screen and confirmation results for the specified donor) and any information (e.g., official biography of the expert witness) that specifically reflects the witness' qualifications, experience, and areas of expertise (e.g., toxicology).Either the chief toxicologist who performed the pertinent analysis provide the required expert witness testimony or elect to use the services of its own expert (in-house personnel and/or consultants) to testify on those matters described herein.

5.3.8. The Contractor shall not provide, during the term of this statewide contract, expert witness testimony on behalf of any individual or entity (e.g., organization, firm, corporation, or other interested parties) when the donor of record underwent testing at the request of the State of Arizona, State Agency, or its designated representative. This requirement pertains to current and future administrative or judicial hearings or other proceedings.

5.3.9. The Contractor must request and be granted a written waiver from the State Agency that permits the Contractor to provide expert witness testimony. It shall be the full responsibility of the Contractor to provide the State Agency sufficient information in a timely manner when requesting a waiver.

5.3.10 The Contractor shall agree that failure to adhere to provisions that pertain to expert witness testimony shall constitute a material breach of this contract. Decisions relative to this matter shall be determined by the State of Arizona, State Agency (or its designated representative). In the event a dispute arises from the decision rendered, the determination of the rendering party (e.g., State of Arizona, State Agency or its designated representative) shall be binding and final.

5.4 COMPONENT VI: BREATH ALCOHOL TESTING PERFORMED BY A BREATH ALCOHOL TECHNICIAN (BAT) USING DOT APPROVED EVIDENTIAL BREATH-TESTING DEVICES (EBTs)

The Contractor shall provide and utilize DOT approved evidential breath-testing devices (EBTs) and trained personnel (Breath Alcohol Technician [BAT]) necessary to conduct the DOT approved breath-testing program to detect and determine the concentration of alcohol. This equipment must be DOT approved for this specific application, used and maintained (e.g., calibrated) as prescribed for the conduct of evidential breath-testing, and should provide quantitative test result (e.g., grams of alcohol per 210 liters of breath) necessary to determine the concentration of alcohol (in grams) in the individual tested.

5.4.1 All breath alcohol testing devices must be calibrated with devices approved by the National Highway Traffic Safety Administration (NHTSA) using the adjustment procedures as required in Rule.

5.4.2 A Breath Alcohol Technician (BAT) must be certified to operate and read a breath analyzer or similar testing machine that will be utilized when performing the actual test. A State Agency reserves the right to utilize its own approved equipment (device) and certified Breath Alcohol Technician personnel (employee/consultant) for the conduct of these tests in accordance with DOT requirements as referenced herein.

6. ADDITIONAL CONTRACTOR RESPONSIBILITIES:

6.1 Each Contractor must work closely with the State Procurement Office, State Agency representatives, and other Contractors in support of the drug/alcohol testing program for each participating State Agency. Each Contractor is required to comply with all service requirements (Federal, State or State Agency specific) as stated, or referenced herein, that are applicable to the service component provided. All parties concerned shall work together to ensure the successful performance of each service requested.

6.1.1 Prior to implementation of services on behalf of a specific State Agency, discuss (in person or by phone with follow up written correspondence) in detail the service component(s) needs and expectations of that State Agency. Clarify issues and procedures associated with the service component(s) discussed and obtain from the State Agency all relevant information necessary to initiate and provide the requested contracted services.

7. STATE AGENCY RESPONSIBILITIES:

The information contained in this section is provided to illustrate a portion of the issues and tasks that must be performed by the State Agency prior to requesting services in conjunction with any of the contracted service components. This section is not to be viewed as a complete or thorough description of a State Agency's role or areas of responsibility concerning the utilization of any contracted service component. Some of the key areas of State Agency responsibilities include, but are not limited to, the following:

7.1 Determine which services are needed and select which Contractor(s) the State Agency will use. Contact the Contractor's designated representative for the purpose of:

a) identifying State Agency's specific service requirement needs,
b) provide the Contractor, in writing, with all appropriate information necessary for the establishment of the specified service(s),
c) inform each Contractor of other service components that are to be provided and specify which of these services are performed by other Contractors or by in-house personnel,
d) confirm with each Contractor the time frame and clarify any related matters prior to implementation of services.

7.2 Inform the Contractor of the individual(s) who will be designated as that State Agency's primary contact(s) concerning all matters related to service component(s) that will be provided to the State Agency. The State Agency may elect to designate just one (1) contact person who will interface with all Contractors providing services to the State Agency or a different contact person for may be established for specified service component(s). At a minimum, the State Agency shall inform the designated Contractor(s) in writing of the following:

a. Name and mailing address of the State Agency; name, phone and fax numbers of the State Agency's contact person(s) for specified service components that will be utilized.

b. Specify services needed, within each service component, and provide Contractor(s) with all relevant information that may include, but is not limited to, the following: Cities/towns and/or by County, in which services will be required

c. Estimated use of services, by appropriate service component, on a monthly or annual basis;

d. If not using the Contractor(s) services exclusively (e.g., State Agency elects to perform some of the specimen collection), inform the designated Contractor of the circumstances and frequency under which the Contractor will be required to provide services.

e. Indicate method of payment selected for each service component utilized (e.g., Contractor invoices State Agency for services provided and is paid by the State Agency or the donor pays for collection/testing and related services on-site at the time the specimen is collected).

f. Provide selected Contractor(s) with all State Agency specific information necessary for the successful delivery of services in accordance with service component requirements (e.g., need for collection services on weekends or extended hours during the week); designate a specific person (e.g., MRO) and method of receiving confirmation of test results (e.g., by phone, fax, via computer access). Test results shall always be followed-up with written confirmation.

7.3. Perform contract administration responsibilities that include, but are not limited to, contract oversight and monitoring of work performed by the designated Contractor in keeping with contract requirements and the specific needs of the State Agency. At a minimum, the State Agency is charged with the following responsibilities:

7.3.1. Identify concerns about performance issues or the need to modify/change type and/or level of services the Contractor provides your State Agency. Initiate a meeting (by phone or in-person) to address and discuss issues relevant to these matters. Reduce to writing the areas and outcome of the discussion or meeting (e.g., areas requiring improvement and specific steps that will be taken to achieve desired results within a specified time frame; specify any modifications/changes that are to take place, including implementation of additional contract services to be provided by that Contractor). Retain a file copy, send a copy to the assigned Procurement Officer at the State Procurement Office, and send a copy to the designated Contractor.

7.3.1.1. Attempt to resolve all areas of concern with the affected Contractor prior to requesting the assistance of the above-referenced assigned Procurement Officer for assistance or submitting a Vendor Performance Report.

7.3.2. Where appropriate, review, approve, and process invoices submitted for payment in accordance with procedures and time lines followed by the State Agency. Inform the Contractor by phone or fax of any problems encountered with the invoice, and either request a corrected invoice or specify, in writing, the reason/purpose and specific area of adjustment to the payment amount.

7.3.3. If it is not clear to the State Agency, and/or the Contractor, which service component a particular service, falls under, contact the designated Procurement Officer at the State Procurement Office for assistance. Depending upon the service requested or other circumstances, a contract amendment might be necessary in order for the specific service to be provided under this contract.

1. DEFINITIONS

ProcureAZ terms. ProcureAZ (https://procure.az.gov) is the State's online eProcurement system. Although the system was configured for the State's needs, the application is based on a commercial product known as BuySpeed Online, made by Periscope Holdings, Inc. As a result, some of the terms used in the BuySpeed Online application may be semantically different to similar terms used by the State. The following terms are as they appear in BuySpeed Online (and ProcureAZ), along with their corresponding meanings as they apply to the solicitation.

"Actual Cost" means the total value of all items and their extended quantities.

"Alternate Id / Alternate ID" is an optional field and means any additional data in order to link a solicitation or project to a related project, activity or program.

"Attachments" means the section, as displayed in ProcureAZ, where the solicitation's electronic documents may be attached. Attachments as defined in the Uniform Instructions may include Solicitation Attachments, and/or as defined in the Uniform Terms and Conditions may include Contract Attachments.

"Buyer" means procurement officer.

"Catalog ID" is an optional data field and means an identification number to signify a group of related contracts.

"Contact Instructions" means the contact information for the procurement officer.

"Control Code" is an optional field and means an identification characteristic of the contract.

"Days ARO" means the number of days 'After Receipt of Order' in which the customer will receive the ordered materials and/or services.

"Department" means the customer for whom the solicitation or contract was conducted for.

"Discount %" is an optional field and means the standard discount applied to all items.

"Entered Date" means the date that the contract was awarded, not necessarily the date the contract starts, e.g., Master Blanket/Contract Begin Date.

"Fiscal Year" means the State Fiscal Year in which the solicitation was initiated. In the event of contract(s) resulting from the solicitation, the Fiscal Year shall remain unchanged.

"Freight Terms" means how freight will be charged under the contract.

"Header Information" means the section of the solicitation or contract, as displayed in ProcureAZ, containing solicitation or contract information other than the line items.

"Item information" means the section of the solicitation or contract, as displayed in ProcureAZ, containing the solicitation or contract line items.

"Location" means the specific customer, within the department, for whom the solicitation or contract was done.

"Master Blanket/Contract Begin Date" means the date that the contract starts.

"Master Blanket/Contract End Date" means the date that the contract ends.

"Master Blanket/Contract End Date (Maximum)" means the date that the contract may be extended through if all allowable term extensions are exercised.

"Master Blanket/Contract Vendor Distributor List" means the list of companies authorized to distribute the materials and/or services on behalf of the Contractor under the contract.

"Master Blanket Purchase Order" means the contract, indicating that the contract will be in effect over a stated period of time.

"Minor Status" is an optional data field and means a type of status indicator of the contract in ProcureAZ.

"Organization" means the state agency under whose authority the solicitation or contract was conducted.

"Payment Terms" means the period of time that payment is due after receipt of an accurate invoice.

"Pcard Enabled" is an optional data field and means that customers are allowed to use their purchasing card (P-Card or Pcard) to order from the contract within the ProcureAZ system.

"PO Acknowledgement" means the list the notifications to the Contractor and their acknowledgements of these notices.

"PO Type" means the period of time that the contract is in place, either a one-time transaction, Open Market, or for a stated period of time, Blanket.

"Print Dest Detail" is an optional data field and means a print format applicable to orders under the contract.

"Print Format" means the format of the solicitation or contract print output.

"Project No." is an optional field and means an identification characteristic of the contract.

"Purchase Order" means contract.

"Purchase Order Number" means the contract's identification number.

"Purchaser" means procurement officer.

"Receipt Method" means the method by which materials and/or services under the contract are received, either by amount spent, Dollar, or by item units, Quantity.

"Release Number" means the order number of each order under the contract. The Master Blanket/Contract will always reflect a zero "0" release number.

"Release Type" means the process that orders under the contract are subject to within ProcureAZ, requiring approval on an order-by-order basis, e.g., Standard Releases or not requiring approval, e.g., Direct Release.

"Retainage %" is an optional field and means the amount of the contract's value that is retained.

"Shipping Method" means the method of shipping to be used under the contract.

"Shipping Terms" means the point where the Contractor will ship the materials and/or services to, and if accepted, the point when responsibility and title passes from the Contractor to the State.

"Short Description" means the contract' title.

"Status" means the availability of the contract within ProcureAZ for ordering, e.g., Sent status.

"Tax Code", if applicable, means the amount of taxes, expressed as a percentage, to be added to all items purchased under the contract. As items may be subject to differing tax rates, this field may be blank.

"Type Code" means the category of customers that may use any resulting contract(s). E.g., Single-Agency, Multi-Agency or Statewide.

"Vendor" means Contractor.

2. Contract.

2.1 The contract between the State of Arizona and the Contractor shall consist of the solicitation as amended, any requests for clarifications and/or best and final offers, the proposal submitted by the Contractor, their responses to any requests for clarifications and/or their best and final offer. In the event of a conflict in language between the documents referenced above, the provisions and requirements set forth and/or referenced in the solicitation as amended shall govern. However, the State reserves the right to clarify any contractual requirement in writing, and such written clarification shall govern in case of conflict with the applicable requirements stated in the solicitation as amended or the Contractor's proposal. In all other matters not affected by the written clarification, if any, the solicitation shall govern.

2.2 The State's primary contact for this solicitation and result contracts shall be:

Martina Borck,. Procurement Specialist
State of Arizona, State Procurement Office
100 N 15th Ave, Suite 201
Phoenix, AZ 85007
Phone: (602) 542-9139
Fax: (602) 542-5508
Email: martina.borckl@azdoa.gov

2.3. Contract Restructure. The State may clarify any Contract following award. This clarification shall not substantially alter the contents of the Contract, but shall only edit an-d reformat the Contract in a manner that will facilitate ease of use, contract administration, and concurrence of the Parties.

3. Site Visitation and Access by the Contractor

The contractor's personnel shall confine their activities to the work site and areas designated for contractor use. It shall be the contractor's responsibility to maintain an orderly work site and to remove debris, trash, used material, and tools from the job site.

The contractor shall remove from the area all materials and equipment upon completion of the work involved in the maintenance of the contract. The job site will at all times be left in a clean and orderly condition.

4. Eligible Agencies. This contract shall be for the use of all State of Arizona departments, agencies, commissions and boards. In addition, eligible universities, political subdivisions and nonprofit educational or public health institutions may participate at their discretion. In order to participate in this contract, a university, political subdivision, or nonprofit educational or public health institution shall have entered into a Cooperative Purchasing Agreement with the Department of Administration, State Procurement Office as required by Arizona Revised Statutes 41-2632.

5. Inventory and Technical Support

It is an express condition of State to require any contractor to maintain and or have access to a reasonable stock of materials and equipment preferably on hand for the performance of this contract once awarded by the State.

Failure to maintain such an inventory will constitute a contract violation and may result in cancellation of the contract. The contractor must provide qualified technicians and have sufficient inventory in order to provide a high profile quality service, so that repairs, maintenance, etc. can be completed with a minimum amount of down time and to ensure that repairs can be completed as soon as possible.

The State may inspect the maintenance facilities of the contractor to determine adequacy and compliance before making an award for this contract and or at any time.

For any business or contracting issues such as contract renewals, increases, decreases, contract disputes, etc., contact the Buyer of record in the office of Purchasing and Business Services.

Martina Borck, Procurement Specialist
Telephone Number: 602-542-9139
Facsimile Number: 602-542-5508

6. Administrative Fee / Usage.

6.1. Contractor shall pay an Administrative Fee to the State in the amount of one percent (1%) of the total contract sales. The Administrative Fee is calculated based on all sales transacted under the contract, minus all taxes and any returns or credits. The Administrative Fee shall not be charged directly to the customer, e.g., as a separate line item, a fee or a surcharge, but shall be included in the contract's unit prices.

6.2. The Administrative Fee shall be submitted, along with a Quarterly Usage Report documenting all contract sales, to the State Procurement Office within thirty (30) days following the end of each calendar quarter. For more information on the Quarterly Usage Report or the Administrative Fee, its calculation, submission or use, see the State Procurement Office's web site at http://spo.az.gov/Contractor_Resources/Admin_Fee. All usage reports submitted for the purpose of this contract shall be public record.

6.3. At its option, the State may limit the applicability of the Administrative Fee to contract sales from some customers and not to others, e.g., fee is only applicable to sales from members of the State Purchasing Cooperative and not sales to State Agencies. See the State's website (above) form more information in this regard. The State will provide thirty (30) days written notice before exercising or changing this option.

6.4. Failure to remit Administrative fees in a timely manner or remit fees inconsistent with the contract's requirements may result in the State exercising any recourse available under the contract including a third party audit of all contract activity. Should an audit be required by the State, the Contractor shall reimburse the State for all costs associated with the audit up to $5,000 or one (1%) percent of the contract's estimated annual value, whichever is higher.

7. Discount Rates.

7.1. The Contractor(s) shall disclose and honor all applicable discount rates offered herein (i.e. Single Fixed Discount from List Price, Electronic Ordering Systems, Annual Volume Discount Program, Single Bulk Purchase, State of Arizona Purchasing Card 'P-Card' Program, Educational and Prompt Payment Discounts). Disclosure shall, at a minimum be done using the following methods:

- Prominently displayed on electronic media supplied by the Contractor and approved by the State;
- Prominently displayed on all written price communications, order conformations and invoice activities;
- Disclosed during all verbal correspondence with an eligible ordering agency.

7.2. Failure to disclose and honor all applicable discount rates to eligible ordering agencies may result in contract cancellation or any other remedy available by law, inclusive of the issuing of credits or refunds to all affected agencies.

8. Contract Type. The Contract shall be:

- firm fixed price term indefinite quantity

9. Term of Contract (Sole Option). The term of the contract shall commence upon award and shall remain in effect for a period of one year, unless terminated, canceled or extended as otherwise provided herein. The Contractor agrees that the State of Arizona shall have the right, at its sole option, to renew the contract for four (4) additional one year periods or a portion thereof. In the event that the State exercises such right, all terms, conditions and provisions of the original contract shall remain the same and apply during the renewal period with the exception of price.

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10. Estimated Usage. The Contract shall be on an as needed, if needed basis. The State makes no guarantee as to the amount of usage that may occur under a resultant contract.

11. Appropriation of Funds. Every payment obligation of the Agency under this Contract is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Contract, this Contract may be terminated by the Agency at the end of the period for which funds are available. No liability shall accrue to the Agency or the State of Arizona in the event this provision is exercised, and neither the Agency nor the State shall be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

12. Pandemic Contractual Performance.

12.1. The State shall require a written plan that illustrates how the Contractor shall perform up to contractual standards in the event of a pandemic. The State may require a copy of the plan at anytime prior or post award of a contract. At a minimum, the pandemic performance plan shall include: (i) Key succession and performance planning if there is a sudden significant decrease in Contractor's workforce; (ii) Alternative methods to ensure there are products in the supply chain; and (iii) An up to date list of company contacts and organizational chart.

12.2. In the event of a pandemic, as declared by the Governor of Arizona, U.S. Government or the World Health Organization, which makes performance of any term under this contract impossible or impracticable, the State shall have the following rights: (i) After the official declaration of a pandemic, the State may temporarily void the contract(s) in whole or specific sections if the Contractor cannot perform to the standards agreed upon in the initial terms; (ii) The State shall not incur any liability if a pandemic is declared and emergency procurements are authorized by the director as per § 41-2537 of the Arizona Procurement Code; and (iii) Once the pandemic is officially declared over and/or the Contractor can demonstrate the ability to perform, the State, at its sole discretion may reinstate the temporarily voided contract(s).
The State, at any time, may request to see a copy of the written plan from the Contractor. The contactor shall produce the written plan within 72 hours of the request.

13. IT 508 Compliance. Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this solicitation shall comply with A.R.S. 41-3531 and 3532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

14. Key Personnel. It is essential that the Contractor provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The Contractor must assign specific individuals to the key positions. Once assigned to work under the contract, key personnel shall not be removed without the prior written notice to the State Procurement Office and must be adequately replaced at the time of such removal.

15. Non-Exclusive Contract. This contract has been awarded with the understanding and agreement that it is for the sole convenience of the State of Arizona. The State reserves the right to obtain like goods or services from another source when necessary. Off-contract purchase authorization(s) may be approved by either the agency (within an agencies delegated authority) or by the State Procurement Office. Approvals shall be at the exclusive discretion of the State and shall be final. Off-contract procurement shall be consistent with the Arizona Procurement Code.

16. Order Acknowledgement. Contractor shall acknowledge receipt of all Orders. Contractor shall notify the Customer, in writing or electronically, within two (2) days of Order receipt. Customers may accept verbal Order acknowledgment when time and circumstances require.

17. Ordering.

17.1 Any services to be furnished under this contract shall be ordered by issuance of task orders/purchase orders/releases/P-card (Orders) by the Eligible Agency. Such Orders may be issued from effective date of contract award. All Orders are subject to the terms and conditions of this contract. In the event of conflict between a task order and this contract, the contract shall control. All task orders shall cite this contact number.

17.2. Any attempt to represent any material and/or service not specifically awarded, as being under contract with the State of Arizona is a violation of the contract and the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the State inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the Contractor.

17.3. Electronic (Punch-Outs) systems shall not allow for purchase orders to be placed for non-contract or excluded items.

18. Billing. All billing notices or invoices shall be sent to the eligible using agency whose address appears on the contract release order/purchase order as the 'bill to address' and should contain, at a minimum, the following information.

- Name and address of the contractor;
- Both the contract number and contract release/purchase order number;
- The contractors federal tax identification number;

- The contractor's remittance address;
- A description of the goods or services provided as described in the contract;
- Quantity and delivery/service timeframe;
- Itemized(nature of hours worked) and total invoice pricing, including cost of parts used if not covered in resulting contract

19. Price Adjustment.

19.1. The State Procurement Office may review a fully documented request for a price increase only on the anniversary or renewal date of the contract. The requested increases shall be based upon a cost increase to the Contractor that was clearly unpredictable at the time of the offer and is directly correlated the price of the product/service contractually covered.

19.2. The request shall be submitted from 90 to 120 days prior to the anniversary or contract renewal date of the contract and shall be a factor in the extension review process.

19.3. Failure to submit the request within the stated timeframe and/or failure to supply adequate information with the request may result in the State not considering the request.

19.4. The price adjustment request shall be submitted in the required format. The contractor shall request the format or template for the price adjustment from the Procurement Officer prior to submission.

19.5. The State, at its sole option shall determine whether the requested price adjustment or an alternate option is in the best interest of the State. Approval shall be in the form of a contract amendment, and shall become effective on the date specified in the amendment. Upon approval by the State, the Contractor shall make available all electronic and hard copy catalog/price list updates to all eligible using agencies at no additional cost to the State.

19.6. The price adjustment, if approved, will be effective upon the effective date of the contract extension.

19.7. The State Procurement Office may review a fully documented request for a price increase only after the contract has been in effect for one (1) year. A price increase adjustment shall only be considered at the time of a contract extension and shall be a factor in the extension review process. The State Procurement Office shall determine whether the requested price increase or an alternate option is in the best interest of the State.

20. Price Reductions. Price reductions may be submitted to the State for consideration at any time during the contract period. The Contractor shall offer the State a price reduction on the contract services concurrent with a published price reduction made to other customers. The Contractor shall make a written request for a price reduction which the State may accept, at the State's sole option. The price reduction request shall include the following:

- A formal announcement from the manufacturer that the cost of the contract service has been reduced.
- Documentation, i.e., published cost lists, from the manufacturer showing, to the satisfaction of the State, the actual cost reduction.
- Documentation showing that the published cost reductions have been offered to other distributors.

21. INDEMNIFICATION CLAUSE:

Contractor shall indemnify, defend, save and hold harmless the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees

to waive all rights of subrogation against the State of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

22. INSURANCE REQUIREMENTS:

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

• General Aggregate	$2,000,000
• Products – Completed Operations Aggregate	$1,000,000
• Personal and Advertising Injury	$1,000,000
• Blanket Contractual Liability – Written and Oral	$1,000,000
• Fire Legal Liability	$ 50,000
• Each Occurrence	$1,000,000

a. The policy shall be endorsed to include the following additional insured language: **"The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor".**

b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. **Business Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL)
$1,000,000

a. The policy shall be endorsed to include the following additional insured language: **"The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".**

b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$ 500,000
Disease – Each Employee	$ 500,000
Disease – Policy Limit	$1,000,000

a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

4. **Professional Liability (Errors and Omissions Liability)**

Each Claim	$1,000,000
Annual Aggregate	$2,000,000

a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

b. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required. Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

C. **NOTICE OF CANCELLATION:** With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the State of Arizona. Such notice shall be sent directly to **(State of Arizona Department Representative's Name & Address)** and shall be sent by certified mail, return receipt requested.

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to **(State of Arizona State Procurement Office Martina Borck)**. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required

by this Contract at any time**. DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT DIVISION.**

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies **or** Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL**: Any modification or variation from the insurance requirements in this Contract shall be made by the contracting agency in consultation with the Department of Administration, Risk Management Division. Such action will not require a formal Contract amendment, but may be made by administrative action.

H. **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

23. **Suspension or Debarment Certification.** By signing the offer section of the Offer and Acceptance page, SPO Form 203, the bidder or Offeror certifies that the firm, business or person submitting the bid or offer has not been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity with any Federal, State or Local Government. Signing the offer section without disclosing all pertinent information about a debarment or suspension shall result in rejection of the bid or offer or cancellation of a contract. The State also may exercise any other remedy available by law.

24. **Licenses.** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of a business conducted by the contractor.

25. **Contract Reports.**

25.1 The Contractor shall be required to furnish the following reports to the State Procurement Office against this contract on a quarterly basis at no additional cost to the state

- Total contract usage reports

25.2 The information contained in these contract reports and the accurate and timely submission thereof are critical components used by the State. Failure by the contractor to submit accurate and timely contract reports against this contract may be cause for cancellation of the contract.

26. **Contraband.**

26.1 Any person who takes into or out of, or attempts to take into or out of a correctional facility or the grounds belonging to adjacent to a correctional facility, any item not specifically authorized by the correctional facility shall be prosecuted under the provisions of the Arizona Revised Statutes. All persons, including employees and visitors, entering upon these confines are subject to routine searches of their person, vehicles, property of packages.

26.2 DEFINITION - A.R.S. ¦ 13-2501: Contraband means any dangerous drug, narcotic drug, intoxication liquor of any kind, deadly weapon, dangerous instrument, explosive or any other article whose use or possession would endanger the safety, security, or preservation of order in a correctional institution or any person therein. (Any other article includes any substance which could cause abnormal behavior, i.e. marijuana, non-prescription medication, etc.)

26.3 PROMOTING PRISON CONTRABAND - A.R.S. ¦ 13-2505:
1. A person, not otherwise authorized by law, commits promoting prison contraband:

A. By knowingly taking contraband into a correctional facility or the grounds of such a facility; or
B. By knowingly conveying contraband to any person confined in a correctional facility; or
C. By knowingly making, obtaining or possessing contraband while being confined in a correctional facility.

2. Promoting prison contraband is a Class 5 felony.

1. Definition of Terms

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

1.1. "Attachment" means any item the Solicitation requires the Offeror to submit as part of the Offer.

1.2. "Contract" means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.

1.3. "Contract Amendment" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.

1.4. "Contractor" means any person who has a Contract with the State.

1.5. "Days" means calendar days unless otherwise specified.

1.6. "Exhibit" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.

1.7. "Gratuity" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

1.8. "Materials" means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.

1.9. "Procurement Officer" means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.

1.10. "Services" means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.

1.11. "Subcontract" means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

1.12. "State" means the State of Arizona and Department or Agency of the State that executes the Contract.

1.13. "State Fiscal Year" means the period beginning with July 1 and ending June 30.

2. Contract Interpretation

2.1. Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.

2.2. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.

2.3. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:

2.3.1. Special Terms and Conditions;

2.3.2. Uniform Terms and Conditions;

2.3.3. Statement or Scope of Work;

2.3.4. Specifications;

2.3.5. Attachments;

2.3.6. Exhibits;

2.3.7. Documents referenced or included in the Solicitation.

2.4. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this

Contract shall be deemed to be the employee or agent of the other party to the Contract.

2.5. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

2.6. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

2.7. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3. Contract Administration and Operation

3.1. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

3.2. Non-Discrimination. The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

3.3. Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

3.4. Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract. The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.

3.5. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.

3.6. Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.

3.7. Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

3.8. Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

3.9. Federal Immigration and Nationality Act. The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the contractor.

3.10 E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.

3.11 Scrutinized Businesses. In accordance with A.R.S. § 35-391 and A.R.S. § 35-393, Contractor certifies that the Contractor does not have scrutinized business operations in Sudan or Iran.

3.12 Offshore Performance of Work Prohibited.
Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

4. Costs and Payments

4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

4.3. Applicable Taxes.

4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4. Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5. Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

4.5.1. Accept a decrease in price offered by the contractor;

4.5.2. Cancel the Contract; or

4.5.3. Cancel the contract and re-solicit the requirements.

5. Contract Changes

5.1. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6. Risk and Liability

6.1. Risk of Loss: The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

6.2. Indemnification

6.2.1. Contractor/Vendor Indemnification (Not Public Agency) The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

6.2.2. Public Agency Language Only Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."

6.3. Indemnification - Patent and Copyright**.** The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4. Force Majeure.

6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall not include the following occurrences:

6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in

accordance with this force majeure term and condition; or

6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7. Warranties

7.1. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1. Of a quality to pass without objection in the trade under the Contract description;

7.2.2. Fit for the intended purposes for which the materials are used;

7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4. Adequately contained, packaged and marked as the Contract may require; and

7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4. Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5. Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.6. Survival of Rights and Obligations after Contract Expiration or Termination.

7.6.1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.6.2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8. State's Contractual Remedies

8.1. Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. Stop Work Order.

8.2.1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4. Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. Contract Termination

9.1. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work

completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5. Termination for Default.

9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. Contract Claims

All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11. Arbitration

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

12. Comments Welcome

The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 201, Phoenix, Arizona, 85007.

Attachment I

State of Arizona
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Description: Drug & Alcohol Testing	Offeror Name: Southwest Laboratories

OFFEROR'S KEY PERSONNEL

Answer all questions thoroughly. This Attachment shall be completed for all key personnel in the administration of any resultant contract under this solicitation. A separate resume may be attached as supplemental information, but shall not take the place of this attachment. Answers such as "See attached Resume" will not be accepted. If resumes are included please also reference the position on the resume.

Position Current Information	Employee Name Sonja Hoppe
Position Currently Held in Firm: Laboratory Administrator	
Years With Firm: 23	
Years in Current Position: 23	
Years Experience in Role Under This Contract: 23	
Percentage of Employee's Time Dedicated to This Contract:	%

Related Experience

Project Name	State of Arizona Drug and Alcohol Testing Contract	
Job Title: Laboratory Administrator	Project Begin Date: 2006	Project Ending Date: 2011
Duties Performed Related to Proposed Position: see below		
Project Name	Arizona DES Substance Abuse Testing #DES-0800004	
Job Title: Laboratory Administrator	Project Begin Date: 2007	Project Ending Date: current
Duties Performed Related to Proposed Position:		

Identify the primary function(s) of the candidate in performing the services required by this solicitation. Indicate the corresponding solicitation/response page and paragraph number(s) within the description.

Ms. Hoppe is responsible for Client Services, including specimen handling, processing, and results reporting. She ensure that results are reported accurately and on a timely basis, and that all procedures and protocols to ensure the confidentiality of all information processed. She maintains all training records and documentation per forensic testing procedures and protocols.

Attachment I

State of Arizona
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Description: Drug & Alcohol Testing	Offeror Name: Southwest Laboratories

OFFEROR'S KEY PERSONNEL

Answer all questions thoroughly. This Attachment shall be completed for all key personnel in the administration of any resultant contract under this solicitation. A separate resume may be attached as supplemental information, but shall not take the place of this attachment. Answers such as "See attached Resume" will not be accepted. If resumes are included please also reference the position on the resume.

Position	**Employee Name** Michael Gorman
Current Information	
Position Currently Held in Firm: Supervisor of Analysts	
Years With Firm: 12	
Years in Current Position: 2	
Years Experience in Role Under This Contract: 12	
Percentage of Employee's Time Dedicated to This Contract:	%

Related Experience

Project Name State of Arizona Drug and Alcohol Testing Contract		
Job Title QA/QC Supervisor, Analytical	**Project Begin Date** 2006	**Project Ending Date** 2011
Duties Performed Related to Proposed Position see below		
Project Name Arizona DES Substance Abuse Testing #DES-0800004		
Job Title QA/QC Supervisor, Analytical	**Project Begin Date** 2007	**Project Ending Date** current
Duties Performed Related to Proposed Position		

Identify the primary function(s) of the candidate in performing the services required by this solicitation. Indicate the corresponding solicitation/response page and paragraph number(s) within the description.

Mr. Gorman is responsible for the day to day supervision of analysts to ensure testing follows Standard Operating Procedures and protocols. He reviews analysis and competency of testing by documenting validity, accuracy, precision and performance of testing procedures and laboratory personnel.

Attachment I

State of Arizona
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Description: Drug & Alcohol Testing	Offeror Name: Southwest Laboratories

OFFEROR'S KEY PERSONNEL

Answer all questions thoroughly. This Attachment shall be completed for all key personnel in the administration of any resultant contract under this solicitation. A separate resume may be attached as supplemental information, but shall not take the place of this attachment. Answers such as "See attached Resume" will not be accepted. If resumes are included please also reference the position on the resume.

Position Current Information	Employee Name Dr. Gary Carmack
Position Currently Held in Firm: Laboratory Director	
Years With Firm: 23	
Years in Current Position: 23	
Years Experience in Role Under This Contract: 23	
Percentage of Employee's Time Dedicated to This Contract:	%

Related Experience

Project Name	State of Arizona Drug and Alcohol Testing Contract	
Job Title: Laboratory Director	Project Begin Date: 2006	Project Ending Date: 2011
Duties Performed Related to Proposed Position: see below		
Project Name	Arizona DES Substance Abuse Testing #DES-0800004	
Job Title: Laboratory Director	Project Begin Date: 2007	Project Ending Date: current
Duties Performed Related to Proposed Position:		

Identify the primary function(s) of the candidate in performing the services required by this solicitation. Indicate the corresponding solicitation/response page and paragraph number(s) within the description.

Dr. Carmack is responsible for the day to day management of the laboratory. In his position, he develops and enacts the Standard Operating Procedures, establishes and reviews quality assurance programs, and directs all activities of staff to ensure the procedures and protocols are being followed.

Attachment I

State of Arizona
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Description: Drug & Alcohol Testing	Offeror Name: Southwest Laboratories

OFFEROR'S KEY PERSONNEL

Answer all questions thoroughly. This Attachment shall be completed for all key personnel in the administration of any resultant contract under this solicitation. A separate resume may be attached as supplemental information, but shall not take the place of this attachment. Answers such as "See attached Resume" will not be accepted. If resumes are included please also reference the position on the resume.

Position	**Employee Name** Kris Douglass
Current Information	
Position Currently Held in Firm: Client Liaison	
Years With Firm: 10	
Years in Current Position: 10	
Years Experience in Role Under This Contract: 10	
Percentage of Employee's Time Dedicated to This Contract:	%

Related Experience

Project Name State of Arizona Drug and Alcohol Testing Contract		
Job Title Client Liaison	**Project Begin Date** 2006	**Project Ending Date** 2011
Duties Performed Related to Proposed Position see below		
Project Name Arizona DES Substance Abuse Testing #DES-0800004		
Job Title Client Liaison	**Project Begin Date** 2007	**Project Ending Date** current
Duties Performed Related to Proposed Position		

Identify the primary function(s) of the candidate in performing the services required by this solicitation. Indicate the corresponding solicitation/response page and paragraph number(s) within the description.

Ms. Douglass facilitates effective communication with clients regarding drug testing services, reports, statistical information and other information as needed. She has the conceptual and analytical ability to resolve problems as they arise and coordinate services specific to each client's needs.

Attachment II

State of Arizona
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Description: Drug & Alcohol Testing	Offeror Name: Southwest Laboratories

OFFEROR'S REFERENCES
Offeror shall provide and submit a separate Attachment II for a minimum of **three (3) professional references** to which the Offeror provided services similar in scope to those described in this solicitation.

Reference Information	
Organization Name:	State of Arizona Occupational Health Services
Address:	100 North 15th Avenue, #301 Street Address Phoenix, AZ 85007 City, State, Zip Code
Contact Information:	( ) - Mira Dobson (602)542-3481 Contact Name Phone Number mira.dobson@azdoa.gov Contact Email Address

Description of Services Provided	
Services Begin Date: 2001	**Services End Date:** current

Description of Services Provided: (Include similar services performed as those described in Solicitation, and overall quality of job performance)

Southwest Laboratories provides drug and alcohol testing services to this agency for participants in their occupational health programs. For the random selection component of their program, this client utilizes our random selection hotline to ensure individual compliance with the testing programs. Payment is collected from the individual at the collection site prior to the specimen being collected. As a resource to this agency, we find solutions for their concerns and address specific needs as they arise.

Attachment II

State of Arizona
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Description: Drug & Alcohol Testing	Offeror Name: Southwest Laboratories

OFFEROR'S REFERENCES
Offeror shall provide and submit a separate Attachment II for a minimum of **three (3) professional references** to which the Offeror provided services similar in scope to those described in this solicitation.

Reference Information

Organization Name:	Arizona Department of Public Safety
Address:	PO Box 6638 / Mail Drop 1100 Street Address Phoenix, AZ 85005-6638 City, State, Zip Code
Contact Information:	( ) -Mary Jo Aleks — Contact Name 602-223-2115 — Phone Number maleks@azdps.gov Contact Email Address

Description of Services Provided

Services Begin Date:	Services End Date:
August 1997	current

Description of Services Provided: (Include similar services performed as those described in Solicitation, and overall quality of job performance)

Southwest Laboratories provides drug and alcohol testing services for employees of DPS throughout Arizona. We provide secure collection locations statewide for these services and supervisor training.

Attachment II

State of Arizona
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Description: Drug & Alcohol Testing	Offeror Name: Southwest Laboratories

OFFEROR'S REFERENCES
Offeror shall provide and submit a separate Attachment II for a minimum of **three (3) professional references** to which the Offeror provided services similar in scope to those described in this solicitation.

Reference Information

Organization Name:	Arizona Department of Corrections
Address:	1831 W Jefferson M/C 530 Street Address Phoenix, AZ 85003 City, State, Zip Code
Contact Information:	( ) - Sam Keomaka (602) 771-2100 ext 208 Contact Name Phone Number skeomak@azcorrections.gov Contact Email Address

Description of Services Provided

Services Begin Date:	**Services End Date:**
June 2000	current

Description of Services Provided: (Include similar services performed as those described in Solicitation, and overall quality of job performance)

Southwest Laboratories provides drug and alcohol testing services to the Department for employees throughout Arizona. One of the challenges is finding Collection Sites in the remote areas where their facilities are, which we have done. Facilitating specimen collection services outside Arizona for the recruitment of employees is taken care of with a phone call to our staff.

Attachment II

State of Arizona
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Description: Drug & Alcohol Testing	Offeror Name: Southwest Laboratories

OFFEROR'S REFERENCES
Offeror shall provide and submit a separate Attachment II for a minimum of **three (3) professional references** to which the Offeror provided services similar in scope to those described in this solicitation.

Reference Information

Organization Name:	City of Phoenix
Address:	135 North 2nd Avenue, 6th Floor Street Address Phoenix, AZ 85003 City, State, Zip Code
Contact Information:	( ) - Tina Esparza (602)262-7717 Contact Name Phone Number tina.esparza@phoenix.gov Contact Email Address

Description of Services Provided

Services Begin Date:	Services End Date:
November 1999	current

Description of Services Provided: (Include similar services performed as those described in Solicitation, and overall quality of job performance)

Southwest Laboratories provides drug and alcohol testing services to the City of Phoenix for DOT and non-DOT testing for employees, including anabolic steroids testing for police officers. As a resource for the City, we provide special testing services as needed including unknown powders or specific drug analysis. Both Dr. Carmack and Ms. Hoppe have provided expert testimony in cases for the city. We ensure the City of Phoenix testing program is in compliance with both federal and state drug testing requirements, and provide policy assistance as needed.

Attachment III

State of Arizona
State Procurement Office
100 N 15th Ave., Suite 201
Phoenix, AZ 85007

Description: Drug & Alcohol Testing	Offeror Name: Southwest Laboratories

OFFEROR'S PROPOSED SUBCONTRACTOR(S)

The Offeror shall indicate all subcontractors that the Offeror will use to perform any portion of this solicitation's Scope of Work.

- If the Offeror will not subcontract any portion of this solicitation's Scope of Work and will be performing this solicitation's Scope of Work entirely with its own employees, then Offeror shall clearly indicate this by checking **NO** in the section below.
- If any subcontractors will be used, the Offeror shall clearly indicate this by checking **Yes** in the section below and follow the instructions contained in that paragraph for identifying all subcontractors.

_____**NO**, The above Offeror will not subcontract any portion of performance of any resultant contract under this solicitation.

__X__**YES** The above Offeror will use the subcontractor(s) listed below in performance of any resultant contract under this solicitation.

- The Offeror shall list below each subcontractor's name and contact information, the certifications required of them (if any), their small business status, the type of service to be provided, and the amount of time or effort (as a percent of total contract performance) that the subcontractor will perform in relation to total performance of this solicitation's requirements. Additional Pages may be used if necessary.
- The Offeror shall describe the quality assurance measures that the Offeror will use to monitor the subcontractor's performance.
- The State reserves the right to request any additional information deemed necessary about any proposed subcontractors.

Authorized Signature Date

SUBCONTRACTORS (If checked YES):
Please include all required information below or attach additional pages if necessary

The Collection Sites listed on the Southwest Laboratories Arizona Collector List are subcontractors for the sole purpose of specimen collection and breath alcohol testing. All locations have the necessary training and certifications needed to perform specimen collection services in urine, saliva, hair and breath testing. Please see attached Collector list for exact locations.

Southwest Laboratories contracts with two laboratories for hair drug testing:
1. Omega Laboratories, 400 N Cleveland Ave, Mogadore, OH 44260
2. US Drug Testing Laboratories, 1700 S Mount Prospect Rd,Des Plaines,IL 60018
Both of these laboratories meet the standards and criteria necessary to provide accurate and reliable drug testing in hair specimens.

Drug and Alcohol Testing
Proposal

Presented to:

State of Arizona

Request for Proposal No. ADSPO12-00001113

Statewide Contract for Use by the State of Arizona Agencies, Boards, Commissions and Political Subdivisions

December 1, 2011

Presented by:

Southwest Laboratories, Inc
Sonja Hoppe, President
4625 E Cotton Center Blvd, Suite 177
Phoenix, Arizona 85040

sonjahoppe@southwestlaboratories.com
602-438-8507, ext 111

Qualifications and Experience of

Southwest Laboratories

Introduction

Southwest Laboratories is pleased to submit this Proposal to provide Drug and Alcohol Testing and Related Services to the State of Arizona Agencies, Boards, Commissions and political subdivisions for their Drug-Free workplace Programs, in response to the Department's Request for Proposal, No. ADSOP12-00001113.

Background

Southwest Laboratories is a modern, state-of-the-art laboratory designed primarily for forensic drug testing. The Laboratory was established in early 1988 to meet the requirements of the then new "Mandatory Guidelines for Federal Workplace Drug Testing Program" proposed by the Federal government. In March 1993, Southwest Laboratories was certified under the National Laboratory Certification Program as SAMHSA (Substance Abuse and Mental Health Services Administration) Laboratory Number 0160. Currently, the laboratory is the only such Federally-certified laboratory in Arizona, and one of 36 nationwide.

Experience, Expertise, Areas of Past Performance

Southwest Laboratories performs testing for a wide variety of clients throughout the nation and holds contracts or performs drug testing for many State and governmental organizations, including the State of Arizona. Currently, the laboratory processes more than 190,000 specimens per year from over 400 programs.

Because of its size and dedication to drug testing, Southwest Laboratories has been able to customize the specific drug testing services it offers to each client. Each phase of the testing process has been tailored to the special requirements with regard to collection facilities, specimen transportation, and result reporting. The laboratory's integration with a number of employee assistance programs and various occupational clinics nationwide, give a depth of services that extend past the analytical testing services alone.

Specific Requirements

5.1. COMPONENT NUMBER I: COLLECTION (urine specimen)

Southwest Laboratories is convinced that the cornerstone of any forensically defensible drug testing program is the integrity of the specimen. To that end, Southwest Laboratories has developed protocols and safety mechanisms to ensure the integrity of the specimen from the time of collection to receipt at the laboratory.

An essential element in an employee urine drug testing program is the rigorous chain of custody procedures and documentation. Throughout the collection process, the collection site must follow detailed handling practices to ensure the legal acceptability of the results. As a part of its Collection Management Program, Southwest Laboratories provides on-going training and audits at all locations to ensure the collection process is properly performed, collector certifications are current, and that the facilities meet the requirements as specified in the Federal Guidelines, 49 CFR Part 40.

All specimens are handled in a secure manner utilizing a secure storage area while at the collection site and secure transport procedures via our courier or FedEx. Nearly all of the collection sites are set up for same day courier service. For some remote sites where only FedEx is available as a courier, the specimens are received the next morning.

With the extensive statewide collection site network maintained by Southwest Laboratories, specimen collections can be accomplished virtually anywhere in the State of Arizona. Whether the test is for DOT or non-DOT, for pre-employment, random, reasonable suspicions, post accident, voluntary or self initiated testing, return to duty or follow up testing, our job is to ensure the proper collection for the Agency. Southwest Laboratories also has an extensive database of collection sites nationwide if the need arises. The sites adhere to the respective standards mandated in Federal, DHHS and SAMHSA guidelines. The Southwest Laboratories' statewide collection site listing is included at the end of this proposal.

5.1.1. Donor Identification

The donor must provide appropriate identification to the collector upon arrival at the collection site. Acceptable forms of identification include a photo identification (e.g. drivers license, employee badge issued by employer, or any other picture identification issued by a Federal, State, or local government agency.); or identification by an employer or employer representative.

5.1.2 The Collection Steps

The Collection Process will follow the Urine Specimen Collection Handbook for Federal Workplace Drug Testing Programs, Version 1.01, Office of Drug and Alcohol Policy and Compliance and subsequent versions as they become available, as established in 49CFR Part 40. As part of our ongoing management of collections locations, our certified trainer – Kris Douglass – inspects the facilities, reviews training documentation, any corrective actions or changes which

may have occurred in the past, and overall facility management. If any discrepancies are noted, these must be address to continue as a collection site for Southwest Laboratories.

5.1.3 Acceptance of and receipt for monies (money order, check/cash or credit card)

The Collection sites specified on the Collection site list will accept a money order, check or cash from the donor. The payment will be attached to the CCF in sealed envelopes provided by the laboratory and will accompany the specimen to the laboratory. Credit cards may also be used if arrangements are made in advance.

5.1.4 On-site collection services

Onsite collections are available both with and without a mobile unit. Southwest Laboratories currently contracts with Mobile Drug Testing Services (MDT, Inc.) to provide onsite collection services, 24/7, without the use of a mobile unit in the Phoenix metro area. MDT currently has sixteen (16) certified specimen collectors who are also certified Breath Alcohol Technicians (BATs). For onsite collections utilizing a mobile unit, Southwest Laboratories contracts with Reliable Onsite, Inc. Reliable Onsite currently has four mobile units and four (4) certified specimen collections who are also certified Breath Alcohol Technicians (BATs). Although Reliable Onsite is based in the Phoenix metro area, they are willing to travel to other parts of the state. Upon request by an Agency, on-site collection services would be provided at a designated location(s) and time frame(s). In addition to the collection of urine specimens for testing, onsite breath alcohol testing is available as well. For Post-Accident or Post-Incident testing, on-site collectors can be anywhere in the Phoenix metro area within approximately one hour to provide on-site specimen collection.

5.1.5. Random selection/notification for donation of specimen for testing

Southwest Laboratories offers a full package of random selection services – maintaining databases of employees who are in random pool, and based on criteria submitted to us by the Agency, selecting the names of the individuals to be tested and in some cases even selecting the date. From DOT and non-DOT random selection reports, compliance reports and administration, we customized the service to the agencies specific needs. The Random Selection Hotline is available on a daily basis, 365 days per year. The participant calls in daily to see if she or he is to test that day, and if so, what test is to be performed. For the past five years, this service has been used extensively both in the medical professional monitoring programs for the State as well as for DES/CPS.

5.2 COMPONENT NUMBER II: LABORATORY SERVICES

In March 1993, Southwest Laboratories became certified under the National Laboratory Certification Program as Laboratory Number 0160, by SAMHSA (Substance Abuse and Mental Health Services Administration). The laboratory has maintained continuous certification since that date and complies with all testing procedures as identified in 49CFR Part 40, and routinely scores 100% on quarterly proficiency testing exams.

Southwest Laboratories maintains contracts with several SAMHSA certified laboratories, including MedTox, Quest Diagnostics, and Sterling Reference Labs for the purpose of split specimen testing (retest).

Southwest Laboratories will perform all drug and alcohol testing in urine and oral fluids. Specimen validity testing – essential for the accuracy and reliability of any testing program – is routinely performed. Listed below are the specific drug panels as required. Please note that these drugs panels can be updated as the new developments/drugs/testing become available.

In Urine:

Anabolic Steroids Drug Panel *(Drug Panel 600)*

bolasterone
bolderone
clostebol
dehydrochloromethyltestosteron,
drostanolone
fluoxymesterone
furazabol
mesterolone
metandienone
metenolone
methandriol
methyltestosterone
nandrolone
oxadrolone
oxymesterone
oxymetholone
stanozolol
testosterone
epitestosterone

Standard Drug Panel *(Drug Panel 106)*

alcohol
amphetamines (methamphetamine and amphetamine)
cocaine & benzoylecgonine (cocaine metabolite)
cannabinoids
opiates - codeine, morphine, hydrocodone, hydromorphone, oxycodone
phencyclidine

DOT Standard Drug Panel *(Drug Panel 500)*

amphetamines (methamphetamine and amphetamine)
cocaine & benzoylecgonine (cocaine metabolite)
cannabinoids
opiates - codeine, morphine,
heroin metabolite - 6 acetylmorphine (6AM)
MDMA, MDA, MDEA (Ecstacy)
phencyclidine

Expanded Drug Panel *(Drug Panel 118)*

alcohol
amphetamines (methamphetamine and amphetamine)
barbiturates
benzodiazepines
cocaine & benzoylecgonine (cocaine metabolite)
cannabinoids

opiates - codeine, morphine, hydrocodone, hydromorphone, oxycodone
heroin metabolite - 6 acetylmorphine (6AM)
phencyclidine

Comprehensive Drug Panel *(Drug Panel 158)*

alcohol
amphetamines (methamphetamine and amphetamine)
barbiturates
benzodiazepines
cocaine & benzoylecgonine (cocaine metabolite)
cannabinoids
meperidine
methadone
opiates - codeine, morphine, hydrocodone, hydromorphone, oxycodone
heroin metabolite - 6 acetylmorphine (6AM)
phencyclidine
propoxyphene
tramadol

Professional Drug Panel *(Drug Panel 300)*
Specialized Testing – including but not limited to:

Ethylglucoronide (EtG)
Fentanyl
Ecstacy (MDMA)
Cotinine

In Oral Fluids:

Standard Drug Panel *(Drug Panel 702)*

alcohol
amphetamines (methamphetamine and amphetamine)
cocaine & benzoylecgonine (cocaine metabolite)
cannabinoids
opiates - codeine, morphine, hydrocodone, hydromorphone, oxycodone
heroin metabolite - 6 acetylmorphine (6AM)
phencyclidine

Expanded Drug Panel *(Drug Panel 719)*

alcohol
amphetamines (methamphetamine and amphetamine)
barbiturates
benzodiazepines
cocaine & benzoylecgonine (cocaine metabolite)
cannabinoids
opiates - codeine, morphine, hydrocodone, hydromorphone
heroin metabolite - 6 acetylmorphine (6AM)

oxycodone
phencyclidine

Comprehensive Drug Panel *(Drug Panel 745)*
alcohol
amphetamines (methamphetamine and amphetamine)
barbiturates
benzodiazepines
cocaine & benzoylecgonine (cocaine metabolite)
cannabinoids
meperidine
methadone
opiates - codeine, morphine, hydrocodone, hydromorphone, oxycodone
heroin metabolite - 6 acetylmorphine (6AM)
phencyclidine
propoxyphene
tramadol

Specialized Testing
ecstacy
cotinine

In Hair:

Southwest Laboratories contracts with Omega Laboratories and United States Drug Testing Laboratories (USDTL) for specialty drug testing services including testing in hair. Omega Laboratories is the first ISO/IEC accredited hair drug testing laboratory in the United States. Both Omega Laboratories and USDTL provide drug and alcohol testing to businesses, physician health programs and government agencies and are certified by the College of American Pathologists (CAP).

Omega Laboratories offers hair testing with the Standard Drug Panel. USDTL offers both the Expanded Drug Panel and Comprehensive Drug Panel. Turnaround time for hair testing results is within 72 hours after laboratory receipt.

5.2.1 Major areas

Essential components of the laboratory are security, chain of custody, testing/analysis, data interpretation, documentation, quality assurance, and overall reliability and accuracy. Overall confidentiality and security, as well as system redundancy, equipment validation and maintenance are all components of the certified laboratory. As a federally certified laboratory for drug testing, you can rest assured that all of these components are part of our day-to-day operations and are audited 2-3 times per year by outside inspections.

5.2.2. Security

Southwest Laboratories is secure not only in the traditional sense of preventing unauthorized entry but also in the forensic sense of preventing access to the testing area except by authorized individuals. The laboratory is protected by a 24-hour monitored alarm system connected to individual door sensors and an infrared detection system.

Access to the testing area of the laboratory is strictly controlled in accordance with federal guidelines. The door to the testing area is equipped with a digitally encoded locking system to permit easy access to authorized personnel but act as a barrier to all others. Unlimited access to the secure testing area is authorized only to testing personnel. Visitors, maintenance, and service individuals are escorted at all times. These individuals are required to document their access by completing the visitor's logbook. All easements to the testing areas of the laboratory are further tracked by an automated computer logging system. The janitorial service is scheduled into the testing area of the laboratory only when an escort can be arranged.

Integrity of the personnel employed at the laboratory is assured by extensive background and investigation prior to hire. The laboratory conducts drug testing of its employees and conforms to the drug-free workplace initiatives.

The LIMS (laboratory information management system) at Southwest Laboratories is secure as well. The main network of the Southwest Laboratories computer system is protected by a hardware firewall with the capabilities of NAT, port blocking and IP blocking. User and security management on the *DataLIMS* is user and password based, utilizing the Linux PAM authentication modules. Security logs are maintained and available for inspection if requested.

The "swlresults.com" in-house web server hosts a secure web application that is accessed via SSL/TLS over an HTTPS connection. All data shared between the server and the client browser is encrypted, and cannot be intercepted. User authentication is via HTTPD authentication modules over the SSL/TLS session. Session management and timeouts are controlled on the server for each user session. Security logs are maintained for the web server as well.

All sensitive data served by the webserver has caching turned off, thereby preventing users from saving data to their internet browser cache without realizing it. Reports downloaded from the web server are in PDF format, with the PDF file being password protected and encrypted to prevent alteration. Adobe Acrobat Reader version 8.x or later is required to view and print the PDF files.

5.2.2.1 Security Compromise

Any incident that constitutes a breach or compromise of security is reported to any affected certifying agencies, such as SAMHSA and NRC. The report, which contains a description of the incident as well as specific actions taken to eliminate a reoccurrence is reported directly to those agencies and to any contract holders as specified, including the State of Arizona.

5.2.3 Any equipment utilized by the contractor shall meet or exceed applicable Federal and/or industry standards

Laboratory instruments that are used for specimen testing (e.g., Olympus Analyzers, GC/MS, pH meters) are calibrated or have their calibration verified prior to their use to ensure accuracy. Each laboratory instrument has a laboratory procedure manual which details proper calibration and operational procedures.

Instrument function checking is performed by a comprehensive, three-level program, the details of which are given in the Standard Operating Procedures Manual of the laboratory. On a daily basis, or prior to use, each instrument is checked for proper function and the results of these checks documented on an attached "QC Card." Temperature dependant equipment (such as heating blocks, freezers, etc.) are checked in a likewise fashion.

Critical instrument function checks, which are the more exacting checks that verify the calibration of the measurement sensors used within the equipment, are performed on a regular schedule. Records of these checks or adjustments are kept in a separate laboratory logbook.

Major repairs or maintenance are performed by authorized individuals or factory service personnel and records of this service kept in the instrument logbooks.

5.2.4 Collection Supplies

Southwest Laboratories will supply all necessary supplies to the Agency's designated Collection Facility, as required for testing. These Supplies shall include, but not be limited to: sealed one-time use kit containing collection cup with temperature strip(s), specimen bottle(s) with tamper-evident cap(s), tamper-evident leak proof specimen bags, Custody and Control Forms, courier bags or FedEx LabPaks including prepaid shipping airbills. The price for these supplies is included in the price for testing.

5.2.5 Custody and Control Forms (CCF)

Southwest Laboratories offers four different Test Request and Chain of Custody Forms:

1. Federal Drug Testing Custody and Control Form (DOT), 7 part
2. Test Request Form and Chain of Custody (Non-DOT), 4 part
3. Point of Collection Testing (POCT) Form, for with onsite tests

All forms are printed to meet federal and legal requirements, have tamper-evident seals directly adhered to the form with Specimen ID number imprinted on both the seal and form.

At the request of a State Agency, each form is custom printed with the Agency information, i.e. collection site, Medical Review Officer, etc. The forms may be sent to the collection site, or in the case that multiple collection sites are used, the forms will be forward directly to the Agency to be dispersed as needed.

5.2.6 Specimen Verification

In accordance with forensic guidelines, specimens are brought into the secure testing area of the laboratory for specimen accessioning. Each specimen bag containing a specimen is opened and the specimen label identification is verified against the Custody and Control Form information. Any damage to the specimen, its seals or contents, or the transport container is noted on a Quality Assurance form and the review official shall be consulted as to appropriate action to take. The laboratory accessioning individual completes and signs the Custody and Control Form, thereby acknowledging receipt into the laboratory.

Specimens are tracked during initial screening using an internal EMIT Screening Worklist and Chain of Custody Form. Each analyst that handles the specimen or is responsible for processing of it signs off on the form. At the conclusion of the initial testing, the specimens that are transferred to short-term refrigerated storage are appropriately documented. Specimens that test positive are then transferred to the GC/MS area for confirmatory testing accompanied by a worklist that provides for appropriate chain of custody signatures for each step of the process. A final chain of custody form is prepared for those specimens transferred into long-term freezer storage.

At the completion of all laboratory testing, the analysis records and chain of custody records and forms for each specimen are assembled for review. The laboratory certifying scientist verifies that each form has been properly completed prior to certifying the result for reporting.

5.2.7 Testing procedures

The testing procedures described in this section are in strict compliance with the HHS mandated testing procedures initially described in the *Federal Register*, October 4, 1994 and subsequent updates.

Specimens submitted to the laboratory are initially screened by one or both enzyme immunoassay techniques – EMIT® or ELISA. Immunoassays such as the EMIT® system or the ELISA, have been proven to provide a reliable and very sensitive assay procedure for rapidly screening specimens for a wide variety of drugs and their metabolites.

Screening done by EMIT® is performed using Olympus AU600 and AU640 automated, high-speed analyzers. The Olympus AU600 and AU640 analyzers are high-throughput, spectrophotometric analyzers that greatly enhances the precision and overall system accuracy of the EMIT testing process. These systems are capable of performing a number of highly repetitive tasks with unerring precision and accuracy. Each specimen subjected to analysis by the instrument is tracked by its bar-coded position within the analyzer thereby permitting positive identification throughout the testing process. Southwest Laboratories has extensively documented the precision, accuracy, and lack of carry-over for each of the EMIT assays used on the Olympus Analyzers.

Screening done by ELISA is performed using TECAN instrumentation. This system is capable of performing very sensitive testing for drugs such as fentanyl. Each specimen subjected to analysis by the instrument is tracked by its bar-coded position within the analyzer thereby permitting positive identification throughout the testing process. Southwest Laboratories has extensively documented the precision, accuracy, and lack of carry-over for each of the ELISA assays used on the TECAN system.

All specimens are routinely tested for specific gravity, pH, creatinine, and adulteration products such as bleach, nitrites and other oxidants

Urine specimens which produce a response less than the indicated threshold concentration will be deemed negative and not normally subjected to further testing. These specimens will be discarded one (1) week after testing.

Those specimens which produce an apparent response that exceeds the listed threshold concentration will be subjected to confirmation testing using gas chromatography-mass spectrometry (GC/MS).

The GC/MS testing is conducted with a Hewlett-Packard 5890 capillary column gas chromatographs coupled to Hewlett-Packard 5970/5972B/5975 mass spectrometers. Systems data is collected by a Hewlett-Packard 59970 MS ChemStation and analyzed by specialized drug-analysis software. This software system has been customized to furnish the necessary GC/MS documentation required under current HHS guidelines.

Southwest Laboratories will retain all specimens which test positive in secure frozen storage, for a minimum of one year. Upon request from a designated agency representative, individual specimens will be retained in indefinite storage until notified further.

5.2.8 Data Interpretation

An extensive set of documentation, including results of the screening and GC/MS testing, quality control results, instrument function records, and the original specimen chain of custody record, is compiled for review by the Laboratory Certifying Scientists (LCS) before the final report is issued. Any deficiencies which may be discovered are corrected, and if necessary, the testing is repeated. In some cases, while the testing process might have been satisfactory, a deficiency in the collection or transport process (i.e., lack of specimen identification, broken or tampered seals, or missing signatures) render the results unsuitable for release.

5.2.9 Documentation and reporting of test results

Results are reported by a variety of means (facsimile, web based electronic download, voicemail) in strict accordance with DOT or non-DOT requirements. Of primary concern, regardless of the reporting process used, is that the results be reported confidentially and accurately.

Southwest Laboratories will report negative results within 24 hours of receipt in the laboratory, and positive results within 48 hours or less.

Most commonly, results are retried online from our interactive, SSL secured website for the retrieval and downloading of testing results. When a result is completed and put on the web site, an email will be sent to the designated agency representative notifying them that new results are available. It is also possible to search form test results by the individual's name or identification number, by date collected or by collection site. For those agencies utilizing the random selection component, individual compliance reports can be generated on the website.

Although workplace drug testing has been deemed by DOT as exempt from HIPAA requirements, as a SAMHSA certified laboratory, Southwest Laboratories would be remiss if it did not ensure the absolute confidentiality to protect all donor information. Security controls for all computer and paper files, reporting procedures and records maintenance all comply with the highest level of security to ensure all information is protected.

5.2.10 Quality Assurance program and Quality Control

Quality control measures at Southwest Laboratories are very extensive and cover every aspect of the testing process to fully ensure the validity, reliability, accuracy, precision and performance of the entire system. Both internal and external quality control measures are employed. Internal quality controls are those procedures that involve reagent and standards processing, the use of quality control throughout all phases of the testing process, as well as instrument set-up and critical function monitoring. External quality control involves the laboratory's successful participation in proficiency testing programs.

Specimens accepted into the laboratory are immediately brought into the secure testing area of the laboratory for accessioning. Each sealed bag containing a specimen is individually opened and the specimen label identification on each bottle is verified against the Custody and Control Form information. All specimens received into the laboratory are entered into the laboratory's computerized logging system. The entry consists of the specimen identification number, the date the specimen was received, the donor identification number, and the agency that submitted the specimen.

Internal chain of custody procedures.

Specimens which have been accessioned have their appropriate chain of custody forms signed by the laboratory individual who is responsible for receiving them into the laboratory. From this point onward, a series of internal chain of custody forms are generated that can accurately and completely account for movement of the specimen throughout the various sections of the laboratory.

Quality control during specimen testing

During the initial screening process, four types of quality control samples are utilized to ensure the highest level of reliability of the process. Calibrators are included with each batch of specimens to ensure accuracy. "Open controls", which are commercially prepared urine specimens either fortified with known drug levels or containing no drugs (blanks) are included with each batch at a rate of at least ten percent. Blind controls, those whose contents are unknown to the analyst, are included at a rate of at least one percent. Each of the standards or controls included in a run must produce a response that is within the predefined response or quality control range. If the control materials are not within this range, the analytical problem is identified and cured, followed by a re-analysis of all the specimens in that run.

For confirmatory testing by GC/MS a similar control protocol is followed but due to smaller batch sizes, a higher frequency of standards, controls, and blanks are run. GC/MS data must also meet the added requirement of relative retention times and ion-ratios being within rather narrow "windows."

Reagents used in Testing.

Extensive quality assurance procedures are observed during the preparation and subsequent verification of all reagents, standards, and controls. The highest purity materials available are used in the preparation of these solutions. Each step of the preparation process is described in the appropriate laboratory manual and detailed records of lot numbers, amount weighed-out, etc are kept. As a final verification of the accuracy of reagent preparation, the new material is required to have been successfully "run" in parallel with the current material prior to its acceptance. Expiration date of all reagents, standards, and controls are carefully tracked so that they are not used beyond their expected lifetimes.

5.2.11 Specimen storage, retrieval, and /or transportation

Specimens confirmed as positive will be retained in frozen storage, in accordance with HHS guidelines, for a minimum of one year. Upon request, individual specimens will be retained in indefinite storage until notified further.

All records associated with the testing, including chain of custody documents, quality control records, temperature and daily instrument function checks, proficiency testing results, and all analytical data will be retained for at least five years. Upon request, specific documents will be retained for an extended period.

Documentation "packages" consisting of the above records will be made available when requested.

5.2.12 Monitoring and oversight of any of its Subcontractors

As part of Southwest Laboratories Collection Site Management Program, we periodically audit all subcontracted collection sites and provide continuing education and training for collectors by

a certified collection trainer. The Laboratory has ongoing programs for the current State of Arizona Contract and Arizona Public Service.

Southwest Laboratories only utilizes Subcontractors for the purpose of specimen collection. All other functions will be performed by Southwest Laboratories

5.2.13 On-going training of key personnel

All of our staff, especially key personnel, receive on-going training, procedure and information updates which is documented in our personnel training files. The files are inspected at a minimum of twice a year by the National Laboratory Certification Program to ensure that the training documentation is complete and current.

5.2.14 General, technical, and scientific information and/or Assistance

Southwest Laboratories is certified by the Department of Health and Human Services (HHS/SAMHSA). The qualifications of technical and supervisory personnel specified by these agencies are met by the laboratory. The scientific director specified by the Federal guidelines for laboratories is on staff and is responsible for the day-to-day management of the laboratory. The laboratory director, Dr. Gary D. Carmack received his Ph.D. degree in analytical chemistry followed by a two-year traineeship in analytical toxicology at the University of Wisconsin. He has in excess of twenty years experience in toxicology and forensic drug analysis. The laboratory director's duties include responsibility for maintaining a quality assurance program to ensure a high degree of analytical performance and the accurate reporting of results. Sonja Hoppe, the laboratory administrator, is a certified toxicologist chemist. Her area of responsibility included client services, which encompasses specimen handling, processing and reporting of results. As Supervisor of Analysts, Mike Gorman supervises method development and quality control. He has several years of experience in the field of toxicology and drug analysis. Other laboratory analysts have as a minimum, a B.S. degree in chemistry or closely related field of education.

Southwest Laboratories has provided general, technical and scientific information to various State Agencies as has been requested. Each of the individuals above is available to assist with any technical questions or concerns. Ms. Hoppe has expertise in both technical and general matters and has been a resource to several state agencies in setting up their programs (Arizona Supreme Court, Probation Management, Department of Corrections, and Department of Public Safety).

Specific information on each individual is listed in Attachment I, Offeror's Key Personnel.

5.2.15 Key Contact

The Key Contact(s) for this contract will be:

Kris Douglass, Client Liaison (collection protocols, panel information, results)
Sonja Hoppe, Laboratory Manager (results, processing, and other technical)
Mike Gorman, Supervisor of Analysts (results information, analysis questions)

5.2.16 Communication / Newsletter

Southwest Laboratories will issue a drug and alcohol testing communication at a minimum of once per quarter on drugs, testing and related services. In the past, we started a newsletter with a "Drug of the Quarter", in which discussed in detail how the drug is used, its effects, and testing procedures. These communications will be posted on our web site. Of course, if there are any changes to the rules which necessitate a more timely communication (i.e. a change in federally-approved cut-off levels) that information would be sent out immediately.

A list of approved collection sites for the State of Arizona Contract will be provided on the secure result website that agencies will be able to refer to on a regular basis.

5.2.17 Statistical, utilization and other designated reports

Southwest Laboratories will provide summary monthly and quarterly cumulative reports to each State Agency as requested. Each report will contain the following:

Number of Specimens Received
Number of Specimens Rejected
Number of Specimens tested for each designated panel
Number of Donors who paid for services at the Collection Site
Number of Specimens Confirmed Positive for each designated panel
Designation of which Drugs Confirmed Positive for each designated panel

The Laboratory will provide a quarterly statistical summary report for all State Agencies to the State Procurement Office, as well as a completed usage report.

Southwest Laboratories will provide statistical reports on semi-annual basis as required by DOT regulations to those agencies needing to meet those requirements.

5.2.18 Contract Administration (documentation of services)

Southwest Laboratories will maintain all documentation as necessary for the drug and alcohol testing of this contract, as well as the necessary contract administration functions in keeping with Federal, State, and State Agency specific requirements as described in the RFP.

5.3 COMPONENT NUMBER III: MEDICAL REVIEW OFFICER

No Bid for Medical Review Officer Services. As a SAMHSA certified laboratory and the interest of maintaining absolute objectivity, Southwest Laboratories may not enter into a business relationship with any Medical Review Officer, nor shall the MRO have any connection to or vested interest in the laboratory.

5.3.7,8,9 Expert Witness Testimony - Laboratory

Southwest Laboratories has three individuals with courtroom or other legal hearing experience. Dr. Gary Carmack is a recognized forensic expert throughout the court system in Arizona. Our

technical staff members have been thoroughly trained in legal proceedings and are available to testify when requested.

Litigation packages include: Chain of custody documents, all testing and analysis records, instrumentation calibrations, and any other pertinent information to the analysis of the specimen. All records are assembled by the Custodian of Records and are true and verified copies of all information pertaining to the specimen.

Southwest Laboratories will not provide, during the term of this contract, expert witness testimony on behalf of any individual or entity when the donor of record underwent testing at the request of the State. If expert witness is requested on an unrelated case, a written waiver will be requested from the State Agency.

5.4 COMPONENT NUMBER IV: BREATH ALCOHOL TESTING PERFORMED BY A BREATH ALCOHOL TECHNICIAN (BAT) USING DOT APPROVED EVIDENTIAL BREATH-TESTING DEVICES (EBTs)

Southwest Laboratories contracts with collection sites throughout Arizona which utilize evidential breath testing devices as specified on the National Highway Traffic Safety Administration's (NHTSA) Conforming List. The Southwest Laboratories Arizona Collector List shows which locations offer BAT testing.

Southwest Laboratories requires of all of its' collection site locations that provide breath alcohol testing, to have on staff certified breath alcohol technicians. Upon completion of the breath alcohol test, the results are communicated both verbally and in the case of a positive test result, faxed directly to the authorized client representative as soon as the testing is complete. A hard copy of all test results will be mailed to the authorized client representative as directed at each agency, unless specified otherwise by the DER.

IN CLOSING

Southwest Laboratories has dedicated its efforts to be a resource as well as providing drug and alcohol testing services to State Agencies, Boards, and its political subdivisions for over the past fifteen years. Our staff will continue to work closely with the State Procurement Office as well as each Agency to ensure that their drug and alcohol testing programs are working smoothly. For any questions or concerns, the laboratory and its staff are just a phone call away. Kris or Sonja will be always available to address any concern and make special arrangements if needed. Southwest Laboratories will comply with all services, documentation, and insurance requirements as stated in RFP #ADSPO12-00001113 and subsequent amendments to ensue the successful performance of this contract.

Southwest Laboratories is pleased to offer our services for specimen collections throughout the State of Arizona, for drug and alcohol testing, and to be a resource for the State of Arizona Agencies.

Southwest Laboratories Arizona Collector List

November 16, 2011

4625 E. Cotton Center Suite 177 Phoenix, Arizona 85040 602-438-8507/800-279-0027

City	Clinic Name	Address	Phone	Hours	Contact	BAT
Ajo	Desert Senita Comm Health	410 Malacate	520-387-5651	8-5 M,W,Th,F, 8-7 Tu	Carlos Yanez	Yes
Avondale	Nextcare Urgent Care	13075 W. McDowell Rd. Ste D106	623-547-0522	8-8 M-F, 8-4 Sat/Sun	Tina Castaneda	No
Bisbee	Copper Queen Comm. Hospital	101 Cole Ave.	520-432-5383	after hours	Nancy McFarland	No
Bisbee	Copper Queen Medical Associates	Occ Med/101 Cole Ave.	520-432-2042	8:30-4:30 M-F	Nancy McFarland	Yes
Bullhead City	Mohave Environmental Lab	2580 Landon Dr., Ste. A	928-754-8101	8-12, 1-4 M-F	Sheila	Yes
Bullhead City	W.A.R.M. Imaging Center	1245 East Hancock Road	928-763-2273	8-4 M-F then hosp ER	Matt Schuman	No
Casa Grande	Casa Grande Urgent Care/Occ Health	1676 E. McMurray Blvd.	520-316-0688	9-9 7 days	Nancy Bertsch	Yes
Casa Grande	MBI Casa Grande	177 W. Cottonwood Ln, Ste 1	520-836-3800	8-5 M-F	Adriana Andazola	Yes
Chandler	AZ Clinical Services LLC	3180 N. Alma School Rd., Ste. 1	480-820-2298	8-12, 1-5 M-F 8-12 Sat.	Sean Payne	No
Chandler	FastMed Urgent Care Chandler	2875 W. Ray Rd. #8	480-899-3070	8a-8p M-Sat., 9-4:30 Sun	Lori Bosken	No
Cottonwood	Verde Valley Med. Ctr (non-reg)	Outpatient/269 S. Candy Lane	928-639-5305	7-5:30 M-Th, 7-5 Fr.	Karen McMulin	No
Cottonwood	Verde Valley Urgent Care/Occ. Med.	450 S. Willard St., Ste. 120	928-634-2574	8-8 M-F, 9-5 Sat	Sandy Tabeling	Yes
Douglas	Copper Queen Medical Associates	100 East 5th Street	520-364-7659	9:30-11:30 1-4 M-F	Nancy McFarland	No
Flagstaff	Concentra Flagstaff	1110 E. Route 66, Ste. 100	928-773-9695	8-8 M-F, 8-6 Sat/Sun	Becky Vallejos	Yes
Flagstaff	Northland Investigations	3009A N. West Street	928-774-4104	10-4 M-F(appt req'd after 12/5/11	Dan Caputo	QED
Florence	FastMed Urgent Care Florence	495 N. Pinal Pkwy. #106	520-868-0573	9-5:30 M-F, 9-4:30 Sat/Sun	Lori Bosken	Yes
Fountain Hills	Fountain Hills Med Walk	16605 E. Palisades Suite, 150	480-837-4300	8-12:30, 1:30-5 M-F/ 9-12 Sa	Arlena	No
Fountain Hills	Statclinix Fountain Hills	17225 E. Shea Blvd. #105	480-295-3700	9-5 M-Sat	Paula Parsons	No
Gilbert	Banner Gateway Clinic	1920 N. Higley Rd., Ste. 108	480-543-3300	7-6 M-F, 8-4 Sat.	Tammy Fabritz	Yes
Gilbert	FastMed Urgent Care Gilbert	920 E. Williams Field Rd. #101	480-855-9400	8a-9p M-Sat 9-4 Sun	Lori Bosken	No
Glendale	Banner Thunderbird	5601 W. Eugie Ave., Ste. 213	602-865-5618	7a-6p M-F	Katheryn Kivacic	Yes
Glendale	Any Lab Test Now Glendale	20280 N. 59th Ave., #116	623-825-4564	8-6 M-F, 9-2 Sat.	Jeri Seidel	No
Glendale	Lab Express Glendale	13708 N. 51st Ave.	602-439-8300	8-8 M-F 9-2 Sat.	Sylvia Valenzuela	No
Glendale	MBI Northwest	15236 N. 59th Ave.	602-337-8356	8-7 M-F, 8-1 Sat.	Rita Sanchez	Yes
Glendale	Select Information Services	5507 W. Glenn	623-842-0992	7:30-4:30 M-Th.	Kay Bauer	Yes
Globe	Cobre Valley Hospital	5880 S. Hospital Dr.	928-425-3261	9-3 M-F	Sandra Montgomery	Yes
Globe	Diversified Solutions	1400 South Street	928-425-7755	8:30-12:15, 1-2:30 M-F	Daryl Oft	Yes
Goodyear	Sun Valley Urgent Care	2910 N. Litchfield Rd.	623-218-6907	9-8 M-F, 9-4 Sat/Sun	Kristal Murillo	Yes
Holbrook	North Country Community Health	2109 Navajo Blvd.	928-524-2851	8-2 M-F	Marti Neff	No
Kingman	Kingman Regional Medical/Occ Health	1740 Sycamore Ave., Ste. A	928-757-0613	8-3 M-Th, 8-2 Fri.	Denise Casson	Yes

Southwest Laboratories Arizona Collector List

City	Clinic Name	Address	Phone	Hours	Contact	BAT
Lk. Havasu City	Havasu Regional Medical Ctr	101 Civic Center Lane-Lab	928-453-0120	8:30-5 then ER	Julie Clark	No
Lk. Havasu City	Lake Havasu Medical	1951 Mesquite Ave., Suite F	928-855-4077	7-12, 1-4:30 M-F	Sue Dyer	No
Lk. Havasu City	Mesquite Medical Associated	1830 Mesquite Suite A	928-855-8071	8-12 1:30-5 M-F appt. only	Tracy	Yes
Mesa	Banner Desert Clinic	2225 W. Southern	480-412-3275	7a-6p M-F	Rian Childers	Yes
Mesa	Concentra Mesa	1710 W. Southern	480-644-7900	8-6 M-F, 8-12 Sat.	Gina Lugo	Yes
Mesa	Concentra Val Vista	1959 S. Val Vista Rd. #106	480-545-1398	8-5 M-F	Jessica Salazar	Yes
Mesa	Lab Express Mesa	745 W. Baseline Rd. Ste. 6	480-214-0066	8-8 M-F 9-2 Sat.	Misty Norwood	No
Mesa	Preferred Services	54 S. Center	480-835-6676	8:30-4:30 M-Th	Tina Muller	Yes
Mesa	Southwest Urgent Care	535 E. McKellips Rd. #101	602-443-6750	8-8 M-F, 9-5 Sat/Sun	Scott Bingham	Yes
Mesa	Statclinix Mesa	1151 N. Gilbert Rd.	480-610-0688	8-8 7 days	Paula Parsons	No
Mesa	Fast/Med Urgent Care Mesa	415 N. Val Vista Dr. #101	480-654-5661	7a-9p M-Sat, 9-4 Sun	Lori Bosken	No
Mesa	Fast/Med Urgent Care	1955 S. Signal Butte Rd., Ste. 103	480-214-4466	8a-8p M-Sa, 9-4:30 Sun	Lori Bosken	No
Mesa(Nov.12)	FastMed Urgent Care Power Rd.	1810 S. Power Rd.	480-214-0045	8a-8p M-Sa, 9-4:30 Sun	Lori Bosken	No
Morenci	Gila Health Resources LLC/Lab	Coronado Blvd./Burro Alley Dr.	928-865-9184	7-12 1-4 M-F	Laurie Dalton	Yes
Nogales	Carondolet Holy Cross Hospital	1171 W. Target Range Rd.	520-287-2771	8-4 M-F	Juliam Villegas	Yes
Nogales	J2 Laboratories Nogales	855 W. Bell Rd., Ste. 200	520-377-0781	9-5 M-F	Juan Ballisteros	Yes
Nogales	Nogales Medical Clinic	480 N. Morley Ave.	520-287-2726	8-11:30, 1:30-4	Monica Ortiz	No
Page	Canyonlands Urgent Care	440 N. Navajo	928-645-1700	8-6 M-Sat	Michelle Zavala	No
Page	Page Hospital	N. Navajo & Vista Ave.	928-645-2424	8-11 M-F call first	Donna Chapman	Yes
Parker	LaPaz Regional Medical Center	1200 Mohave Rd.	928-669-9201	7:30-4 M-F	Vivian Leblanc	No
Payson	Diversified Solutions	1107 S. Beeline Suite 4	928-472-3388	8-12 M-F	Daryl Oft	Yes
Payson	Statclinix Payson	101 East Highway 260, Ste. G	928-478-8905	8-8 7 days	Paula Parsons	No
Peoria	AZ Clinical Services LLC	13260 N. 94th Dr., Ste. 106	623-972-2000	8-12, 1-5 M-F	Sean Payne	No
Peoria	Concentra Northwest	14155 N. 83rd Ave. Bld. H Ste. 101	623-487-8598	7-6 M-F, 8-4 Sat.	Kelley Darnel	Yes
Phoenix	AZ Clinical Services LLC	5501 N. 19th Ave., Ste. 208	602-242-4125	8-12, 1-5 M-F 8-12 Sat.	Sean Payne	No
Phoenix	AZ Clinical Services LLC	1300 N. 12th St, Ste 617	602-252-2118	8-12, 1-5 M-F	Sean Payne	No
Phoenix	Banner Estrella Clinic	9305 W. Thomas Rd. Ste 235	623-327-4100	7-6 M-F	Rian Childers	Yes
Phoenix	Banner Good Samaritan	1300 N. 12th St, Ste 520	602-839-4456	6a-10p M-F, 8-4 Sat/Sun	Amanda Carranza	Yes
Phoenix	Concentra Airport	1818 E. Sky Harbor Circle North	602-244-9500	24 hours	Artricia Hunt	Yes
Phoenix	Concentra Metro	12808 N. Black Canyon Hwy.	602-375-1155	7-7 M-F	Sherri Hall	Yes
Phoenix	Concentra Southwest	5340 W. Buckeye Rd. #3	602-233-2117	8-5 M-F	Elizabeth Palasios	Yes

Southwest Laboratories Arizona Collector List

City	Clinic Name	Address	Phone	Hours	Contact	BAT
Phoenix	Concentra West	3532 W. Thomas Rd.,Ste 5	602-272-7662	8-6 M-F, 8-12 Sat.	Krista Challes	Yes
Phoenix	Lab Express	4015 E. Bell Rd. Ste. 128	602-283-1871	7-6 M-F, 8-1 Sat.	Scott Farrell	Yes
Phoenix	Lab Express Phoenix	505 W. McDowell Rd. Bldg. A	602-241-9000	8-8 M-F, 9-2 Sat	Scott Farrell	appt
Phoenix	MBI East	4100 E. Broadway Rd. Ste. 130	602-437-0234	7-5 M-F	Yadira Torres	Yes
Phoenix	MBI West	3501 W. Osborn Rd.	602-272-7676	7a-10p M-F, 8-6 Sat.	Chris Lara	Yes
Phoenix	Southwest Laboratories	4625 E.Cotton Center Blv Ste 177	602-438-8507	8-11:30, 12-4:30 M-F	Kris Douglass	Yes
Phoenix	Swift Occ-Med Clinic	2200 S. 75th Ave., Bldg. #10	623-907-7638	7-4 M-Th, 8-3 Fri	Shayne Olsen	No
Pinetop	Pinetop Medical	728 E .White Mountain Blvd.	928-367-6688	8:30-3 M-Th	Cindy Overmyer	Yes
Prescott	Bradshaw Mtn. Essential Services	990 Willow Creek Road	928-778-4510	8:30-5 M-F	JJ/Deon	Yes
Prescott	Palmer Investigative Service	624 Gurley St. Ste A	928-778-2170	8-4:30 M-F	Sheila	Yes
Prescott Valley	Bradshaw Mtn. Essential Services	7732 East Florentine	928-775-5267	8:30-5	Deon/JJ	Yes
Safford	Gila Health Resources LLC	118 Fifth Street	928-424-2110	7:30-4:30 M-F	Laurie Dalton	Yes
Safford*	Mt. Graham Community Hosp.	1600 20th Ave.	928-348-4215	8-4:30 M-Th, 8-11 Fri	Jane Holyoak	No
San Manuel	Sun Life Family Healthcare	23 McNab Parkway	520-385-2234	8:30-12, 1-4:30 M-F	Amy Jo	Yes
Scottsdale	Any Lab Test Now Scottsdale	8902 E. Via Linda #115	480-451-0002	8-6 M-F, 9-2 Sat.	Jeri Seidel	No
Scottsdale	AZ Clinical Services LLC	6990 E. Shea Blvd., Ste. 125	480-629-4255	8-12,1-5 M-F 8-12 Sat	Sean Payne	No
Scottsdale	Lab Express	9015 E. Via Linda, Ste. 102	480-904-5050	7-6 M-F, 8-1 Sat.	Scott Farrell	No
Scottsdale	Scottsdale Healthcare Airpark	16101 N. 82nd St. #A-8	480-323-1880	7:30-5 M-F	Barb Scott	Yes
Scottsdale	Scottsdale Healthcare Osborn	3501 N Scottsdale Rd Suite 231	480-882-4770	7:30-5 M-F	Nisha Shah	Yes
Scottsdale	Scottsdale Healthcare Shea	10200 N. 92nd St. Plaza 4 #100	480-323-3818	7:30-5 M-F	Cindy Vanegas	Yes
Scottsdale	Statclinix Scottsdale	15223 N. 87th St., Ste. 110	480-682-4100	8-8 7 days	Paula Parsons	No
Scottsdale	FastMed Urgent Care Scottsdale	7730 E. McDowell Rd., Ste. 101	480-699-3314	9a-8p M-Sa, 9-1 Sun	Lori Bosken	No
Scottsdale(Nov19)	FastMed Urgent Care Shea	4902 E. Shea Blvd.	602-672-5725	8a-8p M-Sa, 9-4:30 Sun	Lori Bosken	No
Show Low	Statclinix Show Low	680 E. Deuce of Clubs	928-537-2777	8-8 7 days	Paula Parsons	No
Show Low	Summit Healthcare Regional Med Ctr	2500 E. Hunt St.	928-537-6328	8-11:30 1-3:30 M-F	Jill Vanderkooi	Yes
Sierra Vista	Arizona Family Care	302 El Camino Real, Ste5	520-452-2231	8-12, 1-3:30 M-F	Carol	No
Springerville	White Mtn Med Ctr	118 S. Mountain Ave.	928-333-7107	8-5 M-F then ER	Pat Watkins	Yes
St. George, UT	Workmed	385 North 3050 East	435-251-2630	9-5 M-F	Jelaine	Yes
Tempe	Concentra Tempe	950 E. Southern	480-968-7200	8-5 M-F	Chris Lara	Yes
Tempe	Injury Management Systems	1844 E. Baseline Rd. Ste. C-5	480-833-1005	8-5 M-F	Shari Petersen	No
Tucson	Concentra Tucson-Central	3402 E. Broadway Blvd.	520-881-0050	8-5 M-F	Melissa Leon	Yes

Southwest Laboratories Arizona Collector List

City	Clinic Name	Address	Phone	Hours	Contact	BAT
Tucson	Concentra Tucson-Ruthrauff	2005 W. Ruthrauff Rd., Suite 111	520-293-7250	8-5 M-F	Erin Kousen	Yes
Tucson	Concentra Tucson-South	4600 S. Park, Suite 5	520-889-9574	7-8 M-F, 8-6 Sat	Monique Arndt	Yes
Tucson	Drug Free Works	4006 N. Romero	520-235-8503	Call for appt	Dr. Sparr	Yes
Tucson	J2 Laboratories Ajo Way	1200 E. Ajo Way, Ste. 104	520-746-9467	8-5 M-F	Juan Ballisteros	Yes
Tucson	J2 Laboratories LaCholla	6127 N. LaCholla, Ste. 145	520-624-7727	8-4 M-F	Juan Ballisteros	Yes
Tucson	J2 Laboratories Main	3640 N. 1st Ave., Ste. 130	520-690-7385	8-6 M-F, 9-2 Sat.	Juan Ballisteros	Yes
Tucson	J2 Laboratories Wilmot	1951 N. Wilmot Rd., Bld. 1 Ste. 3B	520-296-4549	8-5 M-F	Juan Ballisteros	Yes
Tucson	Lab Express Tucson	4747 N. 1st Ave.	520-293-4600	8-8 M-F 9-2 Sat.	Paulette DiMaggio	No
Tucson	MBI Tucson	1001 E. Palmdale	520-807-1060	7-5 M-F, 8-12 Sat.	Marisela Figueroa	Yes
Tucson	Oschmann Employee Services	3360 S. Palo VerdeRd.	520-745-1029	7am-8pm M-F	Gary Oschmann	Yes
Tucson	US Healthworks Craycroft	888 S. Craycroft, Suite 150	520-747-0446	8-5 M-F	Amy Niloff	Yes
Tucson	US Healthworks Grant	1661 W. Grant	520-628-4340	8-5 M-F	Amy Niloff	Yes
Tucson	US Healthworks Ina	2945 West Ina Rd Suite 103	520-877-8600	8-5 M-F	Amy Niloff	Yes
Wickenburg	Wickenburg Regional Hospital	520 Rose Lane	928-684-5421	1-5 M-F Call ahead	Jo Haga	No
Willcox	North Cochise Comm. Hospital	901 Rex Allen Drive	520-384-3541	9-2 M-F	Berry Bertie	Yes
Williams	Williams Healthcare Center	301 S. 7th Street	928-635-4441	8-5 M-F	Barbra Bilharz	Yes
Winslow	Lee Medical Center	102 E. 3rd Street	928-289-3345	appt only	Emelita Lee	No
Yuma	Foothills Walk-In	11274 S. Fortuna Rd., Suite 14	928-345-2150	8-6 M-F	Jenny Nunez	Yes
Yuma	Pinnacle Healthcare	4343 E. 31st Pl.	928-341-4544	8-6 M-F, 9-3 Sat	Alfredo Rodriguez	Yes
Yuma	Replogle Medical Clinic	11871 S. Fortuna Rd.	928-342-9020	8:30-4:30 M-F	Lisa Marsh Replogle	Yes
	***DONORS MUST TAKE CCFs FOR TESTING**					

SOUTHWEST LABORATORIES
4625 E. COTTON CENTER BLVD.
SUITE 177
PHOENIX, AZ 85040
(602) 438-8507
1-800-279-0027
FAX (602) 438-2737

SOUTHWEST LABORATORIES

FEDERAL DRUG TESTING CUSTODY AND CONTROL FORM

SPECIMEN ID NO. 5716924

ACCESSION NO.

OMB No. 0930-0158

STEP 1: COMPLETED BY COLLECTOR OR EMPLOYER REPRESENTATIVE

A. Employer Name, Address, I.D. No.

B. MRO Name, Address, Phone No. and Fax No.

C. Donor SSN or Employee I.D. No. _____

D. Specify Testing Authority: ☐ HHS ☐ NRC ☐ DOT – Specify DOT Agency: ☐ FMCSA ☐ FAA ☐ FRA ☐ FTA ☐ PHMSA ☐ USCG

E. Reason for Test: ☐ Pre-employment ☐ Random ☐ Reasonable Suspicion/Cause ☐ Post Accident ☐ Return to Duty ☐ Follow-up ☐ Other (specify) _____

F. Drug Tests to be Performed: ☐ THC, COC, PCP, OPI, AMP ☐ THC & COC Only ☐ Other (specify) _____

G. Collection Site Address:

Collector Phone No. _____

Collector Fax No. _____

STEP 2: COMPLETED BY COLLECTOR (make remarks when appropriate) Collector reads specimen temperature within 4 minutes.

Temperature between 90° and 100° F? ☐ Yes ☐ No, Enter Remark | Collection: ☐ Split ☐ Single ☐ None Provided, Enter Remark | ☐ Observed, Enter Remark

REMARKS

STEP 3: Collector affixes bottle seal(s) to bottle(s). Collector dates seal(s). Donor initials seal(s). Donor completes STEP 5 on Copy 2 (MRO Copy)

STEP 4: CHAIN OF CUSTODY - INITIATED BY COLLECTOR AND COMPLETED BY TEST FACILITY

I certify that the specimen given to me by the donor identified in the certification section on Copy 2 of this form was collected, labeled, sealed and released to the Delivery Service noted in accordance with applicable Federal requirements.

X _____
Signature of Collector

_____ (PRINT) Collector's Name (First, MI, Last) | ___/___/___ Date (Mo/Day/Yr) | _____ Time of Collection AM PM

SPECIMEN BOTTLE(S) RELEASED TO:
☐ Southwest Laboratories Courier
☐ Fed Ex
☐ Other _____
Name of Delivery Service

RECEIVED AT LAB OR IITF:

X _____
Signature of Accessioner

_____ (PRINT) Accessioner's Name (First, MI, Last) | ___/___/___ Date (Mo/Day/Yr)

Primary Specimen Bottle Seal Intact ☐ YES ☐ NO
If NO, Enter remark in Step 5A.

SPECIMEN BOTTLE(S) RELEASED TO:

STEP 5A: PRIMARY SPECIMEN REPORT - COMPLETED BY TEST FACILITY

☐ **NEGATIVE** ☐ DILUTE

☐ **POSITIVE** for: ☐ Marijuana Metabolite (Δ9-THCA) ☐ Cocaine Metabolite (BZE) ☐ PCP ☐ 6-Acetylmorphine ☐ Morphine ☐ Codeine ☐ Methamphetamine ☐ Amphetamine ☐ MDMA ☐ MDA ☐ MDEA

☐ **REJECTED FOR TESTING** ☐ **ADULTERATED** ☐ **SUBSTITUTED** ☐ **INVALID RESULT**

REMARKS: _____

Test Facility (if different from above) : _____

I certify that the specimen identified on this form was examined upon receipt, handled using chain of custody procedures, analyzed, and reported in accordance with applicable Federal requirements.

X _____ Signature of Certifying Technician/Scientist | _____ (PRINT) Certifying Technician/Scientist's Name (First, MI, Last) | ___/___/___ Date (Mo/Day/Yr)

STEP 5b: COMPLETED BY SPLIT TESTING LABORATORY

_____ Laboratory Name

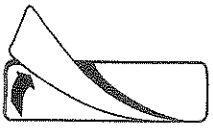
_____ Laboratory Address

☐ **RECONFIRMED** ☐ **FAILED TO RECONFIRM** - REASON _____

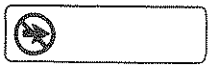
I certify that the split specimen identified on this form was examined upon receipt, handled using chain of custody procedures, analyzed, and reported in accordance with applicable Federal requirements.

X _____ Signature of Certifying Scientist | _____ (PRINT) Certifying Scientist's Name (First, MI, Last) | ___/___/___ Date (Mo./Day/Yr.)

PRESS HARD - YOU ARE MAKING MULTIPLE COPIES



Peel on an upward angle across form.



Do not peel directly across form.

5716924 SPECIMEN ID NO. | 30 ml **A** | 5716924 PLACE OVER CAP | **SPECIMEN BOTTLE SEAL** | ___/___/___ Date (Mo.Day/Yr.) | _____ Donor's Initials

5716924 SPECIMEN ID NO. | 15 ml **B** (SPLIT) | 5716924 (SPLIT) PLACE OVER CAP (SPLIT) | **SPECIMEN BOTTLE SEAL** | ___/___/___ Date (Mo.Day/Yr.) | _____ Donor's Initials

COPY 1 - TEST FACILITY COPY

SOUTHWEST LABORATORIES
4625 E. COTTON CENTER BLVD.
SUITE 177
PHOENIX, AZ 85040
(602) 438-8507
1-800-279-0027
FAX (602) 438-2737

FEDERAL DRUG TESTING CUSTODY AND CONTROL FORM

SPECIMEN ID NO. 5716924

ACCESSION NO.

OMB No. 0930-0158

STEP 1: COMPLETED BY COLLECTOR OR EMPLOYER REPRESENTATIVE

A. Employer Name, Address, I.D. No.

B. MRO Name, Address, Phone No. and Fax No.

C. Donor SSN or Employee I.D. No. _____

D. Specify Testing Authority: ☐ HHS ☐ NRC ☐ DOT – Specify DOT Agency: ☐ FMCSA ☐ FAA ☐ FRA ☐ FTA ☐ PHMSA ☐ USCG

E. Reason for Test: ☐ Pre-employment ☐ Random ☐ Reasonable Suspicion/Cause ☐ Post Accident ☐ Return to Duty ☐ Follow-up ☐ Other (specify) _____

F. Drug Tests to be Performed: ☐ THC, COC, PCP, OPI, AMP ☐ THC & COC Only ☐ Other (specify) _____

G. Collection Site Address:

Collector Phone No. _____

Collector Fax No. _____

STEP 2: COMPLETED BY COLLECTOR (make remarks when appropriate) Collector reads specimen temperature within 4 minutes.

Temperature between 90° and 100° F? ☐ Yes ☐ No, Enter Remark | Collection: ☐ Split ☐ Single ☐ None Provided, Enter Remark | ☐ Observed, Enter Remark

REMARKS

STEP 3: Collector affixes bottle seal(s) to bottle(s). Collector dates seal(s). Donor initials seal(s). Donor completes STEP 5 on Copy 2 (MRO Copy)

STEP 4: CHAIN OF CUSTODY - INITIATED BY COLLECTOR AND COMPLETED BY TEST FACILITY

I certify that the specimen given to me by the donor identified in the certification section on Copy 2 of this form was collected, labeled, sealed and released to the Delivery Service noted in accordance with applicable Federal requirements.

X _____
Signature of Collector

_____ (PRINT) Collector's Name (First, MI, Last) | ___/___/___ Date (Mo/Day/Yr) | ___ AM / PM Time of Collection

SPECIMEN BOTTLE(S) RELEASED TO:

☐ Southwest Laboratories Courier
☐ Fed Ex
☐ Other _____

_____
Name of Delivery Service

STEP 5: COMPLETED BY DONOR

I certify that I provided my urine specimen to the collector; that I have not adulterated it in any manner; each specimen bottle used was sealed with a tamper-evident seal in my presence; and that the information provided on this form and on the label affixed to each specimen bottle is correct.

X _____
Signature of Donor

_____ (PRINT) Donor's Name (First, MI, Last) | ___/___/___ Date (Mo/Day/Yr)

Daytime Phone No. (_____) _____ Evening Phone No. (_____) _____ Date of Birth ___/___/___ (Mo/Day/Yr)

After the Medical Review Officer receives the test results for the specimen identified by this form, he/she may contact you to ask about prescriptions and over-the-counter medications you may have taken. Therefore, you may want to make a list of those medications for your own records. THIS LIST IS NOT NECESSARY. If you choose to make a list, do so either on a separate piece of paper or on the back of your copy (Copy 5). – DO NOT PROVIDE THIS INFORMATION ON THE BACK OF ANY OTHER COPY OF THE FORM. TAKE COPY 5 WITH YOU.

STEP 6: COMPLETED BY MEDICAL REVIEW OFFICER - PRIMARY SPECIMEN

In accordance with applicable Federal requirements, my verification is:

☐ **NEGATIVE** ☐ **POSITIVE** for: _____
☐ DILUTE

☐ **REFUSAL TO TEST** because – check reason(s) below: ☐ **TEST CANCELLED**
☐ ADULTERATED (adulterant/reason): _____
☐ SUBSTITUTED
☐ OTHER: _____

REMARKS: _____

X _____
Signature of Medical Review Officer

_____ (PRINT) Medical Review Officer's Name (First, MI, Last) | ___/___/___ Date (Mo/Day/Yr)

STEP 7: COMPLETED BY MEDICAL REVIEW OFFICER - SPLIT SPECIMEN

In accordance with applicable Federal requirements, my verification for the split specimen (if tested) is:

☐ **RECONFIRMED** for: _____ ☐ **TEST CANCELLED**

☐ **FAILED TO RECONFIRM** for: _____

REMARKS: _____

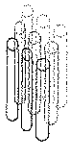
X _____
Signature of Medical Review Officer

_____ (PRINT) Medical Review Officer's Name (First, MI, Last) | ___/___/___ Date (Mo/Day/Yr)

Test Request Form & Chain of Custody

9380702

Split Specimen Collection



SOUTHWEST LABORATORIES

Date (Mo. Day Yr.) ___/___/___

Donor's Initials _____

A 30 ml. (9380702 PLACE OVER CAP)

9380702
SPECIMEN I.D.

Date (Mo. Day Yr.) ___/___/___

Donor's Initials _____

B (split) 15 ml. (9380702 (SPLIT) PLACE OVER CAP (SPLIT))

9380702
SPECIMEN I.D.

INSTRUCTIONS FOR COLLECTORS: PLEASE COMPLETE ALL STEPS 1,2,3 & 5

STEP 1 REQUESTED BY:

COLLECTED AT:

STEP 2 SPECIMEN INFORMATION

LAST NAME _____ FIRST _____ SSN or Employee No. _____ Date Collected ___/___/___ Time Collected _____ AM PM

Type of Test:

☐ Pre-Employment ☐ Post-Accident ☐ Follow-up ☐ Patient
☐ Random ☐ For Cause ☐ Self ☐ Other:

Read specimen temperature within 4 minutes.
Specimen temperature within range:
☐ Yes, 90 - 100°F (34-38°C)
☐ No, Record Actual Temperature: _____

Specimen Collection:
☐ Split
☐ Single
☐ Observed

Remarks Concerning Collection: _____

STEP 3 TEST REQUEST

STEP 4 DONOR CONSENT AND CERTIFICATION

I consent to this testing and to the release of results of this testing to the above named company and hold harmless, the laboratory, collection facility, above named company, and their agents or representatives from any and all liability arising from this testing and any decision made concerning my application for employment or my continued employment based upon the results of these tests. I further certify that I provided my urine specimen and that the specimen bottle was sealed in my presence and that the information provided on this form and on the label affixed to the specimen bottle is correct.

PRINTED DONOR NAME _____ SIGNATURE OF DONOR _____ DAYTIME PHONE NUMBER _____ DATE _____

STEP 5 COLLECTOR CERTIFICATION

I certify that the specimen identified on this form is the specimen presented to me by the donor providing the certification above, and that it bears the same identifcation number on this form and it has been collected, labeled and sealed in the donor's presence. I hereby release this specimen for transport to Southwest Laboratories.

SPECIMEN BOTTLE(S) RELEASED TO:

☐ Southwest Laboratories Courier ☐ Fed Ex ☐ Other _____

PRINTED COLLECTOR'S NAME _____ SIGNATURE OF COLLECTOR _____ DATE _____

STEP 6 LABORATORY RECEIPT AND CERTIFICATION

I certify that the specimen bottle received with this form bears the same identification number on this form, that it was received in a sealed bag and the bottle seals are intact, unless otherwise noted. Upon receipt of the specimen from the courier or other transport individual, it was transferred to secure storage.

PRINTED LAB RECEIVER'S NAME _____ SIGNATURE OF LAB RECEIVER _____ DATE RECEIVED _____

Southwest Laboratories, 4625 East Cotton Center Blvd., Suite 177, Phoenix, Arizona 85040 (602) 438-8507

COPY 1 - ORIGINAL - MUST ACCOMPANY SPECIMEN TO

Point of Collection Testing Form & Chain of Custody

POCT 7085019

SOUTHWEST LABORATORIES

Date (Mo. Day Yr.) ___/___/___

Donor's Initials _____

7085019
SPECIMEN I.D. NO.

INSTRUCTIONS FOR COLLECTORS: PLEASE COMPLETE ALL STEPS 1-5

STEP 1

REQUESTED BY:

COLLECTED/TESTED AT:

STEP 2 SPECIMEN INFORMATION

LAST _____ FIRST _____ SSN or Employee No. _____ Date Collected _____ Time Collected _____

Type of Test:
☐ Pre-Employment ☐ Post-Accident ☐ Follow-up ☐ Patient
☐ Random ☐ For Cause ☐ Self ☐ Other:

Read specimen temperature within 4 minutes.
Specimen temperature within range:
☐ Yes, 94 - 100°F (34-38°C)
☐ No, Record Actual Temperature: _____

Specimen Collection:
☐ Split
☐ Single
☐ Observed

Remarks Concerning Collection: _____

STEP 3 DONOR CONSENT AND CERTIFICATION

I consent to the release of results of this testing to the above named company and hold harmless the laboratory, collection facility, above the named company, and their agents or representatives from any and all liability arising from this testing and any decision made concerning my application for employment or my continued employment based upon the results of these tests. I further certify that I provided my urine specimen and that the specimen bottle was sealed in my presence and that the information provided on this form and on the label affixed to the specimen bottle is correct.

DAYTIME PHONE # _____

PRINTED DONOR'S NAME _____ SIGNATURE OF DONOR _____ DATE _____

STEP 4 COLLECTOR CERTIFICATION

I certify that the specimen identified on this form is the specimen presented to me by the donor providing the certification above, and that it bears the same identification number on this form and it has been collected, labeled and sealed in the donor's presence.

PRINTED COLLECTOR'S NAME _____ SIGNATURE OF COLLECTOR _____ DATE _____

STEP 5 SCREENING RESULTS

DEVICE NAME _____ LOT # _____ EXP. DATE _____

☐ NEGATIVE ☐ POSITIVE for: ☐ CANNABINOIDS (THC) ☐ AMPHETAMINES ☐ PHENCYCLIDINE (PCP)
☐ COCAINE ☐ OPIATES ☐ _____

I certify that I have analyzed this specimen in accordance with manufacturer's instructions. Upon positive test result, I hereby release the specimen for transport to Southwest Laboratories.

SPECIMEN BOTTLE(S) RELEASED TO:
☐ Southwest Laboratories Courier ☐ Fed Ex ☐ DHL Express ☐ Other _____

PRINTED COLLECTOR'S NAME _____ SIGNATURE OF COLLECTOR _____ DATE _____

STEP 6 LABORATORY RECEIPT AND CERTIFICATION

I certify that the specimen bottle received with this form bears the same identification number on this form, that it was received in a sealed bag and the bottle seals are intact, unless otherwise noted. Upon receipt of the specimen from the courier or other transport individual, it was transferred to secure storage.

PRINTED LAB RECEIVER'S NAME _____ SIGNATURE OF LAB RECEIVER _____ DATE RECEIVED _____

Southwest Laboratories, 4625 E. Cotton Center Blvd., Ste. 177, Phoenix, AZ 85040-9976, Phone 602-438-8507

MUST ACCOMPANY SPECIMENS

SOUTHWEST
LABORATORIES
4625 E. Cotton Center Blvd.
Suite 177
Phoenix, Arizona 85040-4808

Martina Borck
Arizona Department of Administration
State Procurement Office
100 North 15th Avenue, Suite 201
Phoenix, AZ 85007

RE: Negotiations – RFP ADSP012-00001113 Drug and Alcohol Testing

Dear Ms. Borck,

We are pleased that our proposal has been selected for the next step of the evaluation process. Per our discussion on January 6, 2012, I would like to offer the following information.

1. Medical Review Officer Services –
   a. In our original proposal, Southwest Laboratories did not offer a bid for this service. As a federally certified laboratory, we must be very careful not to enter into any relationship with an MRO which might infer anything other than being completely independent of the testing process. MROs may not work for the laboratory nor have a financial relationship with the laboratory. The laboratory may not derive financial benefit by having an employer use a specific MRO. As such, Southwest Laboratories maintains independent relationships with all of the Medical Review Officers in its operations.

   b. Southwest Laboratories has access to a national MRO network of licensed, independent physicians to offer the flexibility needed by the State of Arizona. Results are reported via our secure online website, allowing the MRO to quickly retrieve results and review Custody and Control Forms. By working with Total Compliance Network, this maintains a system separate from the Laboratory allowing for independence and compliance.

   c. Southwest Laboratories will offer the following pricing for MRO services, to be submitted with our Best & Final Offer:
      i. MRO review for Regulated (DOT) testing, All Specimens $ 3.50 per
      ii. MRO review for non-Regulated testing, Positive Review $16.50 per

2. Communications –
   a. As a small business, each member of our staff is dedicated to excellence. As our mission statement states: "Southwest Laboratories will provide drug testing services by maintaining the highest possible standards of testing and customer service". Every day we try to do it better. Attached is our organization chart, detailing the specific chain of command.

SOUTHWEST
LABORATORIES
4625 E. Cotton Center Blvd.
Suite 177
Phoenix, Arizona 85040-4808

Kris Douglass, Client Liasision, is the primary contact. She will spend the time specifically needed to resolve any issues/concerns that may arise. In her responsibilities in this position, she inspects collection sites and maintains a directory of locations throughout the state , directs supply orders and forms printing, updates company profiles and contact information, and is the main contact for any of the day-to-day concerns which might arise.

Sonja Hoppe – Laboratory Administrator work closely both with Kris and Client Services to ensure the day-to-day operations are going as they should. A weekly staff meeting is held each Tuesday to discuss any issues and concerns, actions and resolutions if needed. Of course, any immediate concerns will be addressed as they arise.

The Laboratory Director, Gary Carmack, and the Supervisor of Analysts, Mike Gorman, are responsible for the technical concerns of the laboratory, including review of all testing done each day.

Southwest Laboratories has provided general, technical and scientific information to various State Agencies as has been requested. Each of the individuals above are available to assist with any technical questions or concerns.

3. Legal & Regulatory Actions –
   a. Southwest Laboratories has not been or is currently involved in any legal actions or regulatory actions. The laboratory is in compliance with state and federal regulations.

4. Pricing –
   a. As part of our best and final offer, Southwest Laboratories will review our proposal to ensure the most beneficial pricing is available to the State of Arizona.

Thank you for this opportunity.

Sincerely,

Sonja Hoppe

Sonja Hoppe
Vice President

Southwest Laboratories Organizational Chart

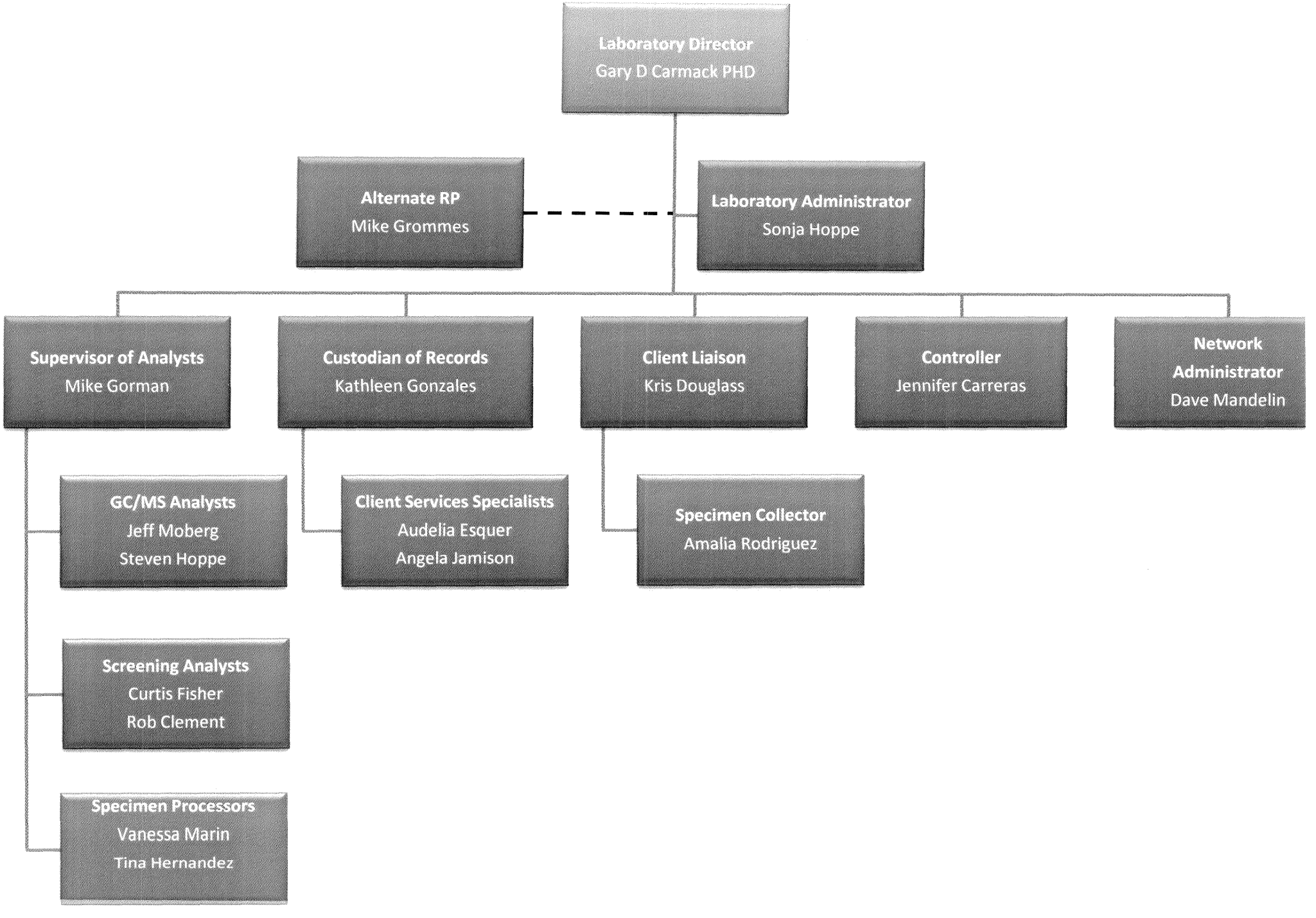


EXHIBIT B
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF FOUNTAIN HILLS
AND
SOUTHWEST LABORATORIES, INC.

[Work Orders]

See following pages (to be attached subsequent to execution).