Cochise County
Board of Supervisors

Public Programs…Personal Service
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PEGGY JUDD
Chairman
District 3

PATRICK G. CALL
Vice-Chairman
District 1

ANN ENGLISH
Supervisor
District 2

EDWARD T. GILLIGAN
County Administrator

ARLETHE G. RIOS
Clerk of the Board

AGENDA FOR REGULAR BOARD MEETING
Tuesday, August 14, 2018 at 10:00 AM
BOARD OF SUPERVISORS HEARING ROOM
1415 MELODY LANE, BUILDING G, BISBEE, AZ 85603

ANY ITEM ON THIS AGENDA IS OPEN FOR DISCUSSION AND POSSIBLE ACTION

PLEDGE OF ALLEGIANCE

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING

ROLL CALL
Members of the Cochise County Board of Supervisors will attend either in person or by telephone, video or internet conferencing.

The Board may permit public comment during the discussion of any item on this agenda. If you wish to be heard on a specific item, please sign up to be heard using the 'Specific Item' on the speaker form provided, and please list the item about which you wish to be heard. Persons will be permitted three minutes to speak.

Note that some attachments may be updated after the agenda is published. This means that some presentation materials displayed at the Board meeting may differ slightly from the attached version.

CALL TO THE PUBLIC

This is the time for the public to comment. Members of the Board may not discuss items that are not specifically identified on the agenda.

CONSENT

Board of Supervisors

1. Approve the Minutes of the regular meeting of the Board of Supervisors of July 24, 2018.

Adult Probation

2. Approve Fiscal Year 2018-2019 Community Punishment Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $38,576.

3. Approve Fiscal Year 2018-2019 Criminal Justice Enhancement Fund (CJEF) Substance Abuse funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $13,300.

4. Approve Fiscal Year 2018-2019 Criminal Justice Enhancement Fund (CJEF) Sex Offender funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $3,938.

5. Approve Fiscal Year 2018-2019 Adult Drug Court funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $7,000.

6. Approve Fiscal Year 2018-2019 Transferred Youth funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $2,000.

7. Approve Fiscal Year 2018-2019 Adult Criminal Justice Enhancement Fund (CJEF) Assistance funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $41,716.

Community Development

8. Approve Intergovernmental Agreement between Cochise County Development Services and the Town of Huachuca City for Plan Review and Building Inspection Services.

9. Approve Intergovernmental Agreement (IGA) 11-121, Amendment Two, between the State of Arizona and Cochise County adding federal funds to the Davis Road: Central Hwy to US191 project.

County Sheriff

10. Approve grant agreement 2019-043 with the Arizona Attorney General's Office in the amount of $10,402 for the continuation of funding assistance for personnel who perform Victim Rights services for the Sheriff's Office for the period of July 1, 2018 to June 30, 2019.

Facilities

11. Approve the agreement between Bisbee Vogue Inc, a nonprofit corporation and Cochise County for use of county premises around the Superior Courthouse and Administration Building for the Bisbee Stair Climb, from October 19 to October 21, 2018.

Finance

12. Approve demands and budget amendments for operating transfers.

Juvenile Probation

13. Approve Fiscal Year 2018-2019 Family Counseling funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $13,093 and the required $3,273 matching funds as budgeted in the general fund budget submitted by Juvenile Court Services.

14. Approve Fiscal Year 2018-2019 Victims' Rights Program award agreement as provided by the State of Arizona, Office of the Attorney General effective July 1, 2018 through June 30, 2019 in the amount of $17,702.

15. Approve Fiscal Year 2018-2019 Juvenile Probation Title IV-E funding agreement/reimbursement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $3,065.27.

16. Approve Fiscal Year 2018-2019 Juvenile Crime Reduction Fund funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $7,100.

Workforce Development

17. Approve the re-appointment of Ms. Doris Tolbert, Mr. Jack Bauer, Mr. Ron Curtis, Mr. Jason Bowling, Ms. Evonne Cummins, Ms. Kathleen Bullock, and Mr. Michael Crockett; and the appointment of Mr. Joe Altamirano to the Local Workforce Development Board to fill an unexpired term, effective immediately and through June 30, 2022.

PUBLIC HEARINGS

Community Development

18. Adopt Zoning Ordinance Z-18-05 approving Docket Z-18-06 (Lara) amending certain zoning district boundaries from SR-43 (Single Household Residential; one dwelling per acre) to SR-22 (Single Household Residential; one dwelling per 22,000 square feet), pursuant to the application of Frank Lara.

ACTION

Adult Probation

19. Approve Fiscal Year 2018-2019 State Aid Enhancement funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $708,450.

20. Approve Fiscal Year 2018-2019 Adult Criminal Justice Enhancement Fund (CJEF) Assistance funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $144,967.

21. Approve Fiscal Year 2018-2019 Adult Intensive Probation Supervision funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $730,226.

Community Development

22. Adopt Resolution 18-13 revising the Public Lands Advisory Committee (PLAC) By-Laws to expand the number of members allowing one additional committee member per district and other minor revisions.

County Schools

23. Approve cash deficit correction as stated in House Bill 2815 (chapter 68) prior to adopting tax rates on or before August 20, 2018.

County Sheriff

24. Approve a software service subscription agreement with Cogniac Corporation for visual observation automation for the period of August 1, 2018 through August 1, 2019 with a one year automatic renewal in the amount of $60,000.

25. Approve grant agreement HT-18-2827 with the Southwest Border Arizona Region High Intensity Drug Trafficking Area (HIDTA) for the Sheriff's Office to participate in the Southern Arizona Major Investigative Team (SAMIT) in the amount of $92,700 for salaries, partial fringe benefits (ERE), and supplies effective January 1, 2018 through December 31, 2019.

Health & Social Services

26. Approve ADHS16-109191 Amendment 5, Healthy People Healthy Communities, between the Arizona Department of Health Services and Cochise Health & Social Services, for the period of 07/01/2018 to 6/30/2019 in the amount of $643,670.

Juvenile Probation

27. Approve Fiscal Year 2018-2019 Drug Treatment & Education Fund funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $86,559.

28. Approve Fiscal Year 2018-2019 Juvenile Standard Probation Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $130,258.

29. Approve Fiscal Year 2018-2019 Diversion Intake funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $306,405.

30. Approve Fiscal Year 2018-2019 Juvenile Intensive Probation Supervision Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $278,980.

31. Approve Fiscal Year 2018-2019 Juvenile Probation Services Fund - Treatment funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $134,953.

32. Approve Fiscal Year 2018-2019 Diversion Consequences funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $50,523.

33. Approve Fiscal Year 2018-2019 Juvenile Drug Court Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $86,654.

REPORT BY EDWARD T. GILLIGAN COUNTY ADMINISTRATOR -- RECENT AND PENDING COUNTY MATTERS

SUMMARY OF CURRENT EVENTS

Report by District 1 Supervisor, Patrick Call

Report by District 2 Supervisor, Ann English

Report by District 3 Supervisor, Peggy Judd

Pursuant to the Americans with Disabilities Act (ADA), Cochise County does not, by reason of a disability, exclude from participation in or deny benefits or services, programs or activities or discriminate against any qualified person with a disability. Inquiries regarding compliance with ADA provisions, accessibility or accommodations can be directed to Chris Mullinax, Safety/Loss Control Analyst at (520) 432-9720, FAX (520) 432-9716, TDD (520) 432-8360, 1415 Melody Lane, Building F, Bisbee, Arizona 85603.

Consent 1.

Regular Board of Supervisors Meeting **Board of Supervisors**

Meeting Date:	08/14/2018		
Minutes			
Submitted By:	Melissa Belasco, Board of Supervisors		
Department:	Board of Supervisors		
Presentation:	No A/V Presentation	**Recommendation:**	
Document Signatures:		**# of ORIGINALS Submitted for Signature:**	
NAME of PRESENTER:	n/a	**TITLE of PRESENTER:**	n/a
Mandated Function?:		**Source of Mandate or Basis for Support?:**	

Information

Agenda Item Text:
Approve the Minutes of the regular meeting of the Board of Supervisors of July 24, 2018.

Background:
Minutes

Department's Next Steps (if approved):
Signed minutes routed for processing and posted on the internet.

Impact of NOT Approving/Alternatives:
n/a

To BOS Staff: Document Disposition/Follow-Up:
Scan to OnBase and File.

Budget Information

Information about available funds

Budgeted: ☐ **Funds Available:** ☐ **Amount Available:**
Unbudgeted: ☐ **Funds NOT Available:** ☐ **Amendment:** ☐

Account Code(s) for Available Funds
1:

Fund Transfers

Attachments

Minutes

PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
REGULAR MEETING HELD ON
Tuesday, July 24, 2018

A regular board meeting of the Cochise County Board of Supervisors was held on Tuesday, July 24, 2018 at 10:00 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present:	Peggy Judd, Chairman; Patrick G. Call, Vice-Chairman (telephonically); Ann English, Supervisor
Staff Present:	Edward T. Gilligan, County Administrator; Britt W. Hanson, Chief Civil Deputy County Attorney; Arlethe G. Rios, Clerk of the Board

Chairman Judd called the meeting to order at 10:00 a.m.

ANY ITEM ON THIS AGENDA IS OPEN FOR DISCUSSION AND POSSIBLE ACTION

PLEDGE OF ALLEGIANCE

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PRESENTATION

Presentation of Proclamation to Mr. Dean Coates, Child Support Operations Supervisor, Department of Economic Security, Division of Child Support Services (DCSS) declaring August 2018 to be Child Support Awareness month.

The Board presented the proclamation to Mr. Coates and thanked him for keeping the community aware of this issue.

Mr. Coates thanked the Board and said that DCSS had an office in Sierra Vista and Bisbee to better serve the citizens of Cochise County.

CALL TO THE PUBLIC

Chairman Judd opened the call to the public.

No one chose to speak and Chairman Judd closed the call to the public.

This is the time for the public to comment. Members of the Board may not discuss items that are not specifically identified on the agenda.

CONSENT

Board of Supervisors

1. Approve the Minutes of the regular meeting of the Board of Supervisors of July 10, 2018.

2. Approve the proposed settlement of the Small Tax Appeal in R&M Real Estate Ltd. Partnership, LLP E. v. Cochise County, ST2017-000103, now pending in Arizona Tax Court, a division of the Superior Court of and for Maricopa County.

3. Approve a Proclamation declaring August 2018 to be Child Support Awareness Month.

Community Development

4. Approve an Intergovernmental Agreement between Cochise County Development services and the City of Benson for rural street naming and addressing services effective July 25, 2018 for five years with automatic annual renewals.

County Assessor

5. Accept the Assessor's recommendation to approve the attached list of 88 property tax exemption applications that qualify for the exemption, but were not timely filed with the Assessor by the statutory filing deadline of March 1, 2018.

Finance

6. Approve demands, budget amendments for operating transfers, and transfer between funds in attached memo. Warrants Nos. 27089-27352 were issued in the amount of $2,037,162.08.

   Pursuant to A.R.S. §11-217(C), the published minutes shall include all demands and warrants approved by the Board in excess of one thousand dollars except that multiple demands and warrants from a single supplier or individual under one thousand dollars whose cumulative total exceeds one thousand dollars in a single reporting period shall also be published. Issued warrants are listed as an attachment at the end of the minutes.

Fund	Vendor	Amount
549	Hubble, Anthony	$250.00
100	John F. Kelliher, Jr., PC	$10.00

   Supervisor English moved to approve items 1-6 on the consent agenda. Vice-Chairman Call seconded the motion and it carried unanimously.

PUBLIC HEARINGS

Board of Supervisors

7. Approve a new liquor license application for a series #13 Farm Winery license submitted by Ms. Carol Park Aden for AZ Backroads Wine LLC, located at the Northeast Corner of Kansas Settlement Road and E. Fawn Ranch Road in Pearce, AZ.

   Ms. Arlethe Rios, Clerk of the Board, presented this item. Ms. Rios said the Sheriff's Office did not have a recommendation and that the Development Services Department had recommended approval. The Environmental Health Division noted that they would contact the applicant regarding any permits needed for the approval of the liquor license; the Treasurer's Office noted that the property taxes are current. The Board staff recommended approval.

Chairman Judd opened the public hearing.

No one chose to speak and Chairman Judd closed the public hearing.

Supervisor English moved to approve a new liquor license application for a series #13 Farm Winery license submitted by Ms. Carol Park Aden for AZ Backroads Wine LLC, located at the Northeast Corner of Kansas Settlement Road and E. Fawn Ranch Road in Pearce, AZ. Vice-Chairman Call seconded the motion.

Chairman Judd called for the vote and it was approved 3-0.

ACTION

County Schools

8. Approve the formation of a technology consortium with other districts in the county administered by Yavapai County who will act as the contractor for E-RATE services.

   Ms. Jacqui Clay, County School Superintendent, presented this item. Ms. Clay gave the background of the idea to create a consortium and noted that the cost would be 90% of previous costs through reimbursements from the State for programs to counties who participated . She added that the County Library would also benefit from this consortium and the services it would provide.

   Supervisor English moved to approve the formation of a technology consortium with other districts in the county administered by Yavapai County who will act as the contractor for E-RATE services. Vice-Chairman Call seconded the motion.

   Chairman Judd called for the vote and it was approved 3-0.

9. Approve an Intergovernmental Agreement (IGA) between the Cochise County Superintendent's Office and the Yavapai County Superintendent's Office where Yavapai County will be the E-RATE consultant effective July 1, 2018 through June 30, 2019.

   Ms. Jacqui Clay, County School Superintendent, presented this item. Ms. Clay gave the background and said that Yavapai County would assist Cochise County with this program and it was a decision by several counties that were going to form part of the new consortium.

   Supervisor English moved to approve an Intergovernmental Agreement (IGA) between the Cochise County Superintendent's Office and the Yavapai County Superintendent's Office where Yavapai County will be the E-RATE consultant effective July 1, 2018 through June 30, 2019. Vice-Chairman Call seconded the motion.

   Chairman Judd called for the vote and it was approved 3-0.

County Treasurer

10. Approve the recommendation of the County Treasurer for the abatement of property taxes and interest on personal property and the removal of personal property tax liens on Treasurer's Certificates of Clearance Nos. 2018-002 to 2018-036.

    Ms. Cathy Traywick, County Treasurer, presented this item. Ms. Traywick said that there were 34 items for consideration and thanked the Sheriff's Office for their assistance with this project. She asked that the Board approve her recommendation, which would be a benefit to the community

because it would clean up the tax rolls and possibly bring in additional revenue for the County and the special districts affected.

Supervisor English moved to approve the recommendation of the County Treasurer for the abatement of property taxes and interest on personal property and the removal of personal property tax liens on Treasurer's Certificates of Clearance Nos. 2018-002 to 2018-036. Vice-Chairman Call seconded the motion.

Chairman Judd called for the vote and it was approved 3-0.

REPORT BY EDWARD T. GILLIGAN COUNTY ADMINISTRATOR -- RECENT AND PENDING COUNTY MATTERS

Mr. Gilligan deferred his report.

SUMMARY OF CURRENT EVENTS

Report by District 1 Supervisor, Patrick Call

Vice-Chairman Call deferred his report.

Report by District 2 Supervisor, Ann English

Supervisor English deferred her report.

Report by District 3 Supervisor, Peggy Judd

Chairman Judd reminded everyone of the activities at Apple Annie's and encouraged participation.

Chairman Judd adjourned the meeting at 10:18 a.m.

APPROVED:

_____
Peggy Judd, Chairman

ATTEST:

_____
Arlethe G. Rios, Clerk of the Board

C Co. Demands 7.24.18

26941	07/05/2018	Cochise County/Sheakley/National Bank	$4,149.72
26942	07/05/2018	ECMC	$294.07
26943	07/05/2018	Ewing & Ewing Attorneys	$246.60
26944	07/05/2018	General Revenue Corp.	$297.96
26945	07/05/2018	Licking County CSEA	$178.61
26946	07/05/2018	Pre-paid Legal Services, Inc. dba LegalShield	$1,451.75
26947	07/05/2018	Support Payment Clearinghouse	$5,104.01
26948	07/05/2018	U.S. Dept. of Education	$178.34
26949	07/06/2018	Acoustimac LLC	$3,514.94
26950	07/06/2018	AZ City/County Mgmt. Assoc. (ACMA)	$471.00
26951	07/06/2018	AZ Dept. of Corrections	$570.26
26952	07/06/2018	AZ Dept. of Corrections ASPC-Tucson	$67.50
26953	07/06/2018	AZ Dept. of Transportation	$1,406.73
26954	07/06/2018	AZ Supreme Court	$18.00
26955	07/06/2018	AZ Water Company	$4,294.45
26956	07/06/2018	Ayers, Daniel	$135.00
26957	07/06/2018	Azam, Syed T.	$1,250.00
26958	07/06/2018	Beacon Secure	$160.00
26959	07/06/2018	Bisbee NAPA	$1,399.84
26960	07/06/2018	Borer, Thomas Edward	$28.84
26961	07/06/2018	Bowie Water Improvement District	$90.96
26962	07/06/2018	Bracamonte, Eduardo J.	$200.00
26963	07/06/2018	Brauchla, Gary	$62.10
26964	07/06/2018	Cactus Country Auto Sales	$16.81H
26965	07/06/2018	Canyon Vista Medical Center	$1,034.81
26966	07/06/2018	CenturyLink	$97.25
26967	07/06/2018	Cintas Corp. No. 445	$137.38
26968	07/06/2018	Circle K Store	$1,018.58
26969	07/06/2018	City of Sierra Vista	$10,363.00
26970	07/06/2018	Cochise Family Advocacy Center	$1,925.00
26971	07/06/2018	Cochise Supplies, Inc.	$215.83
26972	07/06/2018	CRM of America LLC	$4,297.59
26973	07/06/2018	Crop Production Service Inc	$2,069.43
26974	07/06/2018	DePew, Kimberly A.	$27.27
26975	07/06/2018	Douglas, City of	$146.15
26976	07/06/2018	Duggan, William E.	$764.41
26977	07/06/2018	Edie, Patricia Ann	$38.18
26978	07/06/2018	Empire Southwest LLC	$9,434.50
26979	07/06/2018	English, Ann S.	$467.50
26980	07/06/2018	Ergon Asphalt & Emulsions, Inc.	$95,449.19
26981	07/06/2018	Estrada, Jesus Jr.	$100.00
26982	07/06/2018	Gray, Brian	$100.00
26983	07/06/2018	Greene, Patrick K.	$33.91
26984	07/06/2018	Gregan, Wayne	$32.83
26985	07/06/2018	Grima, John F.	$100.00
26986	07/06/2018	Hodges Glass Co Inc	$568.47
26987	07/06/2018	I N A Group LLC	$43.70
26988	07/06/2018	Independent Fee Estimates	$1,940.00
26989	07/06/2018	Instrument Development Corp.	$135.76
26990	07/06/2018	Interstate Battery	$180.20
26991	07/06/2018	Jennings, Jeffery	$33.61
26992	07/06/2018	Judd, Peggy S.	$1,232.00
26993	07/06/2018	Legend Technical Services of AZ, Inc.	$57.00
26994	07/06/2018	LIDS	$27.99
26995	07/06/2018	Martzke, James F.	$67.50
26996	07/06/2018	McGowan, Carl	$100.00
26997	07/06/2018	Merle's Automotive Supply	$1,158.86
26998	07/06/2018	Messinger, Shawn A.	$513.60
26999	07/06/2018	Miller, Carmen J.	$47.84
27000	07/06/2018	Murphy, Cindy	$67.22
27001	07/06/2018	Myers, Lennis Jean	$42.01
27002	07/06/2018	National Assoc. Government Archives Records	$89.00
27003	07/06/2018	Northern Cochise Community Hospital, Inc.	$998.21
27004	07/06/2018	O'Rielly Chevrolet, Inc.	$57.72
27005	07/06/2018	Onebox	$10.93
27006	07/06/2018	Prudential Overall Supply	$516.78
27007	07/06/2018	Pueblo Mechanical & Controls, Inc.	$486.25
27008	07/06/2018	Purcell Tire & Rubber Company	$2,375.74
27009	07/06/2018	Romo, Lizette	$200.00
27010	07/06/2018	RWC Group	$12,644.89
27011	07/06/2018	Senergy Petroleum LLC	$71,266.11
27012	07/06/2018	SHRED-IT USA LLC	$1,076.30
27013	07/06/2018	Sierra Vista NAPA	$1,102.89
27014	07/06/2018	Southwest Gas Corp.	$376.41
27015	07/06/2018	Sparkletts	$653.62
27016	07/06/2018	Sulphur Springs Valley Electric Coop., Inc.	$520.43
27017	07/06/2018	Sun Canyon Homes	$30.00
27018	07/06/2018	The Bisbee Observer LLC	$45.00
27019	07/06/2018	Voyager Fleet System, Inc.	$11,859.79
27020	07/06/2018	W. R. Ryan Company	$909.99
27021	07/06/2018	Waste Mgmt. of AZ, Inc.	$340.40
27022	07/06/2018	Watson Chevrolet Inc	$793.03
27023	07/06/2018	Waxie Sanitary Supply	$4,610.40
27024	07/06/2018	Westlawn Chapel & Mortuary	$630.00
27025	07/06/2018	Willcox Auto Parts Inc.	$411.60
27026	07/06/2018	Willcox, City of	$47.45
27027	07/06/2018	Willcox, City of	$803.17
27028	07/06/2018	Cochise County Finance Revolving Fund	$180.00
27029	07/10/2018	A-1 Towing, LLC	$317.00
27030	07/10/2018	ACE Hardware	$37.21
27031	07/10/2018	Alex Espinosa's Bisbee Funeral Home	$1,626.00
27032	07/10/2018	American Fence & Security Company, Inc.	$23,697.05
27033	07/10/2018	AZ Assoc. of Counties	$2,500.00
27034	07/10/2018	AZ Police Psychology, PLLC	$1,992.50
27035	07/10/2018	AZ Water Company	$1,748.91
27036	07/10/2018	B & D Lumber and Hardware	$34.51
27037	07/10/2018	Becker, Grace	$90.33
27038	07/10/2018	Bisbee, City of (Ambulance)	$998.06
27039	07/10/2018	Bug-Wiser Exterminating, Inc.	$180.00
27040	07/10/2018	Cable One	$120.03
27041	07/10/2018	CDW LLC	$1,467.70
27042	07/10/2018	Cengage Learning, Inc. dba GALE	$4,896.76
27043	07/10/2018	CenturyLink	$61.22
27044	07/10/2018	CenturyLink	$6,040.13
27045	07/10/2018	Cochise County Treasurer c/o Justice Court #5	$0.20
27046	07/10/2018	Control Solutions, Inc.	$542.00
27047	07/10/2018	Culligan of Tucson	$129.26
27048	07/10/2018	Culligan of Tucson	$49.46
27049	07/10/2018	Eastern AZ Courier	$57.20
27050	07/10/2018	Env. Systems Research Institute, Inc ESRI	$9,797.14
27051	07/10/2018	EnvisionWare, Inc.	$1,011.53
27052	07/10/2018	Ergon Asphalt & Emulsions, Inc.	$10,507.90
27053	07/10/2018	Geodesy	$19,900.00
27054	07/10/2018	Geodesy	$14,725.00
27055	07/10/2018	Granite Construction Company	$3,499.54
27056	07/10/2018	Hatfield Funeral Home	$960.00
27057	07/10/2018	Inclusion Solutions, LLC	$4,970.91
27058	07/10/2018	Jensen's Sierra Vista Mortuary	$960.00
27059	07/10/2018	Jim's Electric Inc	$8,250.00
27060	07/10/2018	JWS Web Design LLC	$500.00
27061	07/10/2018	Keefe Commissary Network, LLC	$1,382.65
27062	07/10/2018	Medical Diagnostic Imaging Group	$40.00
27063	07/10/2018	Mosley, Leroy	$341.60
27064	07/10/2018	Oak Mountain Investment LLC	$395.58
27065	07/10/2018	OCLC Online Computer Library Center, Inc.	$801.57
27066	07/10/2018	Pavement Recycling Systems, Inc.	$24,902.72
27067	07/10/2018	Ron Turley Associates, Inc.	$960.75
27068	07/10/2018	Schiff, Laurence	$2,800.00
27069	07/10/2018	SHI International Corp.	$24,834.83
27070	07/10/2018	Snyder, Gregg A	$900.00
27071	07/10/2018	Stericycle Inc.	$1,325.46
27072	07/10/2018	Streeter, Randy Lewis	$1,000.00
27073	07/10/2018	Total Equip. Service and Engineering LLC	$436.97
27074	07/10/2018	Trachtman, Sean	$507.50
27075	07/10/2018	Tracking Products, Inc.	$204.00
27076	07/10/2018	TransUnion Risk and Alternative Data Solutions	$35.20
27077	07/10/2018	US Imaging Inc.	$1,318.15
27078	07/10/2018	Valley Telephone Coop., Inc.	$763.94
27079	07/10/2018	Verizon Wireless	$6,628.48
27080	07/10/2018	Versatile Information Products, Inc	$3,886.00
27081	07/10/2018	Waste Mgmt. of AZ, Inc.	$522.70
27082	07/10/2018	Waxie Sanitary Supply	$740.91
27083	07/10/2018	Wells, Doris K.	$805.00
27084	07/10/2018	Wick Communications	$21.60
27085	07/10/2018	Zoll Medical Corp.	$556.42
27086	07/10/2018	Zumar Industries, Inc.	$7,240.45
27087	07/10/2018	Cochise County Finance Revolving Fund	$191.28
27088	07/10/2018	Cochise County Sheriff's Dept.	$142.00
27089	07/10/2018	Cochise Private Industry Council, Inc.	$109,711.00
27090	07/12/2018	A+ Language Services	$175.00
27091	07/12/2018	Anderson, Steven James	$250.00
27092	07/12/2018	AZ Assoc. of Counties	$16,052.77
27093	07/12/2018	AZ Chief Probation Officer Assoc.	$100.00
27094	07/12/2018	AZ Counties Insurance Pool	$681,514.00

27095	07/12/2018	AZ Public Service - APS	$48,006.28
27096	07/12/2018	AZ Supreme Court	$36.00
27097	07/12/2018	AZ Water Company	$5,103.26
27098	07/12/2018	August, Kimberly Ann	$600.00
27099	07/12/2018	B-R Constructors, Inc.	$39,831.50
27100	07/12/2018	Banner-University Physicians Healthcare, Inc.	$500.00
27101	07/12/2018	Bisbee NAPA	$1,487.77
27102	07/12/2018	Bisbee NAPA	$282.72
27103	07/12/2018	Blue Core Investigative Solutions, LLC	$1,295.98
27104	07/12/2018	Bradley R Johnson MD PLLC	$250.00
27105	07/12/2018	Buonocore, Kathleen Marie	$28.08
27106	07/12/2018	Camarillo-Clark, Sylvia	$26.84
27107	07/12/2018	Canez, Pablo	$76.23
27108	07/12/2018	Canyon Vista Medical Center	$8,866.26
27109	07/12/2018	Castleberry, Rick	$100.00
27110	07/12/2018	Center for Disease Detection, LLC	$376.50
27111	07/12/2018	CenturyLink	$94.39
27112	07/12/2018	Chavez, Barbara	$99.85
27113	07/12/2018	Chiricahua Community Health Centers, INC	$203.07
27114	07/12/2018	Cintas Corp. No. 445	$133.16
27115	07/12/2018	Cintas Fire Protection	$8,138.84
27116	07/12/2018	City of Bisbee	$8,305.96
27117	07/12/2018	City of Sierra Vista	$14,305.25
27118	07/12/2018	Contract Pharmacy Services, Inc.	$4,719.65
27119	07/12/2018	Cooke, Stephen R.	$225.00
27120	07/12/2018	Copper Queen Community Hospital	$615.52
27121	07/12/2018	Copygraphix Inc.	$26,048.59
27122	07/12/2018	County Supervisors Assoc.	$55,593.00
27123	07/12/2018	County Supervisors Assoc.	$6,700.00
27124	07/12/2018	COX Communication AZ, LLC	$300.00
27125	07/12/2018	CRM of America LLC	$7,432.00
27126	07/12/2018	Culligan of Tucson	$483.02
27127	07/12/2018	Deneke, Buffy	$426.80
27128	07/12/2018	Dunbar, Patricia	$59.12
27129	07/12/2018	East, Suzanne	$215.00
27130	07/12/2018	Elfrida Water Improvement District	$93.22
27131	07/12/2018	Empire Southwest LLC	$375.21
27132	07/12/2018	English, Ann S.	$43.95
27133	07/12/2018	eScribers, LLC	$851.70
27134	07/12/2018	EZ Messenger	$60.00
27135	07/12/2018	Federal Express Corp.	$61.46
27136	07/12/2018	Flores, Juan P	$700.00
27137	07/12/2018	Gomez, Mary Conlogue	$150.00
27138	07/12/2018	Gruhn, Sylvia Diane	$150.00
27139	07/12/2018	Hancock, Charles	$23.76
27140	07/12/2018	Hanger Prosthetics & Orthotics West, Inc.	$299.35
27141	07/12/2018	Houston, Bruce	$288.69
27142	07/12/2018	Howard, Katie A	$135.00
27143	07/12/2018	International Chemtex Corp.	$737.00
27144	07/12/2018	Jensen's Sierra Vista Mortuary	$500.00
27145	07/12/2018	Jimenez, Elizabeth Sarah	$1,170.00
27146	07/12/2018	Karvaski, Erin	$192.55
27147	07/12/2018	Kelch, Britnie M.	$111.62
27148	07/12/2018	Law Offices of Christopher Hitchcock	$350.00
27149	07/12/2018	Legend Technical Services of AZ, Inc.	$2,130.00
27150	07/12/2018	Long, Jerrod D. DDS	$245.00
27151	07/12/2018	Madrid, Isabel V	$500.00
27152	07/12/2018	Medical Diagnostic Imaging Group	$141.66
27153	07/12/2018	Merle's Automotive Supply	$65.77
27154	07/12/2018	MGT of America, Inc.	$12,900.00
27155	07/12/2018	Mills Design Group LLC	$26,226.31
27156	07/12/2018	Morgan, J. Michael Ph. D.	$295.00
27157	07/12/2018	Motorola Solutions Inc	$15,214.51
27158	07/12/2018	National Assoc. of Counties (NACo)	$2,627.00
27159	07/12/2018	NCS Pearson, Inc.	$204.00
27160	07/12/2018	Nugent, Glenda	$215.00
27161	07/12/2018	Pitney Bowes, Inc.	$241.67
27162	07/12/2018	Porta-Pot	$750.75
27163	07/12/2018	Portable Computer Systems, Inc.	$171.42
27164	07/12/2018	Prudential Overall Supply	$189.56
27165	07/12/2018	RevolutionaryText, LLC	$8,910.12
27166	07/12/2018	Riggs, Karen C.	$150.00
27167	07/12/2018	Rothrock Investigations, LLC	$685.38
27168	07/12/2018	RWC Group	$3,468.81
27169	07/12/2018	Saguaro Podiatry Associates	$36.09
27170	07/12/2018	Saguaro Surgical PC	$50.00
27171	07/12/2018	Sanchez, Miguel Angel	$100.00
27172	07/12/2018	Saturday Consulting PLLC	$600.00
27173	07/12/2018	Schlesinger, Aaron	$877.20
27174	07/12/2018	Senergy Petroleum LLC	$15,077.76
27175	07/12/2018	Sharp, Marshall	$986.16
27176	07/12/2018	Sheakley Pension Administration Inc.	$606.75
27177	07/12/2018	Shreve, Virginia A.	$500.00
27178	07/12/2018	Sierra Vista Pathology, PC	$20.07
27179	07/12/2018	SMC Direct, LLC	$1,888.04
27180	07/12/2018	Society For Human Resource Mgt	$209.00
27181	07/12/2018	Southeastern AZ Governments Org. (SEAGO)	$11,113.00
27182	07/12/2018	Southern AZ Rad Associates LLC	$53.84
27183	07/12/2018	Southwest Gas Corp.	$94.77
27184	07/12/2018	Staples Contract & Commerical, Inc.	$801.20
27185	07/12/2018	Sulphur Springs Valley Electric Coop., Inc.	$1,297.94
27186	07/12/2018	Sulphur Springs Valley Electric Coop., Inc.	$771.01
27187	07/12/2018	Sundance Engravers	$185.00
27188	07/12/2018	Technical Resource Mgmt., Inc.	$2,704.40
27189	07/12/2018	Thomson West	$21.90
27190	07/12/2018	Townsley, Michael	$100.00
27191	07/12/2018	Trinity Services Group, Inc.	$300.42
27192	07/12/2018	Trinity Services Group, Inc.	$3,454.30
27193	07/12/2018	UniFirst Corp.	$1,761.06
27194	07/12/2018	US Air Conditioning Distributors, LLC	$3,297.65
27195	07/12/2018	Vlahovich, James	$260.00
27196	07/12/2018	Waxie Sanitary Supply	$1,308.07
27197	07/12/2018	Wick Communications	$42.86
27198	07/12/2018	Wick Communications	$110.16
27199	07/12/2018	Barnett's Towing & Oxygen LLC	$150.00
27200	07/12/2018	Southwest Bond Services Inc	$135.00
27201	07/13/2018	AFLAC	$9,329.27
27202	07/13/2018	AZ Dept. of Administration-Risk Managemt	$3,623.72
27203	07/17/2018	ACE Hardware	$162.98
27204	07/17/2018	Acoustimac LLC	$1,437.45
27205	07/17/2018	Amazon.com LLC	$563.14
27206	07/17/2018	AZ Dept. of Corrections	$88.00
27207	07/17/2018	AZ Justice of the Peace Assoc.	$200.00
27208	07/17/2018	AZ State Prison Complex	$1,829.78
27209	07/17/2018	Aztec Welding Supply Company	$36.83
27210	07/17/2018	B & D Lumber and Hardware	$66.62
27211	07/17/2018	Baker & Taylor, LLC	$589.25
27212	07/17/2018	Bank of America	$174,662.63
27213	07/17/2018	Beacon Secure	$625.00
27214	07/17/2018	Bisbee NAPA	$863.11
27215	07/17/2018	Blackstone Audio, Inc.	$141.00
27216	07/17/2018	Bug-Wiser Exterminating, Inc.	$35.00
27217	07/17/2018	Buonocore, Kathleen Marie	$28.08
27218	07/17/2018	Campos, Julie	$984.75
27219	07/17/2018	Canyon Vista Medical Center	$3,600.00
27220	07/17/2018	CenturyLink	$204.18
27221	07/17/2018	City of Sierra Vista	$5,211.03
27222	07/17/2018	Cochise Supplies, Inc.	$18.25
27223	07/17/2018	Cooke, Stephen R.	$300.00
27224	07/17/2018	Copper Queen Community Hospital	$19,236.38
27225	07/17/2018	Davis Excavating	$235.00
27226	07/17/2018	Diamondback Police Supply Co	$2,853.32
27227	07/17/2018	EBSCO Subscription Service	$4,537.97
27228	07/17/2018	Empire Southwest LLC	$9,854.87
27229	07/17/2018	Fastenal Company	$5,484.62
27230	07/17/2018	Garden Canyon Towing, LLC	$96.00
27231	07/17/2018	Gignac, Judith	$25.92
27232	07/17/2018	Gooden, Terrence D.	$21.47
27233	07/17/2018	Hodges Glass Co Inc	$175.00
27234	07/17/2018	Keefe Commissary Network, LLC	$2,319.21
27235	07/17/2018	Language Line Services, Inc.	$51.75
27236	07/17/2018	Law Offices of Christopher Hitchcock	$350.00
27237	07/17/2018	Merle's Automotive Supply	$133.97
27238	07/17/2018	Mission Communications, LLC	$1,750.20
27239	07/17/2018	Myers, Lennis Jean	$42.01
27240	07/17/2018	Nguyen, Nga	$473.20
27241	07/17/2018	Nyander, Penny Sue	$504.20
27242	07/17/2018	OverDrive, Inc.	$15,049.99
27243	07/17/2018	Prudential Overall Supply	$294.70
27244	07/17/2018	Purcell Tire & Rubber Company	$2,991.38
27245	07/17/2018	Ron Turley Associates, Inc.	$828.55
27246	07/17/2018	RWC Group	$1,371.86
27247	07/17/2018	Sedillos, Lorna Gries	$200.00
27248	07/17/2018	Senergy Petroleum LLC	$29,735.12
27249	07/17/2018	Southwest Disposal LC	$117.13
27250	07/17/2018	Stefanov, Steven	$16.81

27251	07/17/2018	Stericycle Inc.	$656.10
27252	07/17/2018	Sulphur Springs Valley Electric Coop., Inc.	$1,734.35
27253	07/17/2018	Town of Huachuca City	$10,500.00
27254	07/17/2018	Tri County Equip. & Repair	$222.87
27255	07/17/2018	UHS of Tucson, LLC dba Palo Verde Beh. Hlth	$4,000.00
27256	07/17/2018	Union Pacific Railroad Co	$4,898.54
27257	07/17/2018	Valley Telephone Coop., Inc.	$237.18
27258	07/17/2018	VCA Apache Animal Hospital	$25.02
27259	07/17/2018	Verizon Wireless	$10,344.39
27260	07/17/2018	Waxie Sanitary Supply	$773.85
27261	07/17/2018	Wick Communications	$112.38
27262	07/17/2018	Wick Communications	$8.10
27263	07/17/2018	Willcox Auto Parts Inc.	$1,627.71
27264	07/17/2018	AZ Dept. of Homeland Security	$95.29
27265	07/17/2018	Crone, Susan	$700.00
27266	07/17/2018	Garcia, Orlando	$167.98

Consent 2.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 08/14/2018

FY19 Community Punishment Program Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Community Punishment Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $38,576.

Background:

The purpose of these treatment/intervention funds are to enhance supervision programs to ensure adult probation departments address criminogenic needs and work toward recidivism reduction.

Department's Next Steps (if approved):

Receive AOC funding.

Impact of NOT Approving/Alternatives:

No funding for Adult Probation treatment programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ○ **Funds Available:** ○ **Amount Available:**

Unbudgeted: ○ **Funds NOT Available:** ○ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY19 AOC Funding Agreement
Community Punishment Program Addendum
Grant Approval Form - CPP

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR THE FOLLOWING (as applicable):

State Aid Enhancement (SAE)
Adult Intensive Probation Supervision (AIPS)
Community Punishment Program (CPP)
Interstate Compact Supervision (ISC)
Drug Treatment and Education Fund (DTEF)
Transferred Youth (TY)
Criminal Justice Enhancement Fund - Sex Offenders (CJEF - SO)
Criminal Justice Enhancement Fund - Substance Abuse (CJEF - SA)
Judicial Collection Enhancement Fund (JCEF)
Global Position System (GPS)
Adult Drug Court (ADC)

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and the **SUPERIOR COURT in COCHISE COUNTY** ("Grantee").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) Grantee's failure to implement or operate the approved plan; (4) Grantee's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in separate accounts within a Special Revenue Fund established for the execution of this Agreement. Per A.R.S. §12-267, the receipts and expenditures for each account within the fund must be reported separately. Any interest earned on these monies while in the possession of Grantee shall accrue to the separate accounts for use by Grantee in accordance with its approved plan. Grantee shall ensure that the Board of Supervisors designates a Chief Fiscal Officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved plan and may authorize direct expenditures for the benefit of Grantee. The specific amounts to be retained by the AOC for direct expenditures for the benefit of Grantee and to be disbursed to the Grantee are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Grantee shall submit the following to the AOC:

i. Monthly Statistical Reports on Sex Offenders are due on the 15th day of the following month as required by the AOC.

ii. A mid-year financial and program activity report for each program are due on or before January 31, 2019.

iii. A closing financial and program activity report is due on or before August 31, 2019, which includes: (1) an Adult Probation Service Fees Account report in accordance with A.R.S. §12-267 documenting the total amount of annual receipts and expenditures for all probation funding; (2) an interest report which includes the total amount of interest accrued and expended on each fund; (3) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Grantee being placed on Financial Sanctions Status by the AOC.

iv. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for monthly statistical data and performance measures data, maintaining the input of statistical data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

v. To ensure accuracy and validity of monthly statistical information, the Grantee will perform one hand count of offenders placed on adult probation. The hand count shall consist of a manual tabulation of all probation case files in the county, conducted independently from any automated system, reconciled with the statewide case management system, and if applicable, corrections made within 10 business days after corrections request received.

The hand counts shall be conducted on January 31, 2019, with the due date to the AOC on February 15, 2019.

vi. Monthly personnel payroll and expense reports are due to the AOC on the 15th day of the following month.

vii. Each Grantee shall forward to the AOC a copy of the department's

approved county budget plan no later than 14 days after approval.

viii. Annual Performance Measures are due on July 31, 2019.

c. Unexpended Funds. All funds unencumbered as of June 30, 2019, and unexpended as of July 31, 2019, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the Presiding Superior Court Judge.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds for probation services. The AOC may prepare and implement procedures for allocating and adjusting state funds among courts. Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocations. Failure to comply may result in additional action by the AOC.

h. Allocation and Management of State Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and ERE lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, Grantee shall promptly take steps to ensure that all approved case carrying positions are filled. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

5. BOOKS, RECORDS AND SUBCONTRACTS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. All contracts executed by the Superior Courts with subcontractors shall contain the following insurance language:

Standard Professional Contract Services

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

1.2 Insurance Requirements

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

1.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form
Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

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

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.3 Workers' Compensation and Employers' Liability

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

c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

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

e. 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, 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.

f. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

1.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

1.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject

to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Standard Professional Contract Services ($50,000 or under)

2.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

2.2 Insurance Requirements

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

2.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees 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 endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Business Automobile Liability

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

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.4 Professional Liability (Errors and Omissions Liability)

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

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, 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 negligent acts for those positions defined in the Scope of Work of this contract.

2.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

2.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

2.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

2.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

2.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults)

3.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

3.2 Insurance Requirements

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

3.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

3.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

3.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

g. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

h. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

i. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

j. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.2 Business Automobile Liability

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

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

k. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

l. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.3 Workers’ Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

m. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

n. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

3.3.4 Professional Liability (Errors and Omissions Liability)

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

o. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.” This coverage may be sub-limited to no less than $500,000.

p. 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.

q. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

3.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

3.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

3.4.2 Insurance provided by the Contractor shall not limit the Contractor’s liability assumed under the indemnification provisions of this Contract.

3.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

3.6 Acceptability of Insurers

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

3.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

3.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

3.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

3.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

3.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

3.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults, Under $50,000)

4.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

4.2 Insurance Requirements

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

4.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

4.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

4.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $250,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own dedicated limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

b. Defense Costs should not erode the policy limits, also known as “defense outside the limits.”

c. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

d. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

e. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4.3.4 Professional Liability (Errors and Omissions Liability)

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

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $250,000.
b. 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.
c. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

4.4 Additional Insurance Requirements
The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

4.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department,

its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

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4.6 Acceptability of Insurers

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4.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

4.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

4.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

4.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

c. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of grant funds, Grantee agrees to maintain and provide to the AOC accurate and timely data and statistics as may be required for purposes of evaluation. Grantee further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

a. Equipment. Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

b. Equipment Lease Option. The Grantee shall have the option of participating in an AOC equipment lease agreement that would allow the probation department an opportunity to lease computers, printers and other AOC approved technology equipment through the AOC lease contract which is managed and maintained by the AOC Information Technology Division (ITD). The Adult Probation Services Division (APSD) shall establish the lease agreement with the ITD and act as the leaseholder for the Grantee.

If the Grantee participates in the lease agreement option, the Grantee shall agree to the following requirements: (1) the monies expended by the APSD for the Grantee's lease agreement would be paid by the Grantee on an annual reimbursement schedule to the APSD as established and managed by the AOC; (2) the Grantee shall sign and agree to the terms set forth in the AOC ITD Equipment Installation and Operation Agreement; (3) the Grantee shall sign and agree to the terms set forth in the lease agreement option established by the APSD; (4) the monies used by the Grantee to participate in the lease agreement shall not be paid from any of the following AOC APSD program funds: SAE, AIPS, CPP, ISC, DTEF, CJEF, TY, JCEF, GPS, or Drug Court. The Grantee may use Probation Service Fees (PSF) monies to reimburse the APSD if the Grantee participates in the lease agreement option.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement for three years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the Presiding Superior Court Judge. Grantee is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the

Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTIONS STATUS

In addition to any other remedy available pursuant to this Agreement, Grantee may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement;
g. Failure to ensure that the level of county funding and the same number of case-carrying officers as required by the Legislature is maintained;
h. Failure to adhere to the administrative code governing each state fund for probation services;
i. Failure to adhere to the requirements set forth in the Equipment Lease Option as outlined in this funding agreement in subsection **6., b.**; and
j. Failure to adhere to the requirements set forth in the Electronic Data Sharing Agreement as outlined in the APETS statewide policy.

9. FINANCIAL SANCTIONS ACTIONS

Financial sanctions include, but are not limited to:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;
c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanction status);
f. Recovery of funds or equipment already disbursed; and
g. Not authorizing any new personnel.

If monthly submission of expenses is required, in order to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report. State funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanctions status.

10. OTHER REQUIREMENTS

The Grantee agrees to**:** (1) utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines and the APETS statewide policy, establishing and maintaining a

data quality assurance process, maintaining the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize the required offender assessment tools; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

The Grantee shall ensure that the county maintains the fiscal year 2004 expenditure level for each probation program as required by the Legislature. Reduction from the fiscal year 2004 level may result in future loss of funds or other action by the AOC and/or state legislature.

12. COLLECTIONS

The Grantee shall ensure the collection of monies owed as a condition of probation and shall require that supervising probation officers immediately address any arrearage. The collection of monies shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and Minimum Accounting Standards for Arizona Courts as prescribed in ACJA § 1-401 and adopted by Administrative Order 2010-118. The Grantee is responsible for reporting and tracking financial transaction data.

13. VEHICLE EXPENDITURES

The Grantee shall make every effort to manage its motor pool allocation effectively and to avoid over expenditure. If the Grantee projects an over expenditure of its motor pool allocation at any time, the Grantee shall contact the AOC and develop a plan to bring Grantee into fiscal compliance. The AOC shall adjust motor pool allocations among courts as deemed necessary. The Grantee agrees to reimburse the AOC for any unauthorized or inappropriate vehicle related expenditures.

14. PROBATION SERVICE FEES (PSF)

In accordance with A.R.S. §12-267, each fiscal year the Grantee shall, on or before August 31, submit to the AOC a report detailing deposits and expenditures of monies in the Probation Services Fees Account for the preceding fiscal year.

The Grantee shall also submit to the AOC a plan detailing intended expenditures of monies in the Probation Services Fees Account for the following fiscal year, no later than August 31.

15. STATE AID ENHANCEMENT (SAE)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload at 98%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the Adult Probation Services Division (APSD) of the AOC. The declaration is to state:

(1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

c. Case Load Ratios. In the event the Grantee's standard probation population falls below or exceeds an average of 1 officer for 65 active probationers, excluding those probationers serving a flat time jail sentence, the Grantee must advise the APSD of all vacant state funded positions and must request approval to fill any vacant positions funded under the AOC State Aid Enhancement program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursements to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-201.01.

16. ADULT INTENSIVE PROBATION SUPERVISION (AIPS)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 95%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation/surveillance officers and program capacity, and (3) the number of probation/surveillance officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the intensive probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, operating costs and vehicle costs.

c. Caseload Ratios. In the event the Grantee's intensive probation population falls below the statutorily established intensive caseload ratios for active probationers, the Grantee will advise the APSD and must request approval to fill any vacant positions funded under the AIPS program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursement to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-202.01.

17. COMMUNITY PUNISHMENT PROGRAM (CPP)

Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with CPP funding criteria requirements.

18. CRIMINAL JUSTICE ENHANCEMENT FUND - SEX OFFENDERS (CJEF - SO)

Grantee shall utilize the funds to provide additional treatment services for sex offenders.

19. CRIMINAL JUSTICE ENHANCEMENT FUND- SUBSTANCE ABUSE (CJEF-SA)

Pursuant to A.R.S. § 41-2401 Grantee shall utilize the funds to provide drug treatment services, including urinalysis, to adult probationers.

20. INTERSTATE COMPACT SUPERVISION (ISC)

a. ISC-Funded Officers. If Grantee receives ISC funds for authorized probation officers, all incoming ISC cases shall be supervised by an ISC funded probation officer.

b. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 98%, or higher, of the statutory capacity for standard probation supervision for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

c. Collections. The Grantee shall collect funds from ISC probationers supervised in Arizona for deposit into the state's Victim Compensation and Assistance Fund (VCAF), pursuant to A.R.S. § 31-466 (A) (B), and in accordance with Arizona Code of Judicial Administration § 6-204.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering ISC data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for reconciling ICOTS data with APETS data, maintaining the input of

ISC data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

1.1 Adherence to A.R.S. 31-467
2.1 Adherence to ICAOS Rules
3.1 Adherence to ACJA 6-204.01

21. DRUG TREATMENT AND EDUCATION FUND (DTEF)

a. Management of Allocation. Grantee agrees to manage the fund allocation in compliance with DTEF fund criteria and requirements for programs and services. Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with DTEF funding criteria requirements. Failure to cooperate may result in the need to adjust future disbursement to the Grantee.

b. Other Requirements. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering DTEF data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for DTEF data, maintaining the input of DTEF data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

22. TRANSFERRED YOUTH (TY)

a. Management of Allocation. The Grantee shall manage the treatment allocation retained at the AOC on behalf of the Grantee, as well as the portion of TY that is dispersed to the Grantee. If the Grantee projects an over expenditure of its treatment allocation at any time, the Grantee shall submit a report to the AOC detailing how the Grantee will come into fiscal compliance. The Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

b. Vendor Payment Restrictions. The Grantee shall not utilize any retained TY funds to pay a treatment vendor with whom the AOC does not have a contract for services.

The Grantee shall not utilize any retained TY funds to pay a treatment vendor whose contract is suspended and/or to pay for services provided to youths referred after the AOC has recommended suspending referrals as a result of concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

c. The Grantee shall not utilize any dispersed TY funds to pay a treatment vendor with whom the AOC or the County does not have a contract for services.

The Grantee shall track all TY funds and submit a monthly report to the AOC TY Specialist. The report shall be submitted to the AOC no later than the 17th of each month.

23. JUDICIAL COLLECTION ENHANCEMENT FUND

In accordance with A.R.S. 12-114.01 B, the Grantee agrees to utilize the Judicial Collection Enhancement Fund (JCEF) to supplement monies currently used for the salaries of adult probation and surveillance officers and for the support of programs and services of the superior court adult probation department.

24. GLOBAL POSITION SYSTEM (GPS)

a. Applicability. Administrative Order No. 2006-90 and Administrative Directive No. 2011-41 identified the Judicial Collection Enhancement Fund (JCEF) as the source to subsidize the cost of the GPS monitoring devices for the adult probation departments subject to the availability of funds. The court has determined that the Administrative Office of the Courts (AOC) will charge one hundred percent (100%) of the cost of the GPS monitoring devices to the probation fees account of the fifteen adult probation departments on a quarterly basis. AOC will retain on behalf of the adult probation departments contributing to the JCEF probation surcharge revenues a subsidy of up to fifty percent (50%) of the cost described above.

For this fiscal year, AOC is not receiving general fund appropriation for the GPS program. AOC has identified the JCEF as the source to subsidize the cost of the monitor analysts and operating.

b. Capacity. Each offender sentenced to standard probation under the requirements of A.R.S. § 13-902 (G) shall equate to 3 offenders for determining compliance with caseload limit requirements of A.R.S. § 12-251 (A).

GPS probationers sentenced to standard probation supervision who have been evaluated as high risk, may be assigned to an intensive probation surveillance team for surveillance purposes only, if intensive probation slots are available pursuant to A.R.S.§ 13-916. If an over capacity situation arises affecting the intensive probation supervision team caseload limits, high risk status GPS cases are to be returned to standard supervision status.

GPS probationers sentenced to intensive probation supervision shall be supervised pursuant to A.R.S. § 13-914 and ACJA § 6-202.01.

25. ADULT DRUG COURT

a. This Agreement entered into between the AOC and the Grantee is pursuant to the provisions of A.R.S. § 13-3401, 13-3422 and 13-901.02, which is incorporated herein by reference.

b. Inappropriate Expenditures. Adult Drug Court funds shall not be used to reduce the financial obligation of a federal, state, county, city, or tribal government agency to fund the operations of the Adult Drug Court or other Adult Drug Court related programs.

c. The Grantee shall ensure drug court treatment programs and services are consistent with best practices, the Drug Court Model and the Drug Court 10 Key Components.

d. Drug courts should use standardized assessment instruments that have been validated for use with criminal justice populations.

e. The Grantee shall ensure Drug Court treatment is based on cognitive-behavioral treatment (CBT) and social learning models, which have been shown to significantly reduce recidivism among offenders.

26. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement, both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint venture's, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY
SUPERIOR COURT
(GRANTEE)

By _____
Honorable James L. Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE
OF THE COURTS

By _____
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

COMMUNITY PUNISHMENT PROGRAM
COCHISE COUNTY
FY 2019

Addendum date: July 1, 2018
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: $38,576

APPROVED FTE'S	
Personnel - PO/SO	0.00
Personnel - Other	0.55
Total	**0.55**

	BUDGET CATEGORY	APPROVED BUDGET
A.	Personnel - PO/SO	$ -
B.	Personnel - Other	$ 21,422
C.	ERE - PO/SO	$ -
D.	ERE - Other	$ 9,854
E.	Operating	$ -
F.	Contract	$ 7,300
TOTAL AMOUNT TO BE DISBURSED		**$ 38,576**

SCHEDULED DISBURSEMENTS:

July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$8,872	$9,644	$10,030	$10,030

	RETAINED FUNDS	AMOUNT
A.	Vehicle	$ -
B.	Other	$ -
TOTAL AMOUNT TO BE RETAINED		**$ -**

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2018.06.25 15:50:45 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2018.07.25 20:49:27 -07'00'

Chief Probation Officer

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Consent 3.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 08/14/2018

FY19 CJEF Substance Abuse Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Criminal Justice Enhancement Fund (CJEF) Substance Abuse funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $13,300.

Background:

The purpose of these treatment/intervention funds are to enhance supervision programs to ensure adult probation departments address criminogenic needs and work toward recidivism reduction.

Department's Next Steps (if approved):

Receive AOC funding.

Impact of NOT Approving/Alternatives:

No funding for Adult Probation treatment programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ☐	**Funds Available:** ☐	**Amount Available:**
Unbudgeted: ☐	**Funds NOT Available:** ☐	**Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY19 AOC Funding Agreement
CJEF Substance Abuse Addendum
Grant Approval Form - CJEF SA

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR THE FOLLOWING (as applicable):

State Aid Enhancement (SAE)
Adult Intensive Probation Supervision (AIPS)
Community Punishment Program (CPP)
Interstate Compact Supervision (ISC)
Drug Treatment and Education Fund (DTEF)
Transferred Youth (TY)
Criminal Justice Enhancement Fund - Sex Offenders (CJEF - SO)
Criminal Justice Enhancement Fund - Substance Abuse (CJEF - SA)
Judicial Collection Enhancement Fund (JCEF)
Global Position System (GPS)
Adult Drug Court (ADC)

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and the **SUPERIOR COURT in COCHISE COUNTY** ("Grantee").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) Grantee's failure to implement or operate the approved plan; (4) Grantee's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in separate accounts within a Special Revenue Fund established for the execution of this Agreement. Per A.R.S. §12-267, the receipts and expenditures for each account within the fund must be reported separately. Any interest earned on these monies while in the possession of Grantee shall accrue to the separate accounts for use by Grantee in accordance with its approved plan. Grantee shall ensure that the Board of Supervisors designates a Chief Fiscal Officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved plan and may authorize direct expenditures for the benefit of Grantee. The specific amounts to be retained by the AOC for direct expenditures for the benefit of Grantee and to be disbursed to the Grantee are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Grantee shall submit the following to the AOC:

i. Monthly Statistical Reports on Sex Offenders are due on the 15th day of the following month as required by the AOC.

ii. A mid-year financial and program activity report for each program are due on or before January 31, 2019.

iii. A closing financial and program activity report is due on or before August 31, 2019, which includes: (1) an Adult Probation Service Fees Account report in accordance with A.R.S. §12-267 documenting the total amount of annual receipts and expenditures for all probation funding; (2) an interest report which includes the total amount of interest accrued and expended on each fund; (3) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Grantee being placed on Financial Sanctions Status by the AOC.

iv. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for monthly statistical data and performance measures data, maintaining the input of statistical data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

v. To ensure accuracy and validity of monthly statistical information, the Grantee will perform one hand count of offenders placed on adult probation. The hand count shall consist of a manual tabulation of all probation case files in the county, conducted independently from any automated system, reconciled with the statewide case management system, and if applicable, corrections made within 10 business days after corrections request received.

The hand counts shall be conducted on January 31, 2019, with the due date to the AOC on February 15, 2019.

vi. Monthly personnel payroll and expense reports are due to the AOC on the 15th day of the following month.

vii. Each Grantee shall forward to the AOC a copy of the department's

approved county budget plan no later than 14 days after approval.

viii. Annual Performance Measures are due on July 31, 2019.

c. Unexpended Funds. All funds unencumbered as of June 30, 2019, and unexpended as of July 31, 2019, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the Presiding Superior Court Judge.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds for probation services. The AOC may prepare and implement procedures for allocating and adjusting state funds among courts. Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocations. Failure to comply may result in additional action by the AOC.

h. Allocation and Management of State Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and ERE lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, Grantee shall promptly take steps to ensure that all approved case carrying positions are filled. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

5. BOOKS, RECORDS AND SUBCONTRACTS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. All contracts executed by the Superior Courts with subcontractors shall contain the following insurance language:

Standard Professional Contract Services

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

1.2 Insurance Requirements

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

1.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form
Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

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

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.3 Workers' Compensation and Employers' Liability

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

c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

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

e. 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, 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.

f. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

1.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

1.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject

to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Standard Professional Contract Services ($50,000 or under)

2.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

2.2 Insurance Requirements

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

2.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees 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 endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Business Automobile Liability

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

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.4 Professional Liability (Errors and Omissions Liability)

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

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, 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 negligent acts for those positions defined in the Scope of Work of this contract.

2.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

2.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

2.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

2.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

2.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults)

3.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

3.2 Insurance Requirements

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

3.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

3.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

3.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

g. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

h. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

i. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

j. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.2 Business Automobile Liability

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

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

k. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

l. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.3 Workers’ Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

m. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

n. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

3.3.4 Professional Liability (Errors and Omissions Liability)

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

o. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.” This coverage may be sub-limited to no less than $500,000.

p. 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.

q. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

3.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

3.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

3.4.2 Insurance provided by the Contractor shall not limit the Contractor’s liability assumed under the indemnification provisions of this Contract.

3.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

3.6 Acceptability of Insurers

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

3.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

3.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

3.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

3.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

3.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

3.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults, Under $50,000)

4.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

4.2 Insurance Requirements

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

4.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

4.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

4.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $250,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own dedicated limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

b. Defense Costs should not erode the policy limits, also known as “defense outside the limits.”

c. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

d. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

e. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4.3.4 Professional Liability (Errors and Omissions Liability)

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

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $250,000.
b. 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.
c. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

4.4 Additional Insurance Requirements
The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

4.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department,

its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

4.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

4.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

4.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

4.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

4.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

4.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

4.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

4.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

4.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

4.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

c. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of grant funds, Grantee agrees to maintain and provide to the AOC accurate and timely data and statistics as may be required for purposes of evaluation. Grantee further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

a. Equipment. Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

b. Equipment Lease Option. The Grantee shall have the option of participating in an AOC equipment lease agreement that would allow the probation department an opportunity to lease computers, printers and other AOC approved technology equipment through the AOC lease contract which is managed and maintained by the AOC Information Technology Division (ITD). The Adult Probation Services Division (APSD) shall establish the lease agreement with the ITD and act as the leaseholder for the Grantee.

If the Grantee participates in the lease agreement option, the Grantee shall agree to the following requirements: (1) the monies expended by the APSD for the Grantee's lease agreement would be paid by the Grantee on an annual reimbursement schedule to the APSD as established and managed by the AOC; (2) the Grantee shall sign and agree to the terms set forth in the AOC ITD Equipment Installation and Operation Agreement; (3) the Grantee shall sign and agree to the terms set forth in the lease agreement option established by the APSD; (4) the monies used by the Grantee to participate in the lease agreement shall not be paid from any of the following AOC APSD program funds: SAE, AIPS, CPP, ISC, DTEF, CJEF, TY, JCEF, GPS, or Drug Court. The Grantee may use Probation Service Fees (PSF) monies to reimburse the APSD if the Grantee participates in the lease agreement option.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement for three years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the Presiding Superior Court Judge. Grantee is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the

Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTIONS STATUS

In addition to any other remedy available pursuant to this Agreement, Grantee may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement;
g. Failure to ensure that the level of county funding and the same number of case-carrying officers as required by the Legislature is maintained;
h. Failure to adhere to the administrative code governing each state fund for probation services;
i. Failure to adhere to the requirements set forth in the Equipment Lease Option as outlined in this funding agreement in subsection **6., b.**; and
j. Failure to adhere to the requirements set forth in the Electronic Data Sharing Agreement as outlined in the APETS statewide policy.

9. FINANCIAL SANCTIONS ACTIONS

Financial sanctions include, but are not limited to:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;
c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanction status);
f. Recovery of funds or equipment already disbursed; and
g. Not authorizing any new personnel.

If monthly submission of expenses is required, in order to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report. State funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanctions status.

10. OTHER REQUIREMENTS

The Grantee agrees to**:** (1) utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines and the APETS statewide policy, establishing and maintaining a

data quality assurance process, maintaining the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize the required offender assessment tools; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

The Grantee shall ensure that the county maintains the fiscal year 2004 expenditure level for each probation program as required by the Legislature. Reduction from the fiscal year 2004 level may result in future loss of funds or other action by the AOC and/or state legislature.

12. COLLECTIONS

The Grantee shall ensure the collection of monies owed as a condition of probation and shall require that supervising probation officers immediately address any arrearage. The collection of monies shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and Minimum Accounting Standards for Arizona Courts as prescribed in ACJA § 1-401 and adopted by Administrative Order 2010-118. The Grantee is responsible for reporting and tracking financial transaction data.

13. VEHICLE EXPENDITURES

The Grantee shall make every effort to manage its motor pool allocation effectively and to avoid over expenditure. If the Grantee projects an over expenditure of its motor pool allocation at any time, the Grantee shall contact the AOC and develop a plan to bring Grantee into fiscal compliance. The AOC shall adjust motor pool allocations among courts as deemed necessary. The Grantee agrees to reimburse the AOC for any unauthorized or inappropriate vehicle related expenditures.

14. PROBATION SERVICE FEES (PSF)

In accordance with A.R.S. §12-267, each fiscal year the Grantee shall, on or before August 31, submit to the AOC a report detailing deposits and expenditures of monies in the Probation Services Fees Account for the preceding fiscal year.

The Grantee shall also submit to the AOC a plan detailing intended expenditures of monies in the Probation Services Fees Account for the following fiscal year, no later than August 31.

15. STATE AID ENHANCEMENT (SAE)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload at 98%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the Adult Probation Services Division (APSD) of the AOC. The declaration is to state:

(1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

c. Case Load Ratios. In the event the Grantee's standard probation population falls below or exceeds an average of 1 officer for 65 active probationers, excluding those probationers serving a flat time jail sentence, the Grantee must advise the APSD of all vacant state funded positions and must request approval to fill any vacant positions funded under the AOC State Aid Enhancement program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursements to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-201.01.

16. ADULT INTENSIVE PROBATION SUPERVISION (AIPS)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 95%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation/surveillance officers and program capacity, and (3) the number of probation/surveillance officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the intensive probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, operating costs and vehicle costs.

c. Caseload Ratios. In the event the Grantee's intensive probation population falls below the statutorily established intensive caseload ratios for active probationers, the Grantee will advise the APSD and must request approval to fill any vacant positions funded under the AIPS program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursement to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-202.01.

17. COMMUNITY PUNISHMENT PROGRAM (CPP)

Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with CPP funding criteria requirements.

18. CRIMINAL JUSTICE ENHANCEMENT FUND - SEX OFFENDERS (CJEF - SO)

Grantee shall utilize the funds to provide additional treatment services for sex offenders.

19. CRIMINAL JUSTICE ENHANCEMENT FUND- SUBSTANCE ABUSE (CJEF-SA)

Pursuant to A.R.S. § 41-2401 Grantee shall utilize the funds to provide drug treatment services, including urinalysis, to adult probationers.

20. INTERSTATE COMPACT SUPERVISION (ISC)

a. ISC-Funded Officers. If Grantee receives ISC funds for authorized probation officers, all incoming ISC cases shall be supervised by an ISC funded probation officer.

b. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 98%, or higher, of the statutory capacity for standard probation supervision for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

c. Collections. The Grantee shall collect funds from ISC probationers supervised in Arizona for deposit into the state's Victim Compensation and Assistance Fund (VCAF), pursuant to A.R.S. § 31-466 (A) (B), and in accordance with Arizona Code of Judicial Administration § 6-204.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering ISC data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for reconciling ICOTS data with APETS data, maintaining the input of

ISC data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

1.1 Adherence to A.R.S. 31-467
2.1 Adherence to ICAOS Rules
3.1 Adherence to ACJA 6-204.01

21. DRUG TREATMENT AND EDUCATION FUND (DTEF)

a. Management of Allocation. Grantee agrees to manage the fund allocation in compliance with DTEF fund criteria and requirements for programs and services. Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with DTEF funding criteria requirements. Failure to cooperate may result in the need to adjust future disbursement to the Grantee.

b. Other Requirements. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering DTEF data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for DTEF data, maintaining the input of DTEF data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

22. TRANSFERRED YOUTH (TY)

a. Management of Allocation. The Grantee shall manage the treatment allocation retained at the AOC on behalf of the Grantee, as well as the portion of TY that is dispersed to the Grantee. If the Grantee projects an over expenditure of its treatment allocation at any time, the Grantee shall submit a report to the AOC detailing how the Grantee will come into fiscal compliance. The Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

b. Vendor Payment Restrictions. The Grantee shall not utilize any retained TY funds to pay a treatment vendor with whom the AOC does not have a contract for services.

The Grantee shall not utilize any retained TY funds to pay a treatment vendor whose contract is suspended and/or to pay for services provided to youths referred after the AOC has recommended suspending referrals as a result of concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

c. The Grantee shall not utilize any dispersed TY funds to pay a treatment vendor with whom the AOC or the County does not have a contract for services.

The Grantee shall track all TY funds and submit a monthly report to the AOC TY Specialist. The report shall be submitted to the AOC no later than the 17th of each month.

23. JUDICIAL COLLECTION ENHANCEMENT FUND

In accordance with A.R.S. 12-114.01 B, the Grantee agrees to utilize the Judicial Collection Enhancement Fund (JCEF) to supplement monies currently used for the salaries of adult probation and surveillance officers and for the support of programs and services of the superior court adult probation department.

24. GLOBAL POSITION SYSTEM (GPS)

a. Applicability. Administrative Order No. 2006-90 and Administrative Directive No. 2011-41 identified the Judicial Collection Enhancement Fund (JCEF) as the source to subsidize the cost of the GPS monitoring devices for the adult probation departments subject to the availability of funds. The court has determined that the Administrative Office of the Courts (AOC) will charge one hundred percent (100%) of the cost of the GPS monitoring devices to the probation fees account of the fifteen adult probation departments on a quarterly basis. AOC will retain on behalf of the adult probation departments contributing to the JCEF probation surcharge revenues a subsidy of up to fifty percent (50%) of the cost described above.

For this fiscal year, AOC is not receiving general fund appropriation for the GPS program. AOC has identified the JCEF as the source to subsidize the cost of the monitor analysts and operating.

b. Capacity. Each offender sentenced to standard probation under the requirements of A.R.S. § 13-902 (G) shall equate to 3 offenders for determining compliance with caseload limit requirements of A.R.S. § 12-251 (A).

GPS probationers sentenced to standard probation supervision who have been evaluated as high risk, may be assigned to an intensive probation surveillance team for surveillance purposes only, if intensive probation slots are available pursuant to A.R.S.§ 13-916. If an over capacity situation arises affecting the intensive probation supervision team caseload limits, high risk status GPS cases are to be returned to standard supervision status.

GPS probationers sentenced to intensive probation supervision shall be supervised pursuant to A.R.S. § 13-914 and ACJA § 6-202.01.

25. ADULT DRUG COURT

a. This Agreement entered into between the AOC and the Grantee is pursuant to the provisions of A.R.S. § 13-3401, 13-3422 and 13-901.02, which is incorporated herein by reference.

b. Inappropriate Expenditures. Adult Drug Court funds shall not be used to reduce the financial obligation of a federal, state, county, city, or tribal government agency to fund the operations of the Adult Drug Court or other Adult Drug Court related programs.

c. The Grantee shall ensure drug court treatment programs and services are consistent with best practices, the Drug Court Model and the Drug Court 10 Key Components.

d. Drug courts should use standardized assessment instruments that have been validated for use with criminal justice populations.

e. The Grantee shall ensure Drug Court treatment is based on cognitive-behavioral treatment (CBT) and social learning models, which have been shown to significantly reduce recidivism among offenders.

26. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement, both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint venture's, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY
SUPERIOR COURT
(GRANTEE)

By _____
Honorable James L. Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE
OF THE COURTS

By _____
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

CJEF - SUBSTANCE ABUSE
COCHISE COUNTY
FY 2019

Addendum date:	**July 1, 2018**
Note: This addendum supersedes all previously dated addendums.	

TOTAL AMOUNT AWARDED: **$13,300**

APPROVED FTE'S	
Personnel - PO/SO	0.00
Personnel - Other	0.00
Total	**0.00**

	BUDGET CATEGORY	APPROVED BUDGET
A.	Personnel - PO/SO	$ -
B.	Personnel - Other	$ -
C.	ERE - PO/SO	$ -
D.	ERE - Other	$ -
E.	Operating	$ -
F.	Contract	$ 13,300
TOTAL AMOUNT TO BE DISBURSED		**$ 13,300**

SCHEDULED DISBURSEMENTS:

July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$3,059	$3,325	$3,458	$3,458

	RETAINED FUNDS	AMOUNT
A.	Vehicle	$ -
B.	Other	$ -
TOTAL AMOUNT TO BE RETAINED		**$ -**

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2018.06.25 15:50:24 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2018.07.25 20:48:52 -07'00'

Chief Probation Officer

N:\ASD\FY2019\CJEF-SA\SA-Addenda-FY19 my

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Consent 4.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 08/14/2018

FY19 CJEF Sex Offender Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Criminal Justice Enhancement Fund (CJEF) Sex Offender funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $3,938.

Background:

The purpose of these treatment/intervention funds are to enhance supervision programs to ensure adult probation departments address criminogenic needs and work toward recidivism reduction.

Department's Next Steps (if approved):

Receive AOC funding.

Impact of NOT Approving/Alternatives:

No funding for Adult Probation treatment programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ○ **Funds Available:** ○ **Amount Available:**

Unbudgeted: ○ **Funds NOT Available:** ○ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY2019-AOC Funding Agreement
CJEF Sex Offender Addendum
Grant Approval Form - CJEF SA

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR THE FOLLOWING (as applicable):

State Aid Enhancement (SAE)
Adult Intensive Probation Supervision (AIPS)
Community Punishment Program (CPP)
Interstate Compact Supervision (ISC)
Drug Treatment and Education Fund (DTEF)
Transferred Youth (TY)
Criminal Justice Enhancement Fund - Sex Offenders (CJEF - SO)
Criminal Justice Enhancement Fund - Substance Abuse (CJEF - SA)
Judicial Collection Enhancement Fund (JCEF)
Global Position System (GPS)
Adult Drug Court (ADC)

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and the **SUPERIOR COURT in COCHISE COUNTY** ("Grantee").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) Grantee's failure to implement or operate the approved plan; (4) Grantee's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in separate accounts within a Special Revenue Fund established for the execution of this Agreement. Per A.R.S. §12-267, the receipts and expenditures for each account within the fund must be reported separately. Any interest earned on these monies while in the possession of Grantee shall accrue to the separate accounts for use by Grantee in accordance with its approved plan. Grantee shall ensure that the Board of Supervisors designates a Chief Fiscal Officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved plan and may authorize direct expenditures for the benefit of Grantee. The specific amounts to be retained by the AOC for direct expenditures for the benefit of Grantee and to be disbursed to the Grantee are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Grantee shall submit the following to the AOC:

i. Monthly Statistical Reports on Sex Offenders are due on the 15th day of the following month as required by the AOC.

ii. A mid-year financial and program activity report for each program are due on or before January 31, 2019.

iii. A closing financial and program activity report is due on or before August 31, 2019, which includes: (1) an Adult Probation Service Fees Account report in accordance with A.R.S. §12-267 documenting the total amount of annual receipts and expenditures for all probation funding; (2) an interest report which includes the total amount of interest accrued and expended on each fund; (3) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Grantee being placed on Financial Sanctions Status by the AOC.

iv. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for monthly statistical data and performance measures data, maintaining the input of statistical data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

v. To ensure accuracy and validity of monthly statistical information, the Grantee will perform one hand count of offenders placed on adult probation. The hand count shall consist of a manual tabulation of all probation case files in the county, conducted independently from any automated system, reconciled with the statewide case management system, and if applicable, corrections made within 10 business days after corrections request received.

The hand counts shall be conducted on January 31, 2019, with the due date to the AOC on February 15, 2019.

vi. Monthly personnel payroll and expense reports are due to the AOC on the 15th day of the following month.

vii. Each Grantee shall forward to the AOC a copy of the department's

approved county budget plan no later than 14 days after approval.

viii. Annual Performance Measures are due on July 31, 2019.

c. Unexpended Funds. All funds unencumbered as of June 30, 2019, and unexpended as of July 31, 2019, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the Presiding Superior Court Judge.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds for probation services. The AOC may prepare and implement procedures for allocating and adjusting state funds among courts. Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocations. Failure to comply may result in additional action by the AOC.

h. Allocation and Management of State Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and ERE lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, Grantee shall promptly take steps to ensure that all approved case carrying positions are filled. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

5. BOOKS, RECORDS AND SUBCONTRACTS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. All contracts executed by the Superior Courts with subcontractors shall contain the following insurance language:

Standard Professional Contract Services

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

1.2 Insurance Requirements

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

1.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form
Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

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

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.3 Workers' Compensation and Employers' Liability

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

c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

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

e. 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, 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.

f. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

1.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

1.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject

to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Standard Professional Contract Services ($50,000 or under)

2.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

2.2 Insurance Requirements

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

2.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees 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 endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Business Automobile Liability

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

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.4 Professional Liability (Errors and Omissions Liability)

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

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, 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 negligent acts for those positions defined in the Scope of Work of this contract.

2.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

2.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

2.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

2.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

2.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults)

3.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

3.2 Insurance Requirements

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

3.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

3.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

3.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

g. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

h. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

i. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

j. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.2 Business Automobile Liability

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

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

k. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

l. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.3 Workers’ Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

m. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

n. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

3.3.4 Professional Liability (Errors and Omissions Liability)

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

o. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.” This coverage may be sub-limited to no less than $500,000.

p. 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.

q. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

3.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

3.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

3.4.2 Insurance provided by the Contractor shall not limit the Contractor’s liability assumed under the indemnification provisions of this Contract.

3.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

3.6 Acceptability of Insurers

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

3.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

3.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

3.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

3.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

3.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

3.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults, Under $50,000)

4.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

4.2 Insurance Requirements

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

4.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

4.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

4.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $250,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own dedicated limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

b. Defense Costs should not erode the policy limits, also known as “defense outside the limits.”

c. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

d. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

e. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4.3.4 Professional Liability (Errors and Omissions Liability)

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

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $250,000.
b. 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.
c. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

4.4 Additional Insurance Requirements
The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

4.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department,

its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

4.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

4.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

4.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

4.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

4.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

4.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

4.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

4.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

4.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

4.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

c. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of grant funds, Grantee agrees to maintain and provide to the AOC accurate and timely data and statistics as may be required for purposes of evaluation. Grantee further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

a. Equipment. Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

b. Equipment Lease Option. The Grantee shall have the option of participating in an AOC equipment lease agreement that would allow the probation department an opportunity to lease computers, printers and other AOC approved technology equipment through the AOC lease contract which is managed and maintained by the AOC Information Technology Division (ITD). The Adult Probation Services Division (APSD) shall establish the lease agreement with the ITD and act as the leaseholder for the Grantee.

If the Grantee participates in the lease agreement option, the Grantee shall agree to the following requirements: (1) the monies expended by the APSD for the Grantee's lease agreement would be paid by the Grantee on an annual reimbursement schedule to the APSD as established and managed by the AOC; (2) the Grantee shall sign and agree to the terms set forth in the AOC ITD Equipment Installation and Operation Agreement; (3) the Grantee shall sign and agree to the terms set forth in the lease agreement option established by the APSD; (4) the monies used by the Grantee to participate in the lease agreement shall not be paid from any of the following AOC APSD program funds: SAE, AIPS, CPP, ISC, DTEF, CJEF, TY, JCEF, GPS, or Drug Court. The Grantee may use Probation Service Fees (PSF) monies to reimburse the APSD if the Grantee participates in the lease agreement option.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement for three years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the Presiding Superior Court Judge. Grantee is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the

Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTIONS STATUS

In addition to any other remedy available pursuant to this Agreement, Grantee may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement;
g. Failure to ensure that the level of county funding and the same number of case-carrying officers as required by the Legislature is maintained;
h. Failure to adhere to the administrative code governing each state fund for probation services;
i. Failure to adhere to the requirements set forth in the Equipment Lease Option as outlined in this funding agreement in subsection **6., b.**; and
j. Failure to adhere to the requirements set forth in the Electronic Data Sharing Agreement as outlined in the APETS statewide policy.

9. FINANCIAL SANCTIONS ACTIONS

Financial sanctions include, but are not limited to:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;
c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanction status);
f. Recovery of funds or equipment already disbursed; and
g. Not authorizing any new personnel.

If monthly submission of expenses is required, in order to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report. State funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanctions status.

10. OTHER REQUIREMENTS

The Grantee agrees to**:** (1) utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines and the APETS statewide policy, establishing and maintaining a

data quality assurance process, maintaining the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize the required offender assessment tools; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

The Grantee shall ensure that the county maintains the fiscal year 2004 expenditure level for each probation program as required by the Legislature. Reduction from the fiscal year 2004 level may result in future loss of funds or other action by the AOC and/or state legislature.

12. COLLECTIONS

The Grantee shall ensure the collection of monies owed as a condition of probation and shall require that supervising probation officers immediately address any arrearage. The collection of monies shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and Minimum Accounting Standards for Arizona Courts as prescribed in ACJA § 1-401 and adopted by Administrative Order 2010-118. The Grantee is responsible for reporting and tracking financial transaction data.

13. VEHICLE EXPENDITURES

The Grantee shall make every effort to manage its motor pool allocation effectively and to avoid over expenditure. If the Grantee projects an over expenditure of its motor pool allocation at any time, the Grantee shall contact the AOC and develop a plan to bring Grantee into fiscal compliance. The AOC shall adjust motor pool allocations among courts as deemed necessary. The Grantee agrees to reimburse the AOC for any unauthorized or inappropriate vehicle related expenditures.

14. PROBATION SERVICE FEES (PSF)

In accordance with A.R.S. §12-267, each fiscal year the Grantee shall, on or before August 31, submit to the AOC a report detailing deposits and expenditures of monies in the Probation Services Fees Account for the preceding fiscal year.

The Grantee shall also submit to the AOC a plan detailing intended expenditures of monies in the Probation Services Fees Account for the following fiscal year, no later than August 31.

15. STATE AID ENHANCEMENT (SAE)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload at 98%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the Adult Probation Services Division (APSD) of the AOC. The declaration is to state:

(1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

c. Case Load Ratios. In the event the Grantee's standard probation population falls below or exceeds an average of 1 officer for 65 active probationers, excluding those probationers serving a flat time jail sentence, the Grantee must advise the APSD of all vacant state funded positions and must request approval to fill any vacant positions funded under the AOC State Aid Enhancement program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursements to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-201.01.

16. ADULT INTENSIVE PROBATION SUPERVISION (AIPS)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 95%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation/surveillance officers and program capacity, and (3) the number of probation/surveillance officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the intensive probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, operating costs and vehicle costs.

c. Caseload Ratios. In the event the Grantee's intensive probation population falls below the statutorily established intensive caseload ratios for active probationers, the Grantee will advise the APSD and must request approval to fill any vacant positions funded under the AIPS program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursement to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-202.01.

17. COMMUNITY PUNISHMENT PROGRAM (CPP)

Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with CPP funding criteria requirements.

18. CRIMINAL JUSTICE ENHANCEMENT FUND - SEX OFFENDERS (CJEF - SO)

Grantee shall utilize the funds to provide additional treatment services for sex offenders.

19. CRIMINAL JUSTICE ENHANCEMENT FUND- SUBSTANCE ABUSE (CJEF-SA)

Pursuant to A.R.S. § 41-2401 Grantee shall utilize the funds to provide drug treatment services, including urinalysis, to adult probationers.

20. INTERSTATE COMPACT SUPERVISION (ISC)

a. ISC-Funded Officers. If Grantee receives ISC funds for authorized probation officers, all incoming ISC cases shall be supervised by an ISC funded probation officer.

b. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 98%, or higher, of the statutory capacity for standard probation supervision for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

c. Collections. The Grantee shall collect funds from ISC probationers supervised in Arizona for deposit into the state's Victim Compensation and Assistance Fund (VCAF), pursuant to A.R.S. § 31-466 (A) (B), and in accordance with Arizona Code of Judicial Administration § 6-204.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering ISC data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for reconciling ICOTS data with APETS data, maintaining the input of

ISC data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

1.1 Adherence to A.R.S. 31-467
2.1 Adherence to ICAOS Rules
3.1 Adherence to ACJA 6-204.01

21. DRUG TREATMENT AND EDUCATION FUND (DTEF)

a. Management of Allocation. Grantee agrees to manage the fund allocation in compliance with DTEF fund criteria and requirements for programs and services. Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with DTEF funding criteria requirements. Failure to cooperate may result in the need to adjust future disbursement to the Grantee.

b. Other Requirements. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering DTEF data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for DTEF data, maintaining the input of DTEF data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

22. TRANSFERRED YOUTH (TY)

a. Management of Allocation. The Grantee shall manage the treatment allocation retained at the AOC on behalf of the Grantee, as well as the portion of TY that is dispersed to the Grantee. If the Grantee projects an over expenditure of its treatment allocation at any time, the Grantee shall submit a report to the AOC detailing how the Grantee will come into fiscal compliance. The Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

b. Vendor Payment Restrictions. The Grantee shall not utilize any retained TY funds to pay a treatment vendor with whom the AOC does not have a contract for services.

The Grantee shall not utilize any retained TY funds to pay a treatment vendor whose contract is suspended and/or to pay for services provided to youths referred after the AOC has recommended suspending referrals as a result of concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

c. The Grantee shall not utilize any dispersed TY funds to pay a treatment vendor with whom the AOC or the County does not have a contract for services.

The Grantee shall track all TY funds and submit a monthly report to the AOC TY Specialist. The report shall be submitted to the AOC no later than the 17th of each month.

23. JUDICIAL COLLECTION ENHANCEMENT FUND

In accordance with A.R.S. 12-114.01 B, the Grantee agrees to utilize the Judicial Collection Enhancement Fund (JCEF) to supplement monies currently used for the salaries of adult probation and surveillance officers and for the support of programs and services of the superior court adult probation department.

24. GLOBAL POSITION SYSTEM (GPS)

a. Applicability. Administrative Order No. 2006-90 and Administrative Directive No. 2011-41 identified the Judicial Collection Enhancement Fund (JCEF) as the source to subsidize the cost of the GPS monitoring devices for the adult probation departments subject to the availability of funds. The court has determined that the Administrative Office of the Courts (AOC) will charge one hundred percent (100%) of the cost of the GPS monitoring devices to the probation fees account of the fifteen adult probation departments on a quarterly basis. AOC will retain on behalf of the adult probation departments contributing to the JCEF probation surcharge revenues a subsidy of up to fifty percent (50%) of the cost described above.

For this fiscal year, AOC is not receiving general fund appropriation for the GPS program. AOC has identified the JCEF as the source to subsidize the cost of the monitor analysts and operating.

b. Capacity. Each offender sentenced to standard probation under the requirements of A.R.S. § 13-902 (G) shall equate to 3 offenders for determining compliance with caseload limit requirements of A.R.S. § 12-251 (A).

GPS probationers sentenced to standard probation supervision who have been evaluated as high risk, may be assigned to an intensive probation surveillance team for surveillance purposes only, if intensive probation slots are available pursuant to A.R.S.§ 13-916. If an over capacity situation arises affecting the intensive probation supervision team caseload limits, high risk status GPS cases are to be returned to standard supervision status.

GPS probationers sentenced to intensive probation supervision shall be supervised pursuant to A.R.S. § 13-914 and ACJA § 6-202.01.

25. ADULT DRUG COURT

a. This Agreement entered into between the AOC and the Grantee is pursuant to the provisions of A.R.S. § 13-3401, 13-3422 and 13-901.02, which is incorporated herein by reference.

b. Inappropriate Expenditures. Adult Drug Court funds shall not be used to reduce the financial obligation of a federal, state, county, city, or tribal government agency to fund the operations of the Adult Drug Court or other Adult Drug Court related programs.

c. The Grantee shall ensure drug court treatment programs and services are consistent with best practices, the Drug Court Model and the Drug Court 10 Key Components.

d. Drug courts should use standardized assessment instruments that have been validated for use with criminal justice populations.

e. The Grantee shall ensure Drug Court treatment is based on cognitive-behavioral treatment (CBT) and social learning models, which have been shown to significantly reduce recidivism among offenders.

26. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement, both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint venture's, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY
SUPERIOR COURT
(GRANTEE)

By _____
Honorable James L. Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE
OF THE COURTS

By _____
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

CJEF - SEX OFFENDER
COCHISE COUNTY
FY 2019

Addendum date: July 1, 2018
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$3,938**

APPROVED FTE'S	
Personnel - PO/SO	0.00
Personnel - Other	0.00
Total	**0.00**

	BUDGET CATEGORY	APPROVED BUDGET
A.	Personnel - PO/SO	$ -
B.	Personnel - Other	$ -
C.	ERE - PO/SO	$ -
D.	ERE - Other	$ -
E.	Operating	$ -
F.	Contract	$ 3,938
TOTAL AMOUNT TO BE DISBURSED		**$ 3,938**

SCHEDULED DISBURSEMENTS:

July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$906	$985	$1,024	$1,023

	RETAINED FUNDS	AMOUNT
A.	Vehicle	$ -
B.	Other	$ -
TOTAL AMOUNT TO BE RETAINED		**$ -**

Signed: Kathy Waters — Digitally signed by Kathy Waters Date: 2018.06.25 15:50:34 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz — Digitally signed by Patricia G. Munoz Date: 2018.07.25 20:49:13 -07'00'

Chief Probation Officer

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Consent 5.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 08/14/2018

FY19 Adult Drug Court Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Adult Drug Court funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $7,000.

Background:

The purpose of these treatment/intervention funds are to enhance supervision programs to ensure adult probation departments address criminogenic needs and work toward recidivism reduction.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No funding for Adult Probation treatment programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ☐	**Funds Available:** ☐	**Amount Available:**
Unbudgeted: ☐	**Funds NOT Available:** ☐	**Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY2019-AOC Funding Agreement
Adult Drug Court Addendum
Grant Approval Form - Drug Ct

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR THE FOLLOWING (as applicable):

State Aid Enhancement (SAE)
Adult Intensive Probation Supervision (AIPS)
Community Punishment Program (CPP)
Interstate Compact Supervision (ISC)
Drug Treatment and Education Fund (DTEF)
Transferred Youth (TY)
Criminal Justice Enhancement Fund - Sex Offenders (CJEF - SO)
Criminal Justice Enhancement Fund - Substance Abuse (CJEF - SA)
Judicial Collection Enhancement Fund (JCEF)
Global Position System (GPS)
Adult Drug Court (ADC)

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and the **SUPERIOR COURT in COCHISE COUNTY** ("Grantee").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) Grantee's failure to implement or operate the approved plan; (4) Grantee's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in separate accounts within a Special Revenue Fund established for the execution of this Agreement. Per A.R.S. §12-267, the receipts and expenditures for each account within the fund must be reported separately. Any interest earned on these monies while in the possession of Grantee shall accrue to the separate accounts for use by Grantee in accordance with its approved plan. Grantee shall ensure that the Board of Supervisors designates a Chief Fiscal Officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved plan and may authorize direct expenditures for the benefit of Grantee. The specific amounts to be retained by the AOC for direct expenditures for the benefit of Grantee and to be disbursed to the Grantee are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Grantee shall submit the following to the AOC:

i. Monthly Statistical Reports on Sex Offenders are due on the 15th day of the following month as required by the AOC.

ii. A mid-year financial and program activity report for each program are due on or before January 31, 2019.

iii. A closing financial and program activity report is due on or before August 31, 2019, which includes: (1) an Adult Probation Service Fees Account report in accordance with A.R.S. §12-267 documenting the total amount of annual receipts and expenditures for all probation funding; (2) an interest report which includes the total amount of interest accrued and expended on each fund; (3) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Grantee being placed on Financial Sanctions Status by the AOC.

iv. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for monthly statistical data and performance measures data, maintaining the input of statistical data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

v. To ensure accuracy and validity of monthly statistical information, the Grantee will perform one hand count of offenders placed on adult probation. The hand count shall consist of a manual tabulation of all probation case files in the county, conducted independently from any automated system, reconciled with the statewide case management system, and if applicable, corrections made within 10 business days after corrections request received.

The hand counts shall be conducted on January 31, 2019, with the due date to the AOC on February 15, 2019.

vi. Monthly personnel payroll and expense reports are due to the AOC on the 15th day of the following month.

vii. Each Grantee shall forward to the AOC a copy of the department's

approved county budget plan no later than 14 days after approval.

viii. Annual Performance Measures are due on July 31, 2019.

c. Unexpended Funds. All funds unencumbered as of June 30, 2019, and unexpended as of July 31, 2019, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the Presiding Superior Court Judge.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds for probation services. The AOC may prepare and implement procedures for allocating and adjusting state funds among courts. Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocations. Failure to comply may result in additional action by the AOC.

h. Allocation and Management of State Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and ERE lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, Grantee shall promptly take steps to ensure that all approved case carrying positions are filled. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

5. BOOKS, RECORDS AND SUBCONTRACTS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. All contracts executed by the Superior Courts with subcontractors shall contain the following insurance language:

Standard Professional Contract Services

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

1.2 Insurance Requirements

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

1.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form
Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

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

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.3 Workers' Compensation and Employers' Liability

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

c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

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

e. 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, 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.

f. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

1.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

1.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject

to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Standard Professional Contract Services ($50,000 or under)

2.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

2.2 Insurance Requirements

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

2.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees 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 endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Business Automobile Liability

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

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.4 Professional Liability (Errors and Omissions Liability)

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

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, 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 negligent acts for those positions defined in the Scope of Work of this contract.

2.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

2.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

2.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

2.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

2.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults)

3.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

3.2 Insurance Requirements

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

3.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

3.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

3.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$2,000,000
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Personal and Advertising Injury	$1,000,000
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

g. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

h. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

i. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

j. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.2 Business Automobile Liability

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

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

k. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

l. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.3 Workers’ Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

m. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

n. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

3.3.4 Professional Liability (Errors and Omissions Liability)

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

o. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.” This coverage may be sub-limited to no less than $500,000.

p. 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.

q. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

3.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

3.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

3.4.2 Insurance provided by the Contractor shall not limit the Contractor’s liability assumed under the indemnification provisions of this Contract.

3.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

3.6 Acceptability of Insurers

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

3.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

3.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

3.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

3.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

3.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

3.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults, Under $50,000)

4.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

4.2 Insurance Requirements

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

4.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

4.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

4.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $250,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own dedicated limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

b. Defense Costs should not erode the policy limits, also known as “defense outside the limits.”

c. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

d. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

e. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4.3.4 Professional Liability (Errors and Omissions Liability)

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

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $250,000.
b. 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.
c. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

4.4 Additional Insurance Requirements
The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

4.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department,

its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

4.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

4.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

4.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

4.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

4.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

4.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

4.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

4.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

4.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

4.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

c. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of grant funds, Grantee agrees to maintain and provide to the AOC accurate and timely data and statistics as may be required for purposes of evaluation. Grantee further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

a. Equipment. Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

b. Equipment Lease Option. The Grantee shall have the option of participating in an AOC equipment lease agreement that would allow the probation department an opportunity to lease computers, printers and other AOC approved technology equipment through the AOC lease contract which is managed and maintained by the AOC Information Technology Division (ITD). The Adult Probation Services Division (APSD) shall establish the lease agreement with the ITD and act as the leaseholder for the Grantee.

If the Grantee participates in the lease agreement option, the Grantee shall agree to the following requirements: (1) the monies expended by the APSD for the Grantee's lease agreement would be paid by the Grantee on an annual reimbursement schedule to the APSD as established and managed by the AOC; (2) the Grantee shall sign and agree to the terms set forth in the AOC ITD Equipment Installation and Operation Agreement; (3) the Grantee shall sign and agree to the terms set forth in the lease agreement option established by the APSD; (4) the monies used by the Grantee to participate in the lease agreement shall not be paid from any of the following AOC APSD program funds: SAE, AIPS, CPP, ISC, DTEF, CJEF, TY, JCEF, GPS, or Drug Court. The Grantee may use Probation Service Fees (PSF) monies to reimburse the APSD if the Grantee participates in the lease agreement option.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement for three years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the Presiding Superior Court Judge. Grantee is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the

Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTIONS STATUS

In addition to any other remedy available pursuant to this Agreement, Grantee may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement;
g. Failure to ensure that the level of county funding and the same number of case-carrying officers as required by the Legislature is maintained;
h. Failure to adhere to the administrative code governing each state fund for probation services;
i. Failure to adhere to the requirements set forth in the Equipment Lease Option as outlined in this funding agreement in subsection **6., b.**; and
j. Failure to adhere to the requirements set forth in the Electronic Data Sharing Agreement as outlined in the APETS statewide policy.

9. FINANCIAL SANCTIONS ACTIONS

Financial sanctions include, but are not limited to:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;
c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanction status);
f. Recovery of funds or equipment already disbursed; and
g. Not authorizing any new personnel.

If monthly submission of expenses is required, in order to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report. State funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanctions status.

10. OTHER REQUIREMENTS

The Grantee agrees to**:** (1) utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines and the APETS statewide policy, establishing and maintaining a

data quality assurance process, maintaining the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize the required offender assessment tools; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

The Grantee shall ensure that the county maintains the fiscal year 2004 expenditure level for each probation program as required by the Legislature. Reduction from the fiscal year 2004 level may result in future loss of funds or other action by the AOC and/or state legislature.

12. COLLECTIONS

The Grantee shall ensure the collection of monies owed as a condition of probation and shall require that supervising probation officers immediately address any arrearage. The collection of monies shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and Minimum Accounting Standards for Arizona Courts as prescribed in ACJA § 1-401 and adopted by Administrative Order 2010-118. The Grantee is responsible for reporting and tracking financial transaction data.

13. VEHICLE EXPENDITURES

The Grantee shall make every effort to manage its motor pool allocation effectively and to avoid over expenditure. If the Grantee projects an over expenditure of its motor pool allocation at any time, the Grantee shall contact the AOC and develop a plan to bring Grantee into fiscal compliance. The AOC shall adjust motor pool allocations among courts as deemed necessary. The Grantee agrees to reimburse the AOC for any unauthorized or inappropriate vehicle related expenditures.

14. PROBATION SERVICE FEES (PSF)

In accordance with A.R.S. §12-267, each fiscal year the Grantee shall, on or before August 31, submit to the AOC a report detailing deposits and expenditures of monies in the Probation Services Fees Account for the preceding fiscal year.

The Grantee shall also submit to the AOC a plan detailing intended expenditures of monies in the Probation Services Fees Account for the following fiscal year, no later than August 31.

15. STATE AID ENHANCEMENT (SAE)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload at 98%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the Adult Probation Services Division (APSD) of the AOC. The declaration is to state:

(1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

c. Case Load Ratios. In the event the Grantee's standard probation population falls below or exceeds an average of 1 officer for 65 active probationers, excluding those probationers serving a flat time jail sentence, the Grantee must advise the APSD of all vacant state funded positions and must request approval to fill any vacant positions funded under the AOC State Aid Enhancement program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursements to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-201.01.

16. ADULT INTENSIVE PROBATION SUPERVISION (AIPS)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 95%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation/surveillance officers and program capacity, and (3) the number of probation/surveillance officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the intensive probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, operating costs and vehicle costs.

c. Caseload Ratios. In the event the Grantee's intensive probation population falls below the statutorily established intensive caseload ratios for active probationers, the Grantee will advise the APSD and must request approval to fill any vacant positions funded under the AIPS program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursement to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-202.01.

17. COMMUNITY PUNISHMENT PROGRAM (CPP)

Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with CPP funding criteria requirements.

18. CRIMINAL JUSTICE ENHANCEMENT FUND - SEX OFFENDERS (CJEF - SO)

Grantee shall utilize the funds to provide additional treatment services for sex offenders.

19. CRIMINAL JUSTICE ENHANCEMENT FUND- SUBSTANCE ABUSE (CJEF-SA)

Pursuant to A.R.S. § 41-2401 Grantee shall utilize the funds to provide drug treatment services, including urinalysis, to adult probationers.

20. INTERSTATE COMPACT SUPERVISION (ISC)

a. ISC-Funded Officers. If Grantee receives ISC funds for authorized probation officers, all incoming ISC cases shall be supervised by an ISC funded probation officer.

b. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 98%, or higher, of the statutory capacity for standard probation supervision for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

c. Collections. The Grantee shall collect funds from ISC probationers supervised in Arizona for deposit into the state's Victim Compensation and Assistance Fund (VCAF), pursuant to A.R.S. § 31-466 (A) (B), and in accordance with Arizona Code of Judicial Administration § 6-204.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering ISC data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for reconciling ICOTS data with APETS data, maintaining the input of

ISC data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

1.1 Adherence to A.R.S. 31-467
2.1 Adherence to ICAOS Rules
3.1 Adherence to ACJA 6-204.01

21. DRUG TREATMENT AND EDUCATION FUND (DTEF)

a. Management of Allocation. Grantee agrees to manage the fund allocation in compliance with DTEF fund criteria and requirements for programs and services. Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with DTEF funding criteria requirements. Failure to cooperate may result in the need to adjust future disbursement to the Grantee.

b. Other Requirements. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering DTEF data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for DTEF data, maintaining the input of DTEF data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

22. TRANSFERRED YOUTH (TY)

a. Management of Allocation. The Grantee shall manage the treatment allocation retained at the AOC on behalf of the Grantee, as well as the portion of TY that is dispersed to the Grantee. If the Grantee projects an over expenditure of its treatment allocation at any time, the Grantee shall submit a report to the AOC detailing how the Grantee will come into fiscal compliance. The Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

b. Vendor Payment Restrictions. The Grantee shall not utilize any retained TY funds to pay a treatment vendor with whom the AOC does not have a contract for services.

The Grantee shall not utilize any retained TY funds to pay a treatment vendor whose contract is suspended and/or to pay for services provided to youths referred after the AOC has recommended suspending referrals as a result of concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

c. The Grantee shall not utilize any dispersed TY funds to pay a treatment vendor with whom the AOC or the County does not have a contract for services.

The Grantee shall track all TY funds and submit a monthly report to the AOC TY Specialist. The report shall be submitted to the AOC no later than the 17th of each month.

23. JUDICIAL COLLECTION ENHANCEMENT FUND

In accordance with A.R.S. 12-114.01 B, the Grantee agrees to utilize the Judicial Collection Enhancement Fund (JCEF) to supplement monies currently used for the salaries of adult probation and surveillance officers and for the support of programs and services of the superior court adult probation department.

24. GLOBAL POSITION SYSTEM (GPS)

a. Applicability. Administrative Order No. 2006-90 and Administrative Directive No. 2011-41 identified the Judicial Collection Enhancement Fund (JCEF) as the source to subsidize the cost of the GPS monitoring devices for the adult probation departments subject to the availability of funds. The court has determined that the Administrative Office of the Courts (AOC) will charge one hundred percent (100%) of the cost of the GPS monitoring devices to the probation fees account of the fifteen adult probation departments on a quarterly basis. AOC will retain on behalf of the adult probation departments contributing to the JCEF probation surcharge revenues a subsidy of up to fifty percent (50%) of the cost described above.

For this fiscal year, AOC is not receiving general fund appropriation for the GPS program. AOC has identified the JCEF as the source to subsidize the cost of the monitor analysts and operating.

b. Capacity. Each offender sentenced to standard probation under the requirements of A.R.S. § 13-902 (G) shall equate to 3 offenders for determining compliance with caseload limit requirements of A.R.S. § 12-251 (A).

GPS probationers sentenced to standard probation supervision who have been evaluated as high risk, may be assigned to an intensive probation surveillance team for surveillance purposes only, if intensive probation slots are available pursuant to A.R.S.§ 13-916. If an over capacity situation arises affecting the intensive probation supervision team caseload limits, high risk status GPS cases are to be returned to standard supervision status.

GPS probationers sentenced to intensive probation supervision shall be supervised pursuant to A.R.S. § 13-914 and ACJA § 6-202.01.

25. ADULT DRUG COURT

a. This Agreement entered into between the AOC and the Grantee is pursuant to the provisions of A.R.S. § 13-3401, 13-3422 and 13-901.02, which is incorporated herein by reference.

b. Inappropriate Expenditures. Adult Drug Court funds shall not be used to reduce the financial obligation of a federal, state, county, city, or tribal government agency to fund the operations of the Adult Drug Court or other Adult Drug Court related programs.

c. The Grantee shall ensure drug court treatment programs and services are consistent with best practices, the Drug Court Model and the Drug Court 10 Key Components.

d. Drug courts should use standardized assessment instruments that have been validated for use with criminal justice populations.

e. The Grantee shall ensure Drug Court treatment is based on cognitive-behavioral treatment (CBT) and social learning models, which have been shown to significantly reduce recidivism among offenders.

26. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement, both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint venture's, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY
SUPERIOR COURT
(GRANTEE)

By _____
Honorable James L. Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE
OF THE COURTS

By _____
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

ADULT DRUG COURT
COCHISE COUNTY
FY 2019

Addendum date: July 1, 2018
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$7,000**

APPROVED FTE'S	
Personnel - PO/SO	0.00
Personnel - Other	0.00
Total	**0.00**

	BUDGET CATEGORY	APPROVED BUDGET
A.	Personnel - PO/SO	$ -
B.	Personnel - Other	$ -
C.	ERE - PO/SO	$ -
D.	ERE - Other	$ -
E.	Operating	$ 6,000
F.	Contract	$ 1,000
TOTAL AMOUNT TO BE DISBURSED		**$ 7,000**

SCHEDULED DISBURSEMENTS:

July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$1,610	$1,750	$1,820	$1,820

	RETAINED FUNDS	AMOUNT
A.	Vehicle	$ -
B.	Other	$ -
TOTAL AMOUNT TO BE RETAINED		**$ -**

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2018.06.25 15:50:57 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2018.07.25 20:49:42 -07'00'

Chief Probation Officer

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Consent 6.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 08/14/2018

FY19 Transferred Youth Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Transferred Youth funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $2,000.

Background:

The purpose of these treatment/intervention funds are to enhance supervision programs to ensure adult probation departments address criminogenic needs and work toward recidivism reduction.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No funding for Adult Probation treatment programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ◯ **Funds Available:** ◯ **Amount Available:**

Unbudgeted: ◯ **Funds NOT Available:** ◯ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY2019-AOC Funding Agreement
Transferred Youth Addendum
Grant Approval Form - TY

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR THE FOLLOWING (as applicable):

State Aid Enhancement (SAE)
Adult Intensive Probation Supervision (AIPS)
Community Punishment Program (CPP)
Interstate Compact Supervision (ISC)
Drug Treatment and Education Fund (DTEF)
Transferred Youth (TY)
Criminal Justice Enhancement Fund - Sex Offenders (CJEF - SO)
Criminal Justice Enhancement Fund - Substance Abuse (CJEF - SA)
Judicial Collection Enhancement Fund (JCEF)
Global Position System (GPS)
Adult Drug Court (ADC)

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and the **SUPERIOR COURT in COCHISE COUNTY** ("Grantee").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) Grantee's failure to implement or operate the approved plan; (4) Grantee's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in separate accounts within a Special Revenue Fund established for the execution of this Agreement. Per A.R.S. §12-267, the receipts and expenditures for each account within the fund must be reported separately. Any interest earned on these monies while in the possession of Grantee shall accrue to the separate accounts for use by Grantee in accordance with its approved plan. Grantee shall ensure that the Board of Supervisors designates a Chief Fiscal Officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved plan and may authorize direct expenditures for the benefit of Grantee. The specific amounts to be retained by the AOC for direct expenditures for the benefit of Grantee and to be disbursed to the Grantee are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Grantee shall submit the following to the AOC:

i. Monthly Statistical Reports on Sex Offenders are due on the 15th day of the following month as required by the AOC.

ii. A mid-year financial and program activity report for each program are due on or before January 31, 2019.

iii. A closing financial and program activity report is due on or before August 31, 2019, which includes: (1) an Adult Probation Service Fees Account report in accordance with A.R.S. §12-267 documenting the total amount of annual receipts and expenditures for all probation funding; (2) an interest report which includes the total amount of interest accrued and expended on each fund; (3) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Grantee being placed on Financial Sanctions Status by the AOC.

iv. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for monthly statistical data and performance measures data, maintaining the input of statistical data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

v. To ensure accuracy and validity of monthly statistical information, the Grantee will perform one hand count of offenders placed on adult probation. The hand count shall consist of a manual tabulation of all probation case files in the county, conducted independently from any automated system, reconciled with the statewide case management system, and if applicable, corrections made within 10 business days after corrections request received.

The hand counts shall be conducted on January 31, 2019, with the due date to the AOC on February 15, 2019.

vi. Monthly personnel payroll and expense reports are due to the AOC on the 15th day of the following month.

vii. Each Grantee shall forward to the AOC a copy of the department's

approved county budget plan no later than 14 days after approval.

viii. Annual Performance Measures are due on July 31, 2019.

c. Unexpended Funds. All funds unencumbered as of June 30, 2019, and unexpended as of July 31, 2019, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the Presiding Superior Court Judge.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds for probation services. The AOC may prepare and implement procedures for allocating and adjusting state funds among courts. Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocations. Failure to comply may result in additional action by the AOC.

h. Allocation and Management of State Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and ERE lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, Grantee shall promptly take steps to ensure that all approved case carrying positions are filled. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

5. BOOKS, RECORDS AND SUBCONTRACTS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. All contracts executed by the Superior Courts with subcontractors shall contain the following insurance language:

Standard Professional Contract Services

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

1.2 Insurance Requirements

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

1.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form
Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

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

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.3 Workers' Compensation and Employers' Liability

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

c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

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

e. 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, 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.

f. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

1.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

1.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject

to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Standard Professional Contract Services ($50,000 or under)

2.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

2.2 Insurance Requirements

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

2.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees 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 endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Business Automobile Liability

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

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.4 Professional Liability (Errors and Omissions Liability)

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

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, 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 negligent acts for those positions defined in the Scope of Work of this contract.

2.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

2.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

2.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

2.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

2.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults)

3.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

3.2 Insurance Requirements

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

3.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

3.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

3.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

g. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

h. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

i. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

j. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.2 Business Automobile Liability

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

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

k. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

l. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.3 Workers’ Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

m. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

n. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

3.3.4 Professional Liability (Errors and Omissions Liability)

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

o. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.” This coverage may be sub-limited to no less than $500,000.

p. 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.

q. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

3.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

3.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

3.4.2 Insurance provided by the Contractor shall not limit the Contractor’s liability assumed under the indemnification provisions of this Contract.

3.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

3.6 Acceptability of Insurers

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

3.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

3.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

3.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

3.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

3.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

3.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults, Under $50,000)

4.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

4.2 Insurance Requirements

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

4.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

4.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

4.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $250,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own dedicated limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

b. Defense Costs should not erode the policy limits, also known as “defense outside the limits.”

c. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

d. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

e. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4.3.4 Professional Liability (Errors and Omissions Liability)

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

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $250,000.
b. 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.
c. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

4.4 Additional Insurance Requirements
The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

4.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department,

its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

4.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

4.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

4.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

4.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

4.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

4.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

4.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

4.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

4.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

4.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

c. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of grant funds, Grantee agrees to maintain and provide to the AOC accurate and timely data and statistics as may be required for purposes of evaluation. Grantee further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

a. Equipment. Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

b. Equipment Lease Option. The Grantee shall have the option of participating in an AOC equipment lease agreement that would allow the probation department an opportunity to lease computers, printers and other AOC approved technology equipment through the AOC lease contract which is managed and maintained by the AOC Information Technology Division (ITD). The Adult Probation Services Division (APSD) shall establish the lease agreement with the ITD and act as the leaseholder for the Grantee.

If the Grantee participates in the lease agreement option, the Grantee shall agree to the following requirements: (1) the monies expended by the APSD for the Grantee's lease agreement would be paid by the Grantee on an annual reimbursement schedule to the APSD as established and managed by the AOC; (2) the Grantee shall sign and agree to the terms set forth in the AOC ITD Equipment Installation and Operation Agreement; (3) the Grantee shall sign and agree to the terms set forth in the lease agreement option established by the APSD; (4) the monies used by the Grantee to participate in the lease agreement shall not be paid from any of the following AOC APSD program funds: SAE, AIPS, CPP, ISC, DTEF, CJEF, TY, JCEF, GPS, or Drug Court. The Grantee may use Probation Service Fees (PSF) monies to reimburse the APSD if the Grantee participates in the lease agreement option.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement for three years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the Presiding Superior Court Judge. Grantee is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the

Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTIONS STATUS

In addition to any other remedy available pursuant to this Agreement, Grantee may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement;
g. Failure to ensure that the level of county funding and the same number of case-carrying officers as required by the Legislature is maintained;
h. Failure to adhere to the administrative code governing each state fund for probation services;
i. Failure to adhere to the requirements set forth in the Equipment Lease Option as outlined in this funding agreement in subsection **6., b.**; and
j. Failure to adhere to the requirements set forth in the Electronic Data Sharing Agreement as outlined in the APETS statewide policy.

9. FINANCIAL SANCTIONS ACTIONS

Financial sanctions include, but are not limited to:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;
c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanction status);
f. Recovery of funds or equipment already disbursed; and
g. Not authorizing any new personnel.

If monthly submission of expenses is required, in order to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report. State funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanctions status.

10. OTHER REQUIREMENTS

The Grantee agrees to**:** (1) utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines and the APETS statewide policy, establishing and maintaining a

data quality assurance process, maintaining the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize the required offender assessment tools; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

The Grantee shall ensure that the county maintains the fiscal year 2004 expenditure level for each probation program as required by the Legislature. Reduction from the fiscal year 2004 level may result in future loss of funds or other action by the AOC and/or state legislature.

12. COLLECTIONS

The Grantee shall ensure the collection of monies owed as a condition of probation and shall require that supervising probation officers immediately address any arrearage. The collection of monies shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and Minimum Accounting Standards for Arizona Courts as prescribed in ACJA § 1-401 and adopted by Administrative Order 2010-118. The Grantee is responsible for reporting and tracking financial transaction data.

13. VEHICLE EXPENDITURES

The Grantee shall make every effort to manage its motor pool allocation effectively and to avoid over expenditure. If the Grantee projects an over expenditure of its motor pool allocation at any time, the Grantee shall contact the AOC and develop a plan to bring Grantee into fiscal compliance. The AOC shall adjust motor pool allocations among courts as deemed necessary. The Grantee agrees to reimburse the AOC for any unauthorized or inappropriate vehicle related expenditures.

14. PROBATION SERVICE FEES (PSF)

In accordance with A.R.S. §12-267, each fiscal year the Grantee shall, on or before August 31, submit to the AOC a report detailing deposits and expenditures of monies in the Probation Services Fees Account for the preceding fiscal year.

The Grantee shall also submit to the AOC a plan detailing intended expenditures of monies in the Probation Services Fees Account for the following fiscal year, no later than August 31.

15. STATE AID ENHANCEMENT (SAE)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload at 98%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the Adult Probation Services Division (APSD) of the AOC. The declaration is to state:

(1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

c. Case Load Ratios. In the event the Grantee's standard probation population falls below or exceeds an average of 1 officer for 65 active probationers, excluding those probationers serving a flat time jail sentence, the Grantee must advise the APSD of all vacant state funded positions and must request approval to fill any vacant positions funded under the AOC State Aid Enhancement program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursements to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-201.01.

16. ADULT INTENSIVE PROBATION SUPERVISION (AIPS)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 95%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation/surveillance officers and program capacity, and (3) the number of probation/surveillance officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the intensive probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, operating costs and vehicle costs.

c. Caseload Ratios. In the event the Grantee's intensive probation population falls below the statutorily established intensive caseload ratios for active probationers, the Grantee will advise the APSD and must request approval to fill any vacant positions funded under the AIPS program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursement to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-202.01.

17. COMMUNITY PUNISHMENT PROGRAM (CPP)

Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with CPP funding criteria requirements.

18. CRIMINAL JUSTICE ENHANCEMENT FUND - SEX OFFENDERS (CJEF - SO)

Grantee shall utilize the funds to provide additional treatment services for sex offenders.

19. CRIMINAL JUSTICE ENHANCEMENT FUND- SUBSTANCE ABUSE (CJEF-SA)

Pursuant to A.R.S. § 41-2401 Grantee shall utilize the funds to provide drug treatment services, including urinalysis, to adult probationers.

20. INTERSTATE COMPACT SUPERVISION (ISC)

a. ISC-Funded Officers. If Grantee receives ISC funds for authorized probation officers, all incoming ISC cases shall be supervised by an ISC funded probation officer.

b. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 98%, or higher, of the statutory capacity for standard probation supervision for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

c. Collections. The Grantee shall collect funds from ISC probationers supervised in Arizona for deposit into the state's Victim Compensation and Assistance Fund (VCAF), pursuant to A.R.S. § 31-466 (A) (B), and in accordance with Arizona Code of Judicial Administration § 6-204.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering ISC data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for reconciling ICOTS data with APETS data, maintaining the input of

ISC data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

1.1 Adherence to A.R.S. 31-467
2.1 Adherence to ICAOS Rules
3.1 Adherence to ACJA 6-204.01

21. DRUG TREATMENT AND EDUCATION FUND (DTEF)

a. Management of Allocation. Grantee agrees to manage the fund allocation in compliance with DTEF fund criteria and requirements for programs and services. Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with DTEF funding criteria requirements. Failure to cooperate may result in the need to adjust future disbursement to the Grantee.

b. Other Requirements. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering DTEF data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for DTEF data, maintaining the input of DTEF data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

22. TRANSFERRED YOUTH (TY)

a. Management of Allocation. The Grantee shall manage the treatment allocation retained at the AOC on behalf of the Grantee, as well as the portion of TY that is dispersed to the Grantee. If the Grantee projects an over expenditure of its treatment allocation at any time, the Grantee shall submit a report to the AOC detailing how the Grantee will come into fiscal compliance. The Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

b. Vendor Payment Restrictions. The Grantee shall not utilize any retained TY funds to pay a treatment vendor with whom the AOC does not have a contract for services.

The Grantee shall not utilize any retained TY funds to pay a treatment vendor whose contract is suspended and/or to pay for services provided to youths referred after the AOC has recommended suspending referrals as a result of concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

c. The Grantee shall not utilize any dispersed TY funds to pay a treatment vendor with whom the AOC or the County does not have a contract for services.

The Grantee shall track all TY funds and submit a monthly report to the AOC TY Specialist. The report shall be submitted to the AOC no later than the 17th of each month.

23. JUDICIAL COLLECTION ENHANCEMENT FUND

In accordance with A.R.S. 12-114.01 B, the Grantee agrees to utilize the Judicial Collection Enhancement Fund (JCEF) to supplement monies currently used for the salaries of adult probation and surveillance officers and for the support of programs and services of the superior court adult probation department.

24. GLOBAL POSITION SYSTEM (GPS)

a. Applicability. Administrative Order No. 2006-90 and Administrative Directive No. 2011-41 identified the Judicial Collection Enhancement Fund (JCEF) as the source to subsidize the cost of the GPS monitoring devices for the adult probation departments subject to the availability of funds. The court has determined that the Administrative Office of the Courts (AOC) will charge one hundred percent (100%) of the cost of the GPS monitoring devices to the probation fees account of the fifteen adult probation departments on a quarterly basis. AOC will retain on behalf of the adult probation departments contributing to the JCEF probation surcharge revenues a subsidy of up to fifty percent (50%) of the cost described above.

For this fiscal year, AOC is not receiving general fund appropriation for the GPS program. AOC has identified the JCEF as the source to subsidize the cost of the monitor analysts and operating.

b. Capacity. Each offender sentenced to standard probation under the requirements of A.R.S. § 13-902 (G) shall equate to 3 offenders for determining compliance with caseload limit requirements of A.R.S. § 12-251 (A).

GPS probationers sentenced to standard probation supervision who have been evaluated as high risk, may be assigned to an intensive probation surveillance team for surveillance purposes only, if intensive probation slots are available pursuant to A.R.S.§ 13-916. If an over capacity situation arises affecting the intensive probation supervision team caseload limits, high risk status GPS cases are to be returned to standard supervision status.

GPS probationers sentenced to intensive probation supervision shall be supervised pursuant to A.R.S. § 13-914 and ACJA § 6-202.01.

25. ADULT DRUG COURT

a. This Agreement entered into between the AOC and the Grantee is pursuant to the provisions of A.R.S. § 13-3401, 13-3422 and 13-901.02, which is incorporated herein by reference.

b. Inappropriate Expenditures. Adult Drug Court funds shall not be used to reduce the financial obligation of a federal, state, county, city, or tribal government agency to fund the operations of the Adult Drug Court or other Adult Drug Court related programs.

c. The Grantee shall ensure drug court treatment programs and services are consistent with best practices, the Drug Court Model and the Drug Court 10 Key Components.

d. Drug courts should use standardized assessment instruments that have been validated for use with criminal justice populations.

e. The Grantee shall ensure Drug Court treatment is based on cognitive-behavioral treatment (CBT) and social learning models, which have been shown to significantly reduce recidivism among offenders.

26. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement, both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint venture's, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY
SUPERIOR COURT
(GRANTEE)

By _____
Honorable James L. Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE
OF THE COURTS

By _____
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

TRANSFERRED YOUTH
COCHISE COUNTY
FY 2019

Addendum date: July 1, 2018
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$2,000**

APPROVED FTE'S

Personnel - PO/SO	0.00
Personnel - Other	0.00
Total	**0.00**

	BUDGET CATEGORY	APPROVED BUDGET
A.	Personnel - PO/SO	$ -
B.	Personnel - Other	$ -
C.	ERE - PO/SO	$ -
D.	ERE - Other	$ -
E.	Operating	$ -
F.	Contract Disburse	$ 2,000
TOTAL AMOUNT TO BE DISBURSED		**$ 2,000**

SCHEDULED DISBURSEMENTS:

July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$460	$513	$514	$513

	RETAINED FUNDS	AMOUNT
A.	N/A	$ -
B.	Contract Withheld	$ -
TOTAL AMOUNT TO BE RETAINED		**$ -**

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2018.06.25 15:51:18 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2018.07.25 20:50:09 -07'00'

Chief Probation Officer

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Consent 7.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 08/14/2018

FY19 Adult CJEF IPS Assistance Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Adult Criminal Justice Enhancement Fund (CJEF) Assistance funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $41,716.

Background:

The purpose of the allocations for the intensive probation supervision program is to achieve or maintain the average adult probation case supervision requirement.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No AOC funding for intensive adult probation/surveillance officers and support staff.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ○	**Funds Available:** ○	**Amount Available:**
Unbudgeted: ○	**Funds NOT Available:** ○	**Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY2019-AOC Funding Agreement
Adult JCEF IPS Assistance Addendum
Grant Approval Form - IPS Asst

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR THE FOLLOWING (as applicable):

State Aid Enhancement (SAE)
Adult Intensive Probation Supervision (AIPS)
Community Punishment Program (CPP)
Interstate Compact Supervision (ISC)
Drug Treatment and Education Fund (DTEF)
Transferred Youth (TY)
Criminal Justice Enhancement Fund - Sex Offenders (CJEF - SO)
Criminal Justice Enhancement Fund - Substance Abuse (CJEF - SA)
Judicial Collection Enhancement Fund (JCEF)
Global Position System (GPS)
Adult Drug Court (ADC)

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and the **SUPERIOR COURT in COCHISE COUNTY** ("Grantee").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) Grantee's failure to implement or operate the approved plan; (4) Grantee's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in separate accounts within a Special Revenue Fund established for the execution of this Agreement. Per A.R.S. §12-267, the receipts and expenditures for each account within the fund must be reported separately. Any interest earned on these monies while in the possession of Grantee shall accrue to the separate accounts for use by Grantee in accordance with its approved plan. Grantee shall ensure that the Board of Supervisors designates a Chief Fiscal Officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved plan and may authorize direct expenditures for the benefit of Grantee. The specific amounts to be retained by the AOC for direct expenditures for the benefit of Grantee and to be disbursed to the Grantee are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Grantee shall submit the following to the AOC:

i. Monthly Statistical Reports on Sex Offenders are due on the 15th day of the following month as required by the AOC.

ii. A mid-year financial and program activity report for each program are due on or before January 31, 2019.

iii. A closing financial and program activity report is due on or before August 31, 2019, which includes: (1) an Adult Probation Service Fees Account report in accordance with A.R.S. §12-267 documenting the total amount of annual receipts and expenditures for all probation funding; (2) an interest report which includes the total amount of interest accrued and expended on each fund; (3) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Grantee being placed on Financial Sanctions Status by the AOC.

iv. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for monthly statistical data and performance measures data, maintaining the input of statistical data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

v. To ensure accuracy and validity of monthly statistical information, the Grantee will perform one hand count of offenders placed on adult probation. The hand count shall consist of a manual tabulation of all probation case files in the county, conducted independently from any automated system, reconciled with the statewide case management system, and if applicable, corrections made within 10 business days after corrections request received.

The hand counts shall be conducted on January 31, 2019, with the due date to the AOC on February 15, 2019.

vi. Monthly personnel payroll and expense reports are due to the AOC on the 15th day of the following month.

vii. Each Grantee shall forward to the AOC a copy of the department's

approved county budget plan no later than 14 days after approval.

viii. Annual Performance Measures are due on July 31, 2019.

c. Unexpended Funds. All funds unencumbered as of June 30, 2019, and unexpended as of July 31, 2019, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the Presiding Superior Court Judge.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds for probation services. The AOC may prepare and implement procedures for allocating and adjusting state funds among courts. Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocations. Failure to comply may result in additional action by the AOC.

h. Allocation and Management of State Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and ERE lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, Grantee shall promptly take steps to ensure that all approved case carrying positions are filled. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

5. BOOKS, RECORDS AND SUBCONTRACTS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. All contracts executed by the Superior Courts with subcontractors shall contain the following insurance language:

Standard Professional Contract Services

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

1.2 Insurance Requirements

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

1.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form
Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

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

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.3 Workers' Compensation and Employers' Liability

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

c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

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

e. 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, 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.

f. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

1.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

1.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject

to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Standard Professional Contract Services ($50,000 or under)

2.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

2.2 Insurance Requirements

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

2.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees 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 endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Business Automobile Liability

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

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.4 Professional Liability (Errors and Omissions Liability)

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

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, 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 negligent acts for those positions defined in the Scope of Work of this contract.

2.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

2.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

2.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

2.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

2.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults)

3.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

3.2 Insurance Requirements

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

3.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

3.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

3.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

g. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

h. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

i. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

j. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.2 Business Automobile Liability

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

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

k. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

l. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.3 Workers’ Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

m. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

n. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

3.3.4 Professional Liability (Errors and Omissions Liability)

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

o. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.” This coverage may be sub-limited to no less than $500,000.

p. 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.

q. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

3.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

3.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

3.4.2 Insurance provided by the Contractor shall not limit the Contractor’s liability assumed under the indemnification provisions of this Contract.

3.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

3.6 Acceptability of Insurers

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

3.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

3.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

3.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

3.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

3.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

3.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults, Under $50,000)

4.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

4.2 Insurance Requirements

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

4.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

4.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

4.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $250,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own dedicated limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

b. Defense Costs should not erode the policy limits, also known as “defense outside the limits.”

c. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

d. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

e. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4.3.4 Professional Liability (Errors and Omissions Liability)

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

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $250,000.
b. 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.
c. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

4.4 Additional Insurance Requirements
The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

4.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department,

its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

4.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

4.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

4.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

4.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

4.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

4.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

4.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

4.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

4.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

4.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

c. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of grant funds, Grantee agrees to maintain and provide to the AOC accurate and timely data and statistics as may be required for purposes of evaluation. Grantee further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

a. Equipment. Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

b. Equipment Lease Option. The Grantee shall have the option of participating in an AOC equipment lease agreement that would allow the probation department an opportunity to lease computers, printers and other AOC approved technology equipment through the AOC lease contract which is managed and maintained by the AOC Information Technology Division (ITD). The Adult Probation Services Division (APSD) shall establish the lease agreement with the ITD and act as the leaseholder for the Grantee.

If the Grantee participates in the lease agreement option, the Grantee shall agree to the following requirements: (1) the monies expended by the APSD for the Grantee's lease agreement would be paid by the Grantee on an annual reimbursement schedule to the APSD as established and managed by the AOC; (2) the Grantee shall sign and agree to the terms set forth in the AOC ITD Equipment Installation and Operation Agreement; (3) the Grantee shall sign and agree to the terms set forth in the lease agreement option established by the APSD; (4) the monies used by the Grantee to participate in the lease agreement shall not be paid from any of the following AOC APSD program funds: SAE, AIPS, CPP, ISC, DTEF, CJEF, TY, JCEF, GPS, or Drug Court. The Grantee may use Probation Service Fees (PSF) monies to reimburse the APSD if the Grantee participates in the lease agreement option.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement for three years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the Presiding Superior Court Judge. Grantee is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the

Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTIONS STATUS

In addition to any other remedy available pursuant to this Agreement, Grantee may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement;
g. Failure to ensure that the level of county funding and the same number of case-carrying officers as required by the Legislature is maintained;
h. Failure to adhere to the administrative code governing each state fund for probation services;
i. Failure to adhere to the requirements set forth in the Equipment Lease Option as outlined in this funding agreement in subsection **6., b.**; and
j. Failure to adhere to the requirements set forth in the Electronic Data Sharing Agreement as outlined in the APETS statewide policy.

9. FINANCIAL SANCTIONS ACTIONS

Financial sanctions include, but are not limited to:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;
c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanction status);
f. Recovery of funds or equipment already disbursed; and
g. Not authorizing any new personnel.

If monthly submission of expenses is required, in order to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report. State funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanctions status.

10. OTHER REQUIREMENTS

The Grantee agrees to**:** (1) utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines and the APETS statewide policy, establishing and maintaining a

data quality assurance process, maintaining the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize the required offender assessment tools; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

The Grantee shall ensure that the county maintains the fiscal year 2004 expenditure level for each probation program as required by the Legislature. Reduction from the fiscal year 2004 level may result in future loss of funds or other action by the AOC and/or state legislature.

12. COLLECTIONS

The Grantee shall ensure the collection of monies owed as a condition of probation and shall require that supervising probation officers immediately address any arrearage. The collection of monies shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and Minimum Accounting Standards for Arizona Courts as prescribed in ACJA § 1-401 and adopted by Administrative Order 2010-118. The Grantee is responsible for reporting and tracking financial transaction data.

13. VEHICLE EXPENDITURES

The Grantee shall make every effort to manage its motor pool allocation effectively and to avoid over expenditure. If the Grantee projects an over expenditure of its motor pool allocation at any time, the Grantee shall contact the AOC and develop a plan to bring Grantee into fiscal compliance. The AOC shall adjust motor pool allocations among courts as deemed necessary. The Grantee agrees to reimburse the AOC for any unauthorized or inappropriate vehicle related expenditures.

14. PROBATION SERVICE FEES (PSF)

In accordance with A.R.S. §12-267, each fiscal year the Grantee shall, on or before August 31, submit to the AOC a report detailing deposits and expenditures of monies in the Probation Services Fees Account for the preceding fiscal year.

The Grantee shall also submit to the AOC a plan detailing intended expenditures of monies in the Probation Services Fees Account for the following fiscal year, no later than August 31.

15. STATE AID ENHANCEMENT (SAE)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload at 98%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the Adult Probation Services Division (APSD) of the AOC. The declaration is to state:

(1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

c. Case Load Ratios. In the event the Grantee's standard probation population falls below or exceeds an average of 1 officer for 65 active probationers, excluding those probationers serving a flat time jail sentence, the Grantee must advise the APSD of all vacant state funded positions and must request approval to fill any vacant positions funded under the AOC State Aid Enhancement program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursements to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-201.01.

16. ADULT INTENSIVE PROBATION SUPERVISION (AIPS)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 95%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation/surveillance officers and program capacity, and (3) the number of probation/surveillance officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the intensive probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, operating costs and vehicle costs.

c. Caseload Ratios. In the event the Grantee's intensive probation population falls below the statutorily established intensive caseload ratios for active probationers, the Grantee will advise the APSD and must request approval to fill any vacant positions funded under the AIPS program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursement to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-202.01.

17. COMMUNITY PUNISHMENT PROGRAM (CPP)

Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with CPP funding criteria requirements.

18. CRIMINAL JUSTICE ENHANCEMENT FUND - SEX OFFENDERS (CJEF - SO)

Grantee shall utilize the funds to provide additional treatment services for sex offenders.

19. CRIMINAL JUSTICE ENHANCEMENT FUND- SUBSTANCE ABUSE (CJEF-SA)

Pursuant to A.R.S. § 41-2401 Grantee shall utilize the funds to provide drug treatment services, including urinalysis, to adult probationers.

20. INTERSTATE COMPACT SUPERVISION (ISC)

a. ISC-Funded Officers. If Grantee receives ISC funds for authorized probation officers, all incoming ISC cases shall be supervised by an ISC funded probation officer.

b. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 98%, or higher, of the statutory capacity for standard probation supervision for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

c. Collections. The Grantee shall collect funds from ISC probationers supervised in Arizona for deposit into the state's Victim Compensation and Assistance Fund (VCAF), pursuant to A.R.S. § 31-466 (A) (B), and in accordance with Arizona Code of Judicial Administration § 6-204.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering ISC data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for reconciling ICOTS data with APETS data, maintaining the input of

ISC data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

1.1 Adherence to A.R.S. 31-467
2.1 Adherence to ICAOS Rules
3.1 Adherence to ACJA 6-204.01

21. DRUG TREATMENT AND EDUCATION FUND (DTEF)

a. Management of Allocation. Grantee agrees to manage the fund allocation in compliance with DTEF fund criteria and requirements for programs and services. Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with DTEF funding criteria requirements. Failure to cooperate may result in the need to adjust future disbursement to the Grantee.

b. Other Requirements. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering DTEF data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for DTEF data, maintaining the input of DTEF data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

22. TRANSFERRED YOUTH (TY)

a. Management of Allocation. The Grantee shall manage the treatment allocation retained at the AOC on behalf of the Grantee, as well as the portion of TY that is dispersed to the Grantee. If the Grantee projects an over expenditure of its treatment allocation at any time, the Grantee shall submit a report to the AOC detailing how the Grantee will come into fiscal compliance. The Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

b. Vendor Payment Restrictions. The Grantee shall not utilize any retained TY funds to pay a treatment vendor with whom the AOC does not have a contract for services.

The Grantee shall not utilize any retained TY funds to pay a treatment vendor whose contract is suspended and/or to pay for services provided to youths referred after the AOC has recommended suspending referrals as a result of concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

c. The Grantee shall not utilize any dispersed TY funds to pay a treatment vendor with whom the AOC or the County does not have a contract for services.

The Grantee shall track all TY funds and submit a monthly report to the AOC TY Specialist. The report shall be submitted to the AOC no later than the 17th of each month.

23. JUDICIAL COLLECTION ENHANCEMENT FUND

In accordance with A.R.S. 12-114.01 B, the Grantee agrees to utilize the Judicial Collection Enhancement Fund (JCEF) to supplement monies currently used for the salaries of adult probation and surveillance officers and for the support of programs and services of the superior court adult probation department.

24. GLOBAL POSITION SYSTEM (GPS)

a. Applicability. Administrative Order No. 2006-90 and Administrative Directive No. 2011-41 identified the Judicial Collection Enhancement Fund (JCEF) as the source to subsidize the cost of the GPS monitoring devices for the adult probation departments subject to the availability of funds. The court has determined that the Administrative Office of the Courts (AOC) will charge one hundred percent (100%) of the cost of the GPS monitoring devices to the probation fees account of the fifteen adult probation departments on a quarterly basis. AOC will retain on behalf of the adult probation departments contributing to the JCEF probation surcharge revenues a subsidy of up to fifty percent (50%) of the cost described above.

For this fiscal year, AOC is not receiving general fund appropriation for the GPS program. AOC has identified the JCEF as the source to subsidize the cost of the monitor analysts and operating.

b. Capacity. Each offender sentenced to standard probation under the requirements of A.R.S. § 13-902 (G) shall equate to 3 offenders for determining compliance with caseload limit requirements of A.R.S. § 12-251 (A).

GPS probationers sentenced to standard probation supervision who have been evaluated as high risk, may be assigned to an intensive probation surveillance team for surveillance purposes only, if intensive probation slots are available pursuant to A.R.S.§ 13-916. If an over capacity situation arises affecting the intensive probation supervision team caseload limits, high risk status GPS cases are to be returned to standard supervision status.

GPS probationers sentenced to intensive probation supervision shall be supervised pursuant to A.R.S. § 13-914 and ACJA § 6-202.01.

25. ADULT DRUG COURT

a. This Agreement entered into between the AOC and the Grantee is pursuant to the provisions of A.R.S. § 13-3401, 13-3422 and 13-901.02, which is incorporated herein by reference.

b. Inappropriate Expenditures. Adult Drug Court funds shall not be used to reduce the financial obligation of a federal, state, county, city, or tribal government agency to fund the operations of the Adult Drug Court or other Adult Drug Court related programs.

c. The Grantee shall ensure drug court treatment programs and services are consistent with best practices, the Drug Court Model and the Drug Court 10 Key Components.

d. Drug courts should use standardized assessment instruments that have been validated for use with criminal justice populations.

e. The Grantee shall ensure Drug Court treatment is based on cognitive-behavioral treatment (CBT) and social learning models, which have been shown to significantly reduce recidivism among offenders.

26. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement, both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint venture's, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY
SUPERIOR COURT
(GRANTEE)

By _____
Honorable James L. Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE
OF THE COURTS

By _____
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

ADULT JCEF - IPS ASSISTANCE
COCHISE COUNTY
FY 2019

Addendum date: July 1, 2018
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$41,716**

APPROVED FTE'S	
Personnel - PO/SO	0.00
Personnel - Other	0.00
Total	**0.00**

	BUDGET CATEGORY	APPROVED BUDGET
A.	Personnel - PO/SO	$ -
B.	Personnel - Other	$ -
C.	ERE - PO/SO	$ -
D.	ERE - Other	$ 41,716
E.	Operating	$ -
F.	Contract	$ -
TOTAL AMOUNT TO BE DISBURSED		**$ 41,716**

SCHEDULED DISBURSEMENTS:

July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$9,595	$10,707	$10,707	$10,707

	RETAINED FUNDS	AMOUNT
A.	Vehicle	$ -
B.	Other	$ -
TOTAL AMOUNT TO BE RETAINED		**$ -**

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2018.06.25 15:51:43 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2018.07.25 20:50:45 -07'00'

Chief Probation Officer

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Consent 8.

Regular Board of Supervisors Meeting **Community Development**

Meeting Date:	08/14/2018		
Intergovernmental Agreement (IGA) with the Town of Huachuca City for Plan Review and Building Services			
Submitted By:	Dan Coxworth, Community Development		
Department:	Community Development	**Division:**	Development Services
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	1
NAME of PRESENTER:	Dan Coxworth	**TITLE of PRESENTER:**	Director
Docket Number (If applicable):			
Mandated Function?:	Federal or State Mandate	**Source of Mandate or Basis for Support?:**	

Information

Agenda Item Text:

Approve Intergovernmental Agreement between Cochise County Development Services and the Town of Huachuca City for Plan Review and Building Inspection Services.

Background:

Renew an updated IGA between Cochise County and the Town of Huachuca City for Plan Review and Building Inspection services. The new IGA for Board approval will remain in effect for five years. The IGA is intended to be used on an as-needed basis.

Department's Next Steps (if approved):

Provide plan review and building inspection services for the Town of Huachuca City on an as-needed basis.

Impact of NOT Approving/Alternatives:

Plan review and building inspection services will not be provided to the Town of Huachuca City.

To BOS Staff: Document Disposition/Follow-Up:

Dan Coxworth will provide to BOS staff the approved signed copy by the Town of Huachuca City. After approval by BOS, signatures by the County Attorney, Chair of the Board, and Clerk of the Board. Record a signed copy and provide a recorded signed copy to the Development Services Department. Mail a signed recorded copy to the Town Clerk, Town of Huachuca City.

Attachments

IGA

Resolution from Huachuca City

INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF HUACHUCA CITY AND THE COUNTY OF COCHISE FOR PLAN REVIEW AND BUILDING INSPECTION SERVICES.

This agreement is made and entered into this _____ day of _____, 2018, by and between the Town of Huachuca City, a municipal corporation of the State of Arizona, hereinafter referred to as "the Town", and the County of Cochise, a political subdivision of the State of Arizona, hereinafter referred to as "the County", pursuant to the authority of A.R.S. § 11-952, et seq.

WHEREAS, the County is authorized to adopt building codes with the powers necessary to enable it to administer and enforce building codes within the unincorporated area of the County, pursuant to A.R.S. § 11-861; and

WHEREAS, the County's planning agency has adopted a Building Code and other related codes to regulate all aspects of buildings or structures; and

WHEREAS, the Town has similar authorization to adopt Building Code Regulations, within the incorporated areas of the Town, pursuant to A.R.S. §§ 9-801 et. seq.; and

WHEREAS, at certain times, due to the limited staff which the Town or County has available for this work, the Town or County needs assistance for the administration of the building code to include plan review and building inspections within the Town of Huachuca City and unincorporated areas of Cochise County; and

WHEREAS, pursuant to A.R.S. §§ 9.461, 11-863 and 11-952, the County and the Town are authorized to enter into agreements such as this for the joint exercise of authority common to the parties and for the performance of services for each party; and

WHEREAS, the Town or County has the resources available to assist each in the performance of building code enforcement and administration under the terms and conditions of the Agreement,

IT IS HEREBY AGREED THAT:

1. The County agrees to provide, subject to the availability of its resources and upon the request of the Town, building code enforcement for the Town of Huachuca City to be performed by qualified County personnel. The services to be provided by the County shall be limited to review of building plans and building code inspections for conformance with the Town adopted building code regulations.

Building code services will be provided when the Town building staff is unavailable or if requested in writing.

The Town shall provide the County with the Town of Huachuca City adopted ICC Building Code for the use by the County Building Official when requested in order that County can

determine conformance with the duly adopted Town of Huachuca City Code, as currently in effect, or as amended from time to time.

This Agreement shall not obligate or authorize County personnel to take any regulatory action, in either an administrative or judicial forum, to enforce compliance with any such Town regulation or code. The Town shall retain the full responsibility for all such enforcement actions.

3. Building Code Inspections: The Town agrees to monthly billings for building inspections or assistance conducted by County personnel at the rate equal to the employee's hourly rate, plus employee-related expenses, with a one hour minimum including travel time to and from any location that is deemed necessary by County employees to fulfill the services in this Agreement. Travel distance will be measured from 4115 E. Foothills Drive, Sierra Vista or 1415 Melody Lane, Bisbee, the County buildings, for County employees, to the site where the services are rendered. Mileage will be paid based on the current federal government travel rate. The Town will make all such payments within thirty (30) days of the receipt of an itemized bill for authorized services.

4. Building Plan Review: The Town agrees to monthly billings for building plan review services equal to the amount the Town's current Plan Review Fee for residential and commercial permits, per the Town's Permit Fee Schedule. The Town will make all such payments within thirty (30) days of the receipt of an itemized bill for authorized services.

5. This Agreement shall become effective following its approval by both parties. It shall remain in effect for a term of five (5) years following approval. Thereafter, this Agreement will terminate unless a new agreement or amendment to this Agreement is entered into by the parties before the five (5) year expiration date.

6. This Agreement may be terminated, with or without cause, by either party upon written notification of intent to terminate provided not less than sixty (60) days prior to the effective date of such termination. This Agreement shall also be subject to termination pursuant to the provisions of A.R.S. § 38-511, which provides for termination of a contract in the event of certain conflicts of interest.

7. Unless otherwise specified herein, any notice or communication required or permitted under this Agreement shall be in writing and sent to the address given below for the party to be notified.

TOWN	AGENCY
Town of Huachuca City 500 Gonzales Blvd. Huachuca City, AZ 85616 Attn: Town Manager's Office	Cochise County 1415 Melody Lane, Building E Bisbee, AZ 85603 Attn: Director of Development Services

8. An employee of either party shall be deemed to be an "employee" of both public agencies while performing pursuant to the Agreement, for purposes of A.R.S. § 23-1022 and the Arizona Workers' Compensation laws. The primary employer shall be solely liable for any worker's compensation benefits which may accrue. Each party shall post a notice pursuant to the provisions of A.R.S. § 23-906 in substantially the following form:

> All employees are hereby notified that they may be required to work under the jurisdiction or control or within the jurisdictional boundaries of another public agency pursuant to an intergovernmental agreement or contract, and under such circumstances, they are deemed by the laws of Arizona to be employees of both public agencies for purposes of workers' compensation.

9. To the fullest extent allowed by law, the Town shall defend, hold harmless, and indemnify the County, its officers, agents and employees, from all claims, demands, suits, damages, and loss ("claims") which result from the negligence or intentional torts of the Town, its agents, officers and employees, in the performance of this Agreement, but only to the extent that such claims arise from such negligence or intentional torts. To the fullest extent allowed by law, the County shall defend, hold harmless and indemnify the Town, its officers, agents and employees, from all demands, suits, damages and loss ("claims") which result from the negligence or intentional torts of the Town, its agents, officers and employees, in the performance of this Agreement, but only to the extent that such claims arise from such negligence or intentional torts. The extent of the foregoing liabilities shall be limited to and determined by the respective fault of the parties, their officers, agents, and employees, in comparison with others (including, but not limited to, the other party) who may have contributed to or in part caused any such claim to arise.

10. To the extent applicable, the parties shall comply with all laws and regulations, including, but not limited to, Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act and State Executive Order 75-5 which mandated all persons, regardless of race, religion, handicap, color, age, sex, political affiliation or national origin shall have equal access to employment opportunities. All parties shall comply with the Rehabilitation Act of 1973, as amended, which prohibits discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap, with all federal regulations regarding equal employment opportunity, with relevant orders issued by the U.S. Secretary of Labor and with all applicable provisions of the Americans with Disabilities Act, Public Act 101-336, 42 U.S.C. Sections 12101-12213 and all applicable Federal Regulations under the Act, including 28 C.F.R. Parts 35 & 36.

11. The provisions of this Agreement are intended only to define the respective rights and obligations of the parties. Nothing expressed herein shall create any rights or duties of any nature or kind in favor of any third party.

12. The provisions of this Agreement are severable to the extent any provision or application held to be invalid shall not affect any other provision or application of the contract, which may remain in effect without the invalid provision, or application.

13. In accordance with A.R.S. § 35-393.01, the parties certify that they are not currently engaged in, and for the duration of this Agreement agree not to engage in, a boycott of Israel, and will not adopt a procurement, investment, or other policy that has the effect of inducing or requiring a person or company to boycott Israel.

14. The parties hereby warrant that they will at all times during the term of this Agreement comply with all federal immigration laws applicable to the parties' employment of its employees, and with the requirements of A.R.S. § 23-214(A) (together the "State and Federal Immigration Laws"). The parties shall further ensure that each sub-consultant who performs any work for the party under this Agreement likewise complies with the State and Federal Immigration Laws.

15. . The parties agree to keep all books, accounts, reports, files, and other records relating to this Agreement for five (5) years after completion of the contract; and, in addition, agrees that such books, accounts, reports, files, and other records shall be subject to audit pursuant to A.R.S. § 35-214.

16. Notwithstanding any other provision of the agreement, the parties understand that they are each public entities and, as such, are subject to Arizona's public records law, A.R.S. § 39-121 et. seq.

17. This Agreement shall be governed by the laws of the State of Arizona. The parties hereby agree that the venue for the resolution of any dispute under this Agreement shall be and shall remain in Cochise County.

APPROVED BY THE BOARD OF SUPERVISORS OF COCHISE COUNTY, ARIZONA,

this _____day of_____, 2018.

ATTEST:

Arlethe G. Rios
Clerk of the Board

COCHISE COUNTY BOARD OF SUPERVISORS

Peggy Judd
Chair of the Board

APPROVED BY MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ARIZONA,

this 28__day of__June____, 2018.

ATTEST:

Jennifer A. Fuller
Town Clerk

TOWN OF HUACHUCA CITY

Ken Taylor
Mayor

ATTORNEY CERTIFICATION

The attached agreement, which is an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952 by the undersigned who have determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the above-identified parties.

APPROVED AS TO FORM this 12th day of July, 2018.

By: _____
Elda E. Orduño
Chief Civil Deputy County Attorney

By: _____
Thomas Benavidez
Town Attorney

Town of Huachuca City

The Sunset City

500 N Gonzales Blvd • Huachuca City, Arizona 85616

Phone: (520) 456-1354 • TDD: (520) 456-1353 • Fax: (520) 456-2230

RESOLUTION NO. 2018-16

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ARIZONA, AUTHORIZING THE TOWN TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH COCHISE COUNTY FOR PLAN REVIEW AND BUILDING INSPECTION SERVICES.

WHEREAS, occasionally, due to the limited staff which the Town or County has available for this work, the Town or County needs assistance for the administration of the building code to include plan review and building inspections within the Town of Huachuca City and unincorporated areas of Cochise County; and

WHEREAS, the Town and the County have cooperated over the years in providing these backup services, pursuant to an intergovernmental agreement, which is due to expire; and

WHEREAS, the staff of the County has developed a new Intergovernmental Agreement for the provision of these backup services, which is attached hereto as Exhibit *A@* and incorporated herein by this reference; and

WHEREAS, pursuant to A.R.S. sections 9-461, *et seq*., 11-863 and 11-952, the County and the Town are authorized to enter into agreements such as this for the joint exercise of authority common to the parties and for the performance of services for each; and

WHEREAS, the Mayor and Council have determined that approval of the Intergovernmental Agreement is in the best interest of the Town and its residents.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Huachuca City, Arizona, as follows:

Section 1. The Town is hereby authorized to enter into the Intergovernmental Agreement between Cochise County and the Town of Huachuca City for the provision of plan review and building inspection services, attached hereto as Exhibit *A@* and incorporated herein by this reference.

Section 2. The Mayor of the Town of Huachuca City is hereby authorized and directed to execute said Intergovernmental Agreement on behalf of the Town of Huachuca City.

Section 3. The Town staff is hereby authorized to take all steps necessary and proper to implement said Intergovernmental Agreement and give it effect.

Section 4. All orders or resolutions in conflict herewith are, to the extent of such conflict, hereby repealed, and this resolution shall be in full force and effect immediately upon its adoption.

PASSED AND ADOPTED by the Mayor and Council of the Town of Huachuca City, Arizona, this 28th day of June, 2018.

~~Kenneth Taylor, Mayor~~
Donna Johnson, Mayor Pro Tem

ATTEST:

Approved as to Form:

Jennifer Fuller, Town Clerk

Thomas Benavidez, Town Attorney

[*Intergovernmental Agreement must be attached.*]

Consent **9.**

Regular Board of Supervisors Meeting **Community Development**

Meeting Date: 08/14/2018

Davis Road IGA 11-121I Amendment Two

Submitted By:	Karen Lamberton, Community Development		
Department:	Community Development	**Division:**	Highway
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	2
NAME of PRESENTER:	Jackie Watkins	**TITLE of PRESENTER:**	County Engineer
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

Docket Number (If applicable):

Information

Agenda Item Text:

Approve Intergovernmental Agreement (IGA) 11-121, Amendment Two, between the State of Arizona and Cochise County adding federal funds to the Davis Road: Central Hwy to US191 project.

Background:

This project is located on Davis Road between Central Highway and US 191, extending slightly beyond both intersections. A Coordinated Infrastructure Border (CBI) grant was awarded in 2011 for completing an assessment and preliminary design plans for Davis Road. The Board of Supervisors approved IGA 11-121I on August 23, 2011 for the initial Project Assessment. Amendment One was approved by the Board on August 28, 2012 to separate out the Davis Road: Central Hwy to US 191 portion for completing preliminary engineering and design plans for this two mile segment.

Right-of-Way needs for realigning the intersections for fright turning movements, for managing seasonal storm water flows and for future build-out conditions were identified. State Transportation Program funds of $404,438 were awarded and approved in the SEAGO TIP towards Right-of-Way acquisition costs. Obtaining Right-of-Way clearance would complete a shelf-ready construction project for this segment of Davis Road.

This second Amendment to IGA 11-121I will allow ADOT to add the additional federal funds to the Davis Road: Central Hwy to US191 Design Project. This Amendment will also add the Right-of-Way acquisition activity to the project scope of work. The Right-of-Way phase is anticipated to be completed within the next two years.

Department's Next Steps (if approved):

The signed IGA's will be transmitted to ADOT to be fully executed. Once completed, ADOT will transmit invoices for the County's match funds and transfer the approved federal funds into an account for this project. ADOT will then contract with a consultant team to complete the Right-of-Way acquistion scope of work for Davis Road: Central Highway to US 191.

Impact of NOT Approving/Alternatives:

If not approved, awarded federal funds will not be added to the project and the Right-of-Way phase would not go forward at this time. Right of Way clearance would not be obtained and the final design plans would not complete the ADOT/FHWA approval process. Future acquisition of this segment of Davis Road may then occur at a later time with other funds.

To BOS Staff: Document Disposition/Follow-Up:

Two signed copies should be returned to Jackie Watkins, County Engineer in the Hwy Dept. A copy of the Clerk of the Court meeting action items should be forwarded to Jwatkins@cochise.az.gov when completed. A copy of the approved minutes of the August 14th meeting should also be forwarded to Jwatkins@cochise.az.gov after the August 28th meeting. Jackie will transmit the fully executed IGA back to the BOS for filing.

Budget Information

Information about available funds

Budgeted: ◉ **Funds Available:** ◉ **Amount Available:** 314,715

Unbudgeted: ○ **Funds NOT Available:** ○ **Amendment:** ☐

Account Code(s) for Available Funds

1: 252

2: 251

Fund Transfers

Fiscal Year: FY19

One-time Fixed Costs? ($$$): 0

Ongoing Costs? ($$$): 0

County Match Required? ($$$): 150,562

A-87 Overhead Amt? (Co. Cost Allocation $$$): 0

Source of Funding?: HURF, FC

Fiscal Impact & Funding Sources (if known):

Federal funds awarded $404,438. County Match is $24,446, with a placeholder over match of $116,116, pending re-programming an estimated $141,000 from federal funds being reimbursed to SEAGO from the Davis Road Milepost Right-of-Way phase into the Davis Road: Central Hwy to US191 Right-of-Way phase. In due time any unused County funds will be reimbursed back into the County's Davis Road project line item in the Hwy budget. $10,000 is being directed to oversight and review services from ADOT for the Davis Road: Central Hwy to US191 Final Design and Right-of-Way phases. County funding source is a combination of HURF, Flood Control and Capital Improvement dollars.

Available funds is showing only the line item in the Hwy budget set aside specifically for Davis Rd. federal projects.; additional funds are also available in budget line items for Right-of-Way Acquisition and Professional Services activities anticipated for FY19. Anticipated reimbursement of excess match funds from the completed Davis Road Milepost Right-of-Way phase will off-set the match requirements for this project (estimated $8,500).

There are no new impacts to the current fiscal year budget as this activity was planned and funds designated for this purpose. Maintenance activities for this segment of roadway are already part of the on-going activities and budgets of the Highway and Floodplain Depts. (now Public Works and Engineering).

Attachments

IGA 11-121

Map

ADOT File No.: IGA/ JPA.: 11-121-I
Amendment No. Two: 18-0007069-I
AG Contract No.: P001 2011 002693
Project Location/Name: Davis Road
Central Highway to SR 191
Type of Work: DCR/Final Design
Federal-aid No.: CCH-0(203)T
ADOT Project No.: SS986 03D/01C
TIP/STIP No.: SEAGO 2018-22 AM #2
CFDA No.: 20.205 - Highway Planning and Construction
Budget Source Item No.: N/A

AMENDMENT NO. TWO
TO
INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
COCHISE COUNTY

THIS AMENDMENT NO. TWO to INTERGOVERNMENTAL AGREEMENT (the "Amendment No. TWO"), is entered into this date _____, pursuant to Arizona Revised Statutes ("A.R.S") §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State" or "ADOT") and COCHISE COUNTY, acting by and through its CHAIRMAN and BOARD OF SUPERVISORS (the "County"). The County and State are collectively referred to as the "Parties."

WHEREAS, the INTERGOVERNMENTAL AGREEMENT, JPA/IGA 11-121-I, A.G. Contract No. P001 2011 002693, was executed on September 26, 2011, (the "Original Agreement"), and JPA/IGA 11-121-I Amendment No. One, A.G. Contract No. P001 2011 002693, was executed on October 15, 2012, (the "Amendment No. One");

WHEREAS, the State is empowered by A.R.S § 28-401 to enter into this Amendment No. Two and has delegated to the undersigned the authority to execute this Amendment No. Two on behalf of the State;

WHEREAS, the County is empowered by A.R.S § 11-251 to enter into this Amendment No. Two and has by resolution, a copy of which is attached and made a part of, resolved to enter into this Amendment No. Two and has authorized the undersigned to execute this Amendment No. Two on behalf of the County; and

NOW THEREFORE, in consideration of the mutual terms expressed herein, the purpose of this Amendment No. Two is to add right-of-way acquisition costs and to revise design costs. The Parties desire to amend the Original Agreement and Amendment No. One, as follows:

I. RECITALS

Section I. Paragraphs 6. and 7. are revised, as follows:

6. The proposed portion of work in this amended Agreement, hereinafter referred to as, the '"Project", includes the preliminary engineering for roadway widening of Davis Road for approximately two miles between Central Highway and State Route (SR) 191 in Cochise County. The Project includes, but is not limited to, the preparation of a Design Concept Report (DCR), obtaining environmental, right-of-way, utility and materials clearances, right-of-way acquisition, preparing final design plans, specifications, and a cost estimate. The State will be responsible for managing and administering the Project.

7. The **amended** Project costs are as follows:

SS986 01D/03D/01R

SS986 01D/03D:

Federal-aid funds @ 94.3%	$ 463,299.00
County's match @ 5.7%	$ 28,004.00
Project Development Administration (PDA)*	$ 23,500.00
Subtotal – Scoping/Design/PDA	**$ 514,803.00**

SS986 01R:

Federal-aid funds @ 94.3%	$ 404,438.00
County's match @ 5.7%	$ 24,446.00
County's contribution @ 100%	$ 116,116.00
Subtotal – Right-of-Way	**$ 545,000.00**
Estimated TOTAL Project Cost	**$ 1,059,803.00**
Total Estimated County Funds	**$ 192,066.00**
Total Federal Funds	**$ 867,737.00**

The County has been invoiced and paid $41,504.00 for the County's share of PDA and Design and will pay an additional $10,000.00 for PDA and the remaining $140,562.00 for the County's share of Right-of-Way acquisition costs.

* (Formerly referred to as the State Design Review Fee, included in the County Estimated Funds)

II. SCOPE OF WORK

Section II. Paragraph 1.e. is added, as follows:

1. The State will:

   e. After this Amendment No. Two is executed, invoice the County for the County's share of right-of-way acquisition costs, estimated at $140,562.00. After the Project costs for right-of-way acquisition are finalized, the State will either invoice or reimburse the County for the difference between estimated and actual costs.

Section II. Paragraphs 2.e-i. are added, as follows:

2. The County will:

   e. Within 30 days of receipt of an invoice from the State, pay to the State, the County's share of the Project right-of-way acquisition costs, estimated at $140,562.00**.** Be responsible for and pay the difference between the estimated and actual right-of-way acquisition costs of the Project, within 30 days of receipt of an invoice.

   f. Certify that all necessary rights-of-way have been or will be acquired prior to advertisement for bid and also certify that all obstructions or unauthorized encroachments of whatever nature, either above or below the surface of the Project area, shall be removed from the proposed right-of-way, or will be removed prior to the start of construction, in accordance with The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended; 49 CFR 24.102 Basic Acquisition Policies; 49 CFR 24.4 Assurances, Monitoring and Corrective Action, parts (a) & (b) and ADOT ROW Manual; 8.02 Responsibilities, 8.03 Prime Functions, 9.06 Monitoring Process and 9.07 Certification of Compliance. Coordinate with the appropriate State's Right-of-Way personnel during any right-of-way process performed by the County, if applicable.

   g. Certify that the County has adequate resources to discharge the County's real property related responsibilities and ensures that it's Title 23-funded projects are carried out using the FHWA approved and certified ADOT Right of Way Procedures Manual that they will comply with current FHWA requirements whether or not the requirements are included in the FHWA approved ADOT Right of Way Procedures Manual. (23 CFR 710.201).

   h. Not permit or allow any encroachments on or private use of the right-of-way, except those authorized by permit. In the event of any unauthorized encroachment or improper use, the County shall take all necessary steps to remove or prevent any such encroachment or use.

   i. Automatically grant to the State, by execution of this Agreement, its agents and/or contractors, without cost, the temporary right to enter County rights-of-way, as required, to conduct any and all construction and preconstruction related activities for the Project,

on, to and over said County rights-of-way. The temporary right will expire with completion of the Project.

III. MISCELLANEOUS PROVISIONS

Section III, Paragraphs 18 and 19 are added, as follows:

18. The County acknowledges and will comply with Title VI of the Civil Rights Act Of 1964.

19. The Parties shall ensure that all contractors comply with the applicable requirements of A.R.S §35-393.01.

EXCEPT AS AMENDED, **ALL OTHER** terms and conditions of the Original Agreement and Amendment No. One remain in full force and effect.

THIS AMENDMENT NO. TWO shall become effective upon signing and dating of the Determination Letter by the State's Attorney General.

IN ACCORDANCE WITH A.R.S § 11-952 (D) attached and incorporated in this Amendment No. Two is the written determination of each Party's legal counsel that the Parties are authorized under the laws of this State to enter into this Amendment No. Two and that the Amendment No. Two is in proper form.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. Two the day and year first above written.

COCHISE COUNTY

By _____
PEGGY JUDD
Chairman, Board of Supervisors

ATTEST:

By _____
ARLETHE G. RIOS
Clerk of the Board

STATE OF ARIZONA
Department of Transportation

By _____
STEVE BOSCHEN, P.E.
Division Director

ATTORNEY APPROVAL FORM FOR COCHISE COUNTY

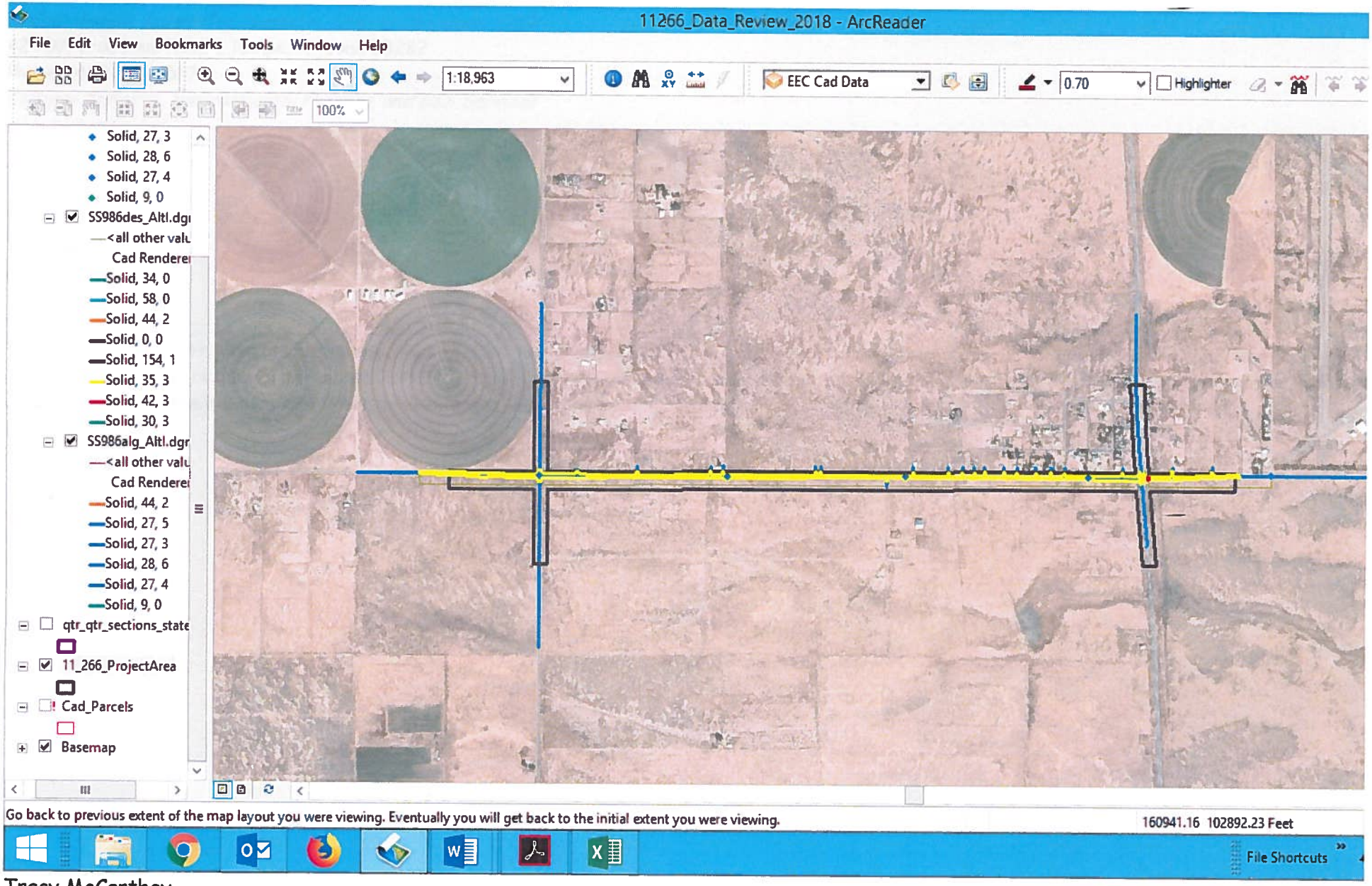
I have reviewed the above referenced Amendment No. Two to the Original Agreement and Amendment No. One between the State of Arizona, acting by and through its DEPARTMENT OF TRANSPORTATION, and COCHISE COUNTY, an agreement among public agencies which, has been reviewed pursuant to Arizona Revised Statutes §§ 11-951 through 11-954 and declare this Amendment No. Two to be in proper form and within the powers and authority granted to the County under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Amendment No. Two.

DATED this _____ day of _____, 2018.

_____

County Attorney



Tracy McCarthey
Environmental Division Manager / Senior Biologist

			Consent 10.
Regular Board of Supervisors Meeting			**County Sheriff**
Meeting Date:	08/14/2018		
Governor's Office Victim Services Grant A.G. #2019-043			
Submitted By:	Tom Alinen, County Sheriff		
Department:	County Sheriff		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	2
NAME of PRESENTER:	Carol A Capas	**TITLE of PRESENTER:**	Support Services Supervisor
Docket Number (If applicable):			
Mandated Function?:	Federal or State Mandate	**Source of Mandate or Basis for Support?:**	

Information

Agenda Item Text:

Approve grant agreement 2019-043 with the Arizona Attorney General's Office in the amount of $10,402 for the continuation of funding assistance for personnel who perform Victim Rights services for the Sheriff's Office for the period of July 1, 2018 to June 30, 2019.

Background:

The Cochise County Sheriff's Office has applied for and been the recipient of grant funding from the State of Arizona Office of the Attorney General for the past twenty years. The funding has been sought to help pay the salary and benefits for a Victim Rights Clerk within the Sheriff's Office. This position is responsible for providing statutorily mandated services to crime victims within Cochise County and our service levels would not be as successful without the Attorney General funding. On August 3, 2018 Deputy County Attorney E. Orduno approved this grant.

Department's Next Steps (if approved):

The Cochise County Sheriff's Office will continue to utilize the funds received from the Arizona Attorney General to allow personnel to provide services that include Victim contact by phone, email, US mail in order to relay pertinent information regarding their case. The information provided is mandated by Arizona State law and allows for open communication between law enforcement, courts, and the victim in instances of a crime being perpetrated against them.

The final document for acceptance of this funding is in a signature page that must be signed by the Cochise County Attorney and the Board of Supervisors prior to any money being received.

Impact of NOT Approving/Alternatives:

If this document is not signed and the grant is not approved, additional funds must be located within the Cochise County General Fund to keep a staff position filled at full time.

To BOS Staff: Document Disposition/Follow-Up:

Please send two signed originals back to the Cochise County Sheriff's Office, Attention Victim Rights for proper completion of the process and allowance for funding to be received from the state.

Attachments

Victim Rights Award Agreement 2018

State of Arizona
Office of the Attorney General
FY 2019 Victims' Rights Program
AWARD AGREEMENT
A.G. #: 2019-043

RECIPIENT

Name:	Cochise County Sheriff's Department
Contact:	Luisa Sin
Address:	205 North Judd Drive, Bisbee, AZ 85603
Award Amount:	$10,402.00
Purpose:	To support the direct costs of implementing victims' rights laws pursuant to those provisions of Arizona Revised Statutes Title 13, Chapter 40 and Title 8, Chapter 3, Article 7 impacting Sheriff's Department as an entity type.

Monies having been deposited and received by the Attorney General pursuant to Arizona Revised Statutes § 41-2401, § 8-418 and legislative appropriations, this AGREEMENT is made under the authority of the Attorney General pursuant to Arizona Revised Statutes § 41-191.08 -- Victims' Rights Fund.

This AGREEMENT is made this first day of July 2018, by and between the Arizona Attorney General, and the Cochise County Sheriff's Department, the "Contractor", to commence on July 1, 2018 and terminate June 30, 2019. The Attorney General, having been satisfied as to the qualifications of Contractor, agrees to pay Contractor the above shown $10,402.00 subject to Contractor's agreement as follows:

I. The Contractor agrees:

A. Award funds will not be used to supplant state, local and federal funds that would otherwise be available to provide services to victims of crime as mandated by A.R.S. Title 13, Chapter 40 and Title 8, Chapter 3, Article 7

B. Award funds will be used only for allowable costs that can be proven necessary and essential to effect the direct provision or performance of those statutorily mandated victims ' rights duties (services), as described in the *Victims' Rights Program Guidelines - Section IV Allowable and Non-Allowable Costs*, and as specified in Contractor's approved $10,402.00 award budget as follows:

Personnel: $7,081.12 ERE/Benefits: $3,320.88

Title: Records Lead Analyst Percent: 33.97%

Consulting: $0.00

Operating: $0.00

Equipment: $0.00

C. To complete and submit, on or before August 09, 2019, an annual report to the Attorney General as prescribed in A.R.S. § 41-191.08(F).

D. To comply with FY 2019 Victims' Rights Program Guidelines, as well as the applicable provisions of A.R.S. Title 13, Chapter 40 and A.R.S. Title 8, Chapter 3, Article 7.

E. To allow (a) representative(s) of the Attorney General to complete program and financial audits as the Attorney General believes necessary to ensure Contractor compliance with this agreement and with State law.

F. To retain all records relating to the agreement, and performance under the agreement, for a period of five years after the completion of the project, and to allow inspection and audit of all such documents at reasonable times, pursuant to A.R.S. §§ 35-214 and 35-315.

G. To comply with all applicable nondiscrimination requirements of A.R.S. § 41-1463, Arizona State Executive Order 2009-09, and all other applicable state and federal civil rights laws.

H. Each party hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). If either party uses any subcontractors in performance of this contract, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). A breach of this warranty shall be deemed a material breach of the contract subject to penalties up to and including termination of this contract . Each party retains the legal right to inspect the papers of the other party and its subcontractors who work on the contract to ensure that the other or subcontractors are complying with this warranty.

I. To retain ownership interest in all equipment acquired with VRP funds (or in the proceeds resulting from the sale of such equipment) provided that: (1) the equipment purchase was not in violation of the VRP Award Agreement; and (2) the useful life of the equipment in question has not elapsed.

II. It is further agreed between the parties as follows:

A. To use arbitration in the event of disputes to the extent required by A.R.S. § 12-1518.

B. Except as provided in paragraph C below, if the Attorney General finds that the Contractor has not complied with the requirements of this agreement , the Contractor will receive a notice which identifies the area(s) of non-compliance and the appropriate corrective action to be taken. If the Contractor does not respond within thirty calendar days to this notice, or does not provide sufficient information concerning the steps which are being taken to correct the problem , the Attorney General may terminate the contract and require the return of all funds which are found to have been spent in violation of this agreement.

C. The parties agree to meet and confer in good faith to resolve disputes before commencing formal proceedings of any nature.

D. The Attorney General may reduce or discontinue funding to the Contractor in subsequent fiscal years , at the Attorney General's discretion, for the Contractor's failure to complete and submit, on or before August 09, 2019, the report that is required pursuant to A.R.S. § 41-191.08(F) or for other reasons such as available funding.

E. Every payment obligation of the Attorney General under this Agreement 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 Agreement , this Agreement may be terminated by the Attorney General at the end of the period for which funds are available. No liability shall accrue to the Attorney General in the event this provision is exercised , and the Attorney General shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

F. Any and all award funds not expended by June 30, 2019, will be returned to the Attorney General.

G. This agreement is subject to cancellation pursuant to A.R.S. § 38-511.

IN WITNESS WHEREOF, the parties have made and executed this AGREEMENT on the day and year first above written.

FOR THE ATTORNEY GENERAL: _____ _____
Jerry Connolly, Procurement Manager — Date:

FOR THE CONTRACTOR:

_____ _____ _____
Authorized Signature — Date: — Printed Name and Title

ATTEST: **APPROVED AS TO FORM:**

_____ _____ Elda Orduno 8.3.18
Clerk of the Governing Board *(if applicable)* — Date: — Legal Counsel *(if applicable)* — Date:

Consent 11.

Regular Board of Supervisors Meeting **Facilities**

Meeting Date:	08/14/2018		
Approve Bisbee Vogue (Sponsor) agreement for Bisbee 1000 stair climb			
Submitted By:	Jay Howe, Facilities		
Department:	Facilities		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	2
NAME of PRESENTER:	Jay Howe	**TITLE of PRESENTER:**	Facilities Director
Docket Number (If applicable):			
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

Information

Agenda Item Text:

Approve the agreement between Bisbee Vogue Inc, a nonprofit corporation and Cochise County for use of county premises around the Superior Courthouse and Administration Building for the Bisbee Stair Climb, from October 19 to October 21, 2018.

Background:

This is an annual public event for the City of Bisbee.

Department's Next Steps (if approved):

Once signed by Chairman of the Board provide one copy to Facilities files and one copy to Cynthia Conroy, President of Bisbee Vogue, Inc.

Impact of NOT Approving/Alternatives:

If not approved there will be no recognized agreement and insurance in place for this annual event.

To BOS Staff: Document Disposition/Follow-Up:

Sign agreements (2 ea.) (Chairperson) return to Facilities Management.

Attachments

Bisbee 1000

BISBEE VOGUE INC.
AGREEMENT 2018

THIS AGREEMENT is by and between the County of Cochise, a political subdivision of the State of Arizona, hereinafter called the "COUNTY", and Bisbee Vogue, Inc., a nonprofit corporation organized under the laws of Arizona, hereinafter called the "SPONSOR".

RECITALS

WHEREAS, the SPONSOR is sponsoring the Bisbee 1000 Stair Climb, hereinafter called the "EVENT", to be held Saturday, October 20, 2018; and

WHEREAS, the EVENT will take place, in part, on the Superior Courthouse steps, plaza and lawn area, and in COUNTY parking lots surrounding the Courthouse and the Administration Building in Bisbee (the "COUNTY PREMISES"), it is understood by all parties that the COUNTY does not own or have a current lease on the parking lot between the Courthouse and the Administration Building and so the COUNTY cannot give permission to use that particular lot; and

WHEREAS, preparation and clean-up for the event, including placement of temporary restroom facilities, may commence on the morning of Friday, October 19, 2018, and conclude on the afternoon of Sunday, October 21, 2018.

NOW, THEREFOR THE PARTIES AGREE AS FOLLOWS:

A. DUTIES OF THE PARTIES

1. It shall be the sole responsibility of the SPONSOR to undertake any inspection or preparation of the COUNTY PREMISES required for the EVENT.

2. The SPONSOR agrees to fully perform, at the SPONSOR's sole expense, all support activities in conjunction with the conduct of the EVENT including, but not limited to, placement and removal of portable restroom facilities at the parking lot between St. Patrick's Church, the Courthouse, and the old convent building (currently

COUNTY Attorney Civil Division Office), clean up of the COUNTY PREMISES after the EVENT, and procurement and placement of traffic control signs and devices in and around COUNTY PREMISES, which are necessary to warn, regulate or guide traffic during the conduct of the EVENT and the removal of such signs and devices following the conclusion of the EVENT.

B. INDEMNITY REQUIREMENTS

The SPONSOR shall defend, indemnify, save and hold harmless the COUNTY, its officials and employees without limitation from and against any and all claims (including, but not limited to, workers' compensation, disability or environmental liability claims), damages, losses, liabilities, fees, fines or expenses (including but not limited to attorney fees, court costs, and cost of appellate proceedings) relating to, arising from, resulting from or alleged to have arisen or resulted from the Event. SPONSOR's duty to defend, indemnify, save and hold harmless the COUNTY, its officials and employees shall arise in connection with any and all claims, damages, losses, liabilities, fees, fines or expenses that are attributable to bodily injury, personal injury, sickness, disease, death or damage to, or destruction of, tangible or intangible property including the loss of use therefrom, or environmental claims and fines, caused in whole or in part by any act, error, mistake or omission of SPONSOR, its officers, officials, employees, members, guests, invitees, participants, agents, vendors, subcontractors or anyone for whose acts SPONSOR may be liable.

The insurance, its limits, amount and type required herein shall in no way be construed as limiting the scope of this indemnity.

C. INSURANCE REQUIREMENTS

The SPONSOR, at SPONSOR's own expense, shall purchase and maintain the hereinafter stipulated minimum insurance with companies, possessing a current AM Best, Inc. rating of A VII, duly licensed in the State of Arizona.

The COUNTY in no way warrants that the minimum insurance and limits contained herein are adequate or sufficient to protect the SPONSOR, its officers, officials, employees, members, guests, invitees, participants or spectators.

Thirty (30) days prior to the Event, the SPONSOR shall provide the COUNTY with a Certificate of Insurance evidencing the insurance required by the COUNTY. The certificate shall identify this Event and be directly sent to the Civil Division of the County Attorney's Office, P.O. Drawer CA, Bisbee, Arizona 85603. Failure to do so, at the COUNTY's sole discretion, may constitute a material breach of this Agreement and grounds for its immediate termination, cancellation or suspension.

The SPONSOR's insurance or self-insurance shall be primary, and any insurance maintained by the COUNTY shall not contribute to, or be excess of, the SPONSOR's insurance or self-insurance.

The SPONSOR's insurance or self-insurance shall contain a waiver of rights of recovery or subrogation against the COUNTY, its officials and employees for any and all claims, damages, losses, liabilities or expenses relating to, arising from, resulting from, or alleged to have arisen or resulted from, the Event.

The SPONSOR's insurance or self-insurance, except workers' compensation, required herein shall name the COUNTY, its officials and employees as Additional Insureds.

General Liability Insurance: General Liability insurance of $1,000,000 per occurrence with a $2,000,000 general aggregate limit, and a $2,000,000 product completed operations limit. The General Liability insurance shall include coverage for bodily injury, personal injury, broad form property damage, blanket contractual liability, products/completed operations, and $1,000,000 liquor legal liability, if alcohol is served or sold at, or during, the Event.

The General Liability Additional Insured Endorsement shall include coverage for bodily injury, personal injury, broad form property damage, contractual liability, premises liability and products/completed operations liability.

Vehicle Liability Insurance: Vehicle Liability insurance with a combined single limit of $1,000,000 each occurrence with respect to SPONSOR's owned, hired and non-owned vehicles.

Workers' Compensation Insurance: Statutory Worker's Compensation insurance and Employer's Liability insurance of $1,000,000 each accident, $1,000,000 each disease and $1,000,000 disease policy limits.

D. SUPPLEMENTARY CONDITIONS

Objectionable Uses or Persons: Any use of COUNTY property in violation of any law or ordinance of the COUNTY, State of Arizona or United States or, at the COUNTY's sole discretion, that is not in the COUNTY's best interest, may, at the COUNTY's sole discretion, constitute a material breach of this Agreement and be grounds for its immediate termination, cancellation of suspension. Any person whose acts, behavior or conduct is disorderly or disruptive may be refused entrance to, or be ejected from, the COUNTY's property. The SPONSOR shall defend, indemnify and hold harmless the COUNTY, its officials and employees from such refusal or ejection to the fullest extent and scope of the indemnity and insurance requirements in paragraphs B and C of this Agreement.

County Property: This Agreement is for COUNTY property and shall not be construed as an authorization for use of adjacent private or public property, grounds or land or any other area where a separate agreement or permit may be required. SPONSOR shall be responsible for obtaining all necessary agreements, permits or insurance required by any federal, state, municipal or other governmental or private entity.

Damage to County Property: SPONSOR will promptly compensate or reimburse COUNTY the full amount of any damage to, or loss of use of, COUNTY buildings, facilities, grounds, lands, water or property caused by SPONSOR, its officers, officials, employees, members, guests, invitees, or agents. Compensation or reimbursement to the COUNTY shall also include, but not be limited to, restoration, clean-up, abatement, remedial action, legal fees and expenses or fines.

Damage to Sponsor Property: The COUNTY shall not be responsible for loss of, damage to, or loss of use of, tangible or intangible property of SPONSOR, its officers, officials, employees, members, guests, invitees or agents or Event participants or spectators.

Inclement Weather or Emergencies: At the COUNTY's sole discretion, the COUNTY may close any COUNTY property or terminate or cancel any Event due to inclement weather or any other emergency situation.

Loss of Privileges: Loss of privileges authorized by this Agreement by COUNTY closure, termination, cancellation or suspension is not compensable to the SPONSOR.

Transfer: This Agreement, its requirements, terms and conditions are not transferable.

Exclusivity: This Agreement is not exclusive unless otherwise stated in the Agreement. The COUNTY reserves the right to use or allow others to use any part the COUNTY property pertaining to this Agreement. The SPONSOR agrees to allow others of the public free and unrestricted access to, and use of, the COUNTY property at all times for all lawful purposes.

County Rules and Regulations: Upon issuance, this Agreement authorizes the SPONSOR to use or occupy COUNTY property, subject to the terms and conditions outlined within COUNTY rules, regulations, laws, ordinances or the COUNTY approved authorization or use plan for this Agreement. It is the SPONSOR's responsibility to be familiar with and to understand all applicable COUNTY rules, regulations, laws, or ordinances.

Obligations of the Sponsor: The obligations of the SPONSOR under this Agreement are not contingent upon the COUNTY to inspect any SPONSOR equipment, food, beverages, activity or operations.

Liability Waiver: In a form acceptable to the COUNTY, the COUNTY, at its sole discretion, may require executed statements of fitness for activity and/or waivers of liability for or from each SPONSOR officer or member or Event participant, guest or spectator.

Report to County: The SPONSOR shall immediately report to the COUNTY any accident, event, incident or occurrence that results, or may result, in bodily injury, death or property damage.

Records Retention: The parties agree to keep all books, accounts, reports, files, and other records relating to this Agreement for five (5) years after completion of the contract; and, in addition, agree that such books, accounts, reports, files, and other records shall be subject to audit pursuant to A.R.S. § 35-214.

Public Records Law: Notwithstanding any other provision of the Agreement, the parties understand that the COUNTY is a public entity and, as such, is subject to Arizona's public records law, A.R.S. §§ 39-121, *et. seq*.

Jurisdiction and Venue: This Agreement shall be governed by the laws of the State of Arizona. Jurisdiction and venue for any action under this Agreement shall be in Cochise County, Arizona.

E. RELATIONSHIP OF THE PARTIES

The parties intend and understand that pursuant to this agreement, the COUNTY is an independent supplier of services to the SPONSOR, limited to a temporary license to use the COUNTY PREMISES. No officer, employee or agent of the COUNTY or the COUNTY itself, shall be deemed or considered an employee, partner, joint venturer, agent, associate, or a participant with SPONSOR in any respect regarding SPONSOR's conduct of the EVENT. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other party for any purpose whatsoever. Except as COUNTY enforcement statutes, regulations or procedures which may affect COUNTY rendering of services hereunder may require, the COUNTY shall not in any manner, participate in or share in any profit or proceeds arising from SPONSOR's conduct of the EVENT. SPONSOR will be solely and entirely responsible for the acts of the SPONSOR's event. No officer, employee or agent of one party shall be empowered to bind or obligate the other party unless specifically authorized by mutual written consent of the parties.

F. TERM OF AGREEMENT

1. This agreement shall be in full force and effect from the date of its execution and until 5 p.m. on the day following the completion of the EVENT or until cessation of all of

SPONSOR's obligations to the COUNTY under this Agreement, whichever is later, unless otherwise terminated as provided in this Agreement.

2. SPONSOR shall be permitted to begin setting up portable toilets and necessary signage at 7:00 a.m. on Friday, October 29, 2018, and shall have removed all such toilets and signage prior to 4:00 p.m. on Sunday, October 21, 2018.

G. EFFECTIVE DATE OF AGREEMENT

This Agreement shall become effective upon approval by the Cochise County Board of Supervisors and upon the signing of the Agreement by the Chairman of the Board. In the event that the Board of Supervisors fails or refuses to approve this Agreement, it shall be null and void and have no effect whatsoever.

H. TERMINATION OF AGREEMENT

Either party upon thirty (30) days written notice of such intent may terminate this Agreement. Such termination shall not relieve the SPONSOR of liability under this Agreement for the effective term prior to this termination. This Agreement may also be subject to termination pursuant to A.R.S. § 38-511.

I. ASSIGNMENT

Neither party shall assign any rights or duties under this Agreement without the express written consent of the other party. Any assignment in violation of this provision will automatically terminate this Agreement.

J. WAIVER

The failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect the party's subsequent rights and obligations under that provision. Waiver by either party of the breach of any provision hereof shall not be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of such provision itself.

K. ENTIRE AGREEMENT

This document constitutes the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all previous proposals, both oral and written, negotiations, representations, commitments, writings, agreements and all other communications between the parties. It may not be released, discharged, changed or

modified except by an instrument in writing signed by a duly authorized representative of each party.

IN WITNESS WHEREOF, the COUNTY has caused this instrument to be executed by the Chairman of the Board of Supervisors, and attested to by the Clerk of said Board, and SPONSOR has caused this instrument to be executed by its duly authorized representative.

APPROVED:

Cynthia Conroy

Cynthia Conroy, President
Bisbee Vogue, Inc.

July 30 2018
Date

APPROVED:

Peggy Judd, Chairperson
Cochise County Board of Supervisors

Date

ATTEST:

Arlethe G. Rios
Clerk of the Board

Date

APPROVED AS TO FORM:

Christine J. Roberts
Civil Deputy County Attorney

Date

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/3/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
FRANCIS L. DEAN & ASSOCIATES OF COLORADO, LLC
9362 TEDDY LN STE 203
LONE TREE, CO 80124-2871
(800) 745-2409

CONTACT NAME:
PHONE (A/C, No, Ext): (800) 745-2409 FAX (A/C, No): (303) 773-0111
E-MAIL ADDRESS: infoco@fdean.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : United States Fire Insurance	21113
INSURER B :	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED SPORTS AND RECREATION PROVIDERS ASSOCIATION (PURCHASING GROUP) AND ITS PARTICIPATING MEMBERS:

Bisbee Vogue, Inc.
PO Box 1099 or 201 Tombstone Canyon
Bisbee, AZ 85603-2099

COVERAGES CERTIFICATE NUMBER: USP271030 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC	X		SRPGAPML-101-0718	10/19/2018 12:01 AM	10/21/2018 12:01 AM	GENERAL AGGREGATE PRODUCTS - COMP/OP AGG PERSONAL & ADV INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED EXP (Any one person)	$2,000,000.00 $2,000,000.00 $1,000,000.00 $1,000,000.00 $300,000.00 $0.00
A	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [X] HIRED AUTO [X] NON-OWNED AUTOS	X		SRPGAPML-101-0718	10/19/2018 12:01 AM	10/21/2018 12:01 AM	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$1,000,000.00 $ $ $
	[ ] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
							EACH OCCURRENCE GENERAL AGGREGATE	$0.00 $0.00
A	Liquor Liability	X		SRPGAPML-101-0718/ USL305855	10/19/2018 12:01 AM	10/21/2018 12:01 AM	EACH OCCURENCE GENERAL AGGREGATE	$1,000,000.00 $2,000,000.00

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
1.5 Mile Race with Stairs, 1/4 Mile Stair Climb Race with Block of Ice, Beer Festival
The Certificate Holder is added as an additional insured but only with respect to liability arising out of the named insured during the policy period.

Scheduled Activities Exclusion Applies-Please Refer to Named Insured Member Certificate of Coverage

CERTIFICATE HOLDER

City of Bisbee
1415 Melody Lane Bldg. G
Bisbee, AZ 85603

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Francis L. Dean

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ADDITIONAL INTEREST SCHEDULE

ACORD

DATE (MM/DD/YYYY): 6/3/2018

AGENCY	CARRIER	NAIC CODE
Francis L. Dean & Associates of Colorado, LLC	United States Fire Insurance Company	21113

POLICY NUMBER	EFFECTIVE DATE	NAMED INSURED(S)
SRPGAPML-101-0718/USP271030	10/19/2018 12:01 AM	Bisbee Vogue, Inc.

ADDITIONAL INTEREST (Not all fields apply to all scenarios – provide only the necessary data)

INTEREST: [X] ADDITIONAL INSURED; [ ] BEACH OF WARRANTY; [ ] CO-OWNER; [ ] EMPLOYEE AS LESSOR; [ ] LEASEBACK OWNER; [ ] LIENHOLDER; [ ] LOSS PAYEE; [ ] MORTGAGEE; [ ] OWNER; [ ] REGISTRANT; [ ] TRUSTEE

NAME AND ADDRESS — RANK: — EVIDENCE: [ ] — CERTIFICATE [ ] — POLICY [ ] — SEND BILL [ ]

Cochise County
1415 Melody Lane
Bisbee, AZ 85603

INTEREST IN ITEM NUMBER

LOCATION:	BUILDING:
VEHICLE:	BOAT:
AIRPORT:	AIRCRAFT:
ITEM CLASS:	ITEM:
ITEM DESCRIPTION	

REFERENCE / LOAN #:	INTEREST END DATE:
LIEN AMOUNT:	PHONE (A/C, No, Ex):
REASON FOR INTEREST:	E-MAIL ADDRESS:
	FAX (A/C, No):

INTEREST: [X] ADDITIONAL INSURED; [ ] BEACH OF WARRANTY; [ ] CO-OWNER; [ ] EMPLOYEE AS LESSOR; [ ] LEASEBACK OWNER; [ ] LIENHOLDER; [ ] LOSS PAYEE; [ ] MORTGAGEE; [ ] OWNER; [ ] REGISTRANT; [ ] TRUSTEE

NAME AND ADDRESS — RANK: — EVIDENCE: [ ] — CERTIFICATE [ ] — POLICY [ ] — SEND BILL [ ]

City of Bisbee
1415 Melody Lane Bldg. G
Bisbee, AZ 85603

INTEREST IN ITEM NUMBER

LOCATION:	BUILDING:
VEHICLE:	BOAT:
AIRPORT:	AIRCRAFT:
ITEM CLASS:	ITEM:
ITEM DESCRIPTION	

REFERENCE / LOAN #:	INTEREST END DATE:
LIEN AMOUNT:	PHONE (A/C, No, Ex):
REASON FOR INTEREST:	E-MAIL ADDRESS:
	FAX (A/C, No):

INTEREST: [X] ADDITIONAL INSURED; [ ] BEACH OF WARRANTY; [ ] CO-OWNER; [ ] EMPLOYEE AS LESSOR; [ ] LEASEBACK OWNER; [ ] LIENHOLDER; [ ] LOSS PAYEE; [ ] MORTGAGEE; [ ] OWNER; [ ] REGISTRANT; [ ] TRUSTEE

NAME AND ADDRESS — RANK: — EVIDENCE: [ ] — CERTIFICATE [ ] — POLICY [ ] — SEND BILL [ ]

St. Patrick's Catholic Parish
100 Quailty Hill Road
Bisbee, AZ 85603

INTEREST IN ITEM NUMBER

LOCATION:	BUILDING:
VEHICLE:	BOAT:
AIRPORT:	AIRCRAFT:
ITEM CLASS:	ITEM:
ITEM DESCRIPTION	

REFERENCE / LOAN #:	INTEREST END DATE:
LIEN AMOUNT:	PHONE (A/C, No, Ex):
REASON FOR INTEREST:	E-MAIL ADDRESS:
	FAX (A/C, No):

The above are added as additional insured but only with respect to liability arising out of operations of the named insured during the policy period.

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Policy Number:

Date Entered: 9/5/2017

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 9/5/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER John F. K. Brown Insurance Agency, Inc. 9155 E Tanque Verde Rd #117 Tucson AZ 85749	CONTACT NAME: PHONE (A/C, No, Ext): (520) 323-2500 FAX (A/C, No): (520) 326-3645 E-MAIL ADDRESS:
INSURED BISBEE VOGUE, INC. PO BOX 1099 Bisbee, AZ 85603	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: TECHNOLOGY INSURANCE CO INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	CLAIMS-MADE OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N: Y If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		TARAZ10674-00	09-06-2018	09-06-2019	PER STATUTE X OTH-ER	
							E.L. EACH ACCIDENT	$1,000,000.00
							E.L. DISEASE - EA EMPLOYEE	$1,000,000.00
							E.L. DISEASE - POLICY LIMIT	$1,000,000.00

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

Cochise County
1415 Melody Lane Building A
P O Box 4249
Bisbee AZ 85603

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Consent 12.

Regular Board of Supervisors Meeting **Finance**

Meeting Date:	08/14/2018		
Demands			
Submitted By:	Melissa Belasco, Board of Supervisors		
Department:	Board of Supervisors		
Presentation:	No A/V Presentation	**Recommendation:**	
Document Signatures:		**# of ORIGINALS Submitted for Signature:**	
NAME of PRESENTER:	n/a	**TITLE of PRESENTER:**	n/a
Mandated Function?:		**Source of Mandate or Basis for Support?:**	

Information

Agenda Item Text:
Approve demands and budget amendments for operating transfers.

Background:
Auditor-General's requirement for Board of Supervisors to approve.

Department's Next Steps (if approved):
Return to Finance after BOS approval.

Impact of NOT Approving/Alternatives:
Board of Supervisors will not be in compliance with State law.

To BOS Staff: Document Disposition/Follow-Up:
Return to Finance after BOS approval.

Budget Information

Information about available funds

Budgeted: ◯ **Funds Available:** ◯ **Amount Available:**

Unbudgeted: ◯ **Funds NOT Available:** ◯ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

No file(s) attached.

Consent 13.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date:	08/14/2018		
FY19 Family Counseling	Funding Agreement		
Submitted By:	Rita Shipley, Adult Probation		
Department:	Adult Probation		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	2
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Family Counseling funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $13,093 and the required $3,273 matching funds as budgeted in the general fund budget submitted by Juvenile Court Services.

Background:

Juvenile Court Services received the funding from the AOC and together with the matching funds from Cochise County can provide counseling services for families that would otherwise not be able to pay for services.

Department's Next Steps (if approved):

Juvenile Court Services will send the Court Certification to Judge Elledge for signature. Then we will send all signed documents to the AOC for processing of revenue for FY19.

Impact of NOT Approving/Alternatives:

No funding for family counseling services to the families within Cochise County.

To BOS Staff: Document Disposition/Follow-Up:

Please call 432-8816 for pick up after Board Resolution has been signed by Peggy Judd, Chairperson, Board of Supervisors.

Budget Information

Information about available funds

Budgeted: ○	**Funds Available:** ○	**Amount Available:**
Unbudgeted: ○	**Funds NOT Available:** ○	**Amendment:** ☐

Account Code(s) for Available Funds 1:

Fund Transfers

Attachments

Board Resolution
Court Cert
FY19 Allocation
Grant Approval Form - Family Counseling

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE OF THE COURTS
JUVENILE JUSTICE SERVICES DIVISION

FAMILY COUNSELING
FISCAL YEAR 2019

Board Resolution

The Cochise County Board of Supervisors hereby elects to have the county participate in the Family Counseling Program as provided for in A.R.S. Section §8-261 through §8-265 for fiscal year 2019.

The Board of Supervisors resolves that $3,273 in matching funds will be provided by this county's Board of Supervisors for Cochise County, Arizona.

Clerk of the Board	Date
Chairperson, Board of Supervisors	Date

Please file with:

Arizona Supreme Court
Administrative Office of the Courts
Juvenile Justice Services Division
Attention: TC Colla, Program Specialist
1501 West Washington Street, Suite 337
Phoenix, Arizona 85007-3231

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE OF THE COURTS
JUVENILE JUSTICE SERVICES DIVISION

FAMILY COUNSELING
FISCAL YEAR 2019

Court Certification

I. The Juvenile Division of the Superior Court in Cochise County certifies that the amount expended by the county for purposes of determining matching funds has been utilized to supplement, not supplant, county or state funds that would otherwise be made available for family counseling services.

II. The Juvenile Division of the Superior court in Cochise County certifies that the amount of aid provided by the state and county to a family counseling program pursuant to this article does not exceed 70% of the program's annual operating budget.

III. (Complete if information is not contained in the Annual Resolution of the Board of Supervisors.)

The Juvenile Division of the Superior Court in Cochise County certifies that the matching funds as required in A.R.S. Section ' 8-261(4) and ' 8-265(A) have been provided by the county for fiscal year 2019 as follows (include amounts and explanation):

_____
_____
_____
_____

_____ _____
Presiding Juvenile Court Judge Date

Please file with:
Arizona Supreme Court
Administrative Office of the Courts
Juvenile Justice Services Division
Attention: Teasie Colla, Program Manager
1501 West Washington Street, Suite 337
Phoenix, Arizona 85007-3231

FAMILY COUNSELING
FUND ALLOCATION SCHEDULE
FY 2019

COUNTY	JUVENILE POPULATION 17 & UNDER	PERCENTAGE OF TOTAL	BASE ENTITLEMENT	*POPULATION ALLOCATION	*TOTAL BUDGET ALLOCATION	COUNTY MATCH	FIRST DISTRIB. OCT. 31, 2018	*SECOND DISTRIB. APR. 15, 2019
Apache	**10,287**	**0.5554%**	5,000	2,360	7,360	1,840	3,606	3,754
Cochise	**35,269**	**1.9043%**	5,000	8,093	13,093	3,273	6,416	6,677
Coconino	**33,004**	**1.7820%**	5,000	7,574	12,574	3,144	6,161	6,413
Gila	**12,278**	**0.6629%**	5,000	2,817	7,817	1,954	3,830	3,987
Graham	**11,686**	**0.6310%**	5,000	2,682	7,682	1,921	3,764	3,918
Greenlee	**2,257**	**0.1219%**	5,000	518	5,518	1,380	2,704	2,814
La Paz	**4,062**	**0.2193%**	5,000	932	5,932	1,483	2,907	3,025
Maricopa	**1,164,979**	**62.9010%**	5,000	267,329	272,329	68,081	133,441	138,888
Mohave	**43,226**	**2.3339%**	5,000	9,920	14,920	3,730	7,311	7,609
Navajo	**32,670**	**1.7640%**	5,000	7,498	12,498	3,125	6,124	6,374
Pima	**249,865**	**13.4910%**	5,000	57,337	62,337	15,584	30,545	31,792
Pinal	**128,824**	**6.9556%**	5,000	29,561	34,561	8,640	16,935	17,626
Santa Cruz	**15,511**	**0.8375%**	5,000	3,559	8,559	2,140	4,194	4,365
Yavapai	**41,611**	**2.2467%**	5,000	9,548	14,548	3,637	7,129	7,419
Yuma	**66,554**	**3.5935%**	5,000	15,272	20,272	5,068	9,933	10,339
TOTAL	**1,852,083**	**100.00%**	**75,000**	**425,000**	**500,000**	**125,000**	**245,000**	**255,000**

Source: Arizona Department of Economic Security, Research Administration, Population Statistics Unit. Arizona population projections for 2017-2055.

*Total reflects rounding adjustments.

Unallocated

APPROVED:

GRAND TOTAL **500,000**

N:\JJSD\FY2019\1075\FY19_famco.xlsx

CK SUM **500,000**

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Consent 14.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 08/14/2018

FY19 Victims' Rights Program Award Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Victims' Rights Program award agreement as provided by the State of Arizona, Office of the Attorney General effective July 1, 2018 through June 30, 2019 in the amount of $17,702.

Background:

This funding is to support the direct costs of implementing victims' rights laws impacting juvenile probation/courts.

Department's Next Steps (if approved):

Receive funding and administer program.

Impact of NOT Approving/Alternatives:

No funding for Juvenile victims' rights program.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ◯ **Funds Available:** ◯ **Amount Available:**

Unbudgeted: ◯ **Funds NOT Available:** ◯ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

VRP - Award Agreement
Grant Approval Form - VRP

State of Arizona
Office of the Attorney General
FY 2019 Victims' Rights Program
AWARD AGREEMENT
A.G. #: 2019-018

RECIPIENT

Name:	Cochise County Superior Court
Contact:	Sarah Graves
Address:	1415 Melody Lane, Bldg. C, Bisbee, AZ 85603
Award Amount:	$17,702.00
Purpose:	To support the direct costs of implementing victims' rights laws pursuant to those provisions of Arizona Revised Statutes Title 13, Chapter 40 and Title 8, Chapter 3, Article 7 impacting Juvenile Probation (Courts) as an entity type.

Monies having been deposited and received by the Attorney General pursuant to Arizona Revised Statutes § 41-2401, § 8-418 and legislative appropriations, this AGREEMENT is made under the authority of the Attorney General pursuant to Arizona Revised Statutes § 41-191.08 – Victims' Rights Fund.

This AGREEMENT is made this first day of July 2018, by and between the Arizona Attorney General, and the Cochise County Superior Court, the "Contractor", to commence on July 1, 2018 and terminate June 30, 2019. The Attorney General, having been satisfied as to the qualifications of Contractor, agrees to pay Contractor the above shown $17,702.00 subject to Contractor's agreement as follows:

I. The Contractor agrees:

A. Award funds will not be used to supplant state, local and federal funds that would otherwise be available to provide services to victims of crime as mandated by A.R.S. Title 13, Chapter 40 and Title 8, Chapter 3, Article 7

B. Award funds will be used only for allowable costs that can be proven necessary and essential to effect the direct provision or performance of those statutorily mandated victims' rights duties (services), as described in the *Victims' Rights Program Guidelines - Section IV Allowable and Non-Allowable Costs*, and as specified in Contractor's approved $17,702.00 award budget as follows:

Personnel: $11,327.00 ERE/Benefits: $6,375.00

Title: Victim Rights Coordinator (1) Percent: 75%

Consulting: $0.00

Operating: $0.00

Equipment: $0.00

C. To complete and submit, on or before August 09, 2019, an annual report to the Attorney General as prescribed in A.R.S. § 41-191.08(F).

D. To comply with FY 2019 Victims' Rights Program Guidelines, as well as the applicable provisions of A.R.S. Title 13, Chapter 40 and A.R.S. Title 8, Chapter 3, Article 7.

E. To allow (a) representative(s) of the Attorney General to complete program and financial audits as the Attorney General believes necessary to ensure Contractor compliance with this agreement and with State law.

F. To retain all records relating to the agreement, and performance under the agreement, for a period of five years after the completion of the project, and to allow inspection and audit of all such documents at reasonable times, pursuant to A.R.S. §§ 35-214 and 35-315.

G. To comply with all applicable nondiscrimination requirements of A.R.S. § 41-1463, Arizona State Executive Order 2009-09, and all other applicable state and federal civil rights laws.

H. Each party hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). If either party uses any subcontractors in performance of this contract, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). A breach of this warranty shall be deemed a material breach of the contract subject to penalties up to and including termination of this contract. Each party retains the legal right to inspect the papers of the other party and its subcontractors who work on the contract to ensure that the other or subcontractors are complying with this warranty.

I. To retain ownership interest in all equipment acquired with VRP funds (or in the proceeds resulting from the sale of such equipment) provided that: (1) the equipment purchase was not in violation of the VRP Award Agreement; and (2) the useful life of the equipment in question has not elapsed.

II. It is further agreed between the parties as follows:

A. To use arbitration in the event of disputes to the extent required by A.R.S. § 12-1518.

B. Except as provided in paragraph C below, if the Attorney General finds that the Contractor has not complied with the requirements of this agreement, the Contractor will receive a notice which identifies the area(s) of non-compliance and the appropriate corrective action to be taken. If the Contractor does not respond within thirty calendar days to this notice, or does not provide sufficient information concerning the steps which are being taken to correct the problem, the Attorney General may terminate the contract and require the return of all funds which are found to have been spent in violation of this agreement.

C. The parties agree to meet and confer in good faith to resolve disputes before commencing formal proceedings of any nature.

D. The Attorney General may reduce or discontinue funding to the Contractor in subsequent fiscal years, at the Attorney General's discretion, for the Contractor's failure to complete and submit, on or before August 09, 2019, the report that is required pursuant to A.R.S. § 41-191.08(F) or for other reasons such as available funding.

E. Every payment obligation of the Attorney General under this Agreement 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 Agreement, this Agreement may be terminated by the Attorney General at the end of the period for which funds are available. No liability shall accrue to the Attorney General in the event this provision is exercised, and the Attorney General shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

F. Any and all award funds not expended by June 30, 2019, will be returned to the Attorney General.

G. This agreement is subject to cancellation pursuant to A.R.S. § 38-511.

IN WITNESS WHEREOF, the parties have made and executed this AGREEMENT on the day and year first above written.

FOR THE ATTORNEY GENERAL: _____ _____
Jerry Connolly, Procurement Manager — Date:

FOR THE CONTRACTOR:

Patricia A. Mun — 10/25/18 — Patricia A. Munoz, Chief Probation Officer
Authorized Signature — Date: — Printed Name and Title

ATTEST: **APPROVED AS TO FORM:**

_____ _____ _____ _____
Clerk of the Governing Board *(if applicable)* — Date: — Legal Counsel *(if applicable)* — Date:

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Consent 15.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date:	08/14/2018		
FY19 Juvenile Probation	Title IV-E Reimbursement		
Submitted By:	Rita Shipley, Adult Probation		
Department:	Adult Probation		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

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Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Juvenile Probation Title IV-E funding agreement/reimbursement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $3,065.27.

Background:

This is a Federal foster care program administered by Arizona State Department of Child Safety and the Juvenile Justice Services Division assisting low income children - reimbursements related to out-of-home placement.

Department's Next Steps (if approved):

Receive AOC reimbursement.

Impact of NOT Approving/Alternatives:

No reimbursement for out-of-home placements.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ○ **Funds Available:** ○ **Amount Available:**

Unbudgeted: ○ **Funds NOT Available:** ○ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY19 AOC Funding Agreement
Title IV-E Addendum
Grant Approval Form - Title IV-E

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR:

Juvenile Probation Services Fund (JPSF)
Diversion (Intake and Consequences)
Juvenile Intensive Probation Supervision (JIPS)
Juvenile Standard Probation
Juvenile Drug Court (JDC)*
Family Counseling
Title IV-E*

***If Applicable**

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and **COCHISE COUNTY JUVENILE COURT** ("Department").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) the Department's failure to implement or operate the approved plan; (4) the Department's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to the Department shall be deposited in a Special Revenue Fund established for the execution of this Agreement. Per A.R.S.§ 12-268, each program must be accounted for separately within this fund. Any interest earned on these monies while in the possession of the Department shall accrue to the fund for use by the Department in accordance with its approved plan. The Department shall ensure that the board of supervisors designates a chief fiscal officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds

allocated to the Department for the performance of its approved plan and may authorize direct expenditures for the benefit of the Department. The specific amounts to be retained by the AOC for direct expenditures for the benefit of the Department and to be disbursed to the Department are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A's based on its determination of the Department's need for and usage of the funds and/or funding changes.

b. Reporting Requirements. Department shall submit the following to the AOC:

i. A mid-year financial progress report for JIPS, Standard Probation, JPSF, JDC, Title IV-E, Diversion and Family Counseling due on or before January 31, 2019.

ii. A closing report for the above listed funds is due on or before August 31, 2019 which includes: (1) a juvenile probation fund report in accordance with A.R.S. § 12-268 documenting the total amount of annual receipts and expenditures for all probation funding; (2) a program report; (3) an interest report which includes the total amount of interest accrued and expended on all funds; and (4) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Department being placed on financial sanction status by the AOC. With prior approval from the AOC, modifications may be made to the report format.

iii. Results of the juvenile probation caseload audit. To ensure accuracy and validity of reported monthly statistical information, the Department will perform a minimum of one yearly caseload audit of juveniles placed on juvenile probation, on a date established by the Juvenile Justice Services Division (JJSD). The caseload audit shall consist of a manual tabulation of all probation case files in the county, and a listing of juveniles on probation generated by the Juvenile On-Line Tracking System (JOLTS). A comparison of the two lists will be made on forms provided, and the results forwarded to the JJSD in accordance with the processes outlined by the AOC.

iv. A monthly payroll and expense report is due to the AOC on the 15th day of the following month.

v. A copy of the department's approved county budget or any board resolution affecting salaries of state funded employees no later than 14 days after approval.

c. Unexpended Funds. Funds unencumbered as of June 30, 2019 and un-expended as of July 31, 2019, with the exception of Title IV-E administrative and training reimbursements, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the presiding juvenile court judge.

d. Inappropriate Expenditures. The Department shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. The Department agrees to reimburse the AOC for any

unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of the Department shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of the Department to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds. The AOC may prepare and implement procedures for allocation and adjusting state funds among courts.

h. Allocation and Management of State-Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and employee related expenses (ERE) lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, the Department shall promptly take steps to fill pre-approved positions. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

i. Department must request approval to fill any vacant case carrying and (both county and state funded positions) and any state-funded non-case carrying positions from the Juvenile Justice Services Division. Departments must petition the AOC to fill any vacant positions funded with AOC dollars and may not move non-AOC funded staff into positions funded with AOC dollars without prior approval from the AOC. The Juvenile Justice Services Division shall be informed, in writing, of the number and the funding source for each new staff.

5. BOOKS AND RECORDS

a. Financial Records and Examination. The Department shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by the Department and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons

duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of funds, the Department agrees to maintain and provide to the AOC such data and statistics as may be required for purposes of evaluation. The Department further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

Equipment purchased with funds received pursuant to this Agreement or provided to the Department through direct payment by the AOC, shall become the property of Department, and the Department shall maintain written inventory and property control policies and procedures covering the equipment. The Department may use its existing inventory system but must at a minimum maintain the information required by AOC policies and procedures.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement, and in compliance with applicable administrative orders or codes, for five years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the presiding juvenile court judge. The Department is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTION STATUS

In addition to any other remedy available pursuant to this Agreement, the Department may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement; or
g. Failure to adhere to the administrative code governing each state fund.

9. FINANCIAL SANCTION ACTION

During the period of financial sanction status, the AOC may take any appropriate action including:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;

c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Department shall submit a monthly reimbursement request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Departments financial sanction status);
f. Recovery of funds or equipment already disbursed; or
g. Not authorizing new positions/teams/equipment.

10. OTHER REQUIREMENTS

The Department agrees to**:** (1) utilize the JOLTS/JOLTSAZ including but not limited to; the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize AZYAS tool(s) administered to classify risk of recidivism and identify needs related to delinquent behavior for juveniles referred to the court; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2004 expenditure levels for each probation program. State monies are not intended to supplant county dollars for probation programs. Should a County not provide sufficient funds to meet the 2004 maintenance of effort requirement the AOC will address the issue in the next funding allocation cycle.

12. COLLECTIONS

The Department shall make every effort to enforce the collection of fees, parental assessments and restitution payments due to victims. The collection of monies shall be made in accordance with generally accepted accounting principles and minimum accounting standards for Arizona courts as prescribed in Administrative Order 97-62 or subsequent updates. The Department is responsible for timely entry of financial data into the JOLTS database. Periodic reporting and review of collection data will be required.

13. VEHICLE EXPENDITURES

The Department shall manage the motor pool allocation retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its motor pool allocation at any time, the Department shall contact the AOC and develop a plan to bring the Department into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. Failure to comply may result in additional action by the AOC. The AOC shall adjust motor pool allocations among courts as deemed necessary. Any unauthorized vehicle expenditure(s) will be charged back to the Department.

14. PROBATION SERVICES FUND

In accordance with A.R.S. §12-268, each fiscal year the Department shall, on or before August 31, submit to the AOC a report detailing expenditures of fund monies for the preceding fiscal year.

The Department shall also submit to the AOC a plan, in compliance with existing code detailing intended expenditure of fund monies for the following fiscal year, no later than August 31. Any request for modification of an existing approved plan or for any variation from code guidelines, must be submitted to AOC and approved prior to any expenditures.

15. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to be paid with retained treatment funds for a vendor with whom the AOC does not have a contract for services.

b. Contract Suspension. The Department shall not submit invoices to be paid with retained treatment funds for a vendor whose contract is suspended or for services provided to youth referred after the AOC has recommended suspending referrals as a result of: concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

16. JPSF AND DIVERSION

a. Management of Allocation. The Department shall manage allocations retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

If an over expenditure of funds exists, the AOC may collaborate with the Department to identify subcategories within funds currently allocated to the Department that can be used to cover the over-expenditure from the following:

- Contact Services Disbursed
- Operating
- . Equipment
- Travel
- Personnel
- ERE
- Fees and accumulated interest

Any Budget Modification initiated by the AOC to assist with the coverage of identified over expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

If the over expenditure cannot be resolved from either of the two measures above then the AOC may notify providers not to accept referrals from the Department unless the Department has agreed to pay for the services from county or other funds.

b. Assessment of Treatment Costs. The Department shall comply with ARS §243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS § 263 c. in the assignment and collection of parental payments for family counseling services. The clerk of the court shall acknowledge receipt of the money received to the person paying same. The clerk of the court shall transmit such money to the state treasurer for deposit in the state general fund.

17. TITLE IV-E (If Applicable)

a. Maintenance Reimbursements. Will be held at the AOC and be disbursed at least semi-annually to the Department equal to the amount of reimbursement received by the AOC on behalf of the Department, unless the Department indicates to the AOC a preference to have a portion of those funds retained at the AOC. The Department shall manage the Title IV-E maintenance funds for services and expenses that benefit the provision of services to youth on probation and diversion status.

b. Administrative and Training Reimbursements. Will be disbursed at least semi-annually to the Department in amounts equal to the amount of reimbursement received by AOC on the behalf of the Department.

c. Federal Audit Repayments. Any request for repayment of any Title IV-E Maintenance, Administrative or Training reimbursement as a result of a federal review or action is the responsibility of the Department to remit.

18. FAMILY COUNSELING AND JDC (If Applicable)

a. **Management of Allocation**. The Department shall manage the allocation of these dispersed funds provided by the AOC. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. For the Family Counseling Fund, the Department will monitor expenditures of both the AOC and required County match portions and report this information as outlined in Paragraph 4 (Fund Management) of this document.

If an over expenditure of funds exists, the AOC will collaborate with the Department to identify subcategories (if applicable) within funds currently allocated to the Department that can be used to cover the over-expenditure from the following subcategories:

- Contact Services Disbursed
- Personnel
- ERE

Any budget modification initiated by the AOC to assist with the coverage of identified over-expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department or from county fees and accumulated interest, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

19. DIVERSION

a. Juvenile Hearing Officer. If the Department utilizes juvenile hearing officers to dispose of juvenile offenses pursuant to A.R.S. § 8-323, the Department shall require the juvenile hearing officer to immediately transmit to the Department all copies of citations with the findings. The Department shall approve any diversion program established by a city or town attorney or prosecutor under this section. No funds approved under this Addendum may be used for programs which have not been approved by the Department and/or AOC. The Department is responsible for ensuring full compliance with A.R.S. §8-323 and all other applicable statutes, rules and administrative orders.

Reduction of Funds. AOC reserves the right to reduce funding should the diversion population be determined by the AOC to be insufficient to support the current or projected level of funding or should the county attorney operate a community based alternative program. This reduction may include previously funded positions, operating cost and/or the allocation for program consequences and services. The Department **must request approval** to fill any vacant state-funded positions funded with Diversion funds as described in Paragraph 4 (Fund Management) of this document.

c. Assessment of Diversion Costs. The Department shall comply with A.R.S.§8-243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

20. JIPS

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration shall state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the JIPS population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, contract services, operating costs and vehicle costs.

d. Case Load Ratios. In the event the Department's JIPS probation population falls below the statutory established case load ratios for active probationers,

the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state-funded positions. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

21. STANDARD PROBATION

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload of 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

e. Case Load Ratios. In the event the Department's standard probation population falls below the statutory established case load ratios for active probationers, the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state funded positions as described in Paragraph 4 (Fund Management) of this document. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

22. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement and the Department's approved plan both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By
Honorable, Karl Elledge
Presiding Juvenile Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

JUVENILE PROBATION TITLE IV-E REIMBURSEMENTS

JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2018-2019

Addendum date: July 20, 2018 Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: $3,065

APPROVED BUDGET	APPROVED FTE's	AMOUNT
A. Personnel	0.00	$0
B. ERE		$0
C. Personnel - Contract	0.00	$0
D. ERE - Contract		$0
E. Travel		$0
F. Equipment		$0
G. Operating		$0
H. Contract Services		$ 3,065.27
I. Other		$0
TOTAL AMOUNT TO BE DISBURSED		**$ 3,065.27**

SCHEDULED DISBURSEMENTS:			
August 15, 2018			
$ 3,065.27			

RETAINED FUNDS	AMOUNT
A. Contract Services	$0
B. Direct Payment	$0
C. Projected CS Carryforward	$0
D.	$0
TOTAL AMOUNT TO BE RETAINED	**$0**

Signed:

Joseph Kelroy, Division Director
Juvenile Justice Services Division - Arizona Supreme Court

Signed:

Director of Juvenile Court Services

Finance Office Receipt:

Fund Manager Date

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE OF THE COURTS (AOC)

BUDGET MODIFICATION REQUEST FORM

PROGRAM OR FUND **Juvenile Probation - Title IV-E Reimbursements** **FOR FY 2019**
PROGRAM TITLE/PLAN #
COUNTY OR AGENCY **Cochise County**

SIGNED **DATE** **07/20/18**
TITLE **PREPARED BY** Nora Acosta
Presiding Judge, Presiding Juvenile Judge

BUDGET INFORMATION: (To be completed by submitting agency)

	APPROVED BUDGET	PROPOSED BUDGET	APPROVED REVISED BUDGET	Net Difference + or -	AMOUNT TO BE DISBURSED	AMOUNT TO BE RETAINED (AOC)
Personnel	0	0	0	0	0	0
ERE	0	0	0	0	0	0
Personnel-Contr	0	0	0	0	0	
ERE-Contract	0	0	0	0	0	
Travel	0	0	0	0	0	0
Equipment	0	0	0	0	0	0
Operating	0	0	0	0	0	0
Subcontract	0	3,065.27	3,065.27	3,065.27	3,065.27	0
Direct	0	0	0	0	0	0
Vacancy Reserve	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	0	3,065	3,065	3,065	3,065	0

Written justification must be attached. If the modification involves any changes in the Personnel or Equipment line items, the following specific information is required: a.) Salary and ERE amendments; b.) Job descriptions for new positions; c.) Itemi

****AOC USE ONLY****

This modification request is recommended for approval, with the following exceptions:

APPROVAL
RECOMMENDED BY:
Program Manager

ACTION
APPROVED BY:
Joseph Kelroy Division Director JJSD
Administrative Office of the Courts

NOTE: Please attach and transmit a copy of this form along with the Revised Addendum "A" Form, and Revised Statewide Allocation Summary when submitting changes to Finance.

09:00
17-Jul-18

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Consent 16.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 08/14/2018

FY19 Juvenile Crime Reduction Fund Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Juvenile Crime Reduction Fund funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $7,100.

Background:

The purpose of these treatment/intervention funds are to support the juvenile courts and probation departments to impact the number of repetitive offenders; specifically for the GED program.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No funding for GED programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ☐ **Funds Available:** ☐ **Amount Available:**

Unbudgeted: ☐ **Funds NOT Available:** ☐ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY19 JCRF Funding Agreement
JCRF Addendum
Grant Approval Form - JCRF

Agreement No. 2019-01

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT

For
Juvenile Crime Reduction Fund
Fiscal Year 2018 - 2019

This Agreement is entered into by and between the Administrative Office of the Courts, on behalf of the **Arizona Supreme Court**, **Administrative Office of the Courts, ("AOC"),** and the **Cochise County Juvenile Court** referred to as **"Grantee"**, to fund the **GED Testing Cente**r program pursuant to the provisions of A.R.S. §41-2401(D)(5) and Supreme Court Administrative Order No. 97-58, which is incorporated herein by reference.

1. TERM OF AGREEMENT

This Agreement becomes effective on **July 1, 2018** and shall remain in effect through **June 30, 2019.**

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (a) funding availability; (b) statutory changes in the program; (c) Grantee's failure to implement or operate the approved proposal and plan as indicated in the application, Addendum A; and the attached award letter incorporated herein as Addendum B; (d) Grantee's non-compliance with this Agreement or other program requirements, or, (e) other circumstances necessitating such action. Either party may, upon thirty (30) days written notice to the other party by certified mail, terminate this agreement. Should action be caused by default of either party, a written thirty (30) day notice of default will be issued by certified mail describing the deficiency to the other party hereby named at the end of this agreement. If the other party does not correct the deficiency within thirty (30) days after receiving notice of default, the issuing party may terminate the Agreement.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in a Special Revenue Fund established for the execution of this Agreement. Any interest earned on these monies while in the possession of Grantee shall accrue to the fund for use by Grantee in the approved proposal and plan as indicated in the application, Addendum A and Addendum B. Funds disbursed to Grantee for reimbursement of approved expenses do not have to be deposited into a Special Revenue account.

4. EXPENDITURES

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved proposal and plan as indicated in the application, Addendum A, and Addendum B and may authorize direct expenditures for the benefit of Grantee. Set forth in Addendum A to this Agreement are the specific amounts to be retained by the AOC and to be disbursed to the Grantee. The AOC may periodically modify the distribution of funds contained in Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Unless otherwise directed, grantee shall submit the following reports to the AOC:

1. *Financial Mid-Year Progress Report –Due January 31, 2019.*
2. *Program Mid-Year Progress Report – Due January 31, 2019.*
3. *Financial Closing report – Due August 15, 2019.*
4. *Program Closing report – Due August 15, 2019.*

c. Unexpended Funds. Funds unencumbered as of June 30, 2019 and unexpended as of July 31, 2019 plus all unexpended interest accrued on such funds while in the possession of Grantee, shall be transmitted to the AOC for reversion no later than August 15, 2019. The reversion shall be accompanied by the Financial Closing report due on August 15, 2019 (as described in section 4b above) and shall be signed by the Presiding Judge or appropriate Division/Department Head if this agreement is between the AOC and an organization other than an Arizona court.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved proposal and plan as indicated in the application, Addendum A, and Addendum B. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved proposal and plan as indicated in the application, Addendum A, Addendum B, and this Agreement. Funds shall not be used to pay Grantee's administrative costs for services associated with receipt of those funds including, but not limited to, indirect costs, such as: accounting, payroll, data processing, purchasing, existing building use, outside program evaluation, report preparation or out-of-state travel for staff. All equipment purchased solely with AOC funds shall be used solely for purchases in the approved proposal and plan as indicated in the application, Addendum A, and Addendum B unless written permission is received from the AOC. Juvenile Crime Reduction funds shall not be used to reduce the financial obligation of a federal, state, county, city, school district, or tribal government agency to fund the operations of the juvenile court or other juvenile related programs.

e. Budget Modifications. Grantee shall not move funds from, to, or within budgeted categories described in Addendum A without prior written authorization from the AOC. All budget modifications shall be in accordance with the Administrative Office of the Courts Policies and Procedures Manual, section 5.03, entitled Budget Control, Budget Modification Policy and must be received by the Administrative Office of the Courts in the form of written request at least 30 days before the end of the program end date.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial report; (2) a final program report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with the approved proposal and plan as indicated in the application, and Addendum A and Addendum B, the AOC may require return of equipment and supplies purchased with grant funds.

5. SUBCONTRACTS

Grantee may utilize funds for subcontracts with public or private agencies or organizations for the purpose of reducing juvenile crime if such contracts have been provided for in the applicant's approved proposal and plan as indicated in the application, Addendum A, and Addendum B, with such agencies and organizations specifically identified, and the subcontract incorporates these requirements. Grantee shall require that subcontractors providing services directly to juveniles shall perform routine past employment verifications on all employees. Subcontract shall state that subcontractors will directly reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved proposal and plan as indicated in the application, Addendum A, Addendum B, and this agreement.

6. BOOKS AND RECORDS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of the approved proposal and plan as indicated in the application, Addendum A, Addendum B. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five (5) years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. Program Records and Evaluation. The AOC may monitor and evaluate the local project to determine its effectiveness. As a condition of receipt of grant funds, Grantee and subcontractor agrees to maintain and provide to the AOC such data and statistics as may be required by the AOC for purposes of evaluation. Grantee and subcontractor further agree that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

7. INVENTORY

Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

8. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by the approved proposal and plan as indicated in the application, Addendum A, and Addendum B for five years unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the presiding judge. Grantee is responsible for any maintenance, loss or damage to the equipment, and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this agreement. If no such requirements are included in the Agreement, then local surplus property procedures may be utilized.

9. ASSIGNMENT OF INTELLECTUAL PROPERTY RIGHTS

Any reports or information developed during the course of this project will be the joint property of the Grantee and the AOC. The Grantee and the AOC shall have full and complete rights to reproduce, duplicate, disclose, perform and otherwise use all information prepared under this Agreement.

10. PERFORMANCE LIABILITY

Except as otherwise provided in law, in the performance of the approved proposal and plan as indicated in the application, Addendum A, Addendum B, and this Agreement both parties hereto will be acting in their individual governmental capacities and not as agents, employees, partners, joint venturers, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party agrees to be solely responsible for the actions of its employees under this Agreement.

11. DISPUTES

a. General Procedure. If any dispute arising under the Agreement is not disposed of by agreement between the parties then the contract administrator identified in the notice section of this Agreement shall decide the dispute in writing and send a copy of the decision to Grantee. The Grantee administrator's decision may be appealed according to Supreme Court Administrative Policy 7.04 (C) and (D). Pending the final decision of a dispute hereunder, Grantee shall proceed diligently with the performance of the Agreement in accordance with the Grantee administrator's decision.

b. Arbitration. The parties 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.

12. CONFLICT OF INTEREST

The AOC may cancel this Agreement without penalty or further obligation to the State pursuant to A.R.S. § 38-511, if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of the AOC is or becomes at any time, while this Agreement or any extension of this Agreement is in effect, an employee of any other party to this Agreement in any capacity or a consultant to any other party to this Agreement with respect to the subject matter of this Agreement. Cancellation shall be effective when written notice from the AOC is received by all parties to this Agreement, unless the notice specifies a later time.

13. COMPLIANCE WITH NON-DISCRIMINATION LAWS

The parties agree to comply with all applicable state and federal laws, rules, regulations and executive orders governing equal employment opportunity, immigration, nondiscrimination, including the Americans with Disabilities Act, and affirmative action. Grantee shall include a clause to this effect in all subcontracts related to this Agreement.

14. INDEMNIFICATION CLAUSE

To the fullest extent permitted by law, Grantee shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 Grantee 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 Grantee 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 Grantee from and against any and all claims. It is agreed that Grantee will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this Agreement, the Grantee 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 Grantee for the State of Arizona.

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

15. INSURANCE REQUIREMENTS

Grantee and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Agreement, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Grantee, its agents, representatives, employees or subcontractors.

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

A. MINIMUM SCOPE AND LIMITS OF INSURANCE

Grantee shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability (CGL) – Occurrence Form

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

• General Aggregate	$1,000,000
• Products – Completed Operations Aggregate	$ 500,000
• Personal and Advertising Injury	$ 500,000
• Damage to Rented Premises	$ 25,000
• Each Occurrence	$ 500,000

a. The policy shall be endorsed, as required by this written agreement, to include the Arizona Supreme Court, the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Grantee.

b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the Arizona Supreme Court, the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Grantee.

2. Business Automobile Liability

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

• Combined Single Limit (CSL)	$ 500,000

a. Policy shall be endorsed, as required by this written agreement, to include the Arizona Supreme Court, the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Grantee involving automobiles owned, hired and/or non-owned by the Grantee.

b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the Arizona Supreme Court, the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Grantee.

3. Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the Arizona Supreme Court, the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Grantee.

b. This requirement shall not apply to each Grantee or subcontractor that is exempt under A.R.S. § 23-901, and when such Grantee or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4. Professional Liability (Errors and Omissions Liability)

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

a. In the event that the Professional Liability insurance required by this Agreement is written on a claims-made basis, Grantee warrants that any retroactive date under the policy shall precede the effective date of this Agreement and, 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 Agreement is completed.

b. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this agreement.

B. ADDITIONAL INSURANCE REQUIREMENTS

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1. The Grantee's policies, as applicable, shall stipulate that the insurance afforded the Grantee shall be primary and that any insurance carried by the AOC, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2. Insurance provided by the Grantee shall not limit the Grantee's liability assumed under the indemnification provisions of this Agreement.

C. NOTICE OF CANCELLATION: Applicable to all insurance policies required within the Insurance Requirements of this Agreement, Grantee's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the AOC. Within two (2) business days of receipt, Grantee must provide notice to the AOC if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be hand delivered or directly mailed to the AOC *(please refer to paragraph #19 - NOTICES).*

D. ACCEPTABILITY OF INSURERS: Grantee's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The AOC or the State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Grantee from potential insurer insolvency.

E. VERIFICATION OF COVERAGE: Grantee shall furnish the AOC with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Agreement. An authorized representative of the insurer shall sign the certificates.

All such certificates of insurance and policy endorsements must be received by the AOC before work commences. The AOC's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

Each insurance policy required by this Agreement must be in effect at, or prior to, commencement of work under this Agreement. Failure to maintain the insurance policies as required by this Agreement, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Agreement shall be sent directly to the AOC. The AOC's project/contract number and project description shall be noted on the certificate of insurance.

The AOC reserves the right to require complete copies of all insurance policies required by this Agreement at any time.

F. SUBCONTRACTORS: Grantee's certificate(s) shall include all subcontractors as insureds under its policies or Grantee shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The AOC reserves the right to require, at any time throughout the life of this agreement, proof from the Grantee that its subcontractors have the required coverage.

G. APPROVAL AND MODIFICATIONS: The AOC, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this agreement, as deemed necessary. Such action will not require a formal Agreement amendment but may be made by administrative action.

H. EXCEPTIONS: In the event the Grantee or subcontractor(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 Grantee or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

16. AVAILABILITY OF FUNDS

Payments made by the parties pursuant to this Agreement are conditioned upon the availability of appropriated funds authorized for expenditure in the manner and for the purposes herein. Notwithstanding any other provision of this Agreement, in the event that either party is unable to obtain funds required by this Agreement, the Agreement shall be terminated upon written notice that funds are not available.

The parties shall not be liable for any purchases and/or contracts entered into by the other party in anticipation of such funding.

17. INVALIDITY OF PART OF THE AGREEMENT

Should any part of this Agreement be held to be invalid or void, the remainder of the Agreement shall remain in full force and effect and shall be binding upon the parties.

18. GOVERNING LAW

This Agreement shall be construed under the laws of the State of Arizona and incorporates by reference all laws governing interagency agreements and mandatory provisions for state Agreements.

19. NOTICES

Any and all notices, requests or demands given or made upon the parties hereto, pursuant to or in connection with this Agreement, unless otherwise noted, shall be delivered in person, sent by United States Mail, postage prepaid, or electronic mail, to the Grantee at their address as indicated in the approved proposal and plan application and the Addendum B and to the AOC at 1501 West Washington, Suite 337, Phoenix, Arizona 85007, Attn: JCRF Administrator.

(GRANTEE)	**ARIZONA SUPREME COURT**
By: _____	**By:** _____ **Joseph Kelroy, Division Director** **Juvenile Justice Services Division** **Arizona Supreme Court** **Administrative Office of the Courts**

Arizona Supreme Court
Administrative Office of the Courts (AOC)
Juvenile Crime Reduction Fund (JCRF)
FY 2019
ADDENDUM A

AGENCY: Cochise County Juvenile Court
APPLICANT/PAYEE: Cochise County Juvenile Court
PROJECT DURATION: July 1, 2018 - June 30, 2019

Addendum Date: June 25, 2018 **NOTE:** This addendum supersedes all previously dated addendums.

BUDGET SUMMARY	AMOUNT
A. Personnel	$0.00
B. ERE	$0.00
C. Travel	$0.00
D. Equipment/Software	$0.00
E. Operating	$7,100.00
F. Contract Services	$0.00
G. Other	$0.00
TOTAL AMOUNT TO BE DISBURSED	**$7,100.00**

PROGRAM NAME	BUDGET CODE	SCHEDULED DISBURSEMENTS AND AMOUNTS		
GED	2627-1072	August 15, 2018	$7,100.00	$0.00

AMOUNT RETAINED BY SUPREME COURT	AMOUNT
A. Item:	$0.00
B. Item:	$0.00
C. Item:	$0.00
TOTAL AMOUNT TO BE RETAINED	**$0.00**

Signed: _____

Joseph Kelroy, Division Director
Juvenile Justice Services Division
Administrative Office of the Courts
Arizona Supreme Court

Signed: _____

Chief Executive Officer

AOC Finance Office Receipt: _____ _____

Date

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Consent 17.

Regular Board of Supervisors Meeting **Workforce Development**

Meeting Date:	08/14/2018		
Approve Workforce Investment Board: 7 reappointments and 1 new appointment			
Submitted By:	Anita Baca, Housing Authority		
Department:	Housing Authority		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	N/A	**TITLE of PRESENTER:**	N/A
Docket Number (If applicable):			
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

Information

Agenda Item Text:

Approve the re-appointment of Ms. Doris Tolbert, Mr. Jack Bauer, Mr. Ron Curtis, Mr. Jason Bowling, Ms. Evonne Cummins, Ms. Kathleen Bullock, and Mr. Michael Crockett; and the appointment of Mr. Joe Altamirano to the Local Workforce Development Board to fill an unexpired term, effective immediately and through June 30, 2022.

Background:

Attached are the appointment letters. Workforce Development Board appointments are made by the Board of Supervisors upon recommendation of a "represented segment" on the Workforce Innovation Opportunity Act (WIOA) Board. Attached is a list showing each of the WIOA Board appointees, with appointment and term expiration dates.

Department's Next Steps (if approved):

If approved, WIOA will be notified of the appointments and we will request confirmation of an updated WIOA board of appointees list.

Impact of NOT Approving/Alternatives:

If it is not approved, vacancies will continue to exist on the WIOA Board with certain segments not being adequately represented.

To BOS Staff: Document Disposition/Follow-Up:

Once approved send appointment letters to appointees (see attached appointment contact information) with Oath of Office and Open Meeting Law requirements and email scanned copy (letter only) to Katherine Hall, khall@cpic-cas.org.

Attachments

Ms. Evonne Cummins

Ms. Doris Tolbert

Mr. Jack Bauer
Mr. Jason Bowling
Mr. Joe Altamirano
Ms. Kathleen Bullock
Mr. Michael Crockett
Mr. Ron Curtis
Arizona@Work-Southern Arizona Workforce Development Board

June 29, 2010

Mr. Pat Call
Cochise County Board of Supervisors
1415 Melody Lane
Bisbee, AZ 85603

To Whom It May Concern:

I would like to recommend Evonne Martin for membership on the Cochise County Local Workforce Investment Board. Ms. Martin is the Corporate Recruiter for STG, Inc. and understands the challenges of recruiting qualified and dedicated employees. She has a strong focus on Youth Development Groups that would be an asset to the Workforce Development's Youth Council.

Ms. Martin can be contacted through STG, Inc. 500 E. Fry Blvd. Suite M-12 Sierra Vista, AZ, 85635. Telephone (520) 458-0060.

Sincerely,

Susan Tegmeyer
President/CEO

cc Mary Tienan
cc Creden Huber

Sierra Vista Area Chamber
21 E. Wilcox Dr.
Sierra Vista, AZ 85635
520-458-6940
www.sierravistachamber.org

July 17, 2018

County Board of Supervisors
1415 Melody Lane
Bisbee, AZ 85603

Dear Board of Supervisors:

I understand that the following Arizona@Work- Southeastern Arizona Board of Directors members have served their four-year term and need to be re-appointed for another four-year term to the Arizona@Work-Southeastern Board of Directors. Please re-appoint Doris Tolbert, Jack Bauer, Ron Curtis, Jason Bowling, Evonne Cummins- Martin and Kathleen Bullock.

All members have been valuable and active members of the Local Workforce Development Board.

Sincerely,

Wallace Ricks
SVAC
Operations Manager

Sierra Vista Area Chamber
21 E. Wilcox Dr.
Sierra Vista, AZ 85635
520-458-6940
www.sierravistachamber.org

July 17, 2018

County Board of Supervisors
1415 Melody Lane
Bisbee, AZ 85603

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Wallace Ricks
SVAC
Operations Manager

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July 17, 2018

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Sincerely,

Wallace Ricks
SVAC
Operations Manager

Job Corps
Human Learning Systems

FRED G. ACOSTA
JOB CORPS CENTER

901 S. Campbell Avenue, Tucson, Arizona 85719● phone: 520.792.3015 ● fax: 520.628.1552 ●www.acostajobcorps.org

July 11, 2018

Cochise County Board of Supervisors
900 Carmelita Drive
Sierra Vista, AZ. 85635

Dear Board:

It is with interest and community partnership that I am recommending Mr. Joe A. Altamirano, Human Resources Manager of the Fred G. Acosta Job Corps Center (here in Tucson, AZ.) to serve on the Cochise County Workforce Investment Board. Mr. Altamirano brings over 24 years of experience with the Job Corps Program and is committed to serving the youth of Cochise, Graham and Greenlee Counties.

Job Corps, a federally-funded program through the Department of Labor / Employment & Training Administration provides youth between the ages of 16-24 with opportunities for career technical training, academic education and career transitional services. The Fred G. Acosta Job Corps also provides dormitory facilities that can accommodate over 200 students recruited from throughout the many communities of Southern Arizona.

Mr. Joe A. Altamirano has a "passion for working with youth" and would serve as an outstanding representative of the Fred G. Acosta Job Corps Program and a valuable addition to the Cochise County Workforce Investment Board.

Please don't hesitate to call should you need additional information.

Sincerely,

Brad McCormick
Center Director
Fred G. Acosta Job Corps Center
901 S. Campbell Avenue
Tucson, AZ. 85719
520-792-3015

Sierra Vista Area Chamber
21 E. Wilcox Dr.
Sierra Vista, AZ 85635
520-458-6940
www.sierravistachamber.org

July 17, 2018

County Board of Supervisors
1415 Melody Lane
Bisbee, AZ 85603

Dear Board of Supervisors:

I understand that the following Arizona@Work- Southeastern Arizona Board of Directors members have served their four-year term and need to be re-appointed for another four-year term to the Arizona@Work-Southeastern Board of Directors. Please re-appoint Doris Tolbert, Jack Bauer, Ron Curtis, Jason Bowling, Evonne Cummins- Martin and Kathleen Bullock.

All members have been valuable and active members of the Local Workforce Development Board.

Sincerely,

Wallace Ricks
SVAC
Operations Manager

July 17, 2018

County Board of Supervisors
1415 Melody Lane
Bisbee, AZ 85603

Dear Board of Supervisors:

I understand that Mr. Mike Crockett, Arizona@Work- Southeastern Arizona Board of Directors member, has served his four year term and needs to be re-appointed for another four year term to the Arizona@Work- Southeastern Board of Directors. Please re-appoint Mr. Mike Crockett representing Eastern Arizona College.

Mr. Crockett has served since 2012 and has been a valuable and active member of the Local Workforce Development Board.

Sincerely,

Jeanne Bryce

Jeanne Bryce
Vice President of Academic and Student Affairs

Sierra Vista Area Chamber
21 E. Wilcox Dr.
Sierra Vista, AZ 85635
520-458-6940
www.sierravistachamber.org

July 17, 2018

County Board of Supervisors
1415 Melody Lane
Bisbee, AZ 85603

Dear Board of Supervisors:

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All members have been valuable and active members of the Local Workforce Development Board.

Sincerely,

Wallace Ricks
SVAC
Operations Manager

Arizona@Work - Southeastern Arizona Workforce Development Board

2015 to 2022

Member Name	Mo/Year Appointed	Service Term	Term Expiration
	Four Year Terms 2017 – 2021		
Susan Morss	October 2017	4 Year	6/30/2021
Mary Tieman	October 2017	4 Year	6/30/2021
Tim Taylor	October 2017	4 Year	6/30/2021
Teresa Celestine	October 2017	4 Year	6/30/2021
David Howard	October 2017	4 Year	6/30/2021
Wick Lewis	October 2017	4 Year	6/30/2021
Steven Garate	October 2017	4 Year	6/30/2021
Stephanie Michael	October 2017	4 Year	6/30/2021
Wendy Davis	November 2017	4 Year	6/30/2021
Tony Boone	November 2017	4 Year	6/30/2021
	Four Year Terms 2018 – 2022		
Lauri Martin	May 2018	4 Year	6/30/2022
Linda Hollis	June 2018	4 Year	6/30/2022
Doris Tolbert	July 2018	4 Year	6/30/2022
Jack Bauer	July 2018	4 Year	6/30/2022
Ron Curtis	July 2018	4 Year	6/30/2022
Jason Bowling	July 2018	4 Year	6/30/2022
Evonne Cummins	July 2018	4 Year	6/30/2022
Kathleen Bullock	July 2018	4 Year	6/30/2022
Matt Bolinger	July 2018	4 Year	6/30/2022
Mike Crockett	July 2018	4 Year	6/30/2022
Mark Gallego	October 2015	4 Year	6/30/2018

Public Hearings 18.

Regular Board of Supervisors Meeting **Community Development**

Meeting Date:	08/14/2018		
Z-18-06 (Lara) - A request to amend the Zoning of Parcel 401-21-037B from SR-43 to SR-22			
Submitted By:	Peter Gardner, Community Development		
Department:	Community Development	**Division:**	Development Services
Presentation:	PowerPoint	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	1
NAME of PRESENTER:	Peter Gardner	**TITLE of PRESENTER:**	Planner II
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	
Docket Number (If applicable):	Z-18-06 (Lara)		

Information

Agenda Item Text:

Adopt Zoning Ordinance Z-18-05 approving Docket Z-18-06 (Lara) amending certain zoning district boundaries from SR-43 (Single Household Residential; one dwelling per acre) to SR-22 (Single Household Residential; one dwelling per 22,000 square feet), pursuant to the application of Frank Lara.

Background:

The Applicant is requesting a rezoning from SR-43 (Single Family Residential; one dwelling per one-acre) to SR-22 (Single Family Residential; one dwelling per 22,000 square feet). The request is to facilitate the split of the parcel, leaving the existing home on one parcel, and creating a second buildable lot. The subject parcel is one acres (43,560 square feet) in size. The subject parcel, APN 410-21-037B, is located at 2246 E. 23rd Street in unincorporated Douglas. The Applicant is Frank Lara.

Department's Next Steps (if approved):

The Ordinance and Conditions will be recorded and the official zoning map will be updated.

Impact of NOT Approving/Alternatives:

The zoning of the parcel will remain SR-43 and no additional dwelling will be permitted.

To BOS Staff: Document Disposition/Follow-Up:

Board Staff will have the Ordinance signed and recorded, and provide a copy to Planning Staff.

Budget Information

Information about available funds

Budgeted: ◯	**Funds Available:** ◯	**Amount Available:**
Unbudgeted: ◯	**Funds NOT Available:** ◯	**Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

Staff Report
Public Comment
Exhibit A
Presentation
Draft Ordinance

Cochise County
Community Development
Planning, Zoning and Building Safety Division

Public Programs...Personal Service
www.cochise.az.gov

MEMORANDUM

TO: Cochise County Board of Supervisors
THROUGH: Ed Gilligan, County Administrator
FROM: Peter Gardner, Planner I
FOR: Daniel Coxworth, AICP, Planning Director
SUBJECT: Docket Z-18-06 (Lara)
DATE: July 17, 2018 for the August 14, 2018 Meeting

APPLICATION FOR A REZONING

The Applicant is requesting a rezoning from SR-43 (Single Family Residential; one dwelling per one-acre) to SR-22 (Single Family Residential; one dwelling per 22,000 square feet). The request is to facilitate the split of the parcel, leaving the existing home on one parcel, and creating a second buildable lot. The subject parcel is one acres (43,560 square feet) in size. The subject parcel, APN 410-21-037B, is located at 2246 E. 23rd Street in unincorporated Douglas. The Applicant is Frank Lara.

I. PLANNING & ZONING RECOMMENDATION

On Wednesday, February 14, 2018, the Planning and Zoning Commission voted 6-0 to forward this Docket to the Board of Supervisors with a recommendation of approval. The motion included the conditions of approval recommended by staff, as well as a modification to permit the existing homes to remain in place with non-conforming setbacks.

II. DESCRIPTION OF SUBJECT PARCEL AND SURROUNDING LAND USES

Parcel Size: 1.09 acres (47,401 square feet)
Current Zoning: SR-43 (Single Household Residential; one dwelling per 1-acre)
Proposed Zoning: SR-22 (Single Household Residential; one dwelling per 22,000 square feet)
Growth Area: B – Community Growth Area
Plan Designation: Neighborhood Conservation
Area Plan: None
Existing Uses: Single Family Residence
Proposed Uses: Same with additional lot for additional dwelling

Zoning/Use of Surrounding Properties

Relation to Subject Parcel	Zoning District	Use of Property
North	SR-43	Vacant
South	County Maintained Road/SR-43	E. 23rd Street/Single Family Homes

Planning, Zoning and Building Safety
1415 Melody Lane, Building E
Bisbee, Arizona 85603
520-432-9300
520-432-9278 fax
1-877-777-7958
planningandzoning@cochise.az.gov

Highway and Floodplain
1415 Melody Lane, Building F
Bisbee, Arizona 85603
520-432-9300
520-432-9337 fax
1-800-752-3745
highway@cochise.az.gov
floodplain@cochise.az.gov

East	SR-43	Single Family Homes
West	SR-43(Legal Nonconforming lots 16,700 square feet)	Single Family Homes

III. PARCEL HISTORY

2004 – Permit issued for home.

IV. NATURE OF REQUEST

The Applicant is requesting to amend the zoning of his 1.09-acre parcel in Douglas. The request is to divide the parcel, splitting the residence and creating an additional buildable lot to construct a home for his mother. While the zoning would be unique in the area, the lots immediately to the west are legal nonconforming, and are smaller than the minimum area of the proposed zoning district.



Location Map, showing the smaller lots to the west.



Aerial view of the site and neighboring properties

V. ANALYSIS OF IMPACTS

Mandatory Compliance

Section 2208.03 of the Zoning Regulations requires that the amendment of Zoning District boundaries take place in compliance with the Comprehensive or Area Plan Designation assigned to the area in question. In this case, the subject property lies within a Category "B" Community Growth Area and is considered a "Neighborhood Conservation" area per the Comprehensive Plan. SR-22 zoning is permitted in the Category "B," "Neighborhood Conservation" areas, therefore this request to rezone to SR-22 complies with the Comprehensive Plan as detailed below.

Compliance with Rezoning Criteria

Section 2208.03 of the Zoning Regulations provides fifteen criteria used to evaluate rezoning requests. Eleven of the criteria are applicable to this request. All of the factors are met as submitted.

1. Provides an Adequate Land Use/Concept Plan: Complies

If approved, the applicant intends to divide the property into two lots, each with a minimum of 22,000 square feet. It will be the applicant's responsibility to ensure that the proposed division results in two compliant parcels of 22,000 square feet or more each.

2. Compliance with Applicable Site Development Standards: Complies

The proposal will create too sites fully capable of complying with all applicable site development standards.

3. Adjacent Districts Remain Capable of Development: **Complies**

The proposal would not affect the development prospects of any neighboring properties.

4. Limitation on Creation of Nonconforming Uses: **Complies**

This factor is focused on the creation of non-conforming lots or uses, for example a rezoning of a large area to a residential district in an area with existing commercial uses. No non-conforming uses will be created.

5. Compatibility with Existing Development: Complies

While the immediately surrounding area is zoned SR-43, the adjacent lots to the west are not only legal nonconforming at SR-43, they are smaller than the 22,000 square foot minimum requested by the applicant. If approved, the request will not alter the appearance or character of the neighborhood.

6. Rezoning to More Intense Districts: **Complies**

As noted above, the proposed zoning is in harmony with the lots to the west. Even if rezoned to SR-22 from SR-43, these adjacent lots would still be legal nonconforming, as they are 16,700 square feet. This request would not alter the character of the neighborhood by creating a single new buildable lot.

7. Adequate Services and Infrastructure: Complies

The site has existing electric, gas, water, and septic service. Sunnyside Fire provides fire service.



The vacant area to be split, with the home in the background.

8. Traffic Circulation Criteria: **Complies**

As the site is currently developed, and the only additional use would be a single additional home, with access onto E. 23rd Street, traffic generation is minimal and easily supported by the County Maintained roadway.



Looking west down E. 23rd Street.

9. Development Along Major Streets: **Not Applicable**

E. 23rd Street is a local side street.

10. Infill: **Not Applicable**

This factor applies to rezonings to General Business, Light Industry, and Heavy Industry districts.

11. Unique Topographic Features: Not Applicable

There are no unique features such as steep slopes, large washes, or unstable soils, which would warrant special consideration.

12. Water Conservation: Complies

Any future development will be required to comply with applicable water conservation regulations. The limited scope of the request, a single parcel, limits the impact.

13. Public Input: Complies

The Applicant completed a Citizen Review and received no response. Staff mailed notices to neighboring property owners within 1,000 ft. of the subject property and received one letter in support.

14. Hazardous Materials: Not Applicable

No hazardous materials are proposed.

15. Compliance with Comprehensive Plan: Complies

The subject property lies within a Category "B"– Community Growth Area and is considered an "Neighborhood Conservation" area per the Comprehensive Plan. This designation is intended to include protect existing residential neighborhoods from commercial or other high-intensity uses. The request to add a single additional lot complies with the Neighborhood Conservation designation.

VI. PUBLIC COMMENT

Support has been received from one property owner.

VII. SUMMARY AND CONCLUSION

The request is for a rezoning, from SR-43 (Single Household Residential; one dwelling per 1-acre) to SR-22 (Single Household Residential; one dwelling per 22,000 square feet) on a 1.09-acre parcel located in Douglas. The Applicant wishes to change the zoning to facilitate dividing the property, and if approved, the request would permit the construction of a single additional dwelling.

Based on the unique nature of this property, adjacent to lots smaller than permitted in the requested zoning district, the request is compatible with the neighborhood development.

Factors in Favor of Approval

1. Allowing the request will not alter the character of the existing development;
2. The unique nature of this site precludes it being used as precedent for future potential requests;
3. The request SR-22 for the purpose described would not change minimum site development standards other than density requirements for any future construction;
4. Allowing the rezoning would permit the applicant to split the property in a legal manner;
5. Owners of one parcel has expressed written support.

Factors Against Approval

1. The request is technically a spot zoning, despite the adjacent non-conforming parcels.

VIII. RECOMMENDATION

Based on the factors in favor of approval, Staff recommends forwarding the request for a rezoning, from SR-43 (Single Household Residential; one dwelling per 1-acre) to SR-22 (Single Household Residential; one dwelling per 22,000 square feet) on a 1.09-acre parcel located at 2246 E. 23rd Street in unincorporated Douglas to the Board of Supervisors with a recommendation of **Conditional Approval**, subject to the following Conditions and Modification:

1. The Applicant shall provide the County with a signed Acceptance of Conditions and a Waiver of Claims form arising from ARS Section 12-1134 signed by the property owner of the subject property within thirty (30) days of Board of Supervisors approval of the rezoning; and
2. It is the Applicants' responsibility to obtain any additional permits, or meet any additional conditions, that may be applicable to the proposed use pursuant to other federal, state, or local laws or regulations; and

IX. ATTACHMENTS

A. Application
B. Location Map
C. Public Comment

Rezoning Docket Z-18-06 (Lara)

✓ **YES**, I SUPPORT THIS REQUEST
Please state your reasons:

We agree

_____ **NO**, I DO NOT SUPPORT THIS REQUEST:
Please state your reasons:

(Attach additional sheets, if necessary)

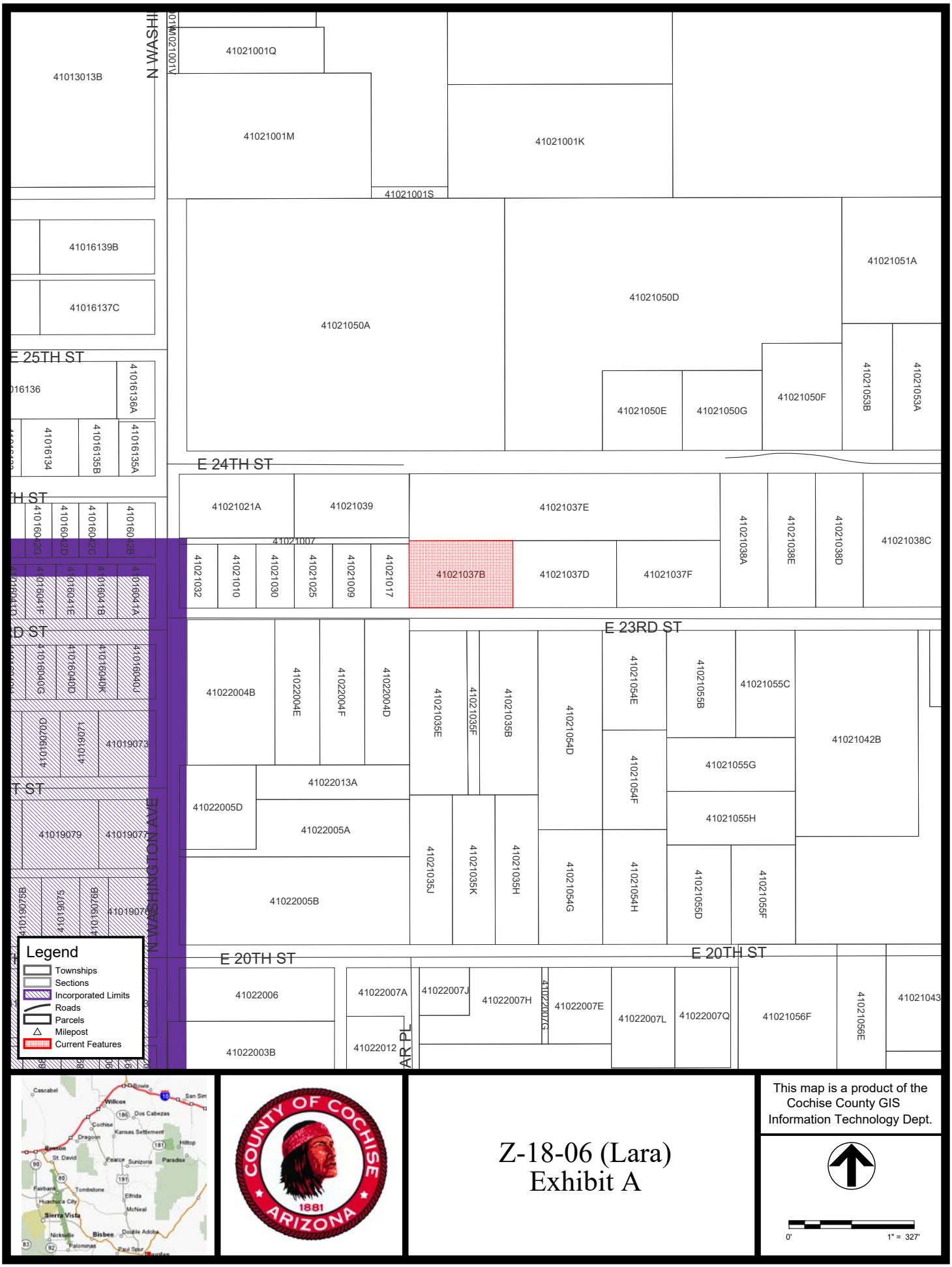
PRINT NAME(S): Sonia E. Ibarra

SIGNATURE(S): Sonia E. Ibarra

YOUR TAX PARCEL NUMBER: 410160040 K (the eight-digit identification number found on the tax statement from the Assessor's Office)

Your comments will be made available to the Planning and Zoning Commission and the Board of Supervisors. Submission of this form or any other correspondence becomes part of the public record and is available for review by the applicant or other members of the public. Written comments must be received no later than **5 PM on Friday, June 29, 2018** to be included in the staff report to the Commission, and by **Thursday, July 11, 2018** to be included in the staff report to the Board of Supervisors. We cannot make exceptions to these deadlines; however, if you miss the written comment deadline for any staff report you may still mail or send e-mail comments to Peter Gardner at pgardner@cochise.az.gov. Comments received after the April 27 deadline must be received prior to the public meeting date to be verbally noted at the meeting. You may also personally make a statement at the **public hearing on July 11, 2018 for the Planning and Zoning Commission and July 24, 2018 for the Board of Supervisors**. NOTE: Please do not ask the Commissioners or Board members to accept written comments or petitions at the meeting; your cooperation is greatly appreciated.

RETURN TO: Peter Gardner, Planner II
Cochise County Planning Department
1415 Melody Lane, Building E
Bisbee, AZ 85603



This document is a graphic representation of our working records.
Please report potential map corrections for review to Cochise County GIS.

Cochise County
Community Development
Planning, Zoning and Building Safety Division

Public Programs...Personal Service
www.cochise.az.gov

MEMORANDUM

TO: Cochise County Board of Supervisors
THROUGH: Ed Gilligan, County Administrator
FROM: Peter Gardner, Planner I
FOR: Daniel Coxworth, AICP, Planning Director
SUBJECT: Docket Z-18-06 (Lara)
DATE: July 17, 2018 for the August 14, 2018 Meeting

APPLICATION FOR A REZONING

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II. DESCRIPTION OF SUBJECT PARCEL AND SURROUNDING LAND USES

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Growth Area: B – Community Growth Area
Plan Designation: Neighborhood Conservation
Area Plan: None
Existing Uses: Single Family Residence
Proposed Uses: Same with additional lot for additional dwelling

Zoning/Use of Surrounding Properties

Relation to Subject Parcel	Zoning District	Use of Property
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East	SR-43	Single Family Homes
West	SR-43(Legal Nonconforming lots 16,700 square feet)	Single Family Homes

III. PARCEL HISTORY

2004 – Permit issued for home.

IV. NATURE OF REQUEST

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Location Map, showing the smaller lots to the west.



Aerial view of the site and neighboring properties

V. ANALYSIS OF IMPACTS

Mandatory Compliance

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Compliance with Rezoning Criteria

Section 2208.03 of the Zoning Regulations provides fifteen criteria used to evaluate rezoning requests. Eleven of the criteria are applicable to this request. All of the factors are met as submitted.

1. Provides an Adequate Land Use/Concept Plan: Complies

If approved, the applicant intends to divide the property into two lots, each with a minimum of 22,000 square feet. It will be the applicant's responsibility to ensure that the proposed division results in two compliant parcels of 22,000 square feet or more each.

2. Compliance with Applicable Site Development Standards: Complies

The proposal will create too sites fully capable of complying with all applicable site development standards.

3. Adjacent Districts Remain Capable of Development: **Complies**

The proposal would not affect the development prospects of any neighboring properties.

4. Limitation on Creation of Nonconforming Uses: **Complies**

This factor is focused on the creation of non-conforming lots or uses, for example a rezoning of a large area to a residential district in an area with existing commercial uses. No non-conforming uses will be created.

5. Compatibility with Existing Development: Complies

While the immediately surrounding area is zoned SR-43, the adjacent lots to the west are not only legal nonconforming at SR-43, they are smaller than the 22,000 square foot minimum requested by the applicant. If approved, the request will not alter the appearance or character of the neighborhood.

6. Rezoning to More Intense Districts: **Complies**

As noted above, the proposed zoning is in harmony with the lots to the west. Even if rezoned to SR-22 from SR-43, these adjacent lots would still be legal nonconforming, as they are 16,700 square feet. This request would not alter the character of the neighborhood by creating a single new buildable lot.

7. Adequate Services and Infrastructure: Complies

The site has existing electric, gas, water, and septic service. Sunnyside Fire provides fire service.



The vacant area to be split, with the home in the background.

8. Traffic Circulation Criteria: **Complies**

As the site is currently developed, and the only additional use would be a single additional home, with access onto E. 23rd Street, traffic generation is minimal and easily supported by the County Maintained roadway.



Looking west down E. 23rd Street.

9. Development Along Major Streets: **Not Applicable**

E. 23rd Street is a local side street.

10. Infill: **Not Applicable**

This factor applies to rezonings to General Business, Light Industry, and Heavy Industry districts.

11. Unique Topographic Features: Not Applicable

There are no unique features such as steep slopes, large washes, or unstable soils, which would warrant special consideration.

12. Water Conservation: Complies

Any future development will be required to comply with applicable water conservation regulations. The limited scope of the request, a single parcel, limits the impact.

13. Public Input: Complies

The Applicant completed a Citizen Review and received no response. Staff mailed notices to neighboring property owners within 1,000 ft. of the subject property and received one letter in support.

14. Hazardous Materials: Not Applicable

No hazardous materials are proposed.

15. Compliance with Comprehensive Plan: Complies

The subject property lies within a Category "B"– Community Growth Area and is considered an "Neighborhood Conservation" area per the Comprehensive Plan. This designation is intended to include protect existing residential neighborhoods from commercial or other high-intensity uses. The request to add a single additional lot complies with the Neighborhood Conservation designation.

VI. PUBLIC COMMENT

Support has been received from one property owner.

VII. SUMMARY AND CONCLUSION

The request is for a rezoning, from SR-43 (Single Household Residential; one dwelling per 1-acre) to SR-22 (Single Household Residential; one dwelling per 22,000 square feet) on a 1.09-acre parcel located in Douglas. The Applicant wishes to change the zoning to facilitate dividing the property, and if approved, the request would permit the construction of a single additional dwelling.

Based on the unique nature of this property, adjacent to lots smaller than permitted in the requested zoning district, the request is compatible with the neighborhood development.

Factors in Favor of Approval

1. Allowing the request will not alter the character of the existing development;
2. The unique nature of this site precludes it being used as precedent for future potential requests;
3. The request SR-22 for the purpose described would not change minimum site development standards other than density requirements for any future construction;
4. Allowing the rezoning would permit the applicant to split the property in a legal manner;
5. Owners of one parcel has expressed written support.

Factors Against Approval

1. The request is technically a spot zoning, despite the adjacent non-conforming parcels.

VIII. RECOMMENDATION

Based on the factors in favor of approval, Staff recommends forwarding the request for a rezoning, from SR-43 (Single Household Residential; one dwelling per 1-acre) to SR-22 (Single Household Residential; one dwelling per 22,000 square feet) on a 1.09-acre parcel located at 2246 E. 23rd Street in unincorporated Douglas to the Board of Supervisors with a recommendation of **Conditional Approval**, subject to the following Conditions and Modification:

1. The Applicant shall provide the County with a signed Acceptance of Conditions and a Waiver of Claims form arising from ARS Section 12-1134 signed by the property owner of the subject property within thirty (30) days of Board of Supervisors approval of the rezoning; and
2. It is the Applicants' responsibility to obtain any additional permits, or meet any additional conditions, that may be applicable to the proposed use pursuant to other federal, state, or local laws or regulations; and

IX. ATTACHMENTS

A. Application
B. Location Map
C. Public Comment

ZONING ORDINANCE 18-___

AMENDING CERTAIN ZONING DISTRICT BOUNDARIES FROM SR-43 TO SR-22, PURSUANT TO THE APPLICATION OF FRANK LARA

WHEREAS, A.R.S. § 11-814 allows property owners or their authorized agent to request amendments to the Zoning District boundaries through the Board of Supervisors in a public hearing; and

WHEREAS, the Cochise County Board of Supervisors recognizes that zoning amendments can affect land use patterns and therefore warrant careful consideration of local and regional impacts at a public hearing; and

WHEREAS, Tax Parcel 410-21-037B was zoned as SR-43; and

WHEREAS, the parcel is located in an area designated as Neighborhood Conservation under the Comprehensive Plan; and

WHEREAS, the parcel is located in an area of the County primarily characterized by high density residential uses; and

WHEREAS, the site has physically been developed in a way conducive to a requested division; and

WHEREAS, the Applicant wishes to amend the zoning to SR-22 and

WHEREAS, the Applicant wishes to divide the property to create an additional lot, requiring SR-22 zoning; and

WHEREAS, the requested zoning district is harmonious with existing non-conforming parcels to the west; and

WHEREAS, the Cochise County Board of Supervisors promotes effective, early and continuous public participation by citizens; and

WHEREAS, the Board of Supervisors held a duly noticed public hearing on the amendments to the Zoning District boundaries proposed by Applicant Frank Lara; and

WHEREAS, the Board of Supervisors conditionally approved the request for a change in the Zoning District boundaries,

NOW, THEREFORE, BE IT RESOLVED that the Cochise County Zoning District Boundaries shall be amended as follows:

The zoning classification for Tax Parcel 410-21-037B, as shown on the map attached to this Resolution as Exhibit A, is changed from SR-43 to SR-22. The property is located at 2246 E. 23rd Street in Douglas, AZ. The property is further described as being in Section 08 of Township 24 South, Range 28 East of the G&SRB&M in Cochise County, Arizona. The Board of Supervisors approves Docket Z-18-06 subject to the following modification and conditions of approval:

1. The Applicant shall provide the County with a signed Acceptance of Conditions and a Waiver of Claims form arising from ARS Section 12-1134 signed by the property owner of the subject property within thirty (30) days of Board of Supervisors approval of the rezoning; and
2. It is the Applicants' responsibility to obtain any additional permits, or meet any additional conditions, that may be applicable to the proposed use pursuant to other federal, state, or local laws or regulations; and

The setback for any new property line between the applicant's parcels shall be reduced from 20 feet to 10 feet.

PASSED AND ADOPTED by the Board of Supervisors of Cochise County, Arizona, this 14th day of August, 2018

_____
Peggy Judd, Chair
Board of Supervisors

ATTEST:

_____
Arlethe Rios,
Clerk of the Board

APPROVED AS TO FORM:

_____
Elda Orduno,
Civil Deputy County Attorney

Action 19.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 08/14/2018

FY19 State Aid Enhancement Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 State Aid Enhancement funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $708,450.

Background:

The purpose of the allocations for the standard probation supervision program is to achieve or maintain the average adult probation case supervision requirement.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No AOC funding for standard adult probation/surveillance officers and support staff.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ☐ **Funds Available:** ☐ **Amount Available:**

Unbudgeted: ☐ **Funds NOT Available:** ☐ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY2019-AOC Funding Agreement
State Aid Enhancement Addendum
Grant Approval Form - SAE

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR THE FOLLOWING (as applicable):

State Aid Enhancement (SAE)
Adult Intensive Probation Supervision (AIPS)
Community Punishment Program (CPP)
Interstate Compact Supervision (ISC)
Drug Treatment and Education Fund (DTEF)
Transferred Youth (TY)
Criminal Justice Enhancement Fund - Sex Offenders (CJEF - SO)
Criminal Justice Enhancement Fund - Substance Abuse (CJEF - SA)
Judicial Collection Enhancement Fund (JCEF)
Global Position System (GPS)
Adult Drug Court (ADC)

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and the **SUPERIOR COURT in COCHISE COUNTY** ("Grantee").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) Grantee's failure to implement or operate the approved plan; (4) Grantee's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in separate accounts within a Special Revenue Fund established for the execution of this Agreement. Per A.R.S. §12-267, the receipts and expenditures for each account within the fund must be reported separately. Any interest earned on these monies while in the possession of Grantee shall accrue to the separate accounts for use by Grantee in accordance with its approved plan. Grantee shall ensure that the Board of Supervisors designates a Chief Fiscal Officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved plan and may authorize direct expenditures for the benefit of Grantee. The specific amounts to be retained by the AOC for direct expenditures for the benefit of Grantee and to be disbursed to the Grantee are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Grantee shall submit the following to the AOC:

i. Monthly Statistical Reports on Sex Offenders are due on the 15th day of the following month as required by the AOC.

ii. A mid-year financial and program activity report for each program are due on or before January 31, 2019.

iii. A closing financial and program activity report is due on or before August 31, 2019, which includes: (1) an Adult Probation Service Fees Account report in accordance with A.R.S. §12-267 documenting the total amount of annual receipts and expenditures for all probation funding; (2) an interest report which includes the total amount of interest accrued and expended on each fund; (3) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Grantee being placed on Financial Sanctions Status by the AOC.

iv. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for monthly statistical data and performance measures data, maintaining the input of statistical data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

v. To ensure accuracy and validity of monthly statistical information, the Grantee will perform one hand count of offenders placed on adult probation. The hand count shall consist of a manual tabulation of all probation case files in the county, conducted independently from any automated system, reconciled with the statewide case management system, and if applicable, corrections made within 10 business days after corrections request received.

The hand counts shall be conducted on January 31, 2019, with the due date to the AOC on February 15, 2019.

vi. Monthly personnel payroll and expense reports are due to the AOC on the 15th day of the following month.

vii. Each Grantee shall forward to the AOC a copy of the department's

approved county budget plan no later than 14 days after approval.

viii. Annual Performance Measures are due on July 31, 2019.

c. Unexpended Funds. All funds unencumbered as of June 30, 2019, and unexpended as of July 31, 2019, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the Presiding Superior Court Judge.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds for probation services. The AOC may prepare and implement procedures for allocating and adjusting state funds among courts. Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocations. Failure to comply may result in additional action by the AOC.

h. Allocation and Management of State Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and ERE lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, Grantee shall promptly take steps to ensure that all approved case carrying positions are filled. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

5. BOOKS, RECORDS AND SUBCONTRACTS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. All contracts executed by the Superior Courts with subcontractors shall contain the following insurance language:

Standard Professional Contract Services

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

1.2 Insurance Requirements

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

1.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form
Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

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

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.3 Workers' Compensation and Employers' Liability

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

c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

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

e. 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, 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.

f. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

1.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

1.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject

to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Standard Professional Contract Services ($50,000 or under)

2.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

2.2 Insurance Requirements

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

2.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees 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 endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Business Automobile Liability

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

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.4 Professional Liability (Errors and Omissions Liability)

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

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, 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 negligent acts for those positions defined in the Scope of Work of this contract.

2.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

2.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

2.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

2.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

2.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults)

3.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

3.2 Insurance Requirements

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

3.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

3.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

3.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

g. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

h. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

i. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

j. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.2 Business Automobile Liability

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

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

k. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

l. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.3 Workers’ Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

m. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

n. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

3.3.4 Professional Liability (Errors and Omissions Liability)

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

o. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.” This coverage may be sub-limited to no less than $500,000.

p. 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.

q. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

3.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

3.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

3.4.2 Insurance provided by the Contractor shall not limit the Contractor’s liability assumed under the indemnification provisions of this Contract.

3.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

3.6 Acceptability of Insurers

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

3.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

3.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

3.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

3.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

3.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

3.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults, Under $50,000)

4.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

4.2 Insurance Requirements

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

4.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

4.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

4.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $250,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own dedicated limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

b. Defense Costs should not erode the policy limits, also known as “defense outside the limits.”

c. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

d. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

e. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4.3.4 Professional Liability (Errors and Omissions Liability)

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

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $250,000.
b. 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.
c. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

4.4 Additional Insurance Requirements
The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

4.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department,

its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

4.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

4.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

4.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

4.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

4.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

4.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

4.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

4.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

4.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

4.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

c. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of grant funds, Grantee agrees to maintain and provide to the AOC accurate and timely data and statistics as may be required for purposes of evaluation. Grantee further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

a. Equipment. Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

b. Equipment Lease Option. The Grantee shall have the option of participating in an AOC equipment lease agreement that would allow the probation department an opportunity to lease computers, printers and other AOC approved technology equipment through the AOC lease contract which is managed and maintained by the AOC Information Technology Division (ITD). The Adult Probation Services Division (APSD) shall establish the lease agreement with the ITD and act as the leaseholder for the Grantee.

If the Grantee participates in the lease agreement option, the Grantee shall agree to the following requirements: (1) the monies expended by the APSD for the Grantee's lease agreement would be paid by the Grantee on an annual reimbursement schedule to the APSD as established and managed by the AOC; (2) the Grantee shall sign and agree to the terms set forth in the AOC ITD Equipment Installation and Operation Agreement; (3) the Grantee shall sign and agree to the terms set forth in the lease agreement option established by the APSD; (4) the monies used by the Grantee to participate in the lease agreement shall not be paid from any of the following AOC APSD program funds: SAE, AIPS, CPP, ISC, DTEF, CJEF, TY, JCEF, GPS, or Drug Court. The Grantee may use Probation Service Fees (PSF) monies to reimburse the APSD if the Grantee participates in the lease agreement option.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement for three years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the Presiding Superior Court Judge. Grantee is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the

Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTIONS STATUS

In addition to any other remedy available pursuant to this Agreement, Grantee may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement;
g. Failure to ensure that the level of county funding and the same number of case-carrying officers as required by the Legislature is maintained;
h. Failure to adhere to the administrative code governing each state fund for probation services;
i. Failure to adhere to the requirements set forth in the Equipment Lease Option as outlined in this funding agreement in subsection **6., b.**; and
j. Failure to adhere to the requirements set forth in the Electronic Data Sharing Agreement as outlined in the APETS statewide policy.

9. FINANCIAL SANCTIONS ACTIONS

Financial sanctions include, but are not limited to:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;
c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanction status);
f. Recovery of funds or equipment already disbursed; and
g. Not authorizing any new personnel.

If monthly submission of expenses is required, in order to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report. State funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanctions status.

10. OTHER REQUIREMENTS

The Grantee agrees to**:** (1) utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines and the APETS statewide policy, establishing and maintaining a

data quality assurance process, maintaining the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize the required offender assessment tools; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

The Grantee shall ensure that the county maintains the fiscal year 2004 expenditure level for each probation program as required by the Legislature. Reduction from the fiscal year 2004 level may result in future loss of funds or other action by the AOC and/or state legislature.

12. COLLECTIONS

The Grantee shall ensure the collection of monies owed as a condition of probation and shall require that supervising probation officers immediately address any arrearage. The collection of monies shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and Minimum Accounting Standards for Arizona Courts as prescribed in ACJA § 1-401 and adopted by Administrative Order 2010-118. The Grantee is responsible for reporting and tracking financial transaction data.

13. VEHICLE EXPENDITURES

The Grantee shall make every effort to manage its motor pool allocation effectively and to avoid over expenditure. If the Grantee projects an over expenditure of its motor pool allocation at any time, the Grantee shall contact the AOC and develop a plan to bring Grantee into fiscal compliance. The AOC shall adjust motor pool allocations among courts as deemed necessary. The Grantee agrees to reimburse the AOC for any unauthorized or inappropriate vehicle related expenditures.

14. PROBATION SERVICE FEES (PSF)

In accordance with A.R.S. §12-267, each fiscal year the Grantee shall, on or before August 31, submit to the AOC a report detailing deposits and expenditures of monies in the Probation Services Fees Account for the preceding fiscal year.

The Grantee shall also submit to the AOC a plan detailing intended expenditures of monies in the Probation Services Fees Account for the following fiscal year, no later than August 31.

15. STATE AID ENHANCEMENT (SAE)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload at 98%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the Adult Probation Services Division (APSD) of the AOC. The declaration is to state:

(1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

c. Case Load Ratios. In the event the Grantee's standard probation population falls below or exceeds an average of 1 officer for 65 active probationers, excluding those probationers serving a flat time jail sentence, the Grantee must advise the APSD of all vacant state funded positions and must request approval to fill any vacant positions funded under the AOC State Aid Enhancement program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursements to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-201.01.

16. ADULT INTENSIVE PROBATION SUPERVISION (AIPS)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 95%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation/surveillance officers and program capacity, and (3) the number of probation/surveillance officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the intensive probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, operating costs and vehicle costs.

c. Caseload Ratios. In the event the Grantee's intensive probation population falls below the statutorily established intensive caseload ratios for active probationers, the Grantee will advise the APSD and must request approval to fill any vacant positions funded under the AIPS program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursement to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-202.01.

17. COMMUNITY PUNISHMENT PROGRAM (CPP)

Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with CPP funding criteria requirements.

18. CRIMINAL JUSTICE ENHANCEMENT FUND - SEX OFFENDERS (CJEF - SO)

Grantee shall utilize the funds to provide additional treatment services for sex offenders.

19. CRIMINAL JUSTICE ENHANCEMENT FUND- SUBSTANCE ABUSE (CJEF-SA)

Pursuant to A.R.S. § 41-2401 Grantee shall utilize the funds to provide drug treatment services, including urinalysis, to adult probationers.

20. INTERSTATE COMPACT SUPERVISION (ISC)

a. ISC-Funded Officers. If Grantee receives ISC funds for authorized probation officers, all incoming ISC cases shall be supervised by an ISC funded probation officer.

b. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 98%, or higher, of the statutory capacity for standard probation supervision for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

c. Collections. The Grantee shall collect funds from ISC probationers supervised in Arizona for deposit into the state's Victim Compensation and Assistance Fund (VCAF), pursuant to A.R.S. § 31-466 (A) (B), and in accordance with Arizona Code of Judicial Administration § 6-204.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering ISC data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for reconciling ICOTS data with APETS data, maintaining the input of

ISC data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

1.1 Adherence to A.R.S. 31-467
2.1 Adherence to ICAOS Rules
3.1 Adherence to ACJA 6-204.01

21. DRUG TREATMENT AND EDUCATION FUND (DTEF)

a. Management of Allocation. Grantee agrees to manage the fund allocation in compliance with DTEF fund criteria and requirements for programs and services. Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with DTEF funding criteria requirements. Failure to cooperate may result in the need to adjust future disbursement to the Grantee.

b. Other Requirements. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering DTEF data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for DTEF data, maintaining the input of DTEF data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

22. TRANSFERRED YOUTH (TY)

a. Management of Allocation. The Grantee shall manage the treatment allocation retained at the AOC on behalf of the Grantee, as well as the portion of TY that is dispersed to the Grantee. If the Grantee projects an over expenditure of its treatment allocation at any time, the Grantee shall submit a report to the AOC detailing how the Grantee will come into fiscal compliance. The Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

b. Vendor Payment Restrictions. The Grantee shall not utilize any retained TY funds to pay a treatment vendor with whom the AOC does not have a contract for services.

The Grantee shall not utilize any retained TY funds to pay a treatment vendor whose contract is suspended and/or to pay for services provided to youths referred after the AOC has recommended suspending referrals as a result of concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

c. The Grantee shall not utilize any dispersed TY funds to pay a treatment vendor with whom the AOC or the County does not have a contract for services.

The Grantee shall track all TY funds and submit a monthly report to the AOC TY Specialist. The report shall be submitted to the AOC no later than the 17th of each month.

23. JUDICIAL COLLECTION ENHANCEMENT FUND

In accordance with A.R.S. 12-114.01 B, the Grantee agrees to utilize the Judicial Collection Enhancement Fund (JCEF) to supplement monies currently used for the salaries of adult probation and surveillance officers and for the support of programs and services of the superior court adult probation department.

24. GLOBAL POSITION SYSTEM (GPS)

a. Applicability. Administrative Order No. 2006-90 and Administrative Directive No. 2011-41 identified the Judicial Collection Enhancement Fund (JCEF) as the source to subsidize the cost of the GPS monitoring devices for the adult probation departments subject to the availability of funds. The court has determined that the Administrative Office of the Courts (AOC) will charge one hundred percent (100%) of the cost of the GPS monitoring devices to the probation fees account of the fifteen adult probation departments on a quarterly basis. AOC will retain on behalf of the adult probation departments contributing to the JCEF probation surcharge revenues a subsidy of up to fifty percent (50%) of the cost described above.

For this fiscal year, AOC is not receiving general fund appropriation for the GPS program. AOC has identified the JCEF as the source to subsidize the cost of the monitor analysts and operating.

b. Capacity. Each offender sentenced to standard probation under the requirements of A.R.S. § 13-902 (G) shall equate to 3 offenders for determining compliance with caseload limit requirements of A.R.S. § 12-251 (A).

GPS probationers sentenced to standard probation supervision who have been evaluated as high risk, may be assigned to an intensive probation surveillance team for surveillance purposes only, if intensive probation slots are available pursuant to A.R.S.§ 13-916. If an over capacity situation arises affecting the intensive probation supervision team caseload limits, high risk status GPS cases are to be returned to standard supervision status.

GPS probationers sentenced to intensive probation supervision shall be supervised pursuant to A.R.S. § 13-914 and ACJA § 6-202.01.

25. ADULT DRUG COURT

a. This Agreement entered into between the AOC and the Grantee is pursuant to the provisions of A.R.S. § 13-3401, 13-3422 and 13-901.02, which is incorporated herein by reference.

b. Inappropriate Expenditures. Adult Drug Court funds shall not be used to reduce the financial obligation of a federal, state, county, city, or tribal government agency to fund the operations of the Adult Drug Court or other Adult Drug Court related programs.

c. The Grantee shall ensure drug court treatment programs and services are consistent with best practices, the Drug Court Model and the Drug Court 10 Key Components.

d. Drug courts should use standardized assessment instruments that have been validated for use with criminal justice populations.

e. The Grantee shall ensure Drug Court treatment is based on cognitive-behavioral treatment (CBT) and social learning models, which have been shown to significantly reduce recidivism among offenders.

26. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement, both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint venture's, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY
SUPERIOR COURT
(GRANTEE)

By _____
Honorable James L. Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE
OF THE COURTS

By _____
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

STATE AID ENHANCEMENT
COCHISE COUNTY
FY 2019

Addendum date:	**July 19, 2018**
Note: This addendum supersedes all previously dated addendums.	

TOTAL AMOUNT AWARDED: **$708,450**

APPROVED FTE'S	
Personnel - PO/SO	**12.00**
Personnel - Other	**2.40**
Total	**14.40**

	BUDGET CATEGORY	APPROVED BUDGET
A.	Personnel - PO/SO	$ 485,260
B.	Personnel - Other	$ 6,289
C.	ERE - PO/SO	$ 213,514
D.	ERE - Other	$ 3,387
E.	Operating	$ -
F.	Contract	$ -
TOTAL AMOUNT TO BE DISBURSED		**$ 708,450**

SCHEDULED DISBURSEMENTS:

July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$152,759	$185,230	$174,117	$196,344

	RETAINED FUNDS	AMOUNT
A.	Vehicle	$ -
B.	Other	$ -
TOTAL AMOUNT TO BE RETAINED		**$ -**

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2018.07.20 11:10:42 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2018.07.25 20:59:36 -07'00'

Chief Probation Officer

N:\ASD\FY2019\SAE\SAE-Addenda-FY19 my

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Action 20.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 08/14/2018

FY19 Adult CJEF SAE Assistance Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Adult Criminal Justice Enhancement Fund (CJEF) Assistance funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $144,967.

Background:

The purpose of the allocations for the standard probation supervision program is to achieve or maintain the average adult probation case supervision requirement.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No AOC funding for standard adult probation/surveillance officers and support staff.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ☐ **Funds Available:** ☐ **Amount Available:**

Unbudgeted: ☐ **Funds NOT Available:** ☐ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY2019-AOC Funding Agreement
Adult JCEF SAE Assistance Addendum
Grant Approval Form - SAE Asst

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR THE FOLLOWING (as applicable):

State Aid Enhancement (SAE)
Adult Intensive Probation Supervision (AIPS)
Community Punishment Program (CPP)
Interstate Compact Supervision (ISC)
Drug Treatment and Education Fund (DTEF)
Transferred Youth (TY)
Criminal Justice Enhancement Fund - Sex Offenders (CJEF - SO)
Criminal Justice Enhancement Fund - Substance Abuse (CJEF - SA)
Judicial Collection Enhancement Fund (JCEF)
Global Position System (GPS)
Adult Drug Court (ADC)

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and the **SUPERIOR COURT in COCHISE COUNTY** ("Grantee").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) Grantee's failure to implement or operate the approved plan; (4) Grantee's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in separate accounts within a Special Revenue Fund established for the execution of this Agreement. Per A.R.S. §12-267, the receipts and expenditures for each account within the fund must be reported separately. Any interest earned on these monies while in the possession of Grantee shall accrue to the separate accounts for use by Grantee in accordance with its approved plan. Grantee shall ensure that the Board of Supervisors designates a Chief Fiscal Officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved plan and may authorize direct expenditures for the benefit of Grantee. The specific amounts to be retained by the AOC for direct expenditures for the benefit of Grantee and to be disbursed to the Grantee are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Grantee shall submit the following to the AOC:

i. Monthly Statistical Reports on Sex Offenders are due on the 15th day of the following month as required by the AOC.

ii. A mid-year financial and program activity report for each program are due on or before January 31, 2019.

iii. A closing financial and program activity report is due on or before August 31, 2019, which includes: (1) an Adult Probation Service Fees Account report in accordance with A.R.S. §12-267 documenting the total amount of annual receipts and expenditures for all probation funding; (2) an interest report which includes the total amount of interest accrued and expended on each fund; (3) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Grantee being placed on Financial Sanctions Status by the AOC.

iv. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for monthly statistical data and performance measures data, maintaining the input of statistical data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

v. To ensure accuracy and validity of monthly statistical information, the Grantee will perform one hand count of offenders placed on adult probation. The hand count shall consist of a manual tabulation of all probation case files in the county, conducted independently from any automated system, reconciled with the statewide case management system, and if applicable, corrections made within 10 business days after corrections request received.

The hand counts shall be conducted on January 31, 2019, with the due date to the AOC on February 15, 2019.

vi. Monthly personnel payroll and expense reports are due to the AOC on the 15th day of the following month.

vii. Each Grantee shall forward to the AOC a copy of the department's

approved county budget plan no later than 14 days after approval.

viii. Annual Performance Measures are due on July 31, 2019.

c. Unexpended Funds. All funds unencumbered as of June 30, 2019, and unexpended as of July 31, 2019, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the Presiding Superior Court Judge.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds for probation services. The AOC may prepare and implement procedures for allocating and adjusting state funds among courts. Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocations. Failure to comply may result in additional action by the AOC.

h. Allocation and Management of State Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and ERE lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, Grantee shall promptly take steps to ensure that all approved case carrying positions are filled. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

5. BOOKS, RECORDS AND SUBCONTRACTS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. All contracts executed by the Superior Courts with subcontractors shall contain the following insurance language:

Standard Professional Contract Services

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

1.2 Insurance Requirements

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

1.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form
Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

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

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.3 Workers' Compensation and Employers' Liability

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

c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

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

e. 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, 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.

f. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

1.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

1.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject

to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Standard Professional Contract Services ($50,000 or under)

2.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

2.2 Insurance Requirements

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

2.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees 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 endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Business Automobile Liability

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

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.4 Professional Liability (Errors and Omissions Liability)

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

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, 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 negligent acts for those positions defined in the Scope of Work of this contract.

2.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

2.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

2.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

2.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

2.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults)

3.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

3.2 Insurance Requirements

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

3.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

3.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

3.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

g. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

h. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

i. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

j. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.2 Business Automobile Liability

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

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

k. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

l. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.3 Workers’ Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

m. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

n. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

3.3.4 Professional Liability (Errors and Omissions Liability)

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

o. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.” This coverage may be sub-limited to no less than $500,000.

p. 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.

q. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

3.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

3.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

3.4.2 Insurance provided by the Contractor shall not limit the Contractor’s liability assumed under the indemnification provisions of this Contract.

3.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

3.6 Acceptability of Insurers

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

3.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

3.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

3.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

3.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

3.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

3.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults, Under $50,000)

4.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

4.2 Insurance Requirements

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

4.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

4.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

4.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $250,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own dedicated limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

b. Defense Costs should not erode the policy limits, also known as “defense outside the limits.”

c. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

d. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

e. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4.3.4 Professional Liability (Errors and Omissions Liability)

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

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $250,000.
b. 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.
c. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

4.4 Additional Insurance Requirements
The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

4.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department,

its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

4.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

4.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

4.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

4.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

4.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

4.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

4.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

4.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

4.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

4.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

c. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of grant funds, Grantee agrees to maintain and provide to the AOC accurate and timely data and statistics as may be required for purposes of evaluation. Grantee further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

a. Equipment. Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

b. Equipment Lease Option. The Grantee shall have the option of participating in an AOC equipment lease agreement that would allow the probation department an opportunity to lease computers, printers and other AOC approved technology equipment through the AOC lease contract which is managed and maintained by the AOC Information Technology Division (ITD). The Adult Probation Services Division (APSD) shall establish the lease agreement with the ITD and act as the leaseholder for the Grantee.

If the Grantee participates in the lease agreement option, the Grantee shall agree to the following requirements: (1) the monies expended by the APSD for the Grantee's lease agreement would be paid by the Grantee on an annual reimbursement schedule to the APSD as established and managed by the AOC; (2) the Grantee shall sign and agree to the terms set forth in the AOC ITD Equipment Installation and Operation Agreement; (3) the Grantee shall sign and agree to the terms set forth in the lease agreement option established by the APSD; (4) the monies used by the Grantee to participate in the lease agreement shall not be paid from any of the following AOC APSD program funds: SAE, AIPS, CPP, ISC, DTEF, CJEF, TY, JCEF, GPS, or Drug Court. The Grantee may use Probation Service Fees (PSF) monies to reimburse the APSD if the Grantee participates in the lease agreement option.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement for three years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the Presiding Superior Court Judge. Grantee is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the

Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTIONS STATUS

In addition to any other remedy available pursuant to this Agreement, Grantee may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement;
g. Failure to ensure that the level of county funding and the same number of case-carrying officers as required by the Legislature is maintained;
h. Failure to adhere to the administrative code governing each state fund for probation services;
i. Failure to adhere to the requirements set forth in the Equipment Lease Option as outlined in this funding agreement in subsection **6., b.**; and
j. Failure to adhere to the requirements set forth in the Electronic Data Sharing Agreement as outlined in the APETS statewide policy.

9. FINANCIAL SANCTIONS ACTIONS

Financial sanctions include, but are not limited to:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;
c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanction status);
f. Recovery of funds or equipment already disbursed; and
g. Not authorizing any new personnel.

If monthly submission of expenses is required, in order to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report. State funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanctions status.

10. OTHER REQUIREMENTS

The Grantee agrees to**:** (1) utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines and the APETS statewide policy, establishing and maintaining a

data quality assurance process, maintaining the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize the required offender assessment tools; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

The Grantee shall ensure that the county maintains the fiscal year 2004 expenditure level for each probation program as required by the Legislature. Reduction from the fiscal year 2004 level may result in future loss of funds or other action by the AOC and/or state legislature.

12. COLLECTIONS

The Grantee shall ensure the collection of monies owed as a condition of probation and shall require that supervising probation officers immediately address any arrearage. The collection of monies shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and Minimum Accounting Standards for Arizona Courts as prescribed in ACJA § 1-401 and adopted by Administrative Order 2010-118. The Grantee is responsible for reporting and tracking financial transaction data.

13. VEHICLE EXPENDITURES

The Grantee shall make every effort to manage its motor pool allocation effectively and to avoid over expenditure. If the Grantee projects an over expenditure of its motor pool allocation at any time, the Grantee shall contact the AOC and develop a plan to bring Grantee into fiscal compliance. The AOC shall adjust motor pool allocations among courts as deemed necessary. The Grantee agrees to reimburse the AOC for any unauthorized or inappropriate vehicle related expenditures.

14. PROBATION SERVICE FEES (PSF)

In accordance with A.R.S. §12-267, each fiscal year the Grantee shall, on or before August 31, submit to the AOC a report detailing deposits and expenditures of monies in the Probation Services Fees Account for the preceding fiscal year.

The Grantee shall also submit to the AOC a plan detailing intended expenditures of monies in the Probation Services Fees Account for the following fiscal year, no later than August 31.

15. STATE AID ENHANCEMENT (SAE)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload at 98%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the Adult Probation Services Division (APSD) of the AOC. The declaration is to state:

(1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

c. Case Load Ratios. In the event the Grantee's standard probation population falls below or exceeds an average of 1 officer for 65 active probationers, excluding those probationers serving a flat time jail sentence, the Grantee must advise the APSD of all vacant state funded positions and must request approval to fill any vacant positions funded under the AOC State Aid Enhancement program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursements to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-201.01.

16. ADULT INTENSIVE PROBATION SUPERVISION (AIPS)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 95%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation/surveillance officers and program capacity, and (3) the number of probation/surveillance officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the intensive probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, operating costs and vehicle costs.

c. Caseload Ratios. In the event the Grantee's intensive probation population falls below the statutorily established intensive caseload ratios for active probationers, the Grantee will advise the APSD and must request approval to fill any vacant positions funded under the AIPS program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursement to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-202.01.

17. COMMUNITY PUNISHMENT PROGRAM (CPP)

Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with CPP funding criteria requirements.

18. CRIMINAL JUSTICE ENHANCEMENT FUND - SEX OFFENDERS (CJEF - SO)

Grantee shall utilize the funds to provide additional treatment services for sex offenders.

19. CRIMINAL JUSTICE ENHANCEMENT FUND- SUBSTANCE ABUSE (CJEF-SA)

Pursuant to A.R.S. § 41-2401 Grantee shall utilize the funds to provide drug treatment services, including urinalysis, to adult probationers.

20. INTERSTATE COMPACT SUPERVISION (ISC)

a. ISC-Funded Officers. If Grantee receives ISC funds for authorized probation officers, all incoming ISC cases shall be supervised by an ISC funded probation officer.

b. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 98%, or higher, of the statutory capacity for standard probation supervision for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

c. Collections. The Grantee shall collect funds from ISC probationers supervised in Arizona for deposit into the state's Victim Compensation and Assistance Fund (VCAF), pursuant to A.R.S. § 31-466 (A) (B), and in accordance with Arizona Code of Judicial Administration § 6-204.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering ISC data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for reconciling ICOTS data with APETS data, maintaining the input of

ISC data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

1.1 Adherence to A.R.S. 31-467
2.1 Adherence to ICAOS Rules
3.1 Adherence to ACJA 6-204.01

21. DRUG TREATMENT AND EDUCATION FUND (DTEF)

a. Management of Allocation. Grantee agrees to manage the fund allocation in compliance with DTEF fund criteria and requirements for programs and services. Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with DTEF funding criteria requirements. Failure to cooperate may result in the need to adjust future disbursement to the Grantee.

b. Other Requirements. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering DTEF data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for DTEF data, maintaining the input of DTEF data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

22. TRANSFERRED YOUTH (TY)

a. Management of Allocation. The Grantee shall manage the treatment allocation retained at the AOC on behalf of the Grantee, as well as the portion of TY that is dispersed to the Grantee. If the Grantee projects an over expenditure of its treatment allocation at any time, the Grantee shall submit a report to the AOC detailing how the Grantee will come into fiscal compliance. The Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

b. Vendor Payment Restrictions. The Grantee shall not utilize any retained TY funds to pay a treatment vendor with whom the AOC does not have a contract for services.

The Grantee shall not utilize any retained TY funds to pay a treatment vendor whose contract is suspended and/or to pay for services provided to youths referred after the AOC has recommended suspending referrals as a result of concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

c. The Grantee shall not utilize any dispersed TY funds to pay a treatment vendor with whom the AOC or the County does not have a contract for services.

The Grantee shall track all TY funds and submit a monthly report to the AOC TY Specialist. The report shall be submitted to the AOC no later than the 17th of each month.

23. JUDICIAL COLLECTION ENHANCEMENT FUND

In accordance with A.R.S. 12-114.01 B, the Grantee agrees to utilize the Judicial Collection Enhancement Fund (JCEF) to supplement monies currently used for the salaries of adult probation and surveillance officers and for the support of programs and services of the superior court adult probation department.

24. GLOBAL POSITION SYSTEM (GPS)

a. Applicability. Administrative Order No. 2006-90 and Administrative Directive No. 2011-41 identified the Judicial Collection Enhancement Fund (JCEF) as the source to subsidize the cost of the GPS monitoring devices for the adult probation departments subject to the availability of funds. The court has determined that the Administrative Office of the Courts (AOC) will charge one hundred percent (100%) of the cost of the GPS monitoring devices to the probation fees account of the fifteen adult probation departments on a quarterly basis. AOC will retain on behalf of the adult probation departments contributing to the JCEF probation surcharge revenues a subsidy of up to fifty percent (50%) of the cost described above.

For this fiscal year, AOC is not receiving general fund appropriation for the GPS program. AOC has identified the JCEF as the source to subsidize the cost of the monitor analysts and operating.

b. Capacity. Each offender sentenced to standard probation under the requirements of A.R.S. § 13-902 (G) shall equate to 3 offenders for determining compliance with caseload limit requirements of A.R.S. § 12-251 (A).

GPS probationers sentenced to standard probation supervision who have been evaluated as high risk, may be assigned to an intensive probation surveillance team for surveillance purposes only, if intensive probation slots are available pursuant to A.R.S.§ 13-916. If an over capacity situation arises affecting the intensive probation supervision team caseload limits, high risk status GPS cases are to be returned to standard supervision status.

GPS probationers sentenced to intensive probation supervision shall be supervised pursuant to A.R.S. § 13-914 and ACJA § 6-202.01.

25. ADULT DRUG COURT

a. This Agreement entered into between the AOC and the Grantee is pursuant to the provisions of A.R.S. § 13-3401, 13-3422 and 13-901.02, which is incorporated herein by reference.

b. Inappropriate Expenditures. Adult Drug Court funds shall not be used to reduce the financial obligation of a federal, state, county, city, or tribal government agency to fund the operations of the Adult Drug Court or other Adult Drug Court related programs.

c. The Grantee shall ensure drug court treatment programs and services are consistent with best practices, the Drug Court Model and the Drug Court 10 Key Components.

d. Drug courts should use standardized assessment instruments that have been validated for use with criminal justice populations.

e. The Grantee shall ensure Drug Court treatment is based on cognitive-behavioral treatment (CBT) and social learning models, which have been shown to significantly reduce recidivism among offenders.

26. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement, both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint venture's, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY
SUPERIOR COURT
(GRANTEE)

By _____
Honorable James L. Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE
OF THE COURTS

By _____
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

ADULT JCEF - SAE ASSISTANCE
COCHISE COUNTY
FY 2019

Addendum date:	**July 1, 2018**
Note: This addendum supersedes all previously dated addendums.	

TOTAL AMOUNT AWARDED: **$144,967**

APPROVED FTE'S	
Personnel - PO/SO	0.00
Personnel - Other	0.00
Total	**0.00**

	BUDGET CATEGORY	APPROVED BUDGET
A.	Personnel - PO/SO	$ -
B.	Personnel - Other	$ 101,102
C.	ERE - PO/SO	$ -
D.	ERE - Other	$ 43,865
E.	Operating	$ -
F.	Contract	$ -
TOTAL AMOUNT TO BE DISBURSED		**$ 144,967**

SCHEDULED DISBURSEMENTS:

July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$33,342	$37,208	$37,209	$37,208

	RETAINED FUNDS	AMOUNT
A.	Vehicle	$ -
B.	Other	$ -
TOTAL AMOUNT TO BE RETAINED		**$ -**

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2018.06.25 15:51:54 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2018.07.25 20:51:01 -07'00'

Chief Probation Officer

N:\ASD\FY2019\JCEF-SAE\JCEF-SAE-Addenda-FY19

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Action 21.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 08/14/2018

FY19 Adult Intensive Probation Supervision Funding Agreement

Submitted By:	Rita Shipley, Adult Probation		
Department:	Adult Probation		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Adult Intensive Probation Supervision funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $730,226.

Background:

The purpose of the allocations for the intensive probation supervision program is to achieve or maintain the average adult probation case supervision requirement.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No AOC funding for intensive adult probation/surveillance officers and support staff.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ☐ **Funds Available:** ☐ **Amount Available:**

Unbudgeted: ☐ **Funds NOT Available:** ☐ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY2019-AOC Funding Agreement

Adult Intensive Probation Supervision Addendum

GrantApprovalForm - IPS

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR THE FOLLOWING (as applicable):

State Aid Enhancement (SAE)
Adult Intensive Probation Supervision (AIPS)
Community Punishment Program (CPP)
Interstate Compact Supervision (ISC)
Drug Treatment and Education Fund (DTEF)
Transferred Youth (TY)
Criminal Justice Enhancement Fund - Sex Offenders (CJEF - SO)
Criminal Justice Enhancement Fund - Substance Abuse (CJEF - SA)
Judicial Collection Enhancement Fund (JCEF)
Global Position System (GPS)
Adult Drug Court (ADC)

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and the **SUPERIOR COURT in COCHISE COUNTY** ("Grantee").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) Grantee's failure to implement or operate the approved plan; (4) Grantee's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in separate accounts within a Special Revenue Fund established for the execution of this Agreement. Per A.R.S. §12-267, the receipts and expenditures for each account within the fund must be reported separately. Any interest earned on these monies while in the possession of Grantee shall accrue to the separate accounts for use by Grantee in accordance with its approved plan. Grantee shall ensure that the Board of Supervisors designates a Chief Fiscal Officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved plan and may authorize direct expenditures for the benefit of Grantee. The specific amounts to be retained by the AOC for direct expenditures for the benefit of Grantee and to be disbursed to the Grantee are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Grantee shall submit the following to the AOC:

i. Monthly Statistical Reports on Sex Offenders are due on the 15th day of the following month as required by the AOC.

ii. A mid-year financial and program activity report for each program are due on or before January 31, 2019.

iii. A closing financial and program activity report is due on or before August 31, 2019, which includes: (1) an Adult Probation Service Fees Account report in accordance with A.R.S. §12-267 documenting the total amount of annual receipts and expenditures for all probation funding; (2) an interest report which includes the total amount of interest accrued and expended on each fund; (3) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Grantee being placed on Financial Sanctions Status by the AOC.

iv. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for monthly statistical data and performance measures data, maintaining the input of statistical data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

v. To ensure accuracy and validity of monthly statistical information, the Grantee will perform one hand count of offenders placed on adult probation. The hand count shall consist of a manual tabulation of all probation case files in the county, conducted independently from any automated system, reconciled with the statewide case management system, and if applicable, corrections made within 10 business days after corrections request received.

The hand counts shall be conducted on January 31, 2019, with the due date to the AOC on February 15, 2019.

vi. Monthly personnel payroll and expense reports are due to the AOC on the 15th day of the following month.

vii. Each Grantee shall forward to the AOC a copy of the department's

approved county budget plan no later than 14 days after approval.

viii. Annual Performance Measures are due on July 31, 2019.

c. Unexpended Funds. All funds unencumbered as of June 30, 2019, and unexpended as of July 31, 2019, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the Presiding Superior Court Judge.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds for probation services. The AOC may prepare and implement procedures for allocating and adjusting state funds among courts. Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocations. Failure to comply may result in additional action by the AOC.

h. Allocation and Management of State Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and ERE lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, Grantee shall promptly take steps to ensure that all approved case carrying positions are filled. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

5. BOOKS, RECORDS AND SUBCONTRACTS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. All contracts executed by the Superior Courts with subcontractors shall contain the following insurance language:

Standard Professional Contract Services

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

1.2 Insurance Requirements

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

1.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form
Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

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

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.3 Workers' Compensation and Employers' Liability

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

c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

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

e. 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, 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.

f. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

1.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

1.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject

to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Standard Professional Contract Services ($50,000 or under)

2.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

2.2 Insurance Requirements

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

2.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees 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 endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Business Automobile Liability

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

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.4 Professional Liability (Errors and Omissions Liability)

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

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, 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 negligent acts for those positions defined in the Scope of Work of this contract.

2.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

2.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

2.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

2.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

2.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults)

3.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

3.2 Insurance Requirements

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

3.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

3.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

3.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

g. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

h. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

i. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

j. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.2 Business Automobile Liability

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

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

k. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

l. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.3 Workers’ Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

m. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

n. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

3.3.4 Professional Liability (Errors and Omissions Liability)

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

o. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.” This coverage may be sub-limited to no less than $500,000.

p. 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.

q. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

3.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

3.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

3.4.2 Insurance provided by the Contractor shall not limit the Contractor’s liability assumed under the indemnification provisions of this Contract.

3.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

3.6 Acceptability of Insurers

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

3.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

3.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

3.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

3.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

3.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

3.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults, Under $50,000)

4.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

4.2 Insurance Requirements

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

4.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

4.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

4.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $250,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own dedicated limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

b. Defense Costs should not erode the policy limits, also known as “defense outside the limits.”

c. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

d. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

e. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4.3.4 Professional Liability (Errors and Omissions Liability)

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

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $250,000.
b. 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.
c. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

4.4 Additional Insurance Requirements
The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

4.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department,

its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

4.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

4.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

4.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

4.7 Verification of Coverage

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4.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

4.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

4.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

4.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

c. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of grant funds, Grantee agrees to maintain and provide to the AOC accurate and timely data and statistics as may be required for purposes of evaluation. Grantee further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

a. Equipment. Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

b. Equipment Lease Option. The Grantee shall have the option of participating in an AOC equipment lease agreement that would allow the probation department an opportunity to lease computers, printers and other AOC approved technology equipment through the AOC lease contract which is managed and maintained by the AOC Information Technology Division (ITD). The Adult Probation Services Division (APSD) shall establish the lease agreement with the ITD and act as the leaseholder for the Grantee.

If the Grantee participates in the lease agreement option, the Grantee shall agree to the following requirements: (1) the monies expended by the APSD for the Grantee's lease agreement would be paid by the Grantee on an annual reimbursement schedule to the APSD as established and managed by the AOC; (2) the Grantee shall sign and agree to the terms set forth in the AOC ITD Equipment Installation and Operation Agreement; (3) the Grantee shall sign and agree to the terms set forth in the lease agreement option established by the APSD; (4) the monies used by the Grantee to participate in the lease agreement shall not be paid from any of the following AOC APSD program funds: SAE, AIPS, CPP, ISC, DTEF, CJEF, TY, JCEF, GPS, or Drug Court. The Grantee may use Probation Service Fees (PSF) monies to reimburse the APSD if the Grantee participates in the lease agreement option.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement for three years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the Presiding Superior Court Judge. Grantee is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the

Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTIONS STATUS

In addition to any other remedy available pursuant to this Agreement, Grantee may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement;
g. Failure to ensure that the level of county funding and the same number of case-carrying officers as required by the Legislature is maintained;
h. Failure to adhere to the administrative code governing each state fund for probation services;
i. Failure to adhere to the requirements set forth in the Equipment Lease Option as outlined in this funding agreement in subsection **6., b.**; and
j. Failure to adhere to the requirements set forth in the Electronic Data Sharing Agreement as outlined in the APETS statewide policy.

9. FINANCIAL SANCTIONS ACTIONS

Financial sanctions include, but are not limited to:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;
c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanction status);
f. Recovery of funds or equipment already disbursed; and
g. Not authorizing any new personnel.

If monthly submission of expenses is required, in order to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report. State funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanctions status.

10. OTHER REQUIREMENTS

The Grantee agrees to**:** (1) utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines and the APETS statewide policy, establishing and maintaining a

data quality assurance process, maintaining the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize the required offender assessment tools; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

The Grantee shall ensure that the county maintains the fiscal year 2004 expenditure level for each probation program as required by the Legislature. Reduction from the fiscal year 2004 level may result in future loss of funds or other action by the AOC and/or state legislature.

12. COLLECTIONS

The Grantee shall ensure the collection of monies owed as a condition of probation and shall require that supervising probation officers immediately address any arrearage. The collection of monies shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and Minimum Accounting Standards for Arizona Courts as prescribed in ACJA § 1-401 and adopted by Administrative Order 2010-118. The Grantee is responsible for reporting and tracking financial transaction data.

13. VEHICLE EXPENDITURES

The Grantee shall make every effort to manage its motor pool allocation effectively and to avoid over expenditure. If the Grantee projects an over expenditure of its motor pool allocation at any time, the Grantee shall contact the AOC and develop a plan to bring Grantee into fiscal compliance. The AOC shall adjust motor pool allocations among courts as deemed necessary. The Grantee agrees to reimburse the AOC for any unauthorized or inappropriate vehicle related expenditures.

14. PROBATION SERVICE FEES (PSF)

In accordance with A.R.S. §12-267, each fiscal year the Grantee shall, on or before August 31, submit to the AOC a report detailing deposits and expenditures of monies in the Probation Services Fees Account for the preceding fiscal year.

The Grantee shall also submit to the AOC a plan detailing intended expenditures of monies in the Probation Services Fees Account for the following fiscal year, no later than August 31.

15. STATE AID ENHANCEMENT (SAE)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload at 98%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the Adult Probation Services Division (APSD) of the AOC. The declaration is to state:

(1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

c. Case Load Ratios. In the event the Grantee's standard probation population falls below or exceeds an average of 1 officer for 65 active probationers, excluding those probationers serving a flat time jail sentence, the Grantee must advise the APSD of all vacant state funded positions and must request approval to fill any vacant positions funded under the AOC State Aid Enhancement program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursements to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-201.01.

16. ADULT INTENSIVE PROBATION SUPERVISION (AIPS)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 95%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation/surveillance officers and program capacity, and (3) the number of probation/surveillance officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the intensive probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, operating costs and vehicle costs.

c. Caseload Ratios. In the event the Grantee's intensive probation population falls below the statutorily established intensive caseload ratios for active probationers, the Grantee will advise the APSD and must request approval to fill any vacant positions funded under the AIPS program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursement to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-202.01.

17. COMMUNITY PUNISHMENT PROGRAM (CPP)

Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with CPP funding criteria requirements.

18. CRIMINAL JUSTICE ENHANCEMENT FUND - SEX OFFENDERS (CJEF - SO)

Grantee shall utilize the funds to provide additional treatment services for sex offenders.

19. CRIMINAL JUSTICE ENHANCEMENT FUND- SUBSTANCE ABUSE (CJEF-SA)

Pursuant to A.R.S. § 41-2401 Grantee shall utilize the funds to provide drug treatment services, including urinalysis, to adult probationers.

20. INTERSTATE COMPACT SUPERVISION (ISC)

a. ISC-Funded Officers. If Grantee receives ISC funds for authorized probation officers, all incoming ISC cases shall be supervised by an ISC funded probation officer.

b. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 98%, or higher, of the statutory capacity for standard probation supervision for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

c. Collections. The Grantee shall collect funds from ISC probationers supervised in Arizona for deposit into the state's Victim Compensation and Assistance Fund (VCAF), pursuant to A.R.S. § 31-466 (A) (B), and in accordance with Arizona Code of Judicial Administration § 6-204.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering ISC data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for reconciling ICOTS data with APETS data, maintaining the input of

ISC data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

1.1 Adherence to A.R.S. 31-467
2.1 Adherence to ICAOS Rules
3.1 Adherence to ACJA 6-204.01

21. DRUG TREATMENT AND EDUCATION FUND (DTEF)

a. Management of Allocation. Grantee agrees to manage the fund allocation in compliance with DTEF fund criteria and requirements for programs and services. Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with DTEF funding criteria requirements. Failure to cooperate may result in the need to adjust future disbursement to the Grantee.

b. Other Requirements. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering DTEF data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for DTEF data, maintaining the input of DTEF data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

22. TRANSFERRED YOUTH (TY)

a. Management of Allocation. The Grantee shall manage the treatment allocation retained at the AOC on behalf of the Grantee, as well as the portion of TY that is dispersed to the Grantee. If the Grantee projects an over expenditure of its treatment allocation at any time, the Grantee shall submit a report to the AOC detailing how the Grantee will come into fiscal compliance. The Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

b. Vendor Payment Restrictions. The Grantee shall not utilize any retained TY funds to pay a treatment vendor with whom the AOC does not have a contract for services.

The Grantee shall not utilize any retained TY funds to pay a treatment vendor whose contract is suspended and/or to pay for services provided to youths referred after the AOC has recommended suspending referrals as a result of concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

c. The Grantee shall not utilize any dispersed TY funds to pay a treatment vendor with whom the AOC or the County does not have a contract for services.

The Grantee shall track all TY funds and submit a monthly report to the AOC TY Specialist. The report shall be submitted to the AOC no later than the 17th of each month.

23. JUDICIAL COLLECTION ENHANCEMENT FUND

In accordance with A.R.S. 12-114.01 B, the Grantee agrees to utilize the Judicial Collection Enhancement Fund (JCEF) to supplement monies currently used for the salaries of adult probation and surveillance officers and for the support of programs and services of the superior court adult probation department.

24. GLOBAL POSITION SYSTEM (GPS)

a. Applicability. Administrative Order No. 2006-90 and Administrative Directive No. 2011-41 identified the Judicial Collection Enhancement Fund (JCEF) as the source to subsidize the cost of the GPS monitoring devices for the adult probation departments subject to the availability of funds. The court has determined that the Administrative Office of the Courts (AOC) will charge one hundred percent (100%) of the cost of the GPS monitoring devices to the probation fees account of the fifteen adult probation departments on a quarterly basis. AOC will retain on behalf of the adult probation departments contributing to the JCEF probation surcharge revenues a subsidy of up to fifty percent (50%) of the cost described above.

For this fiscal year, AOC is not receiving general fund appropriation for the GPS program. AOC has identified the JCEF as the source to subsidize the cost of the monitor analysts and operating.

b. Capacity. Each offender sentenced to standard probation under the requirements of A.R.S. § 13-902 (G) shall equate to 3 offenders for determining compliance with caseload limit requirements of A.R.S. § 12-251 (A).

GPS probationers sentenced to standard probation supervision who have been evaluated as high risk, may be assigned to an intensive probation surveillance team for surveillance purposes only, if intensive probation slots are available pursuant to A.R.S.§ 13-916. If an over capacity situation arises affecting the intensive probation supervision team caseload limits, high risk status GPS cases are to be returned to standard supervision status.

GPS probationers sentenced to intensive probation supervision shall be supervised pursuant to A.R.S. § 13-914 and ACJA § 6-202.01.

25. ADULT DRUG COURT

a. This Agreement entered into between the AOC and the Grantee is pursuant to the provisions of A.R.S. § 13-3401, 13-3422 and 13-901.02, which is incorporated herein by reference.

b. Inappropriate Expenditures. Adult Drug Court funds shall not be used to reduce the financial obligation of a federal, state, county, city, or tribal government agency to fund the operations of the Adult Drug Court or other Adult Drug Court related programs.

c. The Grantee shall ensure drug court treatment programs and services are consistent with best practices, the Drug Court Model and the Drug Court 10 Key Components.

d. Drug courts should use standardized assessment instruments that have been validated for use with criminal justice populations.

e. The Grantee shall ensure Drug Court treatment is based on cognitive-behavioral treatment (CBT) and social learning models, which have been shown to significantly reduce recidivism among offenders.

26. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement, both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint venture's, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY
SUPERIOR COURT
(GRANTEE)

By _____
Honorable James L. Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE
OF THE COURTS

By _____
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

ADULT INTENSIVE PROBATION SUPERVISION
COCHISE COUNTY
FY 2019

Addendum date: July 1, 2018
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$757,326**

APPROVED FTE'S	
Personnel - PO/SO	8.00
Personnel - Other	6.08
Total	**14.08**

BUDGET CATEGORY	APPROVED BUDGET
A. Personnel - PO/SO	$ 296,502
B. Personnel - Other	$ 232,225
C. ERE - PO/SO	$ 136,391
D. ERE - Other	$ 65,108
E. Operating	$ -
F. Contract	$ -
TOTAL AMOUNT TO BE DISBURSED	**$ 730,226**

SCHEDULED DISBURSEMENTS:

July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$167,952	$187,425	$176,179	$198,670

RETAINED FUNDS	AMOUNT
A. Vehicle	$ 27,100
B. Other	$ -
TOTAL AMOUNT TO BE RETAINED	**$ 27,100**

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2018.06.25 15:51:28 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2018.07.25 20:50:27 -07'00'

Chief Probation Officer

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

			Action 22.
Regular Board of Supervisors Meeting		**Community Development**	
Meeting Date:	08/14/2018		
Revised Public Lands Advisory Committee (PLAC) By-Laws			
Submitted By:	Dan Coxworth, Community Development		
Department:	Community Development	**Division:**	Development Services
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	1
NAME of PRESENTER:	Dan Coxworth	**TITLE of PRESENTER:**	Director
Docket Number (If applicable):			
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

Information

Agenda Item Text:

Adopt Resolution 18-13 revising the Public Lands Advisory Committee (PLAC) By-Laws to expand the number of members allowing one additional committee member per district and other minor revisions.

Background:

The Public Lands Advisory Committee (PLAC) met in a Work Session on May 30, 2018, to review proposed changes to the PLAC By-Laws. At the PLAC regular meeting on July 23, 2018, the PLAC recommended approval of the proposed changes to the Board of Supervisors.

Department's Next Steps (if approved):

If approved, the Department will notify the Board of Supervisors that each Supervisor can appoint up to three committee members to the PLAC.

Impact of NOT Approving/Alternatives:

The PLAC By-Laws will remain unchanged and the PLAC will continue to operate under the current By-Laws

To BOS Staff: Document Disposition/Follow-Up:

Please return signed By-Laws to Dan Coxworth

Attachments

Draft By-Laws

Resolution

BY-LAWS
COCHISE COUNTY PUBLIC AND STATE LANDS ADVISORY COMMITTEE

ARTICLE I

Purpose

1.1 There is hereby established an advisory commission to be known as the Cochise County Public and State Lands Advisory Committee ("CCPSLAC") with the purpose of advising the Cochise County Board of Supervisors (the "Board") on matters affecting federal and state trust lands within Cochise County.

ARTICLE II

Committee Membership

2.1 CCPSLAC shall consist of between six and nine members.

2.2 To be qualified to serve, a person must be domiciled and registered to vote in Cochise County.

2.3 Each Board Supervisor shall appoint at least two and no more than three members. Committee members should have knowledge or expertise on issues relating to use of public lands. Each Supervisor shall appoint at least one person who is a Cochise County public land permittee or Cochise County lessee of Arizona State Land.

2.4 For the original CCPSLAC, one member appointed by each Supervisor shall serve a term ending on the first June 30th following appointment, and the second member appointed by each Supervisor shall serve a term ending on the second June 30th following appointment. Thereafter, members shall serve two year terms (ending on June 30th). There are no term limits for serving as members.

2.5 Any vacancy shall be filled by appointment for the unexpired term in the same manner that the member who created the vacancy was appointed.

2.6 By majority vote, each year CCPSLAC shall select a Chairperson, and a Vice-Chair, from among its members. Each shall serve a term beginning on the date of selection through the following June 30th, at which time CCPSLAC shall once again select officers. There are no term limits for serving in office. If a

majority vote cannot be obtained for an officer, the Board shall appoint that office.

2.7 The Chairperson shall preside at all meetings and perform all other procedural duties as may be necessary or desirable for the functioning of the CCPSLAC. The Vice-Chair shall perform the duties of the Chairperson in the absence of the Chairperson. The Cochise County staff liaison shall ensure proper notice and distribution of materials to members, record all votes, maintain records and maintain minutes. If the staff liaison is absent from the meeting, the Chair shall designate another member to perform the staff liaison duties for that meeting. The staff liaison may request guidance from the Clerk of the Board or his/her designee in performance of the duties of the office and in storing records.

2.8 A member may be removed from CCPSLAC for cause, but only upon a unanimous vote of all three Supervisors.

ARTICLE III

Meetings

3.1 CCPSLAC shall hold regular meetings at reasonable times and places fixed by the Chairman or members and as frequently as necessity dictates, but not less than twice a year.

3.2 The Chairperson, or any three members of CCPSLAC, may call a special meeting for a purpose as designated by the call. Any business conducted at such a special meeting shall be limited to the designated purpose.

3.3 All meetings of CCPSLAC shall be governed by Arizona Open Meetings laws, ARS § 38-431 et. seq.

3.4 Four committee members shall constitute a quorum.

3.5 The following shall be the regular order of business at a regular meeting:

a. Roll Call
b. Call to the Public
c. Approval of the Minutes (of the last preceding meeting)
d. Unfinished Business
e. New Business
f. Call to Members
g. Adjournment

3.6 Voting shall occur by roll call. No proxy voting shall be allowed.

3.7 In order to provide fair and thorough consideration by all members at its meetings, CCPSLAC shall not consider any document or writing presented by a CCPSLAC member or member of the public in support of or opposed to a resolution unless it has been provided to the staff liaison and distributed to members at least forty-eight hours prior to the meeting.

ARTICLE IV

Advice to the Board

4.1 Any member of the Board or the collective Board may submit to CCPSLAC a request for advice on matters relating to use of public lands, consultations with Federal or State Agencies, or other activities on or relating to public lands that may impact the residents of Cochise County, including its customs, culture, and practices. Such issues may include but is not limited to County consultation on proposed U.S. Forest Service Plans; Bureau of Land Management (BLM) plans, policies, and practices; U.S. Fish and Wildlife plans; U.S. Border Patrol plans and policies applicable to public and private land; roadless issues; threatened or endangered species; NEPA compliance; access to public lands; and State trust land planning.

4.2 The manner in which CCPSLAC shall advise the Board shall be as follows. All advice and recommendations to the Board shall be made by written resolution that is passed by a majority of the quorum of members present and specifically stating a suggested course of action by the Board. Minority positions may also be submitted to the Board on issues. Upon passage, a resolution shall be forwarded to the Clerk of the Board, who shall place it on the Board agenda for consideration. CCPSLAC shall not reconsider a resolution that has passed until it has been entered upon the agenda for and heard by the Board.

4.3 When CCPSLAC deems it advisable, any such resolution may be accompanied by a written report explaining the reasons for the resolution. In addition, one member designated by the members who vote to pass a resolution may address the Board at a meeting at which the Board considers the Resolution. Any member of CCPSLAC who disagrees with, and votes against, such a resolution may provide a written report to accompany the resolution explaining the reasons against the resolution and address the Board at a meeting at which the Board considers the Resolution.

ARTICLE V

Legal Advice

5.1 The County Attorney's Office shall provide legal advice to CCPSLAC.

ARTICLE VI

Amendments

6.1 These By-Laws may be amended with the approval of four members of CCPSLAC, subject to final approval of the Board.

PASSED and ADOPTED by the Cochise County Board of Supervisors this ___ day of _____, 2018.

_____
Peggy Judd, Chairman
Cochise County Board of Supervisors

ATTEST:

_____
Arlethe Rios, Clerk

APPROVED AS TO FORM:

_____
Elda E. Orduno
Civil Deputy County Attorney

RESOLUTION 18-

PUBLIC LAND ADVISORY COMMITTEE AMENDING THE COCHISE COUNTY PUBLIC AND STATE LANDS ADVISORY COMMITTEE BY-LAWS

WHEREAS, A.R.S. § 11-802 authorizes the Board of Supervisors to plan and provide for the future growth and improvements in the County to conserve and promote the public health, safety, convenience, and general welfare; and

WHEREAS, a significant percentage of lands in Cochise County are state trust and federal public lands; and

WHEREAS, in providing consultation or coordination, the Board of Supervisors can benefit from advice, knowledge, and input of residents who are familiar with and interested in public lands issues; and

WHEREAS, the Cochise County Public and State Lands Advisory Committee was established, and by-laws approved by Resolution 07-11 on February 6, 2007; and

WHEREAS, the PLAC members met at a regular meeting on July 23, 2018, to discuss the revised PLAC by-laws and unanimously recommended approval to the Board of Supervisors to amend the by-laws.

NOW, THEREFORE BE IT RESOLVED, that the Cochise County Board of Supervisors hereby revises the Cochise County Public and State Lands Advisory Committee by-laws, which are attached hereto as Exhibit A and adopted as a part of this Resolution. The Committee shall have the purpose, membership, and scope of responsibilities as set forth in said by-laws.

PASSED AND ADOPTED by the Board of Supervisors of Cochise County, Arizona this 14th day of August 2018.

PASSED AND ADOPTED by the Board of Supervisors of Cochise County, Arizona, this _____ day of _____ 2018.

_____
Peggy Judd, Chairman

ATTEST:

_____
Arlethe Rios
Clerk of the Board

APPROVED AS TO FORM:

_____
Elda E. Orduño
Civil Deputy County Attorney

Action 23.

Regular Board of Supervisors Meeting **County Schools**

Meeting Date:	08/14/2018		
Cash deficit correction approval FY19 tax rates			
Submitted By:	Rose Martinez, County Schools		
Department:	County Schools		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rose Martinez	**TITLE of PRESENTER:**	Chief Deputy, County Schools
Docket Number (If applicable):			
Mandated Function?:	Federal or State Mandate	**Source of Mandate or Basis for Support?:**	HB 2815 (chapter 68) as it relates to Title 42, chapter 16, articles 5-6.

Information

Agenda Item Text:

Approve cash deficit correction as stated in House Bill 2815 (chapter 68) prior to adopting tax rates on or before August 20, 2018.

Background:

The four schools that have an ending cash deficit are Benson, Bisbee, Douglas, and Elfrida.

Benson $370,491 calculated increased rate: 0.5384
1. Revenue did not match their budget capacity due to 16/17 carry forward not being incorporated into their tax rate for 17/18 and underestimating enrollment for 17/18.
2. There was a tax judgment that reduced their tax levy by at least $70,000.00.
3. They have carry forward from 17/18 budget in the approximate amount of $40,000 that needs to be covered in their tax levy for FY18/19.
4. They had an outstanding line of credit payment at July 1 that needs to be covered. Bisbee $311,445.17 calculated increased rate: 0.5845

Bisbee's cash deficit is due to the under collection of required tax revenue during the budget year. Required correction for the district is to collect the cash shortage in FY19 which requires approval of an increase in the tax rate. Douglas $1,963,278.93 calculated increased rate: 2.7701

Douglas Unified has carried a negative cash balance since March 2018 in their general operating fund. They have not used their line of credit; first time in the past three years. Their special projects fund 100 has been supporting their negative balance. Their goal is the run their general fund in the black this year. To attain this goal, they request the rate to cover their cash deficit. Elfrida $22,540.00 calculated increased rate: 0.2682

Elfrida's deficit is due to a credit line carry over balance.

Department's Next Steps (if approved):

The Chief Deputy will notify the Property Tax Oversight Commission of the approval as well as notify the four school district business managers.

Impact of NOT Approving/Alternatives:

The impact of not approving the rates will affect the overall budget of each district, which in turn, will affect the students and staff. Staff cutbacks and program cuts could result. Schools would have to rely on credit advances.

To BOS Staff: Document Disposition/Follow-Up:

N/A

Attachments

cash deficit memo

Letter from Douglas Unified

COCHISE COUNTY Arizona

MEMORANDUM

TO: BOS

FROM: Rose Martinez, Chief Deputy, Schools

DATE: August 2, 2018

RE: Cash Deficit correction approval FY19 tax rates

This memo is in regards to the 4 school districts in our county with a cash deficit:

1. Benson Unified School District amount $370,491.00 rate: 0.5384
2. Bisbee Unified School District amount $311,445.17 rate: 0.5845
3. Douglas Unified School District amount $1,963,278.93 rate: 2.7701
4. Elfrida Elementary School amount $22,540.00 rate: 0.2682

Benson- Benson Unified School District will have a cash deficit due to several factors:

1. Revenue did not match our budget capacity due to 1617 carry forward not being incorporated into our tax rate for FY1718 and underestimating enrollment for 1718.
2. There was a tax judgment that reduced our tax levy by at least $70,000.
3. We have carry forward from 1718 budget in the approximate amount of $40,000 that needs to be covered in our tax levy for FY1819.
4. We had an outstanding line of credit payment at July 1 that needs to be covered.

Bisbee- Bisbee USD ended FY18 with a cash deficit of $311,445.17. The cash deficit is due to the under collection of required tax revenue during the budget year. Required correction for the district is to collect the cash shortage in FY19 which requires approval of an increase in the tax rate.

Douglas- separate letter dated July 17, 2018.

Elfrida: credit line carry over balance

DOUGLAS UNIFIED SCHOOL DISTRICT # 27

Administrative Offices - 1132 12th Street
Douglas, Arizona 85607
(520) 364-2447 - Fax: (520) 224-2470

Ana Samaniego
Superintendent

Cesar Soto
Chief Financial & Operations Officer

Fernando Nuñez
Asst. Superintendent / HR Director

July 17, 2018

To Whom it may concern:

Douglas Unified has been carrying a negative cash balance since March 2018 in our General Operating Fund. This is the first time in the past 3 years that we have not used the line of Credit, our Treasure Special Projects Fund 100 has been supporting our negative balance. Our Goal is to run our General fund in the black this coming year. Therefore, we will need $1,963,278.93 in the cash deficit in order to achieve our goal.

Sincerely

Cesar Soto
Chief Financial & Operations Officer

Working together, raising standards, and developing leaders.

Douglas Unified School District #27 does not discriminate against any individual on the basis of race, color, religion, sex, age, disability or national origin in its educational and employment practices or programs.

El Distrito Escolar #27 de Douglas no discriminara a ninguna persona por motivos de raza, color, religión, sexo, edad, discapacidad u origen nacional en sus centros de enseñanza y las prácticas de empleo o programas.

Action 24.

Regular Board of Supervisors Meeting **County Sheriff**

Meeting Date:	08/14/2018		
Cogniac Software Service Agreement			
Submitted By:	Sean Gijanto, County Sheriff		
Department:	County Sheriff		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Sean Gijanto	**TITLE of PRESENTER:**	Lieutenant
Mandated Function?:	Federal or State Mandate	**Source of Mandate or Basis for Support?:**	

Docket Number (If applicable):

Information

Agenda Item Text:

Approve a software service subscription agreement with Cogniac Corporation for visual observation automation for the period of August 1, 2018 through August 1, 2019 with a one year automatic renewal in the amount of $60,000.

Background:

The Sheriff's Office SABRE team utilizes covert surveillance cameras throughout Cochise County to monitor illegal activity occurring along the US/Mexico border on known or suspected smuggling routes. Depending on activity levels and other factors the cameras can generate hundreds of images per hour. As we continue adding cameras to our surveillance system the number of images is expected to double or even triple.

SABRE consists of 5 deputies and 2 DPS troopers. Currently, they are responsible for viewing the thousands of images received. Out of the thousands of images, less than half contain images of smuggling activity. To be effective, the actionable images need to be identified within minutes of receipt. The system has grown in scale to the point it is impossible for the current staffing to sort through the images in a timely fashion and respond to the field. Over the last few months I've tried to identify a solution. I contacted IT and other software vendors who were unable to help.

Recently, I became aware of Cogniac and their capabilities. Their software solution takes our pictures, processes them and, if a person is present, sends an alert via email. The whole process takes a few seconds and the accuracy rate is over 90% and improving. Cogniac has worked with Border Patrol, Customs and Border Protection and other law enforcement and military agencies with similar mission parameters. Currently they are providing a test and evaluation period with SABRE. They've successfully and seamlessly integrated into our network and are performing well. I am unaware of any other vendors who could provide this capability at all, let alone with the same ease, timeliness and accuracy.

The software service is an annual subscription. The cost is $60,000 which will be paid in two payments of $30,000. The initial payment will be taken out of the State of Arizona Border Security and Law Enforcement sub-account, which the Sheriff's Office already has available. We are hoping to get the balance paid through Stone Garden funding; however if that doesn't occur, we can pay the balance through the Border Security and Law Enforcement sub-account.

Department's Next Steps (if approved):

Coordinate and schedule 24/7 coverage to monitor images

Impact of NOT Approving/Alternatives:

Try to identify alternative solutions of sorting through thousands of images quickly and accurately.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ☐ **Funds Available:** ☐ **Amount Available:**

Unbudgeted: ☐ **Funds NOT Available:** ☐ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Fiscal Year: 2018-2019

One-time Fixed Costs? ($$$): 0

Ongoing Costs? ($$$): 60000

County Match Required? ($$$): 0

A-87 Overhead Amt? (Co. Cost Allocation $$$): 0

Source of Funding?: Border Security and Law Enforc

Fiscal Impact & Funding Sources (if known):

The software service is an annual subscription. The cost is $60,000 which will be paid in two payments of $30,000. The initial payment will be taken out of the State of Arizona Border Security and Law Enforcement sub-account, which the Sheriff's Office already has available. We are hoping to get the balance paid through Stone Garden funding; however if that doesn't occur, we can pay the balance through the Border Security and Law Enforcement sub-account.

Attachments

Cogniac Contract

Cogniac Overview

Cogniac Sole Sourse Letter

Standard Addendum Cogniac Corp

COGNIAC CORPORATION

SOFTWARE SERVICE SUBSCRIPTION AGREEMENT

This Software Service Subscription Agreement ("**Agreement**") is made as of August 1, 2018 (the "**Effective Date**"), by and between Cogniac Corporation with a principal place of business at 150 Almaden Blvd, Suite 1200, San Jose, CA 95113 ("**Cogniac**"), and Cochise County Sheriff's Office ("**Customer**"), with a principal place of business at 205 North Judd Drive, Mile Post 345, Highway 80, Bisbee, AZ 85603.

Cogniac has developed certain technology, as further described below, which enables customers to automate visual observations. Customer desires to subscribe to the Cogniac service and Cogniac desires to provide access to the Cogniac system and provide the Cogniac service to Customer.

This Agreement sets forth the terms and conditions under which Cogniac will provide the Cogniac Service (as defined below). Customer's access to and use of the Cogniac Service is governed solely by the terms of this Agreement which supersedes the terms of any other prior writing or understanding between the parties.

THE PARTIES HAVE READ AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT, INCLUDING THOSE TERMS CONTAINED ON THE FOLLOWING PAGES.

The parties have caused this Agreement to be effective as of the Effective Date set forth above.

Cogniac Corporation	**Customer**
By: 	By:
Name: William Kish	Name:
Title: CEO	Title:
Date: 7/30/2018	Date:
Support Contact Name: Eric Stresen Reuter	Billing Contact Name:
Support Contact Email: ericsr@cogniac.co	Billing Contact Email:
Support Contact Phone:407-920-1152	Billing Contact Phone:

TERMS AND CONDITIONS

1. DEFINITIONS. As used in this Agreement:

1.1 "***Application***" means a visual task specified by Customer and implemented within the Cogniac Service.

1.2 "***Cogniac API***" means the application programming interface provided by Cogniac that enables users to access and use the Cogniac Service.

1.3 "***Cogniac Service***" means the automated visual observation service delivered by Cogniac to Customer via Cogniac's web application, mobile application, API and SDKs as further described in ***Exhibit A***.

1.4 "***Confidential Information***" means all information regarding a party's business, including, without limitation, technical, marketing, financial, employee, planning, and other confidential or proprietary information, disclosed under this Agreement, that is clearly identified as confidential or proprietary at the time of disclosure or that the receiving party knew or should have known, under the circumstances, was considered confidential or proprietary. Confidential Information of Cogniac includes information derived from or concerning the Cogniac Service, the API, the Documentation and the terms of this Agreement.

1.5 "***Connected Camera***" means any device capable of capturing visual data content including any camera, machine vision camera, video camera, mobile device camera, surveillance camera or close circuit TV camera, connected to the Cogniac Service by or on behalf of Customer.

1.6 "***Documentation***" means any user manuals, handbooks, and online materials provided by Cogniac to Customer that describe the features, functionality or operation of the Cogniac Service.

1.7 "***Media***" means customer image or video data processed by the Cogniac system.

1.8 "***Order Form***" means a document, either physical or electronic, signed by both parties identifying the services to be made available by Cogniac pursuant to this Agreement.

1.9 "***Subject***" means any visible object, item, condition, or other trait that is associated with customer media.

1.10 "***Trained Model***" means any machine learning model, structure, or artifact produced or built from Customer Data that can be used to make data-driven predictions and decisions for a Cogniac Application.

2. COGNIAC SERVICE.

2.1 Subscription to the Cogniac Service. Subject to the terms and conditions of this Agreement, Cogniac hereby grants to Customer a non-sublicensable, non-transferable (except as provided in Section 11.6), non-exclusive subscription to use and access the Cogniac API as necessary to access and use the Cogniac Service solely for Customer's internal business purposes with the number of Connected Cameras, Applications and Media for which fees have been paid.

2.2 Support. Subject to the terms of this Agreement, Cogniac shall use commercially reasonable efforts to (a) maintain the security of the Cogniac Service; and (b) provide the support services described in ***Exhibit A***.

3. CUSTOMER'S USE OF THE COGNIAC SERVICE.

3.1 Access and Security Guidelines. Customer will be assigned a unique user identification name and password ("**UserID**") for access to and use of the Cogniac Service. UserIDs may not be shared with third parties, and Customer shall be solely responsible for all activities that occur under Customer's account.

3.2 Restrictions. Customer will not, and will not permit any User or other party to: (a) use the Cogniac Service to harvest, collect, gather or assemble information or data regarding other Cogniac customers without their consent; (b) access or copy any data or information of other Cogniac customers without their consent; (c) knowingly interfere with or disrupt the integrity or performance of the Cogniac API or the Cogniac Service or the data contained therein; (d) harass or interfere with another Cogniac customer's use and enjoyment of the Cogniac Service; (f) reverse engineer, disassemble or decompile any component of the Cogniac API or Cogniac Service; (g) interfere in any manner with the operation of the Cogniac API or the Cogniac Service, or the hardware and network used to operate the Cogniac Service; (h) sublicense any of Customer's rights under this Agreement, or otherwise use the Cogniac API or the Cogniac Service for the benefit of a third party or to operate a service bureau; (i) modify, copy or make derivative works based on any part of the Cogniac API; or (j) otherwise use the Cogniac API or the Cogniac Service in any manner that exceeds the scope of use permitted under **Section 2.1**.

4. FEES, PAYMENT AND SUSPENSION OF SERVICES. Customer will pay Cogniac the fees for the Cogniac Service ("**Fees**") in accordance with ***Exhibit A*** and as otherwise required by a particular Order Form. In the event that Customer wishes to increase the number of Applications, Connected Cameras, or volume of processed Media beyond the amount for which fees have been paid, Customer shall be required to pay additional

fees associated with such increase, prorated for the remainder of the term. All Fees will be billed in advance in accordance with the applicable Order Form and are due within thirty (30) days of receipt of invoice. All Fees owed by Customer in connection with this Agreement are exclusive of, and Customer shall pay, all sales, use, excise and other taxes and applicable export and import fees, customs duties and similar charges that may be levied upon Customer in connection with this Agreement, except for taxes based on Cogniac's net income. Cogniac reserves the right (in addition to any other rights or remedies Cogniac may have) to discontinue the Cogniac Service and suspend all UserID's and Customer's access to the Cogniac Service if any fees are more than thirty (30) days overdue until such amounts are paid in full. Customer shall maintain complete, accurate and up-to-date Customer billing and contact information.

5. CONFIDENTIAL INFORMATION. The receiving party agrees that it will not use or disclose to any third party any Confidential Information of the disclosing party, except as expressly permitted under this Agreement. The receiving party will limit access to the Confidential Information to those who have a need to know such information to use or provide the Cogniac Service. The receiving party will protect the disclosing party's Confidential Information from unauthorized use, access, or disclosure in a reasonable manner. Upon termination of this Agreement, the receiving party will return to the disclosing party or destroy all copies of the Confidential Information. The restrictions on use and disclosure of Confidential Information set forth above will not apply to any Confidential Information which (a) is or becomes a part of the public domain through no act or omission of the receiving party, (b) was in the receiving party's lawful possession prior to the disclosure, as shown by the receiving party's competent written records, or (c) is independently developed by the receiving party. The receiving party may disclose Confidential Information to the extent that such disclosure is required by law or by the order of a court or similar judicial or administrative body.

6. OWNERSHIP.

6.1 Cogniac Service and Technology. Cogniac retains all right, title and interest in and to the Cogniac API, Cogniac Service, Trained Models and all software and all Cogniac proprietary information and technology used by Cogniac or provided to Customer in connection with the Cogniac Service (the "***Cogniac Technology***"), and Customer acknowledges and agrees that the Cogniac Technology is protected by intellectual property rights owned by or licensed to Cogniac. Other than as expressly set forth in this Agreement, no license or other rights in the Cogniac Technology are granted to the Customer. Customer hereby grants Cogniac a royalty-free, worldwide, transferable, sublicenseable, irrevocable, perpetual license to use or incorporate into the Cogniac Service any suggestions, enhancement requests, recommendations or other feedback provided by Customer. Cogniac shall not identify Customer as the source of any such feedback.

6.2 Customer Data. Customer retains all right, title and interest in and to the Customer Data. Cogniac may only use the Customer Data to provide and improve the Cogniac Service; *provided that* Cogniac shall not be restricted in any manner from its use of any learning resulting from its access to and use of the Customer Data, nor its use thereof on an aggregated and anonymized basis, to provide, improve and market the Cogniac Technology, including to build Trained Models. By default, Cogniac will not share Customer Data with other customers of the Cogniac Service; *provided, that*, Customer may, at its option, choose to make Customer Data available to other users of the Cogniac Service. Customer will not provide, post or transmit any Customer Data to Cogniac that: (a) infringes, misappropriates or violates any intellectual property rights, publicity/privacy rights, law or regulation; (b) contains any viruses or programming routines intended to damage, surreptitiously intercept or expropriate any system, data or personal or personally identifiable information; or (c) is deceptive, defamatory, obscene, pornographic or unlawful. Customer will be solely responsible for obtaining any necessary rights to provide the Customer Data to Cogniac for the purposes set forth herein.

7. TERM AND TERMINATION.

7.1 Term. The initial term of this Agreement will commence on the Effective Date and continue for one (1) year. This Agreement will renew for additional one (1) year terms unless either party gives written notice of non-renewal at least thirty (30) days prior to the expiration of the then-current term. "***Term***" means collectively the initial term and each renewal term. Cogniac reserves the right to increase the Fees applicable to any renewal term upon written notice to Customer, *provided*, such notice is given at least sixty (60) days prior to such renewal term.

7.2 Termination. Either party may terminate this Agreement upon written notice if the other party materially breaches the Agreement and does not cure such breach (if curable) within thirty (30) days after written notice of such breach. Upon the expiration or termination of this Agreement for any reason, (a) any amounts owed to Cogniac under this Agreement will become immediately due and payable; and (b) each party will return to the other all property (including any Confidential Information and Customer Data) of the

other party. **Sections 1, 4, 5, 6, 7.2, 8.2, 8.3, 9-11** will survive the termination of this Agreement.

8. WARRANTY; DISCLAIMER.

8.1 Limited Warranty. During the Term, Cogniac warrants that the Cogniac Service, when used as permitted by Cogniac and in accordance with the Documentation, will operate as described in the Documentation in all material respects. If Customer notifies Cogniac of any breach of the foregoing warranty, Cogniac shall, as Customer's sole and exclusive remedy, provide the support services described in ***Exhibit A***.

8.2 General Disclaimer. EXCEPT AS EXPRESSLY PROVIDED IN SECTION 8.1, AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW: (A) THE COGNIAC SERVICE, COGNIAC API AND DOCUMENTATION ARE PROVIDED *"AS IS"* AND *"AS AVAILABLE"* AND (B) COGNIAC AND ITS SUPPLIERS MAKE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

8.3 Special Disclaimer. Customer acknowledges and agrees that: (A) the Cogniac Services are designed to recognize certain Subjects designated by Customer within Customer Media or captured by Customer's Connected Cameras, and that such recognition is developed over time based on Customer's annotation of Media and Subjects as well as Customer's actions, instructions and other inputs provided to Cogniac (collectively, "***Inputs***"): (B) any outputs and responses provided to Customer via the Cogniac Service or Trained Models ("***Outputs***") are wholly dependent upon Customer's Inputs; and (C) the ability of the Cogniac Service to recognize Subjects, and provide Outputs is dependent upon the quality and volume of the Customer Data provided by Customer, and that external factors, such as, lighting, image quality and resolution of the Inputs, Internet speeds and third party interference may degrade the quality thereof. Cogniac makes no warranty or guarantee regarding the Outputs, including the accuracy or reliability thereof.

9. INDEMNITY.

9.1 By Cogniac. If any action is instituted by a third party against Customer based upon a claim that the Cogniac Technology, as delivered, infringes any third party's intellectual property rights, Cogniac shall defend such action at its own expense on behalf of Customer and shall pay all damages attributable to such claim which are finally awarded against Customer or paid in settlement. If any portion of the Cogniac Technology becomes, or in Cogniac's determination is likely to be become, the subject of a claim of infringement, Cogniac may, at its option and expense (a) procure for Customer the right to continue using the Cogniac Technology, (b) replace or modify the Cogniac Technology so that it is no longer infringing but continues to provide comparable functionality, or (c) terminate this Agreement and Customer's access to the Cogniac Technology and refund any amounts previously paid for the Cogniac Service attributable to the remainder of the then-current term. This Section sets forth the entire obligation of Cogniac and the exclusive remedy of Customer against Cogniac for any claim that the Cogniac Technology infringes a third party's intellectual property rights.

9.2 By Customer. If any action is instituted by a third party against Cogniac relating to Customer's breach of **Section 6.2**, or arising from Cogniac's reliance on an Input, Customer will defend such action at its own expense on behalf of Cogniac and shall pay all damages attributable to such claim which are finally awarded against Cogniac or paid in settlement of such claim. This subsection states the sole and exclusive remedy of Cogniac and the entire liability of Customer for the claims and actions described herein.

9.3 Procedure. Any party that is seeking to be indemnified under the provision of this **Section 9** (an "***Indemnified Party***") must (a) promptly notify the other party (the "***Indemnifying Party***") of any third-party claim, suit, or action for which it is seeking an indemnity hereunder (a "***Claim***"), and (b) give the Indemnifying Party the sole control over the defense of such Claim.

10. LIMITATION OF LIABILITY. EXCEPT AS SET FORTH IN THIS **SECTION 10**, TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL COGNIAC OR CUSTOMER BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOST PROFITS IN ANY WAY RELATING TO THIS AGREEMENT. IN NO EVENT SHALL COGNIAC'S OR CUSTOMER'S AGGREGATE, CUMULATIVE LIABILITY IN ANY WAY RELATING TO THIS AGREEMENT EXCEED THE AMOUNT OF FEES ACTUALLY RECEIVED BY COGNIAC FROM CUSTOMER DURING THE TWELVE (12) MONTHS PRECEDING THE CLAIM. THE FOREGOING LIMITATIONS SHALL NOT APPLY TO PAYMENT, CONFIDENTIALITY (EXCLUDING DATA LOSS) AND INDEMNITY OBLIGATIONS. THE PARTIES WOULD NOT HAVE ENTERED INTO THIS AGREEMENT BUT FOR SUCH LIMITATIONS.

11. GENERAL PROVISIONS.

11.1 Governing Law and Venue. This Agreement and any action related thereto will be governed and interpreted by and under the laws of the State of California, without giving effect to any conflicts of laws principles that require the application of the law of a different jurisdiction. Customer hereby expressly consents to the personal jurisdiction and venue in the state and federal courts for the county in which Cogniac's principal place of business is located for any lawsuit filed there against Customer by Cogniac arising from or related to this Agreement. The United Nations

Convention on Contracts for the International Sale of Goods does not apply to this Agreement. The laws of the jurisdiction where Customer is located may be different from California law.

11.2 Export. Customer agrees not to export, reexport, or transfer, directly or indirectly, any U.S. technical data acquired from Cogniac, or any products utilizing such data, in violation of the United States export laws or regulations.

11.3 Severability. If any provision of this Agreement is, for any reason, held to be invalid or unenforceable, the other provisions of this Agreement will remain enforceable and the invalid or unenforceable provision will be deemed modified so that it is valid and enforceable to the maximum extent permitted by law. Without limiting the generality of the foregoing, Customer agrees that the section titled *Limitation of Liability* will remain in effect notwithstanding the unenforceability of any provision in the subsection titled *Limited Warranty*.

11.4 Waiver. Any waiver or failure to enforce any provision of this Agreement on one occasion will not be deemed a waiver of any other provision or of such provision on any other occasion.

11.5 Remedies. Except as provided in the sections titled *Limited Warranty* and *Indemnification*, the parties' rights and remedies under this Agreement are cumulative. Customer acknowledges that the Cogniac Service, Cogniac API or Documentation contain valuable trade secrets and proprietary information of Cogniac, that any actual or threatened breach of the sections titled *Restrictions* or *Confidentiality* or any other breach by Customer of its obligations with respect to Intellectual Property Rights of Cogniac will constitute immediate, irreparable harm to Cogniac for which monetary damages would be an inadequate remedy. In such case, Cogniac will be entitled to immediate injunctive relief without the requirement of posting bond, including an order that any software, Documentation, or any portions thereof, that Customer attempts to import into any country or territory be seized, impounded and destroyed by customs officials. If any legal action is brought to enforce this Agreement, the prevailing party will be entitled to receive its attorneys' fees, court costs, and other collection expenses, in addition to any other relief it may receive.

11.6 No Assignment. Neither party shall assign, subcontract, delegate, or otherwise transfer this Agreement, or its rights and obligations herein, without obtaining the prior written consent of the other party, and any attempted assignment, subcontract, delegation, or transfer in violation of the foregoing will be null and void; provided, however, that either party may assign this Agreement in connection with a merger, acquisition, reorganization or sale of all or substantially all of its assets, or other operation of law, without the consent of the other party. The terms of this Agreement shall be binding upon the parties and their respective successors and permitted assigns.

11.7 Force Majeure. Any delay in the performance of any duties or obligations of either party (except the payment of money owed) will not be considered a breach of this Agreement if such delay is caused by a labor dispute, shortage of materials, fire, earthquake, flood, or any other event beyond the control of such party, provided that such party uses reasonable efforts, under the circumstances, to notify the other party of the cause of such delay and to resume performance as soon as possible.

11.8 Independent Contractors. Customer's relationship to Cogniac is that of an independent contractor, and neither party is an agent or partner of the other. Customer will not have, and will not represent to any third party that it has, any authority to act on behalf of Cogniac.

11.9 Notices. Each party must deliver all notices or other communications required or permitted under this Agreement in writing to the other party at the address listed on the first page of the Agreement by courier, by certified or registered mail, or by a nationally-recognized express mail service. Notice will be effective upon receipt or refusal of delivery. If delivered by certified or registered mail, any such notice will be considered to have been given five business days after it was mailed, as evidenced by the postmark. If delivered by courier or express mail service, any such notice shall be considered to have been given on the delivery date reflected by the courier or express mail service receipt. Each party may change its address for receipt of notice by giving notice of such change to the other party.

11.10 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall be taken together and deemed to be one instrument.

11.11 Entire Agreement. This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matters hereof and supersedes and merges all prior discussions between the parties with respect to such subject matters. No modification of or amendment to this Agreement, or any waiver of any rights under this Agreement, will be effective unless in writing and signed by an authorized signatory of Customer and Cogniac.

EXHIBIT A

SOFTWARE SERVICES & FEES

1. SOFTWARE SERVICES.

Subject to the terms and conditions of the Agreement, Cogniac will provide to Customer the following Cogniac Services:

1.1 Cogniac Service. The Cogniac Service is an Amazon AWS-hosted software service that enables the automation of visual observation tasks using deep convolutional neural networks and other computer vision techniques. It consists of a public api (https://api.cogniac.io), web application (https://www.cogniac.co/app/), iOS application, and associated backend services. The system supports the labeling of example image data, the automatic building of classification, detection, localization, measuring and counting applications based on the labeled example data, and the run-time deployment of the trained application models. Included in the service is an email-based integration that receives image emails, processes the attached image using the Cogniac service, and sends alert emails in return. The customer requires Cogniac's Service to be timely and accurate. Timeliness is targeted as less than 3 minutes between Cogniac's receipt of the image, processing and if the image meets the established criteria of containing a person, sending an alert. Accuracy is a measured by correctly identifying people in images. Accuracy is expected to be above 90%.

1.2 Support: During the Term, Cogniac will provide the following support to Customer:

(a) Hot Line. Cogniac will provide a telephone number and email address for use by users Monday through Friday, 9am – 5pm Pacific Time, US holidays excluded, for problem resolution assistance.

(b) Error Corrections. Cogniac will use commercially reasonable efforts to correct all Errors in the Cogniac Service reported by Customer over the phone or in writing to Cogniac. Cogniac will utilize remote diagnostic procedures whenever possible for Error diagnosis and bug fixes and/or workaround to correct the Error ("***Error Correction***"). Cogniac may not issue Error Corrections for all Errors. "***Error***" means a reproducible failure of the Cogniac Service to substantially conform to the Documentation.

(c) Improvements. During the Term, Cogniac may, in its sole discretion, provide Customer with updates, upgrades, enhancements, and any other improvements that Cogniac generally offers to other customers of the Cogniac Service.

1.3 Exclusions. Cogniac shall have no responsibility or liability of any kind, whether for breach of warranty or otherwise, arising or resulting from: (a) Customer's use of any version of the Cogniac Services other than the then-current unmodified version provided to Customer; (b) any problems which are not Errors; (c) problems caused by failed Internet connections or other hardware, software or equipment which is not owned, controlled or operated by Cogniac; (d) nonconformities resulting from misuse, abuse, negligence, or improper or unauthorized use of all or any part of the Cogniac Services, Cogniac API, or Documentation; (e) problems or Errors caused by Customer's, or other third party's products, services or equipment; or (f) modification, amendment, revision, or change to the Cogniac API or the Cogniac Services by any party other than Cogniac or Cogniac-authorized representatives.

1.4 Customer Responsibilities. It shall be Customer's responsibility to perform those specific services that are necessary to establish Customer's use of the Cogniac API, Documentation, and Cogniac Services.

1.5 **Other Services.** Cogniac's services outside the scope of this Agreement, if any, shall be provided pursuant to Cogniac's then-current applicable services policies and procedures, including execution of a professional services agreement.

2. FEES.

2.1 **Fees.** Customer will pay the annual subscription fee of:

$60,000 per year, for up to 300 motion triggered "BuckEye-style" connected cameras.

Payment will be made in two installments:

$30,000 invoiced on contract effective date.

$30,000 invoiced 6 months after contract effective date.

Invoice terms are NET30.

Cogniac

Observe and Understand the Visible World

Purpose

Cogniac offers a superior enterprise platform for Artificial Intelligence (AI)-grade visual observation. In this document, we have provided information about our company and technical capabilities. The Advantages of our solution which we will demonstrate in this paper are:

- **Cogniac offers a flexible & Adaptable System**
- **We embrace continuous improvement, with human in the loop to minimize errors**
- **A superior technical approach**

About Us

Cogniac is an enterprise computer vision company based in the San Jose, CA with big plans to improve the world by making it easy to automate object recognition. Our innovative platform enables anyone to easily extract actionable information from any source of visual data. Common visual observation tasks such as classifying, detecting, counting and measuring items and conditions can be automated with a high degree of reliability. The Cogniac system uniquely combines the latest artificial intelligence research with human-computer interaction tools and large-scale data management in order to rapidly and automatically learn to identify what matters most to your business so you can take informed, timely, and even automated action. Cogniac is led by William Kish, a serial entrepreneur and engineer who holds over 44 patents and who was previously the co-founder and CTO of Ruckus Wireless. Ruckus, which IPO'd on the NYSE in 2012, grew to be the 3rd largest enterprise WiFi equipment vendor in the world and maintained an international presence with 7 R&D sites worldwide. Early investors include Gradient Ventures, part of Google's AI investment fund.

Technology Background

Research in a particular branch of AI computer vision, deep convolutional neural

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networks (DCNs), has rapidly accelerated since 2012 when a DCN first won the ILSVRC[1] "Imagenet Challenge". Since then DCNs have surpassed human-level accuracy on large scale image classification tasks. These achievements stem from the confluence of decades of research in neural networks and machine learning, the availability of larger training data sets, and the inexorable march of raw compute system performance, in particular GPU performance which is particularly well suited to the training of deep neural networks on large data sets.

For all the promise and excitement, there is a formidable barrier to applying this very powerful but also very raw technology to solve real-world problems. Successful research workflows do not translate well to commercial settings due to a number of problems including tedious data curation and preprocessing requirements, low-level tensor frameworks requiring rare expertise and extensive configuration, and the need to continuously refine and deploy updated prediction models as both requirements and the world-at-large invariably evolve.

The Cogniac System

Cogniac has developed an elegant end-to-end architecture to enable the commercial deployment of deep convolutional neural networks in enterprise video and image analysis applications. We address the key challenges of data acquisition and management, model training, hyperparameter optimization, model deployment, and ongoing performance assessment. The system is designed with a 'human in the loop' to assist with difficult images, ensuring a high degree of accuracy and also enabling the system to improve over time as it is designed to actively query the relevant human experts within your organization and incorporate their quick visual feedback via a streamlined application interface.

The following diagram provides a high-level overview of the Cogniac system for a single application. Although not shown here the system is multi-tenant so each customer's data is securely partitioned[2]. Each customer can have any number of "applications", which capture a related set of subjects that the customer is interested in detecting, classifying, counting or measuring.

[1] image-net.org/challenges/LSVRC/

[2] Cogniac also offers hybrid-cloud and pure on-premises versions of the system

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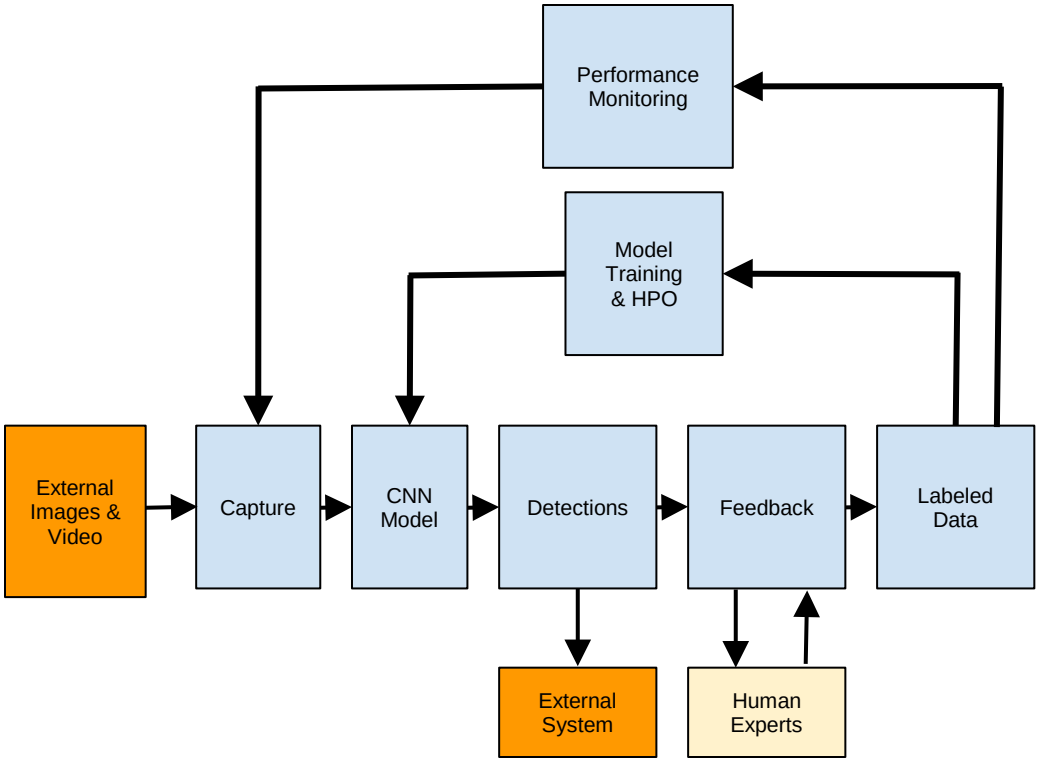


Figure 1 - Cogniac Overview -- The system automatically generates best-in-class deep convolutional neural network (DCN)

External image data or video is input into the system via the capture interface which performs basic indexing of the input data and assigns unique image identifiers which will persist throughout the system. The system supports most common image and video formats such as JPEG, TIFF, PNG, MJPEG, and H.264 and can process images extremely large images (over 10,000 x 10,000 pixels) as well as large videos. The image data is passed to an image processing pipeline which runs the per-tenant, per-application specific DCN classification and detection models. The output of the models produces a set of zero or more detection events, which are a software indication that one of the configurable object classes has been detected in the input image or video stream. These detection events are sent to the customer's external systems subject to configurable filters that control which detection events should be surfaced based on the type and confidence level of the detections.

Detection events are forwarded to a feedback management subsystem which determines the detection events that should be surfaced to the relevant human domain experts for confirmation of the application detections. The rate at which feedback is requested is dependent on the quality of the model. More feedback is required in the early model training

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phases. Over time the rate of requested feedback will naturally decrease as the model accuracy increases. The feedback subsystem also prioritizes feedback requests based on the amount of new information that the prospective feedback item will provide to the system. This serves to minimize disruption to the human experts by avoiding similar or redundant feedback queries. While the feedback can be supplied from any computing system via our public API, Cogniac provides a reference iOS application for iPhone and iPad to enable efficient workflow integration with minimum custom development.

Application prediction, model training, and optimization is an ongoing process, and typically models will be retrained after a certain quantity of new labeled data is created. The key to good application model performance is the selection of the best hyperparameters. Hyperparameters are the dozens or hundreds of variables that define a deep learning model, the associated configuration of the model, and the configuration of all possible image preprocessing options. In traditional workflows, hyperparameter selection has been somewhat of an art form practiced by experienced data scientists. The Cogniac system fully automates this tedious process through an automated hyperparameter optimization (HPO) subsystem that explores values of all relevant model dimensions in order to find the best model configurations and continuously adapts model configurations as dictated by growing dataset sizes.

The final Cogniac component is a performance monitoring subsystem that provides real-time and historic assessment of model performance and accuracy. This is especially important in an online system since the test and validation sets are never ‘done’. In addition to providing users with system performance analytics, the results of this assessment are used to adapt certain internal configuration items such as feedback requirements so that as the accuracy of the system improves the system will automatically request less feedback from the users.

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Demonstration Applications

The Cogniac system is designed to facilitate the easy creation of deep convolutional neural network models via simple user interfaces. There are dedicated operator screens for the common tasks as follows:

- Application Overview

The application overview provides and administrative dashboard for configuring an application and monitoring its performance.

- Application Feedback

The application feedback view provides the primary interface for confirming or correcting application model predictions and generation of new training data

- Subject Ground Truth

The subject ground truth view provides an easy mechanism to review or audit the 'ground truth' data used for application model training.

- Application Detections

The application detection screen provides a real-time view into each individual application output prediction and associated confidence.

- Image Metadata

This view includes all historic metadata for each individual image or video including predictions and any user corrections.

To illustrate these views and demonstrate the applicability of the Cogniac system applications the following screenshot shows the web browser based view of the 'freighthopper' (illegal rider) application overview screen in the Cogniac System. From this view, the application owner can review current model and historical application performance statistics.

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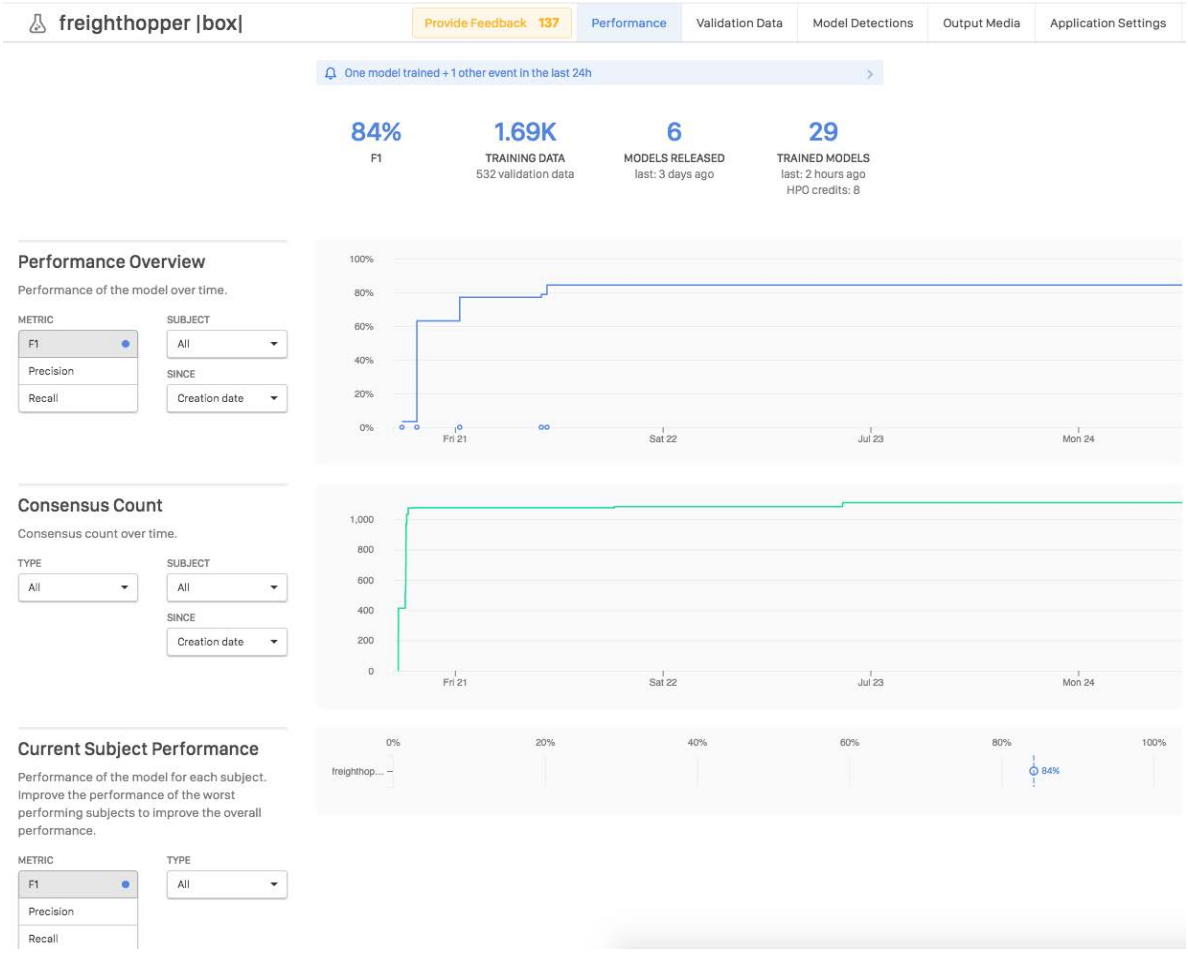


Figure 2 - Application Overview -- (Web). Provides a dashboard view of application statistics and performance over time

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Security and Surveillance Applications

The Cogniac Platform has been utilized in several applications that deal with real time security, perimeter security, and aerial/drone based surveillance. The system is capable of ingesting real time video streams (RTSP/HTTP) and provide detections. Some example applications are:

Border Protection - trail cameras for detecting illegal border crossings

Crowd Control - crowd density detection and crowd counting for key locations

In each of these uses, Cogniac is performing real time analysis on live video and returning detection probabilities to the integrated solutions. We have an on-premise gateway that prevents internet bandwidth bottlenecks and allows for immediate detections with the graphical processing units (GPUs).

Whether it's counting people in an area for crowd control, looking for real perimeter violations vs false alarms, or classifying events (fallen person) we can easily create those applications in a matter of hours. Traditional computer vision systems would take a large team and many man hours to do the same.

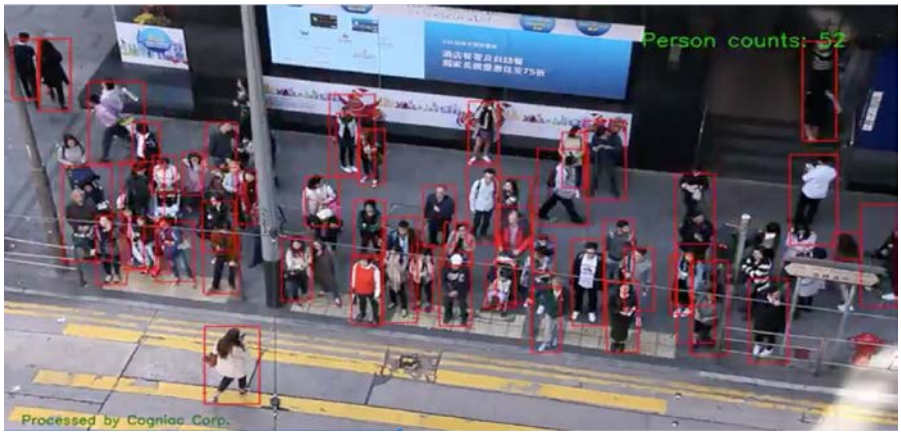


Figure 3 - Crowd Control. The system can count people very quickly to maintain control of a particular area.

Illegal Rider Detection - freight car video surveillance (illegal riders)

The following screenshot from the mobile application shows the feedback interface through

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which a user is able to train the system to detect illegal riders. By confirming or drawing a box around the object of interest (illegal rider seen at the top of the train), the user is training the system in real time.

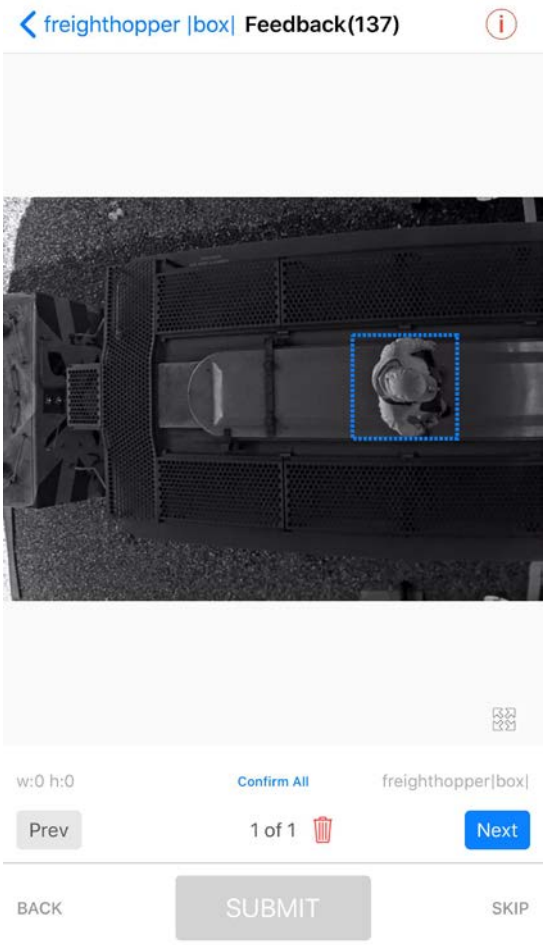


Figure 4 - Application Feedback -- (Mobile). A domain expert can quickly provide confirmation or corrections of Cogniac application predictions.

The following screenshots from the web application interface shows the output of the classification of a number of images. Images shown with high probability close to 100% are likely to contain illegal riders and images shown with low probabilities close to 0% are unlikely to contain illegal riders.

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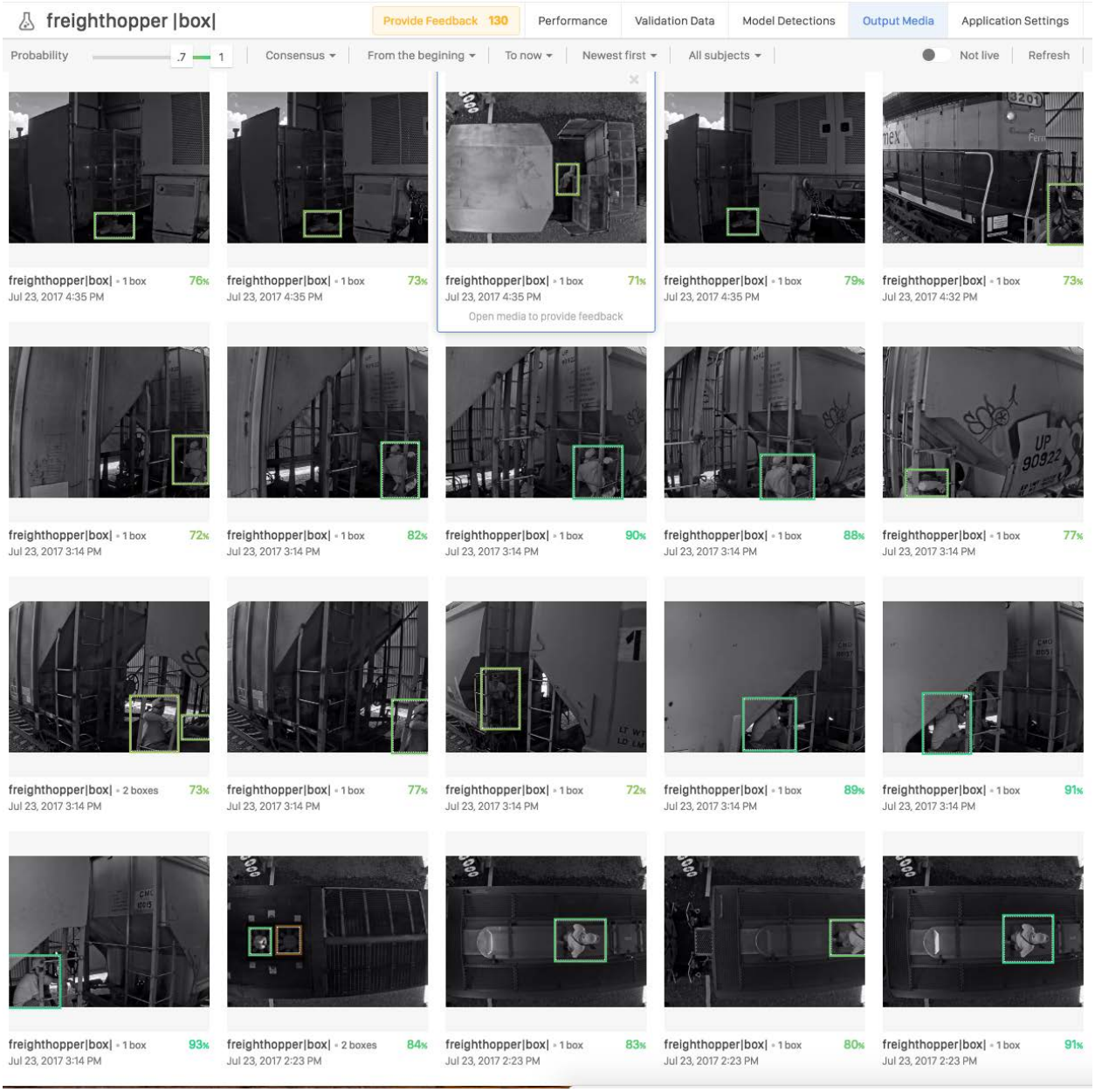


Figure 5 - Application Detections (Web). This view provides a real-time interface to review application predictions and associated confidence levels.

Industrial / Manufacturing Defect Detection

The Cogniac Platform can be used to process imagery from assembly lines or during a manufacturing process to detect the presence of defects or product flaws. Some example

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applications are:

Defect Detection - Identifying defects in products

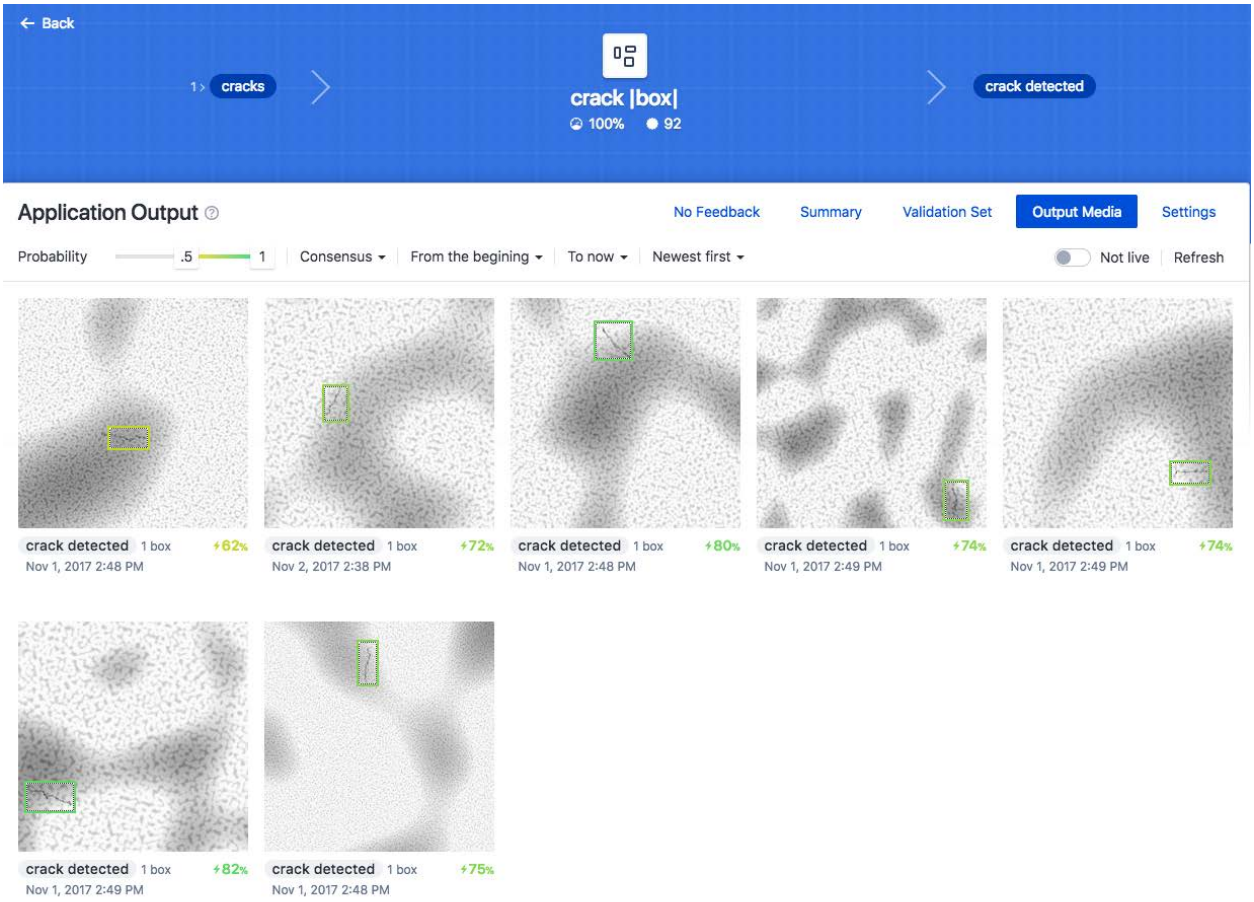


Figure 6 - Application Detections (Web). This view provides a real-time interface to review application predictions and associated confidence levels. Bounding boxes isolate specific areas where the model thinks "defects" are present.

Integrating Cogniac into your solution

The full functionality of the Cogniac system is exposed through a restful API which enables seamless integration into existing systems and workflows. Documentation for the Cogniac public API is available here (https://cogniac.readme.io/docs/).

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Cogniac Advantages

1. Flexible & Adaptable System

The Cogniac system generates customized deep convolutional network models for individual tasks based on example imagery and sparse user annotations or feedback. Once deployed, it can be easily retargeted to perform new tasks using the existing imagery or new tasks on different imagery. If training imagery is available, the time to create new applications using the system is typically from 2 to 10 days. A few hundred images of each category is all that is required to begin training a new application model.

2. Continuous Improvement, with human in the loop to minimize errors

While Cogniac can operate in both fully automatic mode as well as semi-automatic mode, for most real-world tasks the semi-automatic mode is more appropriate. In semi-automatic mode the system continuously monitors the confidence level of every new image or video prediction. Predictions which have a low confidence level are prioritized based on the confidence for review by a human expert user. This accomplishes several important goals:

1. Fully automatic processing of the 'normal' images or otherwise 'easy' images in which the deep convolutional neural network model is highly confident in its prediction

2. Preserving the human expert's attention for reviewing only the most confusing images for the neural network

3. Generating new training data for the neural network based on the results of the review feedback from the human expert user. This is precisely the data that is most valuable to extending the model performance, ensuring continuous improvement
4. Ultimately provides better than human-level accuracy by optimally combining strengths of man and machine to avoid well-understood limits of human attention span on repetitive observation tasks

3. Superior Technical Approach

The Cogniac system is based purely on deep convolutional neural networks, which provide over 100x higher model capacity compared to previous computer vision approaches. This means that the applications models can absorb significantly higher levels of real-world image variance and provide application performance levels in the 90-99% range prior to any human

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corrections.

Unlike other workflows, the Cogniac system does not require manual intervention by data scientists to create each model. The Cogniac hyperparameter optimization system is constantly searching for variants of world-class deep convolutional models, model configuration and image preprocessing to find and train optimal models.

Contact us

Eric Stresen-Reuter
ericsr@cogniac.co
407-920-1152

Please visit our website for additional information and application examples for our solution - www.cogniac.co

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Cochise County Sheriff's Office utilization of Buckeye cameras system and image processing.

Requirements for processing the imagery received from the fielded BuckEye cameras

Problem statement: More than 90% of all images received from the deployed BuckEye camera system is false alerts, resulted from movement of vegetation and wildlife in close proximity from the camera sensors. That results in significant distraction and loss of time for the officers who receive all of these unprocessed images instead of getting only the imagery that can provide actionable intelligence. In the last 12 months the department was looking for a solution that would substantially reduce the cognitive load and wasted time for the department personnel directly involved in operations on the border. In the search process the department was able to solidify the requirements for such system and those were used in the search for technology available on the market.

Requirements

The computer vision system shall be able to collect and process all imagery that is generated by the county wide deployment of the BuckEye cameras and create alerts for the images that may be actionable.

The system shall be able to adapt to the specific environmental conditions and be able to differentiate images of people captured by the Buckeye cameras in daylight and infrared 24/7

To reduce the acquisition risk the system should be at least Technology Readiness Level 8 (TRL-8), i.e. completed and mission qualified through and demonstration and ideally, TRL-9, i.e. proven through successful mission operations in the area of responsibility (Cochise County) or similar conditions and terrain (Santa Cruz, Pima, Pinal, Hidalgo)

Cloud interface is not necessary but highly desirable so that the selected technology provider can support and maintain the system without any additional support from the Sheriff's Office and to avoid additional travel and other expenses, usually associated with the new system acquisition and operatons.

Recommended Sole Source justification.

During the extensive search made by the Department, and in response to the Cochise request, Border Commerce and Security Council suggested to contact Cogniac Corporation that has conducted extensive tests with the Department of Defense, works closely with DHS, and may be suitable to provide the solution. After the Sheriff's Office had contacted Cogniac, they agreed to a 30 day pilot deployment at no cost to the county government. Such cloud-based deployment was done within days and Cogniac demonstrated the ability to train the system recognize threats and filter out false alarms to the level acceptable to the Department. In addition, the Cogniac solution does not require procurement of any additional hardware and software to support the mission, as well as offering us a scalable solution to support up to 300 cameras and increased imagery flow at no additional cost.

Based on the pilot that began on June 28 and successfully completed on July 30, 2018 and meeting the department requirements, we intend to award a firm fixed price sole source purchase order on behalf of the Cochise County Sheriff's office as it is only one source (Cogniac) reasonably available that will satisfy all of the requirements.

STANDARD CONTRACT ADDENDUM

The following terms are added to and form a part of the Software Service Agreement between Cochise County ("County") and Cogniac Corporation ("Contractor"):

1. **NON-DISCRIMINATION:** The parties shall comply with all applicable state and federal statutes and regulations governing Equal Employment Opportunity, Non-Discrimination, and Immigration.

2. **CONFLICT OF INTEREST:** This Contract is subject to cancellation pursuant to the provisions of A.R.S. § 38-511 regarding Conflict of Interest.

3. **INSPECTION AND AUDIT:** The Contractor agrees to keep all books, accounts, reports, files and other records relating to this Contract for five (5) years after completion of this contract. In addition, the Contractor agrees that such books, accounts, reports, files and other records shall be subject to audit pursuant to A.R.S. § 35-214.

4. **ARBITRATION:** The parties agree that any dispute arising under this Contract involving the sum of $50,000 or less in money damages only shall be resolved by arbitration pursuant to A.R.S. § 12-1501 et. seq. The decision of the arbitrator(s) shall be final.

5. **INDEMNIFICATION AND HOLD-HARMLESS CLAUSES:** 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 court-awarded 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. **PUBLIC RECORDS LAWS:** Notwithstanding any confidentiality provisions in this Contract to the contrary, disclosure of any documents or records are subject to the public records provisions of Arizona law, A.R.S. § 39-121 et. seq.

7. **JURISDICTION AND LAW:** Notwithstanding any provision in this Contract to the contrary, the Contract shall be governed by Arizona law and jurisdiction shall be in Arizona courts with venue in Cochise County, Arizona.

8. **BOYCOTT OF ISRAEL**: In accordance with ARS § 35-393.01, Contractor certifies that the Contractor is currently not engaged in, and for the duration of this Agreement agrees not to engage in, a boycott of Israel.

Cogniac Corporation



By: William Kish, CEO

8-1-2018

Date

Cochise County

Peggy Judd, Chair

Date

Action 25.

Regular Board of Supervisors Meeting **County Sheriff**

Meeting Date:	08/14/2018		
High Intensity Drug Trafficking Area (HIDTA) Grant			
Submitted By:	Sean Gijanto, County Sheriff		
Department:	County Sheriff		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	2
NAME of PRESENTER:	Sean Gijanto	**TITLE of PRESENTER:**	Lieutenant
Mandated Function?:	Federal or State Mandate	**Source of Mandate or Basis for Support?:**	ARS 11-441

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve grant agreement HT-18-2827 with the Southwest Border Arizona Region High Intensity Drug Trafficking Area (HIDTA) for the Sheriff's Office to participate in the Southern Arizona Major Investigative Team (SAMIT) in the amount of $92,700 for salaries, partial fringe benefits (ERE), and supplies effective January 1, 2018 through December 31, 2019.

Background:

The Sheriff's Office has a contract (re-occurring) for funding of personnel by the Southwest Border Arizona Region High Intensity Drug Trafficking Area (HIDTA), Southern Arizona Major Investigative Team (SAMIT). This grant is a funding source the Cochise County Sheriff’s Office has applied for, and has been approved to utilize as a source of funding for salaries, partial fringe benefits (ERE), and to purchase supplies for one deputy assigned to work in the HIDTA drug task force. This task force works under the guidance of a local Drug Enforcement Agency (DEA) Office. Their mission is to combat illegal drug use, sales, and smuggling occurring within the communities of Cochise County.

Department's Next Steps (if approved):

If approved, the Sheriff’s Office will continue to assign deputies to the task force and continue to fight the infiltration of illegal drugs into our communities in Cochise County.

Impact of NOT Approving/Alternatives:

If not approved, it will severely impact the Sheriff’s Office’s operations in the "war on drugs". Further, not participating in this task force will reduce CCSO manpower by one deputy. A position that the CCSO would not be able to fund without this grant.

To BOS Staff: Document Disposition/Follow-Up:

Please return contract(s) with a signed copy of the Board of Supervisors approved agenda item or resolution listing the grant agreement.

Budget Information

Information about available funds

Budgeted: ☐	**Funds Available:** ☐	**Amount Available:**
Unbudgeted: ☐	**Funds NOT Available:** ☐	**Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

HIDTA Grant HT-18-2827

CITY OF TUCSON
HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA)
PROGRAM
GRANT AGREEMENT CFDA NUMBER: 95.001

AWARD NUMBER (FAIN): **G18SA0007A** COT Grant Number **HT-18-2827**

This Grant Agreement is made this 1ST day of January 2018 by and between the CITY OF TUCSON hereinafter called "CITY" and **GOVERNING BODY**, through **Cochise County Sheriff's Office** hereinafter called "GRANTEE". The CITY enters into this Agreement pursuant to its authority under the provisions of A.R.S. § 11-951, et seq., and the City of Tucson's Resolution number 21460, having satisfied itself as to the qualification of GRANTEE.

NOW, THEREFORE, it is agreed between the parties as follows:

1. This Agreement will commence on **January 1, 2018** and terminate on **December 31, 2019**. This Agreement expires at the end of the award period unless prior written approval for an extension has been obtained from the CITY. A request for extension must be received by the CITY sixty (60) days prior to the end of the award period. The CITY may approve an extension that further the goals and objectives of the program and shall determine the length of any extension within Office of National Drug Control Policy (ONDCP) guidelines.

2. The GRANTEE agrees that grant funds will be used for the **Southern Arizona Major Investigative Team (SAMIT).**

3. The CITY will monitor the performance of the GRANTEE against goals and performance standards outlined in the grant application. Sub-standard performance as determined by the CITY will constitute non-compliance with this Agreement. The GRANTEE shall operate in a manner consistent with and in compliance with the provisions and stipulations of the approved grant application and this Agreement. If the CITY finds non-compliance, the GRANTEE will receive a written notice that identifies the area of non-compliance, and the appropriate corrective action to be taken. If the GRANTEE does not respond within thirty calendar days to this notice, and does not provide sufficient information concerning the steps that are being taken to correct the problem, the CITY may suspend funding; permanently terminate this Agreement and/or revoke the grant; Any deviation or failure to comply with the purpose and/or conditions of this Agreement without prior written CITY approval may constitute sufficient reason for the CITY to terminate this Agreement; revoke the grant; require the return of all unspent funds, perform an audit of expended funds; and require the return of any previously spent funds which are deemed to have been spent in violation of the purpose or conditions of this grant.

4. This Agreement may be modified only by a written amendment signed by the parties. Any notice given pursuant to this Agreement shall be in writing and shall be considered to have been given when actually received by the following addressee or their agents or employees:

   A. If to the City of Tucson:

ATTN: Minnette Powell
HIDTA/ (Finance)
Tucson Police Department
270 S. Stone Ave.
Tucson, Arizona 85701-1917

B. If to the GRANTEE:

Cochise County Sheriff's Office
205 N. Judd Drive
Bisbee, AZ 85603
Attention: Mark J. Dannels, Sheriff

5. The GRANTEE may make budget adjustments only after written notification with signature approval from Arizona HIDTA Director is provided to the CITY. A grant adjustment notice (GAN) will be issued to the GRANTEE notifying the GRANTEE of the approval. Adjustments or reprogramming of the grantee's budget in an initiative or any reprogramming between initiative and/or agencies; in any amount, require the approval of the Board, the AZ HIDTA Director, and/or the ONDCP in accordance with HIDTA Program Policy and Budget Guidance.

APPROVED LINE ITEM PROGRAM BUDGET	
Personnel:	
Salaries	**$52,000.00**
Fringe Benefits	**$7,800.00**
Overtime	**$20,000.00**
Travel	**$0.00**
Facilities	**$0.00**
Services	**$900.00**
Operating Expenses:	
Supplies	**$12,000.00**
Other	**$0.00**
Equipment	**$0.00**
TOTAL	**$92,700.00**
See Attached Budget Detail Sheet	

6. The GRANTEE understands that financial reports are required for reimbursement of expenditures.

7. Every payment obligation of the CITY under this Agreement 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 Agreement, this Agreement may be terminated by the CITY. No liability shall accrue to the CITY in the event this provision is exercised, and the CITY shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

8. The GRANTEE understands that prior to the expenditure of confidential funds; an authorized official of the GRANTEE shall sign a certification indicating that he or she has read, understands, and agrees to abide by all of the conditions pertaining to confidential fund expenditures as set forth in HIDTA Program Policy and Budget Guidance Para. 6.16.2

9. The GRANTEE certifies that it will comply with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 as codified in 2 CFR Part 3603 and HIDTA Program Policy & Budget Guidance - October 1, 2016.
   Link: Electronic Code of Federal Regulations*:* http://www.ecfr.gov

10. The GRANTEE agrees to account for interest earned on Federal grant funds and shall remit interest earned in excess of the allowable amount as detailed in 2 CFR, Part 200, §200.305 Payment, and all unexpended grant funds to the CITY within 30 days after receipt of a written request from the CITY. The GRANTEE agrees to expend all encumbered funds within 90 days of expiration of this award.

11. The GRANTEE agrees to retain all books, account reports, files and other records, (paper and/or electronic) relating to this Agreement and the performance of this Agreement for no less than five (5) years from the last financial report submitted to the CITY. All such documents shall be subject to inspection and audit at reasonable times.

12. For the purpose of this grant, a capital expenditure is $5,000 or above. If the GRANTEE'S policy defines a capital expenditure as less than $5,000, the GRANTEE will use its own policy.

    The GRANTEE shall maintain a tracking system, in accordance with HIDTA Program Policy & Budget Guidance – October 1, 2016, Section 8, to account for all HIDTA purchased equipment, vehicles, and other items valued at $5000 or more per unit at the time of purchase. GRANTEE is encouraged to include lower cost, high-risk items, electronic devices and software, such as but not limited to digital cameras, palm pilots, and GPS devices in the tracking system.

    The GRANTEE agrees to abide by Section 8, that those using HIDTA funds to purchase equipment must maintain a current inventory of HIDTA-purchased equipment and must provide that inventory to the HIDTA Director or an ONDCP employee, and/or the CITY upon request. A 100-percent physical inventory of HIDTA-purchased equipment must be conducted at least every two years.

13. The GRANTEE agrees to follow equipment disposition policies outlined in Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 Subpart D- Post Federal Award Requirements, §§ 310-316- Property Standards when the equipment is no longer needed for the grant program. When no longer needed for the original program, the equipment may be used in other activities supported by the Office of National Drug Control Policy.

    Link: *Electronic Code of Federal Regulations* http://www.ecfr.gov

    The GRANTEE agrees that the purchasing agency shall comply with ONDCP HIDTA Program Policy & Budget Guidance – Oct 1, 2016 Section 8 in determining the end of the useful life and disposition of HIDTA purchased equipment. Purchasing agencies must retain documentation of the disposition and provide to the HIDTA Director and the CITY.

14. The GRANTEE agrees to keep time and attendance sheets signed by the employee and supervisory official having first hand knowledge of the work performed by the grant funded employees. The GRANTEE agrees to track overtime expenses in accordance with ONDCP HIDTA Program Policy & Budget Guidance – October 1, 2016.

15. The GRANTEE will comply with the audit requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200 Subpart F- Audit Requirements and provide the CITY with the audit report and any findings within 90 days of receipt of such finding. If the report contains no findings, the GRANTEE must provide notification that the audit was completed.

    Link: *Electronic Code of Federal Regulations* http://www.ecfr.gov

16. The GRANTEE agrees that it will submit financial reports and supporting documentation to the CITY through the AZ HIDTA Finance Manager on forms/format provided by the CITY, documenting the activities supported by these grant funds. In the event reports are not received on or before the indicated date(s), funding will be suspended until such time as delinquent report(s) are received. These reports are submitted according to the following schedule:

Report Period Month of:	**Due Date:**	**Report Period Month of:**	**Due Date:**
January 1 - 31	February 25	July 1 – 31	August 25
February 1 - 29	March 25	August 1 - 31	September 25
March 1 – 30	April 25	September 1 – 30	October 25
October 1 - 31	November 25	April 1 - 30	May 25
November 1 - 30	December 25	May 1 - 31	June 25
December 1 - 31	January 25	June 1 - 30	July 25

More frequent reports may be required for GRANTEES who are considered high risk.

17. All goods and services purchased with grant funds must be received by the GRANTEE within 60 days of the expiration of this award.

18. The GRANTEE agrees to check the U.S. General Service Administration (GSA) Excluded Parties Listing Service as required by Executive Order 12549, as defined in 2 CFR 180 et. seq. for individuals, agencies, companies and corporations debarred or suspended from doing business with recipients receiving Federal funds. The GRANTEE agrees not to do business with any individual, agency, company or corporation listed in the Excluded Parties Listing Service.
    Link: *Excluded Parties Listing System* http://sam.gov

19. No funds shall be used to supplant federal, state, county or local funds that would otherwise be made available for such purposes. Supplanting means the deliberate reduction of State or local funds because of the existence of Federal funds.

20. The GRANTEE assigns to the CITY any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services applied by third parties to the GRANTEE in exchange for grant funds provided under this Agreement.

21. The parties agree to use arbitration in the event of disputes in accordance with the provisions of A.R.S. § 12-1501 et seq.

22. The laws of the State of Arizona apply to questions arising under this Agreement and any litigation regarding this Agreement must be maintained in Arizona courts, except as provided in paragraph 25 of this Agreement pertaining to disputes, which are subject to arbitration.

23. The GRANTEE understands that grant funds will not be released until all required reports and reversion of funds from the prior year grant are submitted to the CITY.

24. The GRANTEE (as "Indemnitor") agrees to indemnify, defend and hold harmless the CITY (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. If the GRANTEE is a State agency or entity, this paragraph does not apply.

25. Unless GRANTEE's contractor or subcontractor is a State agency or entity, GRANTEE shall cause its contractor(s) and subcontractors, if any to indemnify defend, save and hold harmless the City of Tucson, any jurisdictions or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees 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 GRANTEE'S contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Worker's 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 negligence or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. Insurance requirements for any contractor used by GRANTEE are incorporated herein by this reference and attached to this Agreement as Exhibit "A".

26. If the GRANTEE is a governmental political subdivision, the GRANTEE will, to the extent possible and practical share criminal justice information with other authorized criminal justice agencies. The process control number (PCN) shall be used in accordance with A.R.S. § 41-1750 when sharing data with other criminal justice agencies as electronic data systems are developed or improved.

27. The GRANTEE agrees to comply with the non-discrimination requirements of the Omnibus Crime Control and Safe Streets Act of 1968, as amended; 42 USC 3789(d); Title VI of the Civil Rights Act of 1964, as amended; Section 504, Rehabilitation Act of 1973, as amended; Subtitle A, Title II of the Americans with Disabilities Act (ADA) (1990); Title IX of the Education Amendments of 1972 and the Department of Justice regulations 28 CFR Part 54; The Age Discrimination Act of 1975; Department of Justice Non-Discrimination Regulations, 28 CFR Part 42, Subparts C, D, E, G and I; Department of Justice regulations on disability discrimination 28 CFR Part 35; all applicable state laws of A.R.S. § 41-1463; and Executive Orders 2009-09 and 2007-21. These laws prohibit discrimination on the basis of race, color, religion, sex and national origin including Limited English Proficiency (LEP) in the delivery of service. In the event that a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing against the GRANTEE, the GRANTEE will forward a copy of the findings to the Office for Civil Rights, Office of Justice Programs and the CITY.

28. The GRANTEE agrees to formulate and keep on file an Equal Employment Opportunity Plan (EEOP) (if grantee is required pursuant to 28 CFR 42.302). The GRANTEE certifies that they have forwarded to the Office for Civil Rights, Office of Justice Programs the EEOP, or certifications that they have prepared and have on file an EEOP, or that they are exempt from EEOP requirements. Failure to comply may result in suspension of the receipt of grant funds. Copies of all submissions such as certifications to or correspondence with the Office for Civil Rights, Office of Justice Programs regarding this requirement must be provided to the CITY by the GRANTEE.

29. The GRANTEE certifies to comply with the Drug-Free Workplace Act of 1988, and implemented in 2 CFR Part 182.

30. The GRANTEE agrees to complete and keep on file, as appropriate, Immigration and Naturalization Form (I-9). This form is to be used by recipients to verify that persons are eligible to work in the United States. Additionally the GRANTEE ensures compliance with Executive Order 2005-30 federal immigration laws by state employers and contractors.

31. The GRANTEE agrees to notify the Arizona HIDTA Director and provide written notification to the CITY within ten (10) days in the event that the project official is replaced during the award period.

32. No rights or interest in this Agreement shall be assigned by GRANTEE without prior written approval of the CITY.

33. The GRANTEE agrees that no funds provided, or personnel employed under this Agreement shall be in any way or to any extent engaged in conduct of political activities in violation of U.S.C. Title 5, Part II, Chapter 15, Section 1502.

34. The GRANTEE certifies that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement.

35. The Grantee certifies that no federal funds will be paid, by or on behalf of, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and for the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement. If any funds other than Federal funds are paid or will be paid to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal award, grant loan, or cooperative agreement, the GRANTEE will complete and submit to the CITY Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions

36. This Agreement is subject to cancellation pursuant to the provision of A.R.S. § 38-511.

37. This Agreement may be cancelled at the CITY's discretion if not returned with authorized signatures to the CITY within 90 days of commencement of the award.

38. If any provision of this Agreement is held invalid the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall be in full force and effect.

39. Pursuant to resolution number 21460, adopted by Mayor and Council December 15, 2009, the Tucson Police Chief is authorized to enter into contracts and grant agreements for HIDTA operations.

40. In accordance with A.R.S. §41-4401, GRANTEE warrants compliance with E-Verify and all federal immigration laws and regulations relating to employees and warrants compliance with A.R.S. § 23-214A.

IN WITNESS WHEREOF, the parties have made and executed the Agreement the day and year first above written.

FOR GRANTEE:

Signature Date

Printed Name and Title

Note: If applicable, the Agreement must be approved by the appropriate county supervisory board or municipal council and appropriate local counsel (i.e. county or city attorney). Furthermore, if applicable, resolutions and meeting minutes must be forwarded to the CITY with the signed Agreement.

Approved as to form and authority to enter into Agreement:

Legal counsel for GRANTEE 6/20/18 Date

Printed Name and Title

INDICATE STATUTORY OR OTHER LEGAL AUTHORITY TO ENTER AGREEMENT BELOW:

Appropriate A.R.S., ordinance, or charter reference

FOR CITY OF TUCSON:

Chris Magnus, Chief of Police
City of Tucson Police Department Date

Principal Assistant City Attorney
City of Tucson Police Department
Approved as to form Date

CITY OF TUCSON
GRANT AGREEMENT

Insurance Requirements
Exhibit "A"

***Insurance Requirements* for Governmental Parties to a Grant Agreement:**

None.

***Insurance Requirements* for Any Contractors Used by a Party to the Grant Agreement:**

(Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.) The *insurance requirements* herein are minimum requirements and in no way limit the indemnity covenants contained in the Intergovernmental Agreement. The City of Tucson in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors, and Contractor and the governmental entity are 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.

• 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 City of Tucson, 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".***

   (Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

   b. Policy shall contain a waiver of subrogation against the City of Tucson, 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. **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 City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured 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".***

      (Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

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 City of Tucson, 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.

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

1. The City of Tucson, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees *and the other governmental entity* shall be additional insureds to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by the Contract.
2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
3. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of its Contract with the other governmental entity(ies) party to the Grant Agreement.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given the City of Tucson. Such notice shall be sent directly to the GRANTEE 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 City of Tucson 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 GRANTEE 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 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 the GRANTEE. The City of Tucson's project/contract number and project description are to be noted on the certificate of insurance. The City of Tucson 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 CITY OF TUCSON'S RISK MANAGEMENT SECTION.**

F. **SUBCONTRACTORS:** Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the county or local government agency responsible separate certificates for each subcontractor. All coverage's for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the *insurance requirements* must have prior approval from the City of Tucson, Risk Management Section, whose decision shall be final. 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 City of Tucson agency, board, commission, or university then none of the above shall apply.

CITY OF TUCSON
HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA)
GRANT AGREEMENT

Confidential Funds Certification
Exhibit "B"

CONFIDENTIAL FUNDS CERTIFICATION

1) This is to certify that I have read, understand, and agree to abide by all of the conditions for confidential funds as set forth in the effective edition of the Office of National Drug Control Policy Financial and Administrative Guide.

2) My agency **is/is not** authorized to disburse confidential funds.

Grant Number: **HT18-2827**

Date: 07/02/18 Signature: _____
Authorized Official

PROCEDURES
Each project agency authorized to disburse confidential funds must develop and follow internal procedures, which incorporate the following elements:

Deviations from these elements must receive prior approval of the ONDCP.

1. Imprest Fund. The funds authorized will be established in an imprest fund, which is controlled by a bonded cashier.

2. Advance of Funds: The supervisor of the unit to which the imprest funds is assigned must authorize all advances of funds for the P/I. Such authorization must specify the information to be received, the amount of expenditures, and assumed name of the informant.

3. Informant Files: Informant files are confidential files of the true names, assumed names, and signature of all informants to whom payments of confidential expenditures have been made. To the extent possible, pictures and/or fingerprints of the informant payee should also be maintained. Refer to Informant Files "Documentation" (2) for a list of required documents for the informant files.

4. Cash Receipts.
   a. The cashier shall receive from the agent or officer authorized to make a confidential payment, receipt for cash advanced to him/her for such purposes.

b. The agent or officer shall receive from the informant payee a receipt for cash paid to him/her.

5. Receipts for Purchase of Information. An Informant Payee Receipt shall identify the exact amount paid to and received by the informant payee on the date executed. Cumulative or anticipatory receipts are not permitted. Once the receipt has been completed no alteration is allowed. The agent shall prepare an Informant Payee Receipt containing the following information:

a. The jurisdiction initiating the payment.
b. A description of the information/evidence received.
c. The amount of payment, both in numeral and word form.
d. The date on which the payment was made.
e. The signature of the informant payee.
f. The signature of the case agent or officer making payment.
g. The signature of at least one other officer witnessing the payment.
h. The signature of the first-line supervisor authorizing and certifying the payment.

6. Review and Certification. The signed Informant Payee Receipt with a memorandum detailing the information received shall be forwarded to the agent or officer in charge. The agent or officer in charge shall compare the signatures. He/she shall also evaluate the information received in relation to the expense incurred, and add his/her evaluation remarks to the report of the agent or officer who made the expenditure from the imprest funds. The certification will be witnessed by the agent or officer in charge on the basis of the report and Informant Payee's Receipt.

7. Reporting of Funds. Each project shall prepare a reconciliation report on the imprest funds on a quarterly basis. Information to be included in the reconciliation report will be the assumed name of the informant payee, the amount received, the nature of the information given, and to what extent this information contributed to the investigation. Recipients/subrecipients shall retain the reconciliation report in their files and shall be available for review unless the State agency requests that the report be submitted to them on a quarterly basis.

8. Record and Audit Provisions. Each project and member agency must maintain specific records of each confidential fund transaction. At a minimum, these records must consist of all documentation concerning the request for funds, processing (to include the review and approve/disapprove), modifications, closure or impact material, and receipts and/or other documentation necessary to justify and track all expenditures. Refer to Informant Files Documentation (2) for a list of documents, which should be in an informant's file. In projects where funds are used for confidential expenditures, it will be understood that all of the above records, except the true name of the informant, are subject to the record and audit provision of grantor agency legislation.

INFORMANT FILES

1. Security. A separate file should be established for each informant for accounting purposes. Informant files should be kept in a separate and secure storage facility, segregated from any other files, and under the exclusive control of the supervisor or an employee designated by him/her. The facility should be locked at all times when unattended. Access to these files should be limited to those employees who have a necessary legitimate need. An informant file should not leave the immediate area except for review by a management official or the handling agent, and should be returned prior to the close of business hours. Sign-out logs should be kept indicating the date, informant number, time in and out, and the signature of the person reviewing the file.

2. Documentation. Each file should include the following information:

a. Informant Payment Record - kept on top of the file. This record provides a summary of informant payments.
b. Informant Establishment Record - including complete identifying and location data, plus any other documents connected with the informant's establishment.
c. Current photograph and fingerprint card (or FBI/State Criminal Identification Number).
d. Agreement with cooperating individual.
e. Receipt for P/I.
f. Copies of all debriefing reports (except for the Headquarters case file).
g. Copies of case initiation reports bearing on the utilization of the informant (except for the Headquarters case file).
h. Copies of statements signed by the informant (unsigned copies will be placed in appropriate investigative files).
i. Any administrative correspondence pertaining to the informant, including documentation of any representations made on his behalf or any other nonmonetary considerations furnished.
j. Any deactivation report or declaration of any unsatisfactory informant.

INFORMANT MANAGEMENT AND UTILIZATION

All persons who will be utilized as informants should be established as such. The specific procedures required in establishing a person as an informant may vary from jurisdiction to jurisdiction but, at a minimum, should include the following:

1. Assignment of an informant code name to protect the informant's identity.

2. An informant code book controlled by the supervisor or his/her designee containing:
   a. Informant's code number.
   b. Type of information (i.e. informant, defendant/informant, restricted use/informant).
   c. Informant's true name.
   d. Name of establishing law enforcement officer.
   e. Date the establishment is approved.
   f. Date of deactivation.

3. Establish each informant file in accordance with Informant File Documentation (2).

4. For each informant in an active status, the agent should review the informant file on a quarterly basis to assure it contains all relevant and current information. Where a MATERIAL face that was earlier reported on the Establishment Record is no longer correct (e.g. a change in criminal status, means of locating him/her, etc.), a supplemental establishing report should be submitted with the correct entry.

5. All informants being established should be checked in all available criminal indices. If verified FBI number is available, request a copy of the criminal records from the FBI. Where a verified FBI number is not available, the informant should be fingerprinted with a copy sent to the FBI and appropriate State authorities for analysis. The informant may be utilized on a provisional basis while awaiting a response from the FBI.

PAYMENTS TO INFORMANTS

1. Any person who is to receive payments charged against PE/PI funds should be established as an informant. This includes a person who may otherwise be categorized as sources of information or informants under the control of another agency. The amount of payment should be commensurate with the value of services and/or information provided and should be based on the following factors:

   a. The level of the targeted individual, organization or operation.
   b. The amount of the actual or potential seizure.
   c. The significance of the contribution made by the informant to the desired objectives.

2. There are various circumstances in which payments to informants may be made.

   a. Payments for Information and/or Active Participation. When an informant assists in developing an investigation, either through supplying information or actively participating in it, he/she may be paid for his/her service either in a lump sum or in staggered payments. Payments for information leading to a seizure, with no defendants, should be held to a minimum.

b. Payment for Informant Protection. When an informant needs protection, law enforcement agencies may absorb the expenses of relocation. These expenses may include travel for the informant and his/her immediate family, movement and/or storage of household goods, and living expense at the new location for a specific period of time (not to exceed 6 months). Payments should not exceed the amounts authorized by law enforcement employees for these activities.

c. Payments to Informants of Another Agency. To use or pay another agency's informant, he/she should be established as an informant. These payments should not be a duplication of a payment from another agency; however, sharing a payment is acceptable.

3. Documentation of payments to informants is critical and should be accomplished on a Informant Payee Receipt. Payment should be made and witnessed by two law enforcement officers and authorized payment amounts should be established and reviewed by at least the first line supervisory level. In unusual circumstances, a non-officer employee or an officer of another law enforcement agency may serve as witness. In all instances, the original signed receipt must be submitted to the project director for review and record keeping.

ACCOUNTING AND CONTROL PROCEDURES

Special accounting and control procedures should govern the use and handling of confidential expenditures, as described below:

1. It is important that expenditures which conceptually should be charged to PE/PI/PS are so charged. It is only in this manner that these funds may be properly managed at all levels, and accurate forecasts of projected needs be made.

2. Each law enforcement entity should apportion its PE/PI/PS allowance throughout its jurisdiction and delegate authority to approve PE/PI/PS expenditures to those offices, as it deems appropriate.

3. Headquarters management should establish guidelines authorizing offices to spend up to a predetermined limit of their total allowance on any buy or investigation.

4. In exercising his/her authority to approve these expenditures, the supervisor should consider:
   a. The significance of the investigation.
   b. The need for this expenditure to further the investigation.
   c. Anticipated expenditures in other investigations.

Funds for PE/PI/PS expenditures should be advanced to the officer for a specific purpose. If they are not expended for that purpose, they should be returned to the cashier. They should not be used for another purpose without first returning them and repeating the authorization and advance process based on the new purpose.

5. Funds for PE/PI/PS expenditure should be advanced to the officer on suitable receipt form. Informant Payee Receipt or a voucher for P/E should be completed to document funds used in the purchase of evidence or funds paid or advanced to an informant.

6. For security purposes there should be a 48-hour limit on the amount of time funds advanced for PE/PI/PS expenditure may be held outstanding. If it becomes apparent at any point within the 48-hour period that the expenditure will not materialize, the funds should be returned to the cashier as soon as possible. An extension of the 48-hour limit may be granted by the level of management that approved the advance. Factors to consider in granting such an extension are:
   a. The amount of funds involved.
   b. The degree of security under which the funds are being held.
   c. How long an extension is required.
   d. The significance of the expenditure.

   Such extensions should be limited to 48 hours. Beyond this, the funds should be returned and readvanced, if necessary. Regardless of circumstances, within 48 hours of the advance, the cashier should be presented with either the unexpended funds, an executed Informant Payee Receipt or purchase of evidence or written notification by management that an extension has been granted.

7. P/S expenditures, when not endangering the safety of the officer or informant, need to be supported by canceled tickets, receipts, lease agreements, etc. If not available, the supervisor, or his immediate subordinate, must certify that the expenditures were necessary and justify why supporting documents were not obtained.

Action 26.

Regular Board of Supervisors Meeting **Health & Social Services**

Meeting Date: 08/14/2018

Healthy People Healthy Communities

Submitted By: Briggita Hodges, Health & Social Services

Department: Health & Social Services

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Judith Gilligan	**TITLE of PRESENTER:**	Prevention Director
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve ADHS16-109191 Amendment 5, Healthy People Healthy Communities, between the Arizona Department of Health Services and Cochise Health & Social Services, for the period of 07/01/2018 to 6/30/2019 in the amount of $643,670.

Background:

In order to best implement the goals of the Arizona State Health Improvement Plan (AzHIP), ADHS developed a process to align strategies and improve integration of public health prevention programs. Multiple bureaus within ADHS have collaborated on the development of this Intergovernmental Agreement (IGA) that combines seven programs into one shared IGA. Programs included in this IGA address several health priorities from the AzHIP, including but not limited to, cardiovascular disease, chronic lower respiratory diseases, diabetes, unintentional injury, obesity, teen pregnancy, tobacco and access to well care. This IGA includes opportunities to address cross-cutting strategies, such as enhancing the physical and built environment, school health and worksite wellness.

This amendment provides for the following:

- a revised Scope of Work
- new evidence-based strategies for HAPI & Chronic Disease; and
- a new price sheet for 07/01/2018 through 06/30/2019.

Department's Next Steps (if approved):

Your approvals are respectfully requested.

Impact of NOT Approving/Alternatives:

Not approving this amendment would result in the termination of all included CHSS contracts that provide for the services described above, to improve the health of Cochise County residents.

To BOS Staff: Document Disposition/Follow-Up:

N/A

Budget Information

Information about available funds

Budgeted: (●) **Funds Available:** ( ) **Amount Available:** 643670.00

Unbudgeted: ( ) **Funds NOT Available:** ( ) **Amendment:** [ ]

Account Code(s) for Available Funds

1:

Fund Transfers

Fiscal Year: 2018/2019

One-time Fixed Costs? ($$$):

Ongoing Costs? ($$$):

County Match Required? ($$$):

A-87 Overhead Amt? (Co. Cost Allocation $$$): 188749

Source of Funding?:

Fiscal Impact & Funding Sources (if known):

Attachments

Executive Summary
Grant Approval Form
IGA

Executive Summary Form

Agenda Number: HLT 4097_____(Integrated IGA)

Recommendation:
Approve ADHS16-109191 Amendment 5, Healthy People Healthy Communities, between the Arizona Department of Health Services and Cochise Health & Social Services, for the period of 07/01/2018 to 6/30/2019 in the amount of $643,670.

Background (Brief):
In order to best implement the goals of the Arizona State Health Improvement Plan (AzHIP), ADHS developed a process to align strategies and improve integration of public health prevention programs. Multiple bureaus within ADHS have collaborated on the development of this Intergovernmental Agreement (IGA) which combines seven programs into one shared IGA. Programs included in this IGA address several health priorities from the AzHIP, including but not limited to: cardiovascular disease, chronic lower respiratory diseases, diabetes, unintentional injury, obesity, teen pregnancy, tobacco, and access to well care. This IGA includes opportunities to address cross-cutting strategies, such as enhancing the physical and built environment, school health, and worksite wellness.

This amendment provides for the following:

- a revised Scope of Work
- new evidence-based strategies for HAPI & Chronic Disease
- a new price sheet for 07/01/2018 through 06/30/2019

Fiscal Impact & Funding Sources:

This is a grant-funded fixed-price program through the Arizona Department of Health Services in the amount of $643,670. The net county subsidy is calculated as follows:

	Tobacco	HAPI / Chronic Disease	Accred	Family Planning	Teen Pregnancy Prevention
Salaries/EREs	$233,525	$63,166	$44,707	$33,623	$114,205
A-87 OH at 46.98%	$109,710	$29,675	$21,003	$15,796	$53,654
Authorized OH @ 10% (where applicable)	$23,353	$6,317	$0	$0	$11,421
Net County Subsidy	$86,358	$23,359	$21,003	$15,796	$42,233
Aggregate Net County Subsidy					$188,749

Next Steps/Action Items/Follow-up: Your approvals are respectfully requested.

Impact of Not Approving:
Not approving this amendment would result in the termination of all included CHSS contracts to provide the services described above to improve the health of Cochise County residents.

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

	INTERGOVERNMENTAL AGREEMENT(IGA) AMENDMENT		**ARIZONA DEPARTMENT OF HEALTH SERVICES** 150 N. 18th Ave Suite 260 Phoenix, Arizona 85007
	Agreement No: **ADHS16-109191**	Amendment No. **5**	Procurement Officer: **Russell Coplen**

Healthy People Healthy Communities

Effective upon signature, it is mutually agreed that the Agreement referenced above is amended as follows:

1. Pursuant to the Terms and Conditions, Provision Six (6), Contract Changes, Section 6.1 Amendments, Purchase Orders and Change Orders:

   1.1 The Scope of Work is revised and replaced by the Scope of Work of this Amendment Five (5).

   1.2 Exhibit C is revised and replaced by the Exhibit C of this Amendment Five (5).

   1.3 The Price Sheet is revised and replaced by the Price Sheet of this Amendment Five (5).

All other terms and conditions will remain in effect.

Cochise County Contractor Name **1415 W. Melody Lane Building A** Address **Bisbee** **AZ** **85603** City State Zip		**CONTRACTOR SIGNATURE** Contractor Authorized Signature Printed Name Title
CONTRACTOR ATTORNEY SIGNATURE Pursuant to A.R.S. § 11-952, the undersigned public agency attorney has determined that this Intergovernmental Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona. Signature Date Printed Name		This Intergovernmental Agreement Amendment shall be effective the date indicated. The Public Agency is hereby cautioned not to commence any billable work or provide any material, service or construction under this IGA until the IGA has been executed by an authorized ADHS signatory. **State of Arizona** Signed this _____ day of _____ 2018 Procurement Officer
Attorney General Contract No. P0012014000078**,** which is an Agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952 by the undersigned Assistant Attorney General, who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona. Signature Date Assistant Attorney General Printed Name:		

SCOPE OF WORK

2. The Agreement Scope of Work is revised as follows:

2.1. Provision Five (5), Evidence Based Strategies is replaced with the following:

5. Evidence Based Strategies

Evidence-Based Strategies are strategies that explicitly link public health or clinical practice recommendation to scientific evidence of the effectiveness and/or other characteristics of such practices. (Reference: Community Guide: http://www.thecommunityguide.org) Evidence based public health practice is the careful, intentional and sensible use of current best scientific evidence in making decisions about the choice and application of public health interventions. (Reference: Community Commons http://www.communitycommons.org /) Counties will select from a menu of evidence-based strategies found in Exhibits A – G specific to each of the following program areas:.

5.1. Exhibit A – Tobacco;

5.2. Exhibit B – DELETED (Included in Exhibit C);

5.3. Exhibit C - Health in Arizona Policy Initiative (HAPI)/Chronic Disease;

5.4. Exhibit D - Public Health Accreditation Preparation;

5.5. Exhibit E - Teen Pregnancy Prevention;

5.6. Exhibit F – DELETED (Included in Exhibit G); and

5.7. Exhibit G - Family Planning/Maternal and Child Health.

2.2. Provision Ten (10), Section 10.7 is replaced with the following:

10.7 Exhibit A-G Strategies for each Program and Program Specific Tasks/Requirements and Deliverables (if any).

10.7.1. Exhibit A– Tobacco;

10.7.2. Exhibit B – DELETED (Included in Exhibit C);

10.7.3. Exhibit C - Health in Arizona Policy Initiative (HAPI)/Chronic Disease;

10.7.4. Exhibit D – Public Health and Health Services Block Grant;

10.7.5. Exhibit E – Teen Pregnancy Prevention;

10.7.6. Exhibit F – DELETED (Included in Exhibit G); and

10.7.7. Exhibit G – Family Planning/Maternal and Child Health.

2.3. Provision Eleven (11), Section 11.1 is replaced with the following:

11.1. Notices, correspondence, reports and invoices/CERs from the contractor to ADHS shall be sent to:

Program Manager
Arizona Department of Health Services
150 N. 18th Avenue, Suite 320
Phoenix, AZ 85007
602-542-8953

EXHIBIT C

Evidence-Based Strategies for Health in Arizona Policy Initiative (HAPI)/Chronic Disease

Counties may select one (1) or more strategies from the Health in Arizona Policy Initiative (HAPI) strategic area, and one (1) or more strategies from the Chronic Disease strategic area.

This Exhibit defines the Program Strategy/s within each Strategic Area:

1. Strategic Area: Health in Arizona Policy Initiative (HAPI)
    1.1. Program Strategy/s:
        1.1.1. Procurement of Healthy Foods:
            1.1.1.1. Establish or improve procurement policies around the nutrition quality of foods served in institutional cafeterias and/or vending machines;
            1.1.1.2. Establish contract and bid writing standards that promote healthy food and beverages;
            1.1.1.3. Establish healthy vending policies within institutions;
            1.1.1.4. Establish nutrition standards for the procurement of foods and beverages offered in the workplace;
            1.1.1.5. Establish menu labeling on all food and beverage items on foods sold in cafeterias and/or vending machines, including highlighting and promoting healthier options aligning with Dietary Guidelines for sodium, fat, and sugar;
            1.1.1.6. Establish food and beverage pricing strategies, pricing healthy foods lower and/or less healthy foods higher; and
            1.1.1.7. Other evidence based related strategy.

        1.1.2. Healthy Community Design:
            1.1.2.1. Establish community design standards to make streets safe for all users, including pedestrians, bicyclists, and users of public transit;
            1.1.2.2. Establish community design protocols through Health Impact Assessments (HIA's) to assess the impact of community design changes on community health and wellbeing;
            1.1.2.3. Increase accessibility, availability, affordability and identification of healthful foods in communities, including provision of full service grocery stores, farmers markets, small store initiatives, mobile vending carts, and/or restaurant initiatives;
            1.1.2.4. Establish sites for community gardens in institutional settings and/or underserved areas; and
            1.1.2.5. Other evidence based related strategy.

        1.1.3. School Health:
            1.1.3.1. Establish or improve countywide nutrition, physical activity, and screen time policies and practices in early care through postsecondary education settings;
            1.1.3.2. Improve the nutrition quality of foods and beverages served in schools;
            1.1.3.3. Improve the quality and amount of physical education and/or physical activity in schools;
            1.1.3.4. Target outreach and enrollment efforts to populations disproportionately uninsured.

1.1.3.5. Support the work of schools to implement School Health Index/School Health Assessment; and

1.1.3.6. Other evidence based related strategy.

1.1.4. Healthy Worksites:

1.1.4.1. Establish or increase opportunities for physical activity in the workplace;

1.1.4.2. Establish or increase incentive programs, such as flextime, rewarding and/or recognizing employee healthy behaviors;

1.1.4.3. Provide or refer employees to disease self-management classes to employees;

1.1.4.4. Increase the number of employers that incorporate nationally recognized preventive health screenings within health plans;

1.1.4.5. Increase the number of employees that utilize preventive health screenings within employer health plans;

1.1.4.6. Establish or increase policies and practices to support breastfeeding in the workplace, especially in agencies providing WIC services;

1.1.4.7. Increase WIC employee participation and utilization of worksite wellness activities such as, but not limited to physical activity, healthy eating, preventive health screenings and stress management; and

1.1.4.8. Other evidence based related strategy.

1.1.5. Clinical Care:

1.1.5.1. Provide policy training and technical assistance to health care institutions, providers, and provider organizations to effectively implement quality measures consistent with Meaningful-Use models;

1.1.5.2. Integrate peer-support/Community Health Worker (CHW) promotora models into the healthcare institutional setting;

1.1.5.3. Link evidence-based community and clinical preventive services such as efforts, which drive disparate populations into healthcare providers who offer preventive care consistent with the U.S. Preventive Services Taskforce (USPSTF) A & B Recommendations: http://www.uspreventiveservicestaskforce.org. (e.g., community-based promotoras working collaboratively with patient navigators within community health centers);

1.1.5.4. Integrate or implement patient-centered medical home (PCMH) model of primary care;

1.1.5.5. Increase the number of health care providers and staff that complete the Culturally and Linguistically Appropriate Services (CLAS) Standards training;

1.1.5.6. Increase the number of health care systems that develop and implement a language access plan;

1.1.5.7. Establish health insurance literacy for consumers to increase enrollment in and utilization of insurance plans; and

1.1.5.8. Other evidence based related strategy.

1.1.6. Children and Youth with Special Health Care Needs:

1.1.6.1. Promote inclusion of focus on children and youth/young adults with special health care needs;

1.1.6.2. Conduct countywide needs assessment for Children/Youth with Special Healthcare Needs;

1.1.6.3. Establish a coalition or advocacy council consisting of 50% family members and young adults and 50% professionals working with children and youth with special health care needs;

1.1.6.4. Ensure family members and young adults who are part of the coalition or advocacy council are involved in policy and program development, implementation, and evaluation at the county level; and

1.1.6.5. Other evidence-based related strategy.

2. Chronic Disease

2.1. Program Strategy/s:

2.1.1. Establish or increase efforts to promote public awareness of Alzheimer's disease and available resources for patients, caregivers, and/or family members and health care providers, ;

2.1.2. Establish or increase efforts to promote public awareness of risk factors and detection of pulmonary disease.

2.1.3. Promote and implement activities and strategies outlined in the Million Hearts Initiative;

2.1.4. Implement or develop referral mechanisms for chronic disease and/or chronic pain self-management programs (including Spanish versions);

2.1.5. Other evidence-based related strategy.

3. HAPI Specific Tasks and Requirements:

3.1. A portion of activities identified in the action plan must include those that will benefit the health of low-income women, infants, and children; and

3.2. The County will coordinate school health activities with any other funding received for school health activities such as the Arizona Nutrition Network.

4. Chronic Disease Specific Tasks and Requirements:

4.1. Adhere to the guidelines and principles set forth in the ADHS-BTCD 2013-2017 Chronic Disease Strategic Plan and the 2014-2015 ADHS –BTCD Chronic Disease Prevention Strategies that pertain to the services and activities identified in the corresponding action plans. The ADHS-BTCD 2012-2017 Chronic Disease Strategic Plan can be found on the ADHS-BTCD website: (http://www.azdhs.gov/phs/chronicdisease/documents/az-chronic-disease-strategic-plan.pdf).

5. Listed below are specific tasks and requirements related to the Menu of Strategy Options for Chronic Disease.

5.1. Alzheimer's/Dementia:

5.1.1. The County will work with the Alzheimer's Association- Desert Southwest Chapter to increase public awareness of Alzheimer's/Dementia including the warning signs of Alzheimer's disease to patients, caregivers and/or family members and health care providers; and

5.1.2. The County will work with the Alzheimer's Association-Desert Southwest Chapter to provide resources to providers and implement a referral process to the Alzheimer's Association from provider's offices.

5.2. Chronic Lower Pulmonary Disease:

5.2.1. The County will work with the America Lung Association/Arizona Chapter to increase public awareness of risk factors and detection of pulmonary disease;

5.2.2. The County will work with the American Lung Association/Arizona Chapter to increase the use of home-based, comprehensive interventions with an environmental focus for children and adolescents for children and adolescents with asthma; and

5.2.3. The County will work with the American Lung Association/Arizona Chapter to increase early intervention and participation in disease management programs.

5.3. Cardiovascular Disease:

5.3.1. The County will work with ADHS/BTCD Office of Chronic Disease to implement and promote the Million Hearts Initiative; and

5.3.2. Increase intervention and participation in disease management programs.

5.4. Chronic Disease Self-Management:

5.4.1. The County will implement the Stanford Chronic Disease Self-Management (CDSME) program model (Include related Spanish version(s);

5.4.2. The County will ensure that staff is trained; and

5.4.3. The County will participate in regional meetings and trainings held by Arizona Living Well Institute and will increase the number of CDSME training/workshop opportunities held in their communities. The County will increase the number of Arizonans statewide who participate in CDSME. They will also increase the number of trained lay leaders and master leaders and will expand public and professional awareness and knowledge about CDSME amongst community organizations, agencies, health systems, behavioral health systems and providers for the purpose of increasing referrals and the number of host organizations.

PRICE SHEET

HEALTHY PEOPLE HEALTHY COMMUNITIES

COCHISE – ADHS16-109191
JULY 1, 2018 - JUNE 30, 2019

ACTION PLAN

ITEM/SERVICE DESCRIPTION	UNIT OF MEASURE	NUMBER OF UNITS	UNIT RATE	TOTAL
Action Plan – All Programs	EA	1	$72,776.00	$72,776.00
TOTAL		**1**	**$72,776.00**	**$72,776.00**

TOBACCO

ITEM/SERVICE DESCRIPTION	UNIT OF MEASURE	NUMBER OF UNITS	UNIT RATE	TOTAL
See SOW for Specific Service Strategies (i.e. Prevention, Cessation, Secondhand Smoke, Enforcement)	QTR	4	$73,121.25	$292,485.00
TOTAL		**4**	**$73,121.25**	**$292,485.00**

HEALTH IN ARIZONA POLICY INITIATIVE

ITEM/SERVICE DESCRIPTION	UNIT OF MEASURE	NUMBER OF UNITS	UNIT RATE	TOTAL
See SOW for Specific Service Strategies (i.e. Alzheimer's, Chronic Pulmonary Disease, Hypertension, Self-Management, Procurement, Healthy Community Design, School Health, Worksite Wellness, Clinical Care, and Special Health Care Needs)	QTR	4	$19,185.75	$76,743.00
TOTAL		**4**	**$19,185.75**	**$76,743.00**

--- --- CONTINUED ON NEXT PAGE --- ---

COCHISE

PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT

ITEM/SERVICE DESCRIPTION	UNIT OF MEASURE	NUMBER OF UNITS	UNIT RATE	TOTAL
See SOW for Specific Service Strategies (i.e. Fees for Accreditation, Quality Improvement Projects, Workforce Development Implementation, Performance Management Documentation, Progress Toward County Health Improvement Plan)	QTR	1	$13,562.00	$13,562.00
TOTAL		**1**	**$13,562.00**	**$13,562.00**

FAMILY PLANNING / MATERNAL and CHILD HEALTH (Title V Block Grant)

ITEM/SERVICE DESCRIPTION	UNIT OF MEASURE	NUMBER OF UNITS	UNIT RATE	TOTAL
See SOW for Specific Service Strategies	QTR	4	$19,743.00	$78,972.00
TOTAL		**4**	**$19,743.00**	**$78,972.00**

TEEN PREGNANCY PREVENTION

ITEM/SERVICE DESCRIPTION	UNIT OF MEASURE	NUMBER OF UNITS	UNIT RATE	TOTAL
See SOW for Specific Service Strategies	QTR	4	$27,283.00	$109,132.00
TOTAL		**4**	**$27,283.00**	**$109,132.00**

TOTAL

ITEM/SERVICE DESCRIPTION				TOTAL
GRAND TOTAL				**$643,670.00**

Action 27.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 08/14/2018

FY19 Drug Treatment & Education Fund Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Drug Treatment & Education Fund funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $86,559.

Background:

The purpose of these treatment/intervention funds are to enhance supervision programs to ensure adult probation departments address criminogenic needs and work toward recidivism reduction.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No funding for Adult Probation treatment programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ☐ **Funds Available:** ☐ **Amount Available:**

Unbudgeted: ☐ **Funds NOT Available:** ☐ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY2019-AOC Funding Agreement
Drug Treatment & Education Fund Addendum
GrantApprovalForm - DTEF

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR THE FOLLOWING (as applicable):

State Aid Enhancement (SAE)
Adult Intensive Probation Supervision (AIPS)
Community Punishment Program (CPP)
Interstate Compact Supervision (ISC)
Drug Treatment and Education Fund (DTEF)
Transferred Youth (TY)
Criminal Justice Enhancement Fund - Sex Offenders (CJEF - SO)
Criminal Justice Enhancement Fund - Substance Abuse (CJEF - SA)
Judicial Collection Enhancement Fund (JCEF)
Global Position System (GPS)
Adult Drug Court (ADC)

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and the **SUPERIOR COURT in COCHISE COUNTY** ("Grantee").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) Grantee's failure to implement or operate the approved plan; (4) Grantee's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to Grantee shall be deposited in separate accounts within a Special Revenue Fund established for the execution of this Agreement. Per A.R.S. §12-267, the receipts and expenditures for each account within the fund must be reported separately. Any interest earned on these monies while in the possession of Grantee shall accrue to the separate accounts for use by Grantee in accordance with its approved plan. Grantee shall ensure that the Board of Supervisors designates a Chief Fiscal Officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds allocated to Grantee for the performance of its approved plan and may authorize direct expenditures for the benefit of Grantee. The specific amounts to be retained by the AOC for direct expenditures for the benefit of Grantee and to be disbursed to the Grantee are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A based on its determination of Grantee's need for and usage of the funds.

b. Reporting Requirements. Grantee shall submit the following to the AOC:

i. Monthly Statistical Reports on Sex Offenders are due on the 15th day of the following month as required by the AOC.

ii. A mid-year financial and program activity report for each program are due on or before January 31, 2019.

iii. A closing financial and program activity report is due on or before August 31, 2019, which includes: (1) an Adult Probation Service Fees Account report in accordance with A.R.S. §12-267 documenting the total amount of annual receipts and expenditures for all probation funding; (2) an interest report which includes the total amount of interest accrued and expended on each fund; (3) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Grantee being placed on Financial Sanctions Status by the AOC.

iv. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for monthly statistical data and performance measures data, maintaining the input of statistical data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

v. To ensure accuracy and validity of monthly statistical information, the Grantee will perform one hand count of offenders placed on adult probation. The hand count shall consist of a manual tabulation of all probation case files in the county, conducted independently from any automated system, reconciled with the statewide case management system, and if applicable, corrections made within 10 business days after corrections request received.

The hand counts shall be conducted on January 31, 2019, with the due date to the AOC on February 15, 2019.

vi. Monthly personnel payroll and expense reports are due to the AOC on the 15th day of the following month.

vii. Each Grantee shall forward to the AOC a copy of the department's

approved county budget plan no later than 14 days after approval.

viii. Annual Performance Measures are due on July 31, 2019.

c. Unexpended Funds. All funds unencumbered as of June 30, 2019, and unexpended as of July 31, 2019, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the Presiding Superior Court Judge.

d. Inappropriate Expenditures. Grantee shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. Grantee agrees to reimburse the AOC for any unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of Grantee shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of Grantee to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds for probation services. The AOC may prepare and implement procedures for allocating and adjusting state funds among courts. Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocations. Failure to comply may result in additional action by the AOC.

h. Allocation and Management of State Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and ERE lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, Grantee shall promptly take steps to ensure that all approved case carrying positions are filled. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

5. BOOKS, RECORDS AND SUBCONTRACTS

a. Financial Records and Examination. Grantee shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by Grantee and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. All contracts executed by the Superior Courts with subcontractors shall contain the following insurance language:

Standard Professional Contract Services

1.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

1.2 Insurance Requirements

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

1.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form
Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

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

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.3.3 Workers' Compensation and Employers' Liability

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

c. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
d. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

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

e. 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, 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.

f. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

1.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

1.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

1.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject

to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Standard Professional Contract Services ($50,000 or under)

2.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

2.2 Insurance Requirements

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

2.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees 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 endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Business Automobile Liability

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

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.4 Professional Liability (Errors and Omissions Liability)

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

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, 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 negligent acts for those positions defined in the Scope of Work of this contract.

2.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

2.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

2.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

2.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

2.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults)

3.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

3.2 Insurance Requirements

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

3.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

3.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

3.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, 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
Damage to Rented Premises	$50,000
Each Occurrence	$1,000,000

g. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

h. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

i. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

j. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.2 Business Automobile Liability

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

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

k. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

l. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3.3.3 Workers’ Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	$1,000,000

Disease – Each Employee	$1,000,000
Disease – Policy Limit	$1,000,000

m. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

n. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

3.3.4 Professional Liability (Errors and Omissions Liability)

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

o. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.” This coverage may be sub-limited to no less than $500,000.

p. 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.

q. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

3.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

3.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

3.4.2 Insurance provided by the Contractor shall not limit the Contractor’s liability assumed under the indemnification provisions of this Contract.

3.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor’s insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative’s Name, Address & Fax Number).

3.6 Acceptability of Insurers

Contractor’s insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

3.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

3.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

3.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

3.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

3.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

3.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

3.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

Professional Service Contracts (Working with Children and/or Vulnerable Adults, Under $50,000)

4.1 Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, 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.

4.2 Insurance Requirements

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

4.2.2 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 arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

4.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

4.3.1 Commercial General Liability (CGL) – Occurrence Form

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

General Aggregate	$1,000,000
Products – Completed Operations Aggregate	$500,000
Personal and Advertising Injury	$500,000
Damage to Rented Premises	$25,000
Each Occurrence	$500,000

a. The policy shall include coverage for Sexual Abuse and Molestation (SAM). This coverage may be sub-limited to no less than $250,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own dedicated limits. If you are unable to obtain SAM coverage under your General Liability because the insurance market will not support it, it should it be included with the Professional Liability.

b. Defense Costs should not erode the policy limits, also known as “defense outside the limits.”

c. Contractor must provide the following statement on their Certificate(s) of Insurance: “Sexual Abuse and Molestation coverage is included” or “Sexual Abuse and Molestation coverage is not excluded.”

d. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

e. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.2 Business Automobile Liability
Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

Combined Single Limit (CSL)	$500,000

a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

4.3.3 Workers' Compensation and Employers' Liability

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

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, 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 each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4.3.4 Professional Liability (Errors and Omissions Liability)

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

a. If SAM coverage is being provided under this policy then Contractor must provide the following statement on their Certificate(s) of Insurance: "Sexual Abuse and Molestation coverage is included" or "Sexual Abuse and Molestation coverage is not excluded." This coverage may be sub-limited to no less than $250,000.
b. 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.
c. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Scope of Work of this contract.

4.4 Additional Insurance Requirements
The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

4.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department,

its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

4.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

4.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

4.6 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have 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.

4.7 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

4.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

4.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

4.7.3 All certificates required by this Contract shall be sent directly to the Department. 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 copies of all insurance policies required by this Contract at any time.

4.8 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

4.9 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

4.10 Exceptions

In the event the Contractor or subcontractor(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 subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

c. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of grant funds, Grantee agrees to maintain and provide to the AOC accurate and timely data and statistics as may be required for purposes of evaluation. Grantee further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

a. Equipment. Equipment purchased with funds received pursuant to this Agreement shall become the property of Grantee, and Grantee shall maintain written inventory and property control policies and procedures covering the equipment. Grantee may use its existing inventory system, but must at a minimum maintain the information required by AOC policies and procedures.

b. Equipment Lease Option. The Grantee shall have the option of participating in an AOC equipment lease agreement that would allow the probation department an opportunity to lease computers, printers and other AOC approved technology equipment through the AOC lease contract which is managed and maintained by the AOC Information Technology Division (ITD). The Adult Probation Services Division (APSD) shall establish the lease agreement with the ITD and act as the leaseholder for the Grantee.

If the Grantee participates in the lease agreement option, the Grantee shall agree to the following requirements: (1) the monies expended by the APSD for the Grantee's lease agreement would be paid by the Grantee on an annual reimbursement schedule to the APSD as established and managed by the AOC; (2) the Grantee shall sign and agree to the terms set forth in the AOC ITD Equipment Installation and Operation Agreement; (3) the Grantee shall sign and agree to the terms set forth in the lease agreement option established by the APSD; (4) the monies used by the Grantee to participate in the lease agreement shall not be paid from any of the following AOC APSD program funds: SAE, AIPS, CPP, ISC, DTEF, CJEF, TY, JCEF, GPS, or Drug Court. The Grantee may use Probation Service Fees (PSF) monies to reimburse the APSD if the Grantee participates in the lease agreement option.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement for three years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the Presiding Superior Court Judge. Grantee is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the

Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTIONS STATUS

In addition to any other remedy available pursuant to this Agreement, Grantee may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement;
g. Failure to ensure that the level of county funding and the same number of case-carrying officers as required by the Legislature is maintained;
h. Failure to adhere to the administrative code governing each state fund for probation services;
i. Failure to adhere to the requirements set forth in the Equipment Lease Option as outlined in this funding agreement in subsection **6., b.**; and
j. Failure to adhere to the requirements set forth in the Electronic Data Sharing Agreement as outlined in the APETS statewide policy.

9. FINANCIAL SANCTIONS ACTIONS

Financial sanctions include, but are not limited to:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;
c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanction status);
f. Recovery of funds or equipment already disbursed; and
g. Not authorizing any new personnel.

If monthly submission of expenses is required, in order to receive reimbursement while on sanctions status, Grantee shall submit a Monthly Reimbursement Request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report. State funds shall not be used for any adverse financial costs or interest charged or incurred due to Grantee's financial sanctions status.

10. OTHER REQUIREMENTS

The Grantee agrees to**:** (1) utilize the required automation tracking system including but not limited to; entering data in accordance with the AOC established minimum use guidelines and the APETS statewide policy, establishing and maintaining a

data quality assurance process, maintaining the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize the required offender assessment tools; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

The Grantee shall ensure that the county maintains the fiscal year 2004 expenditure level for each probation program as required by the Legislature. Reduction from the fiscal year 2004 level may result in future loss of funds or other action by the AOC and/or state legislature.

12. COLLECTIONS

The Grantee shall ensure the collection of monies owed as a condition of probation and shall require that supervising probation officers immediately address any arrearage. The collection of monies shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and Minimum Accounting Standards for Arizona Courts as prescribed in ACJA § 1-401 and adopted by Administrative Order 2010-118. The Grantee is responsible for reporting and tracking financial transaction data.

13. VEHICLE EXPENDITURES

The Grantee shall make every effort to manage its motor pool allocation effectively and to avoid over expenditure. If the Grantee projects an over expenditure of its motor pool allocation at any time, the Grantee shall contact the AOC and develop a plan to bring Grantee into fiscal compliance. The AOC shall adjust motor pool allocations among courts as deemed necessary. The Grantee agrees to reimburse the AOC for any unauthorized or inappropriate vehicle related expenditures.

14. PROBATION SERVICE FEES (PSF)

In accordance with A.R.S. §12-267, each fiscal year the Grantee shall, on or before August 31, submit to the AOC a report detailing deposits and expenditures of monies in the Probation Services Fees Account for the preceding fiscal year.

The Grantee shall also submit to the AOC a plan detailing intended expenditures of monies in the Probation Services Fees Account for the following fiscal year, no later than August 31.

15. STATE AID ENHANCEMENT (SAE)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload at 98%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the Adult Probation Services Division (APSD) of the AOC. The declaration is to state:

(1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

c. Case Load Ratios. In the event the Grantee's standard probation population falls below or exceeds an average of 1 officer for 65 active probationers, excluding those probationers serving a flat time jail sentence, the Grantee must advise the APSD of all vacant state funded positions and must request approval to fill any vacant positions funded under the AOC State Aid Enhancement program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursements to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-201.01.

16. ADULT INTENSIVE PROBATION SUPERVISION (AIPS)

a. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 95%, or higher, of the statutory capacity for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation/surveillance officers and program capacity, and (3) the number of probation/surveillance officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the intensive probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, operating costs and vehicle costs.

c. Caseload Ratios. In the event the Grantee's intensive probation population falls below the statutorily established intensive caseload ratios for active probationers, the Grantee will advise the APSD and must request approval to fill any vacant positions funded under the AIPS program. Grantee must request approval to fill all vacant non-case carrying positions. Failure to cooperate may result in the need to adjust future disbursement to the Grantee to correct inequities.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process and providing reports as requested by the AOC.

a. Adherence to ACJA 6-202.01.

17. COMMUNITY PUNISHMENT PROGRAM (CPP)

Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with CPP funding criteria requirements.

18. CRIMINAL JUSTICE ENHANCEMENT FUND - SEX OFFENDERS (CJEF - SO)

Grantee shall utilize the funds to provide additional treatment services for sex offenders.

19. CRIMINAL JUSTICE ENHANCEMENT FUND- SUBSTANCE ABUSE (CJEF-SA)

Pursuant to A.R.S. § 41-2401 Grantee shall utilize the funds to provide drug treatment services, including urinalysis, to adult probationers.

20. INTERSTATE COMPACT SUPERVISION (ISC)

a. ISC-Funded Officers. If Grantee receives ISC funds for authorized probation officers, all incoming ISC cases shall be supervised by an ISC funded probation officer.

b. Capacity. The Grantee may request new program positions from the AOC when the program has maintained an active caseload of 98%, or higher, of the statutory capacity for standard probation supervision for a minimum of three months. The Grantee shall send a declaration of need to the APSD of the AOC. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of probation officers performing field supervision by funding source. The declaration is to be signed by the Chief Probation Officer or designee. Upon receipt of the declaration, the APSD will audit the probation caseloads of the department to confirm that a need for additional officers exists. Upon verification of the need, and if resources are available, the APSD will proceed to allocate appropriate resources.

c. Collections. The Grantee shall collect funds from ISC probationers supervised in Arizona for deposit into the state's Victim Compensation and Assistance Fund (VCAF), pursuant to A.R.S. § 31-466 (A) (B), and in accordance with Arizona Code of Judicial Administration § 6-204.

d. Other Requirements. The Grantee agrees to utilize the required automation tracking systems including but not limited to; entering ISC data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for reconciling ICOTS data with APETS data, maintaining the input of

ISC data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

1.1 Adherence to A.R.S. 31-467
2.1 Adherence to ICAOS Rules
3.1 Adherence to ACJA 6-204.01

21. DRUG TREATMENT AND EDUCATION FUND (DTEF)

a. Management of Allocation. Grantee agrees to manage the fund allocation in compliance with DTEF fund criteria and requirements for programs and services. Grantee must request approval to fill all vacant non-case carrying positions and these positions must comply with DTEF funding criteria requirements. Failure to cooperate may result in the need to adjust future disbursement to the Grantee.

b. Other Requirements. The Grantee agrees to utilize the required automation tracking system including but not limited to; entering DTEF data in accordance with the AOC established minimum use guidelines, establishing and maintaining a data quality assurance process for DTEF data, maintaining the input of DTEF data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC.

22. TRANSFERRED YOUTH (TY)

a. Management of Allocation. The Grantee shall manage the treatment allocation retained at the AOC on behalf of the Grantee, as well as the portion of TY that is dispersed to the Grantee. If the Grantee projects an over expenditure of its treatment allocation at any time, the Grantee shall submit a report to the AOC detailing how the Grantee will come into fiscal compliance. The Grantee shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

b. Vendor Payment Restrictions. The Grantee shall not utilize any retained TY funds to pay a treatment vendor with whom the AOC does not have a contract for services.

The Grantee shall not utilize any retained TY funds to pay a treatment vendor whose contract is suspended and/or to pay for services provided to youths referred after the AOC has recommended suspending referrals as a result of concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

c. The Grantee shall not utilize any dispersed TY funds to pay a treatment vendor with whom the AOC or the County does not have a contract for services.

The Grantee shall track all TY funds and submit a monthly report to the AOC TY Specialist. The report shall be submitted to the AOC no later than the 17th of each month.

23. JUDICIAL COLLECTION ENHANCEMENT FUND

In accordance with A.R.S. 12-114.01 B, the Grantee agrees to utilize the Judicial Collection Enhancement Fund (JCEF) to supplement monies currently used for the salaries of adult probation and surveillance officers and for the support of programs and services of the superior court adult probation department.

24. GLOBAL POSITION SYSTEM (GPS)

a. Applicability. Administrative Order No. 2006-90 and Administrative Directive No. 2011-41 identified the Judicial Collection Enhancement Fund (JCEF) as the source to subsidize the cost of the GPS monitoring devices for the adult probation departments subject to the availability of funds. The court has determined that the Administrative Office of the Courts (AOC) will charge one hundred percent (100%) of the cost of the GPS monitoring devices to the probation fees account of the fifteen adult probation departments on a quarterly basis. AOC will retain on behalf of the adult probation departments contributing to the JCEF probation surcharge revenues a subsidy of up to fifty percent (50%) of the cost described above.

For this fiscal year, AOC is not receiving general fund appropriation for the GPS program. AOC has identified the JCEF as the source to subsidize the cost of the monitor analysts and operating.

b. Capacity. Each offender sentenced to standard probation under the requirements of A.R.S. § 13-902 (G) shall equate to 3 offenders for determining compliance with caseload limit requirements of A.R.S. § 12-251 (A).

GPS probationers sentenced to standard probation supervision who have been evaluated as high risk, may be assigned to an intensive probation surveillance team for surveillance purposes only, if intensive probation slots are available pursuant to A.R.S.§ 13-916. If an over capacity situation arises affecting the intensive probation supervision team caseload limits, high risk status GPS cases are to be returned to standard supervision status.

GPS probationers sentenced to intensive probation supervision shall be supervised pursuant to A.R.S. § 13-914 and ACJA § 6-202.01.

25. ADULT DRUG COURT

a. This Agreement entered into between the AOC and the Grantee is pursuant to the provisions of A.R.S. § 13-3401, 13-3422 and 13-901.02, which is incorporated herein by reference.

b. Inappropriate Expenditures. Adult Drug Court funds shall not be used to reduce the financial obligation of a federal, state, county, city, or tribal government agency to fund the operations of the Adult Drug Court or other Adult Drug Court related programs.

c. The Grantee shall ensure drug court treatment programs and services are consistent with best practices, the Drug Court Model and the Drug Court 10 Key Components.

d. Drug courts should use standardized assessment instruments that have been validated for use with criminal justice populations.

e. The Grantee shall ensure Drug Court treatment is based on cognitive-behavioral treatment (CBT) and social learning models, which have been shown to significantly reduce recidivism among offenders.

26. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement, both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint venture's, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY
SUPERIOR COURT
(GRANTEE)

By _____
Honorable James L. Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE
OF THE COURTS

By _____
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

DRUG TREATMENT & EDUCATION FUND
COCHISE COUNTY
FY 2019

Addendum date:	**July 1, 2018**
Note: This addendum supersedes all previously dated addendums.	

TOTAL AMOUNT AWARDED: **$86,559**

APPROVED FTE'S	
Personnel - PO/SO	0.00
Personnel - Other	1.65
Total	**1.65**

	BUDGET CATEGORY	APPROVED BUDGET
A.	Personnel - PO/SO	$ -
B.	Personnel - Other	$ 55,862
C.	ERE - PO/SO	$ -
D.	ERE - Other	$ 25,697
E.	Operating	$ 5,000
F.	Contract	$ -
TOTAL AMOUNT TO BE DISBURSED		**$ 86,559**

SCHEDULED DISBURSEMENTS:

July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$19,909	$21,640	$22,505	$22,505

	RETAINED FUNDS	AMOUNT
A.	Vehicle	$ -
B.	Other	$ -
TOTAL AMOUNT TO BE RETAINED		**$ -**

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2018.06.25 15:51:07 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2018.07.25 20:49:56 -07'00'

Chief Probation Officer

N:\ASD\FY2019\DTEF\DTEF-Addenda-FY19

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Action 28.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 08/14/2018

FY19 Juvenile Standard Probation Program Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Juvenile Standard Probation Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $130,258.

Background:

The purpose of the allocations for the standard probation supervision program is to achieve or maintain the average juvenile probation case supervision requirement and to support supervision activities.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No AOC funding for standard adult probation officers and support staff.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ☐ **Funds Available:** ☐ **Amount Available:**

Unbudgeted: ☐ **Funds NOT Available:** ☐ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY19 AOC Funding Agreement
Standard Probation - Addendum
Grant Approval Form - STD

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR:

Juvenile Probation Services Fund (JPSF)
Diversion (Intake and Consequences)
Juvenile Intensive Probation Supervision (JIPS)
Juvenile Standard Probation
Juvenile Drug Court (JDC)*
Family Counseling
Title IV-E*

***If Applicable**

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and **COCHISE COUNTY JUVENILE COURT** ("Department").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) the Department's failure to implement or operate the approved plan; (4) the Department's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to the Department shall be deposited in a Special Revenue Fund established for the execution of this Agreement. Per A.R.S.§ 12-268, each program must be accounted for separately within this fund. Any interest earned on these monies while in the possession of the Department shall accrue to the fund for use by the Department in accordance with its approved plan. The Department shall ensure that the board of supervisors designates a chief fiscal officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds

allocated to the Department for the performance of its approved plan and may authorize direct expenditures for the benefit of the Department. The specific amounts to be retained by the AOC for direct expenditures for the benefit of the Department and to be disbursed to the Department are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A's based on its determination of the Department's need for and usage of the funds and/or funding changes.

b. Reporting Requirements. Department shall submit the following to the AOC:

i. A mid-year financial progress report for JIPS, Standard Probation, JPSF, JDC, Title IV-E, Diversion and Family Counseling due on or before January 31, 2019.

ii. A closing report for the above listed funds is due on or before August 31, 2019 which includes: (1) a juvenile probation fund report in accordance with A.R.S. § 12-268 documenting the total amount of annual receipts and expenditures for all probation funding; (2) a program report; (3) an interest report which includes the total amount of interest accrued and expended on all funds; and (4) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Department being placed on financial sanction status by the AOC. With prior approval from the AOC, modifications may be made to the report format.

iii. Results of the juvenile probation caseload audit. To ensure accuracy and validity of reported monthly statistical information, the Department will perform a minimum of one yearly caseload audit of juveniles placed on juvenile probation, on a date established by the Juvenile Justice Services Division (JJSD). The caseload audit shall consist of a manual tabulation of all probation case files in the county, and a listing of juveniles on probation generated by the Juvenile On-Line Tracking System (JOLTS). A comparison of the two lists will be made on forms provided, and the results forwarded to the JJSD in accordance with the processes outlined by the AOC.

iv. A monthly payroll and expense report is due to the AOC on the 15th day of the following month.

v. A copy of the department's approved county budget or any board resolution affecting salaries of state funded employees no later than 14 days after approval.

c. Unexpended Funds. Funds unencumbered as of June 30, 2019 and un-expended as of July 31, 2019, with the exception of Title IV-E administrative and training reimbursements, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the presiding juvenile court judge.

d. Inappropriate Expenditures. The Department shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. The Department agrees to reimburse the AOC for any

unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of the Department shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of the Department to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds. The AOC may prepare and implement procedures for allocation and adjusting state funds among courts.

h. Allocation and Management of State-Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and employee related expenses (ERE) lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, the Department shall promptly take steps to fill pre-approved positions. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

i. Department must request approval to fill any vacant case carrying and (both county and state funded positions) and any state-funded non-case carrying positions from the Juvenile Justice Services Division. Departments must petition the AOC to fill any vacant positions funded with AOC dollars and may not move non-AOC funded staff into positions funded with AOC dollars without prior approval from the AOC. The Juvenile Justice Services Division shall be informed, in writing, of the number and the funding source for each new staff.

5. BOOKS AND RECORDS

a. Financial Records and Examination. The Department shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by the Department and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons

duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of funds, the Department agrees to maintain and provide to the AOC such data and statistics as may be required for purposes of evaluation. The Department further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

Equipment purchased with funds received pursuant to this Agreement or provided to the Department through direct payment by the AOC, shall become the property of Department, and the Department shall maintain written inventory and property control policies and procedures covering the equipment. The Department may use its existing inventory system but must at a minimum maintain the information required by AOC policies and procedures.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement, and in compliance with applicable administrative orders or codes, for five years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the presiding juvenile court judge. The Department is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTION STATUS

In addition to any other remedy available pursuant to this Agreement, the Department may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement; or
g. Failure to adhere to the administrative code governing each state fund.

9. FINANCIAL SANCTION ACTION

During the period of financial sanction status, the AOC may take any appropriate action including:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;

c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Department shall submit a monthly reimbursement request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Departments financial sanction status);
f. Recovery of funds or equipment already disbursed; or
g. Not authorizing new positions/teams/equipment.

10. OTHER REQUIREMENTS

The Department agrees to**:** (1) utilize the JOLTS/JOLTSAZ including but not limited to; the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize AZYAS tool(s) administered to classify risk of recidivism and identify needs related to delinquent behavior for juveniles referred to the court; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2004 expenditure levels for each probation program. State monies are not intended to supplant county dollars for probation programs. Should a County not provide sufficient funds to meet the 2004 maintenance of effort requirement the AOC will address the issue in the next funding allocation cycle.

12. COLLECTIONS

The Department shall make every effort to enforce the collection of fees, parental assessments and restitution payments due to victims. The collection of monies shall be made in accordance with generally accepted accounting principles and minimum accounting standards for Arizona courts as prescribed in Administrative Order 97-62 or subsequent updates. The Department is responsible for timely entry of financial data into the JOLTS database. Periodic reporting and review of collection data will be required.

13. VEHICLE EXPENDITURES

The Department shall manage the motor pool allocation retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its motor pool allocation at any time, the Department shall contact the AOC and develop a plan to bring the Department into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. Failure to comply may result in additional action by the AOC. The AOC shall adjust motor pool allocations among courts as deemed necessary. Any unauthorized vehicle expenditure(s) will be charged back to the Department.

14. PROBATION SERVICES FUND

In accordance with A.R.S. §12-268, each fiscal year the Department shall, on or before August 31, submit to the AOC a report detailing expenditures of fund monies for the preceding fiscal year.

The Department shall also submit to the AOC a plan, in compliance with existing code detailing intended expenditure of fund monies for the following fiscal year, no later than August 31. Any request for modification of an existing approved plan or for any variation from code guidelines, must be submitted to AOC and approved prior to any expenditures.

15. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to be paid with retained treatment funds for a vendor with whom the AOC does not have a contract for services.

b. Contract Suspension. The Department shall not submit invoices to be paid with retained treatment funds for a vendor whose contract is suspended or for services provided to youth referred after the AOC has recommended suspending referrals as a result of: concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

16. JPSF AND DIVERSION

a. Management of Allocation. The Department shall manage allocations retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

If an over expenditure of funds exists, the AOC may collaborate with the Department to identify subcategories within funds currently allocated to the Department that can be used to cover the over-expenditure from the following:

- Contact Services Disbursed
- Operating
- . Equipment
- Travel
- Personnel
- ERE
- Fees and accumulated interest

Any Budget Modification initiated by the AOC to assist with the coverage of identified over expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

If the over expenditure cannot be resolved from either of the two measures above then the AOC may notify providers not to accept referrals from the Department unless the Department has agreed to pay for the services from county or other funds.

b. Assessment of Treatment Costs. The Department shall comply with ARS §243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS § 263 c. in the assignment and collection of parental payments for family counseling services. The clerk of the court shall acknowledge receipt of the money received to the person paying same. The clerk of the court shall transmit such money to the state treasurer for deposit in the state general fund.

17. TITLE IV-E (If Applicable)

a. Maintenance Reimbursements. Will be held at the AOC and be disbursed at least semi-annually to the Department equal to the amount of reimbursement received by the AOC on behalf of the Department, unless the Department indicates to the AOC a preference to have a portion of those funds retained at the AOC. The Department shall manage the Title IV-E maintenance funds for services and expenses that benefit the provision of services to youth on probation and diversion status.

b. Administrative and Training Reimbursements. Will be disbursed at least semi-annually to the Department in amounts equal to the amount of reimbursement received by AOC on the behalf of the Department.

c. Federal Audit Repayments. Any request for repayment of any Title IV-E Maintenance, Administrative or Training reimbursement as a result of a federal review or action is the responsibility of the Department to remit.

18. FAMILY COUNSELING AND JDC (If Applicable)

a. **Management of Allocation**. The Department shall manage the allocation of these dispersed funds provided by the AOC. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. For the Family Counseling Fund, the Department will monitor expenditures of both the AOC and required County match portions and report this information as outlined in Paragraph 4 (Fund Management) of this document.

If an over expenditure of funds exists, the AOC will collaborate with the Department to identify subcategories (if applicable) within funds currently allocated to the Department that can be used to cover the over-expenditure from the following subcategories:

- Contact Services Disbursed
- Personnel
- ERE

Any budget modification initiated by the AOC to assist with the coverage of identified over-expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department or from county fees and accumulated interest, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

19. DIVERSION

a. Juvenile Hearing Officer. If the Department utilizes juvenile hearing officers to dispose of juvenile offenses pursuant to A.R.S. § 8-323, the Department shall require the juvenile hearing officer to immediately transmit to the Department all copies of citations with the findings. The Department shall approve any diversion program established by a city or town attorney or prosecutor under this section. No funds approved under this Addendum may be used for programs which have not been approved by the Department and/or AOC. The Department is responsible for ensuring full compliance with A.R.S. §8-323 and all other applicable statutes, rules and administrative orders.

Reduction of Funds. AOC reserves the right to reduce funding should the diversion population be determined by the AOC to be insufficient to support the current or projected level of funding or should the county attorney operate a community based alternative program. This reduction may include previously funded positions, operating cost and/or the allocation for program consequences and services. The Department **must request approval** to fill any vacant state-funded positions funded with Diversion funds as described in Paragraph 4 (Fund Management) of this document.

c. Assessment of Diversion Costs. The Department shall comply with A.R.S.§8-243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

20. JIPS

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration shall state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the JIPS population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, contract services, operating costs and vehicle costs.

d. Case Load Ratios. In the event the Department's JIPS probation population falls below the statutory established case load ratios for active probationers,

the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state-funded positions. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

21. STANDARD PROBATION

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload of 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

e. Case Load Ratios. In the event the Department's standard probation population falls below the statutory established case load ratios for active probationers, the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state funded positions as described in Paragraph 4 (Fund Management) of this document. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

22. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement and the Department's approved plan both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By
Honorable, Karl Elledge
Presiding Juvenile Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

JUVENILE STANDARD PROBATION PROGRAM
JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2019

Addendum date: July 1, 2018 — Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: **$130,258**

APPROVED BUDGET	APPROVED FTE'S	AMOUNT	
A. Case-Carrying Personnel	1.00	45%	$39,851
B. ERE			$18,331
C. Non Case-Carrying/Other/Contract Personnel	1.00		$47,997
D. ERE			$22,079
E.			
F.			
G. Travel			
H. Operating			$2,000
I. Equipment			
TOTAL AMOUNT TO BE DISBURSED			**$130,258**

SCHEDULED DISBURSEMENTS:			
July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$31,262	$31,262	$33,867	$33,867

RETAINED FUNDS	AMOUNT
A. Contract Services	$0
B. Direct Payment	$0
C. Vacancy Reserve	$0
D. Other	$0
TOTAL AMOUNT TO BE RETAINED	**$0**

Signed:

Joseph Kelroy — Digitally signed by Joseph Kelroy Date: 2018.06.20 15:10:11 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz — Digitally signed by Patricia G. Munoz Date: 2018.07.03 09:48:37 -07'00'

Director of Juvenile Court Services

AOC Finance Office Receipt:

Fund Manager _____ Date _____

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Action 29.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 08/14/2018

FY19 Diversion Intake Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Diversion Intake funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $306,405.

Background:

The purpose of these treatment/intervention funds are to support the juvenile courts and probation departments to impact the number of repetitive offenders.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No funding for Juvenile Probation treatment programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ◯ **Funds Available:** ◯ **Amount Available:**

Unbudgeted: ◯ **Funds NOT Available:** ◯ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY19 AOC Funding Agreement
Diversion Intake - Addendum
Grant Approval Form - Intake

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR:

Juvenile Probation Services Fund (JPSF)
Diversion (Intake and Consequences)
Juvenile Intensive Probation Supervision (JIPS)
Juvenile Standard Probation
Juvenile Drug Court (JDC)*
Family Counseling
Title IV-E*

***If Applicable**

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and **COCHISE COUNTY JUVENILE COURT** ("Department").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) the Department's failure to implement or operate the approved plan; (4) the Department's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to the Department shall be deposited in a Special Revenue Fund established for the execution of this Agreement. Per A.R.S.§ 12-268, each program must be accounted for separately within this fund. Any interest earned on these monies while in the possession of the Department shall accrue to the fund for use by the Department in accordance with its approved plan. The Department shall ensure that the board of supervisors designates a chief fiscal officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds

allocated to the Department for the performance of its approved plan and may authorize direct expenditures for the benefit of the Department. The specific amounts to be retained by the AOC for direct expenditures for the benefit of the Department and to be disbursed to the Department are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A's based on its determination of the Department's need for and usage of the funds and/or funding changes.

b. Reporting Requirements. Department shall submit the following to the AOC:

i. A mid-year financial progress report for JIPS, Standard Probation, JPSF, JDC, Title IV-E, Diversion and Family Counseling due on or before January 31, 2019.

ii. A closing report for the above listed funds is due on or before August 31, 2019 which includes: (1) a juvenile probation fund report in accordance with A.R.S. § 12-268 documenting the total amount of annual receipts and expenditures for all probation funding; (2) a program report; (3) an interest report which includes the total amount of interest accrued and expended on all funds; and (4) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Department being placed on financial sanction status by the AOC. With prior approval from the AOC, modifications may be made to the report format.

iii. Results of the juvenile probation caseload audit. To ensure accuracy and validity of reported monthly statistical information, the Department will perform a minimum of one yearly caseload audit of juveniles placed on juvenile probation, on a date established by the Juvenile Justice Services Division (JJSD). The caseload audit shall consist of a manual tabulation of all probation case files in the county, and a listing of juveniles on probation generated by the Juvenile On-Line Tracking System (JOLTS). A comparison of the two lists will be made on forms provided, and the results forwarded to the JJSD in accordance with the processes outlined by the AOC.

iv. A monthly payroll and expense report is due to the AOC on the 15th day of the following month.

v. A copy of the department's approved county budget or any board resolution affecting salaries of state funded employees no later than 14 days after approval.

c. Unexpended Funds. Funds unencumbered as of June 30, 2019 and un-expended as of July 31, 2019, with the exception of Title IV-E administrative and training reimbursements, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the presiding juvenile court judge.

d. Inappropriate Expenditures. The Department shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. The Department agrees to reimburse the AOC for any

unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of the Department shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of the Department to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds. The AOC may prepare and implement procedures for allocation and adjusting state funds among courts.

h. Allocation and Management of State-Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and employee related expenses (ERE) lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, the Department shall promptly take steps to fill pre-approved positions. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

i. Department must request approval to fill any vacant case carrying and (both county and state funded positions) and any state-funded non-case carrying positions from the Juvenile Justice Services Division. Departments must petition the AOC to fill any vacant positions funded with AOC dollars and may not move non-AOC funded staff into positions funded with AOC dollars without prior approval from the AOC. The Juvenile Justice Services Division shall be informed, in writing, of the number and the funding source for each new staff.

5. BOOKS AND RECORDS

a. Financial Records and Examination. The Department shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by the Department and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons

duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of funds, the Department agrees to maintain and provide to the AOC such data and statistics as may be required for purposes of evaluation. The Department further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

Equipment purchased with funds received pursuant to this Agreement or provided to the Department through direct payment by the AOC, shall become the property of Department, and the Department shall maintain written inventory and property control policies and procedures covering the equipment. The Department may use its existing inventory system but must at a minimum maintain the information required by AOC policies and procedures.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement, and in compliance with applicable administrative orders or codes, for five years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the presiding juvenile court judge. The Department is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTION STATUS

In addition to any other remedy available pursuant to this Agreement, the Department may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement; or
g. Failure to adhere to the administrative code governing each state fund.

9. FINANCIAL SANCTION ACTION

During the period of financial sanction status, the AOC may take any appropriate action including:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;

c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Department shall submit a monthly reimbursement request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Departments financial sanction status);
f. Recovery of funds or equipment already disbursed; or
g. Not authorizing new positions/teams/equipment.

10. OTHER REQUIREMENTS

The Department agrees to**:** (1) utilize the JOLTS/JOLTSAZ including but not limited to; the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize AZYAS tool(s) administered to classify risk of recidivism and identify needs related to delinquent behavior for juveniles referred to the court; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2004 expenditure levels for each probation program. State monies are not intended to supplant county dollars for probation programs. Should a County not provide sufficient funds to meet the 2004 maintenance of effort requirement the AOC will address the issue in the next funding allocation cycle.

12. COLLECTIONS

The Department shall make every effort to enforce the collection of fees, parental assessments and restitution payments due to victims. The collection of monies shall be made in accordance with generally accepted accounting principles and minimum accounting standards for Arizona courts as prescribed in Administrative Order 97-62 or subsequent updates. The Department is responsible for timely entry of financial data into the JOLTS database. Periodic reporting and review of collection data will be required.

13. VEHICLE EXPENDITURES

The Department shall manage the motor pool allocation retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its motor pool allocation at any time, the Department shall contact the AOC and develop a plan to bring the Department into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. Failure to comply may result in additional action by the AOC. The AOC shall adjust motor pool allocations among courts as deemed necessary. Any unauthorized vehicle expenditure(s) will be charged back to the Department.

14. PROBATION SERVICES FUND

In accordance with A.R.S. §12-268, each fiscal year the Department shall, on or before August 31, submit to the AOC a report detailing expenditures of fund monies for the preceding fiscal year.

The Department shall also submit to the AOC a plan, in compliance with existing code detailing intended expenditure of fund monies for the following fiscal year, no later than August 31. Any request for modification of an existing approved plan or for any variation from code guidelines, must be submitted to AOC and approved prior to any expenditures.

15. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to be paid with retained treatment funds for a vendor with whom the AOC does not have a contract for services.

b. Contract Suspension. The Department shall not submit invoices to be paid with retained treatment funds for a vendor whose contract is suspended or for services provided to youth referred after the AOC has recommended suspending referrals as a result of: concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

16. JPSF AND DIVERSION

a. Management of Allocation. The Department shall manage allocations retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

If an over expenditure of funds exists, the AOC may collaborate with the Department to identify subcategories within funds currently allocated to the Department that can be used to cover the over-expenditure from the following:

- Contact Services Disbursed
- Operating
- . Equipment
- Travel
- Personnel
- ERE
- Fees and accumulated interest

Any Budget Modification initiated by the AOC to assist with the coverage of identified over expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

If the over expenditure cannot be resolved from either of the two measures above then the AOC may notify providers not to accept referrals from the Department unless the Department has agreed to pay for the services from county or other funds.

b. Assessment of Treatment Costs. The Department shall comply with ARS §243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS § 263 c. in the assignment and collection of parental payments for family counseling services. The clerk of the court shall acknowledge receipt of the money received to the person paying same. The clerk of the court shall transmit such money to the state treasurer for deposit in the state general fund.

17. TITLE IV-E (If Applicable)

a. Maintenance Reimbursements. Will be held at the AOC and be disbursed at least semi-annually to the Department equal to the amount of reimbursement received by the AOC on behalf of the Department, unless the Department indicates to the AOC a preference to have a portion of those funds retained at the AOC. The Department shall manage the Title IV-E maintenance funds for services and expenses that benefit the provision of services to youth on probation and diversion status.

b. Administrative and Training Reimbursements. Will be disbursed at least semi-annually to the Department in amounts equal to the amount of reimbursement received by AOC on the behalf of the Department.

c. Federal Audit Repayments. Any request for repayment of any Title IV-E Maintenance, Administrative or Training reimbursement as a result of a federal review or action is the responsibility of the Department to remit.

18. FAMILY COUNSELING AND JDC (If Applicable)

a. **Management of Allocation**. The Department shall manage the allocation of these dispersed funds provided by the AOC. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. For the Family Counseling Fund, the Department will monitor expenditures of both the AOC and required County match portions and report this information as outlined in Paragraph 4 (Fund Management) of this document.

If an over expenditure of funds exists, the AOC will collaborate with the Department to identify subcategories (if applicable) within funds currently allocated to the Department that can be used to cover the over-expenditure from the following subcategories:

- Contact Services Disbursed
- Personnel
- ERE

Any budget modification initiated by the AOC to assist with the coverage of identified over-expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department or from county fees and accumulated interest, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

19. DIVERSION

a. Juvenile Hearing Officer. If the Department utilizes juvenile hearing officers to dispose of juvenile offenses pursuant to A.R.S. § 8-323, the Department shall require the juvenile hearing officer to immediately transmit to the Department all copies of citations with the findings. The Department shall approve any diversion program established by a city or town attorney or prosecutor under this section. No funds approved under this Addendum may be used for programs which have not been approved by the Department and/or AOC. The Department is responsible for ensuring full compliance with A.R.S. §8-323 and all other applicable statutes, rules and administrative orders.

Reduction of Funds. AOC reserves the right to reduce funding should the diversion population be determined by the AOC to be insufficient to support the current or projected level of funding or should the county attorney operate a community based alternative program. This reduction may include previously funded positions, operating cost and/or the allocation for program consequences and services. The Department **must request approval** to fill any vacant state-funded positions funded with Diversion funds as described in Paragraph 4 (Fund Management) of this document.

c. Assessment of Diversion Costs. The Department shall comply with A.R.S.§8-243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

20. JIPS

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration shall state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the JIPS population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, contract services, operating costs and vehicle costs.

d. Case Load Ratios. In the event the Department's JIPS probation population falls below the statutory established case load ratios for active probationers,

the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state-funded positions. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

21. STANDARD PROBATION

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload of 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

e. Case Load Ratios. In the event the Department's standard probation population falls below the statutory established case load ratios for active probationers, the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state funded positions as described in Paragraph 4 (Fund Management) of this document. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

22. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement and the Department's approved plan both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By
Honorable, Karl Elledge
Presiding Juvenile Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

DIVERSION - INTAKE

JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2019

Addendum date: July 1, 2018 — Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: $306,405

APPROVED BUDGET	APPROVED FTE's	AMOUNT
A. Case-Carrying Personnel	0.00	$0
B. ERE		$0
C. Non Case-Carrying/Contract/Other Personnel	4.75	$191,411
D. ERE		$93,994
E. Travel		$0
F. Equipment		$0
G. Operating		$21,000
H Contract Services		$0
I Other		$0
TOTAL AMOUNT TO BE DISBURSED		$306,405

SCHEDULED DISBURSEMENTS:			
July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$73,537	$73,537	$79,666	$79,665

RETAINED FUNDS	AMOUNT
A. Contract Services	0
B. Direct Payment	$0
C. Vacancy Reserve	0
D. Salary Reimbursement	0
TOTAL AMOUNT TO BE RETAINED	$0

Signed:

Joseph Kelroy — Digitally signed by Joseph Kelroy Date: 2018.06.20 15:09:27 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz — Digitally signed by Patricia G. Munoz Date: 2018.07.03 09:46:21 -07'00'

Director of Juvenile Court Services

AOC Finance Office Receipt:

Fund Manager — Date

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Action 30.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 08/14/2018

FY19 Juvenile Intensive Probation Program Funding Agreement

Submitted By:	Rita Shipley, Adult Probation		
Department:	Adult Probation		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Juvenile Intensive Probation Supervision Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $278,980.

Background:

The purpose of the allocations for the intensive probation supervision program is to achieve or maintain the average juvenile probation case supervision requirement and to support supervision activities.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No AOC funding for intensive adult probation/surveillance officers and support staff.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ○ **Funds Available:** ○ **Amount Available:**

Unbudgeted: ○ **Funds NOT Available:** ○ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY19 AOC Funding Agreement
JIPS - Addendum
Grant Approval Form - IPS

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR:

Juvenile Probation Services Fund (JPSF)
Diversion (Intake and Consequences)
Juvenile Intensive Probation Supervision (JIPS)
Juvenile Standard Probation
Juvenile Drug Court (JDC)*
Family Counseling
Title IV-E*

***If Applicable**

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and **COCHISE COUNTY JUVENILE COURT** ("Department").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) the Department's failure to implement or operate the approved plan; (4) the Department's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to the Department shall be deposited in a Special Revenue Fund established for the execution of this Agreement. Per A.R.S.§ 12-268, each program must be accounted for separately within this fund. Any interest earned on these monies while in the possession of the Department shall accrue to the fund for use by the Department in accordance with its approved plan. The Department shall ensure that the board of supervisors designates a chief fiscal officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds

allocated to the Department for the performance of its approved plan and may authorize direct expenditures for the benefit of the Department. The specific amounts to be retained by the AOC for direct expenditures for the benefit of the Department and to be disbursed to the Department are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A's based on its determination of the Department's need for and usage of the funds and/or funding changes.

b. Reporting Requirements. Department shall submit the following to the AOC:

i. A mid-year financial progress report for JIPS, Standard Probation, JPSF, JDC, Title IV-E, Diversion and Family Counseling due on or before January 31, 2019.

ii. A closing report for the above listed funds is due on or before August 31, 2019 which includes: (1) a juvenile probation fund report in accordance with A.R.S. § 12-268 documenting the total amount of annual receipts and expenditures for all probation funding; (2) a program report; (3) an interest report which includes the total amount of interest accrued and expended on all funds; and (4) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Department being placed on financial sanction status by the AOC. With prior approval from the AOC, modifications may be made to the report format.

iii. Results of the juvenile probation caseload audit. To ensure accuracy and validity of reported monthly statistical information, the Department will perform a minimum of one yearly caseload audit of juveniles placed on juvenile probation, on a date established by the Juvenile Justice Services Division (JJSD). The caseload audit shall consist of a manual tabulation of all probation case files in the county, and a listing of juveniles on probation generated by the Juvenile On-Line Tracking System (JOLTS). A comparison of the two lists will be made on forms provided, and the results forwarded to the JJSD in accordance with the processes outlined by the AOC.

iv. A monthly payroll and expense report is due to the AOC on the 15th day of the following month.

v. A copy of the department's approved county budget or any board resolution affecting salaries of state funded employees no later than 14 days after approval.

c. Unexpended Funds. Funds unencumbered as of June 30, 2019 and un-expended as of July 31, 2019, with the exception of Title IV-E administrative and training reimbursements, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the presiding juvenile court judge.

d. Inappropriate Expenditures. The Department shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. The Department agrees to reimburse the AOC for any

unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of the Department shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of the Department to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds. The AOC may prepare and implement procedures for allocation and adjusting state funds among courts.

h. Allocation and Management of State-Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and employee related expenses (ERE) lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, the Department shall promptly take steps to fill pre-approved positions. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

i. Department must request approval to fill any vacant case carrying and (both county and state funded positions) and any state-funded non-case carrying positions from the Juvenile Justice Services Division. Departments must petition the AOC to fill any vacant positions funded with AOC dollars and may not move non-AOC funded staff into positions funded with AOC dollars without prior approval from the AOC. The Juvenile Justice Services Division shall be informed, in writing, of the number and the funding source for each new staff.

5. BOOKS AND RECORDS

a. Financial Records and Examination. The Department shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by the Department and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons

duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of funds, the Department agrees to maintain and provide to the AOC such data and statistics as may be required for purposes of evaluation. The Department further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

Equipment purchased with funds received pursuant to this Agreement or provided to the Department through direct payment by the AOC, shall become the property of Department, and the Department shall maintain written inventory and property control policies and procedures covering the equipment. The Department may use its existing inventory system but must at a minimum maintain the information required by AOC policies and procedures.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement, and in compliance with applicable administrative orders or codes, for five years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the presiding juvenile court judge. The Department is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTION STATUS

In addition to any other remedy available pursuant to this Agreement, the Department may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement; or
g. Failure to adhere to the administrative code governing each state fund.

9. FINANCIAL SANCTION ACTION

During the period of financial sanction status, the AOC may take any appropriate action including:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;

c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Department shall submit a monthly reimbursement request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Departments financial sanction status);
f. Recovery of funds or equipment already disbursed; or
g. Not authorizing new positions/teams/equipment.

10. OTHER REQUIREMENTS

The Department agrees to**:** (1) utilize the JOLTS/JOLTSAZ including but not limited to; the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize AZYAS tool(s) administered to classify risk of recidivism and identify needs related to delinquent behavior for juveniles referred to the court; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2004 expenditure levels for each probation program. State monies are not intended to supplant county dollars for probation programs. Should a County not provide sufficient funds to meet the 2004 maintenance of effort requirement the AOC will address the issue in the next funding allocation cycle.

12. COLLECTIONS

The Department shall make every effort to enforce the collection of fees, parental assessments and restitution payments due to victims. The collection of monies shall be made in accordance with generally accepted accounting principles and minimum accounting standards for Arizona courts as prescribed in Administrative Order 97-62 or subsequent updates. The Department is responsible for timely entry of financial data into the JOLTS database. Periodic reporting and review of collection data will be required.

13. VEHICLE EXPENDITURES

The Department shall manage the motor pool allocation retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its motor pool allocation at any time, the Department shall contact the AOC and develop a plan to bring the Department into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. Failure to comply may result in additional action by the AOC. The AOC shall adjust motor pool allocations among courts as deemed necessary. Any unauthorized vehicle expenditure(s) will be charged back to the Department.

14. PROBATION SERVICES FUND

In accordance with A.R.S. §12-268, each fiscal year the Department shall, on or before August 31, submit to the AOC a report detailing expenditures of fund monies for the preceding fiscal year.

The Department shall also submit to the AOC a plan, in compliance with existing code detailing intended expenditure of fund monies for the following fiscal year, no later than August 31. Any request for modification of an existing approved plan or for any variation from code guidelines, must be submitted to AOC and approved prior to any expenditures.

15. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to be paid with retained treatment funds for a vendor with whom the AOC does not have a contract for services.

b. Contract Suspension. The Department shall not submit invoices to be paid with retained treatment funds for a vendor whose contract is suspended or for services provided to youth referred after the AOC has recommended suspending referrals as a result of: concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

16. JPSF AND DIVERSION

a. Management of Allocation. The Department shall manage allocations retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

If an over expenditure of funds exists, the AOC may collaborate with the Department to identify subcategories within funds currently allocated to the Department that can be used to cover the over-expenditure from the following:

- Contact Services Disbursed
- Operating
- . Equipment
- Travel
- Personnel
- ERE
- Fees and accumulated interest

Any Budget Modification initiated by the AOC to assist with the coverage of identified over expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

If the over expenditure cannot be resolved from either of the two measures above then the AOC may notify providers not to accept referrals from the Department unless the Department has agreed to pay for the services from county or other funds.

b. Assessment of Treatment Costs. The Department shall comply with ARS §243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS § 263 c. in the assignment and collection of parental payments for family counseling services. The clerk of the court shall acknowledge receipt of the money received to the person paying same. The clerk of the court shall transmit such money to the state treasurer for deposit in the state general fund.

17. TITLE IV-E (If Applicable)

a. Maintenance Reimbursements. Will be held at the AOC and be disbursed at least semi-annually to the Department equal to the amount of reimbursement received by the AOC on behalf of the Department, unless the Department indicates to the AOC a preference to have a portion of those funds retained at the AOC. The Department shall manage the Title IV-E maintenance funds for services and expenses that benefit the provision of services to youth on probation and diversion status.

b. Administrative and Training Reimbursements. Will be disbursed at least semi-annually to the Department in amounts equal to the amount of reimbursement received by AOC on the behalf of the Department.

c. Federal Audit Repayments. Any request for repayment of any Title IV-E Maintenance, Administrative or Training reimbursement as a result of a federal review or action is the responsibility of the Department to remit.

18. FAMILY COUNSELING AND JDC (If Applicable)

a. **Management of Allocation**. The Department shall manage the allocation of these dispersed funds provided by the AOC. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. For the Family Counseling Fund, the Department will monitor expenditures of both the AOC and required County match portions and report this information as outlined in Paragraph 4 (Fund Management) of this document.

If an over expenditure of funds exists, the AOC will collaborate with the Department to identify subcategories (if applicable) within funds currently allocated to the Department that can be used to cover the over-expenditure from the following subcategories:

- Contact Services Disbursed
- Personnel
- ERE

Any budget modification initiated by the AOC to assist with the coverage of identified over-expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department or from county fees and accumulated interest, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

19. DIVERSION

a. Juvenile Hearing Officer. If the Department utilizes juvenile hearing officers to dispose of juvenile offenses pursuant to A.R.S. § 8-323, the Department shall require the juvenile hearing officer to immediately transmit to the Department all copies of citations with the findings. The Department shall approve any diversion program established by a city or town attorney or prosecutor under this section. No funds approved under this Addendum may be used for programs which have not been approved by the Department and/or AOC. The Department is responsible for ensuring full compliance with A.R.S. §8-323 and all other applicable statutes, rules and administrative orders.

Reduction of Funds. AOC reserves the right to reduce funding should the diversion population be determined by the AOC to be insufficient to support the current or projected level of funding or should the county attorney operate a community based alternative program. This reduction may include previously funded positions, operating cost and/or the allocation for program consequences and services. The Department **must request approval** to fill any vacant state-funded positions funded with Diversion funds as described in Paragraph 4 (Fund Management) of this document.

c. Assessment of Diversion Costs. The Department shall comply with A.R.S.§8-243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

20. JIPS

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration shall state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the JIPS population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, contract services, operating costs and vehicle costs.

d. Case Load Ratios. In the event the Department's JIPS probation population falls below the statutory established case load ratios for active probationers,

the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state-funded positions. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

21. STANDARD PROBATION

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload of 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

e. Case Load Ratios. In the event the Department's standard probation population falls below the statutory established case load ratios for active probationers, the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state funded positions as described in Paragraph 4 (Fund Management) of this document. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

22. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement and the Department's approved plan both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By
Honorable, Karl Elledge
Presiding Juvenile Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

JUVENILE INTENSIVE PROBATION SUPERVISION PROGRAM
JUVENILE COURT IN COCHISE COUNTY FOR Fiscal Year 2019

Addendum date: July 1,, 2018 — Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: **$278,980**

APPROVED BUDGET	APPROVED FTE's	AMOUNT
A. Case-Carrying Personnel	2.00	$74,266
B. ERE		$34,162
C. Non Case-Carrying/Contract/Other P	2.00	$107,570
D. ERE		$49,482
E. Travel		$0
F. Equipment		$0
G. Operating		$13,500
H. Contract Services		$0
I. Other		$0
TOTAL AMOUNT TO BE DISBURSED		**$278,980**

SCHEDULED DISBURSEMENTS:			
July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$66,955	$66,955	$72,535	$72,535

RETAINED FUNDS		AMOUNT
A. Contract Services		$0
B. Direct Payment		$0
C. Vacancy Reserve		$0
D.		
TOTAL AMOUNT TO BE RETAINED		$0

Signed: Joseph Kelroy — Digitally signed by Joseph Kelroy, Date: 2018.06.20 15:09:48 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed: Patricia G. Munoz — Digitally signed by Patricia G. Munoz, Date: 2018.07.03 09:47:19 -07'00'

Director of Juvenile Court Services

AOC Finance Office Receipt:

Fund Manager _____ Date _____

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Action 31.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date:	08/14/2018		
FY19 Juvenile Probation Services Fund Treatment Funding Agreement			
Submitted By:	Rita Shipley, Adult Probation		
Department:	Adult Probation		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Juvenile Probation Services Fund - Treatment funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $134,953.

Background:

The purpose of these treatment/intervention funds are to support the juvenile courts and probation departments to impact the number of repetitive offenders.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No funding for Juvenile Probation treatment programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ☐	**Funds Available:** ☐	**Amount Available:**
Unbudgeted: ☐	**Funds NOT Available:** ☐	**Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY19 AOC Funding Agreement
JPSF - Addendum
Grant Approval Form - JPSF

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR:

Juvenile Probation Services Fund (JPSF)
Diversion (Intake and Consequences)
Juvenile Intensive Probation Supervision (JIPS)
Juvenile Standard Probation
Juvenile Drug Court (JDC)*
Family Counseling
Title IV-E*

***If Applicable**

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and **COCHISE COUNTY JUVENILE COURT** ("Department").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) the Department's failure to implement or operate the approved plan; (4) the Department's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to the Department shall be deposited in a Special Revenue Fund established for the execution of this Agreement. Per A.R.S.§ 12-268, each program must be accounted for separately within this fund. Any interest earned on these monies while in the possession of the Department shall accrue to the fund for use by the Department in accordance with its approved plan. The Department shall ensure that the board of supervisors designates a chief fiscal officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds

allocated to the Department for the performance of its approved plan and may authorize direct expenditures for the benefit of the Department. The specific amounts to be retained by the AOC for direct expenditures for the benefit of the Department and to be disbursed to the Department are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A's based on its determination of the Department's need for and usage of the funds and/or funding changes.

b. Reporting Requirements. Department shall submit the following to the AOC:

i. A mid-year financial progress report for JIPS, Standard Probation, JPSF, JDC, Title IV-E, Diversion and Family Counseling due on or before January 31, 2019.

ii. A closing report for the above listed funds is due on or before August 31, 2019 which includes: (1) a juvenile probation fund report in accordance with A.R.S. § 12-268 documenting the total amount of annual receipts and expenditures for all probation funding; (2) a program report; (3) an interest report which includes the total amount of interest accrued and expended on all funds; and (4) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Department being placed on financial sanction status by the AOC. With prior approval from the AOC, modifications may be made to the report format.

iii. Results of the juvenile probation caseload audit. To ensure accuracy and validity of reported monthly statistical information, the Department will perform a minimum of one yearly caseload audit of juveniles placed on juvenile probation, on a date established by the Juvenile Justice Services Division (JJSD). The caseload audit shall consist of a manual tabulation of all probation case files in the county, and a listing of juveniles on probation generated by the Juvenile On-Line Tracking System (JOLTS). A comparison of the two lists will be made on forms provided, and the results forwarded to the JJSD in accordance with the processes outlined by the AOC.

iv. A monthly payroll and expense report is due to the AOC on the 15th day of the following month.

v. A copy of the department's approved county budget or any board resolution affecting salaries of state funded employees no later than 14 days after approval.

c. Unexpended Funds. Funds unencumbered as of June 30, 2019 and un-expended as of July 31, 2019, with the exception of Title IV-E administrative and training reimbursements, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the presiding juvenile court judge.

d. Inappropriate Expenditures. The Department shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. The Department agrees to reimburse the AOC for any

unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of the Department shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of the Department to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds. The AOC may prepare and implement procedures for allocation and adjusting state funds among courts.

h. Allocation and Management of State-Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and employee related expenses (ERE) lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, the Department shall promptly take steps to fill pre-approved positions. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

i. Department must request approval to fill any vacant case carrying and (both county and state funded positions) and any state-funded non-case carrying positions from the Juvenile Justice Services Division. Departments must petition the AOC to fill any vacant positions funded with AOC dollars and may not move non-AOC funded staff into positions funded with AOC dollars without prior approval from the AOC. The Juvenile Justice Services Division shall be informed, in writing, of the number and the funding source for each new staff.

5. BOOKS AND RECORDS

a. Financial Records and Examination. The Department shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by the Department and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons

duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of funds, the Department agrees to maintain and provide to the AOC such data and statistics as may be required for purposes of evaluation. The Department further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

Equipment purchased with funds received pursuant to this Agreement or provided to the Department through direct payment by the AOC, shall become the property of Department, and the Department shall maintain written inventory and property control policies and procedures covering the equipment. The Department may use its existing inventory system but must at a minimum maintain the information required by AOC policies and procedures.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement, and in compliance with applicable administrative orders or codes, for five years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the presiding juvenile court judge. The Department is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTION STATUS

In addition to any other remedy available pursuant to this Agreement, the Department may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement; or
g. Failure to adhere to the administrative code governing each state fund.

9. FINANCIAL SANCTION ACTION

During the period of financial sanction status, the AOC may take any appropriate action including:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;

c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Department shall submit a monthly reimbursement request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Departments financial sanction status);
f. Recovery of funds or equipment already disbursed; or
g. Not authorizing new positions/teams/equipment.

10. OTHER REQUIREMENTS

The Department agrees to**:** (1) utilize the JOLTS/JOLTSAZ including but not limited to; the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize AZYAS tool(s) administered to classify risk of recidivism and identify needs related to delinquent behavior for juveniles referred to the court; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2004 expenditure levels for each probation program. State monies are not intended to supplant county dollars for probation programs. Should a County not provide sufficient funds to meet the 2004 maintenance of effort requirement the AOC will address the issue in the next funding allocation cycle.

12. COLLECTIONS

The Department shall make every effort to enforce the collection of fees, parental assessments and restitution payments due to victims. The collection of monies shall be made in accordance with generally accepted accounting principles and minimum accounting standards for Arizona courts as prescribed in Administrative Order 97-62 or subsequent updates. The Department is responsible for timely entry of financial data into the JOLTS database. Periodic reporting and review of collection data will be required.

13. VEHICLE EXPENDITURES

The Department shall manage the motor pool allocation retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its motor pool allocation at any time, the Department shall contact the AOC and develop a plan to bring the Department into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. Failure to comply may result in additional action by the AOC. The AOC shall adjust motor pool allocations among courts as deemed necessary. Any unauthorized vehicle expenditure(s) will be charged back to the Department.

14. PROBATION SERVICES FUND

In accordance with A.R.S. §12-268, each fiscal year the Department shall, on or before August 31, submit to the AOC a report detailing expenditures of fund monies for the preceding fiscal year.

The Department shall also submit to the AOC a plan, in compliance with existing code detailing intended expenditure of fund monies for the following fiscal year, no later than August 31. Any request for modification of an existing approved plan or for any variation from code guidelines, must be submitted to AOC and approved prior to any expenditures.

15. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to be paid with retained treatment funds for a vendor with whom the AOC does not have a contract for services.

b. Contract Suspension. The Department shall not submit invoices to be paid with retained treatment funds for a vendor whose contract is suspended or for services provided to youth referred after the AOC has recommended suspending referrals as a result of: concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

16. JPSF AND DIVERSION

a. Management of Allocation. The Department shall manage allocations retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

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- Operating
- . Equipment
- Travel
- Personnel
- ERE
- Fees and accumulated interest

Any Budget Modification initiated by the AOC to assist with the coverage of identified over expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

If the over expenditure cannot be resolved from either of the two measures above then the AOC may notify providers not to accept referrals from the Department unless the Department has agreed to pay for the services from county or other funds.

b. Assessment of Treatment Costs. The Department shall comply with ARS §243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS § 263 c. in the assignment and collection of parental payments for family counseling services. The clerk of the court shall acknowledge receipt of the money received to the person paying same. The clerk of the court shall transmit such money to the state treasurer for deposit in the state general fund.

17. TITLE IV-E (If Applicable)

a. Maintenance Reimbursements. Will be held at the AOC and be disbursed at least semi-annually to the Department equal to the amount of reimbursement received by the AOC on behalf of the Department, unless the Department indicates to the AOC a preference to have a portion of those funds retained at the AOC. The Department shall manage the Title IV-E maintenance funds for services and expenses that benefit the provision of services to youth on probation and diversion status.

b. Administrative and Training Reimbursements. Will be disbursed at least semi-annually to the Department in amounts equal to the amount of reimbursement received by AOC on the behalf of the Department.

c. Federal Audit Repayments. Any request for repayment of any Title IV-E Maintenance, Administrative or Training reimbursement as a result of a federal review or action is the responsibility of the Department to remit.

18. FAMILY COUNSELING AND JDC (If Applicable)

a. **Management of Allocation**. The Department shall manage the allocation of these dispersed funds provided by the AOC. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. For the Family Counseling Fund, the Department will monitor expenditures of both the AOC and required County match portions and report this information as outlined in Paragraph 4 (Fund Management) of this document.

If an over expenditure of funds exists, the AOC will collaborate with the Department to identify subcategories (if applicable) within funds currently allocated to the Department that can be used to cover the over-expenditure from the following subcategories:

- Contact Services Disbursed
- Personnel
- ERE

Any budget modification initiated by the AOC to assist with the coverage of identified over-expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department or from county fees and accumulated interest, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

19. DIVERSION

a. Juvenile Hearing Officer. If the Department utilizes juvenile hearing officers to dispose of juvenile offenses pursuant to A.R.S. § 8-323, the Department shall require the juvenile hearing officer to immediately transmit to the Department all copies of citations with the findings. The Department shall approve any diversion program established by a city or town attorney or prosecutor under this section. No funds approved under this Addendum may be used for programs which have not been approved by the Department and/or AOC. The Department is responsible for ensuring full compliance with A.R.S. §8-323 and all other applicable statutes, rules and administrative orders.

Reduction of Funds. AOC reserves the right to reduce funding should the diversion population be determined by the AOC to be insufficient to support the current or projected level of funding or should the county attorney operate a community based alternative program. This reduction may include previously funded positions, operating cost and/or the allocation for program consequences and services. The Department **must request approval** to fill any vacant state-funded positions funded with Diversion funds as described in Paragraph 4 (Fund Management) of this document.

c. Assessment of Diversion Costs. The Department shall comply with A.R.S.§8-243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

20. JIPS

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration shall state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the JIPS population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, contract services, operating costs and vehicle costs.

d. Case Load Ratios. In the event the Department's JIPS probation population falls below the statutory established case load ratios for active probationers,

the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state-funded positions. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

21. STANDARD PROBATION

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload of 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

e. Case Load Ratios. In the event the Department's standard probation population falls below the statutory established case load ratios for active probationers, the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state funded positions as described in Paragraph 4 (Fund Management) of this document. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

22. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement and the Department's approved plan both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By
Honorable, Karl Elledge
Presiding Juvenile Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

JUVENILE PROBATION SERVICES FUND - TREATMENT
JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2019

Addendum date: July 1, 2018 — Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: $463,953

APPROVED BUDGET	APPROVED FTE's	AMOUNT
A. Case-Carrying Personnel	0.00	$0
B. ERE		$0
C. Non Case-Carrying/Contract/Other Personnel	1.75	$80,790
D. ERE		$37,163
E. Travel		$0
F. Equipment		$0
G. Operating		$5,000
H. Contract Services		$12,000
I. Other		$0
TOTAL AMOUNT TO BE DISBURSED		$134,953

SCHEDULED DISBURSEMENTS:			
July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$33,063	$33,063	$34,414	$34,413

RETAINED FUNDS	AMOUNT
A. Contract Services	$329,000
B. Direct Payment	$0
C. Projected CS Carryforward	$0
D.	$0
TOTAL AMOUNT TO BE RETAINED	$329,000

Signed:

Joseph Kelroy
Digitally signed by Joseph Kelroy
Date: 2018.06.20 15:09:59 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz
Digitally signed by Patricia G. Munoz
Date: 2018.07.03 09:48:21 -07'00'

Director of Juvenile Court Services

AOC Finance Office Receipt:

Fund Manager — Date

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Action 32.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 08/14/2018

FY19 Diversion Consequences Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Diversion Consequences funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $50,523.

Background:

The purpose of these treatment/intervention funds are to support the juvenile courts and probation departments to impact the number of repetitive offenders.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No funding for Juvenile Probation treatment programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ◯ **Funds Available:** ◯ **Amount Available:**

Unbudgeted: ◯ **Funds NOT Available:** ◯ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY19 AOC Funding Agreement
Div Consequences - Addendum
Grant Approval Form - Consequences

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR:

Juvenile Probation Services Fund (JPSF)
Diversion (Intake and Consequences)
Juvenile Intensive Probation Supervision (JIPS)
Juvenile Standard Probation
Juvenile Drug Court (JDC)*
Family Counseling
Title IV-E*

***If Applicable**

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and **COCHISE COUNTY JUVENILE COURT** ("Department").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) the Department's failure to implement or operate the approved plan; (4) the Department's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to the Department shall be deposited in a Special Revenue Fund established for the execution of this Agreement. Per A.R.S.§ 12-268, each program must be accounted for separately within this fund. Any interest earned on these monies while in the possession of the Department shall accrue to the fund for use by the Department in accordance with its approved plan. The Department shall ensure that the board of supervisors designates a chief fiscal officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds

allocated to the Department for the performance of its approved plan and may authorize direct expenditures for the benefit of the Department. The specific amounts to be retained by the AOC for direct expenditures for the benefit of the Department and to be disbursed to the Department are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A's based on its determination of the Department's need for and usage of the funds and/or funding changes.

b. Reporting Requirements. Department shall submit the following to the AOC:

i. A mid-year financial progress report for JIPS, Standard Probation, JPSF, JDC, Title IV-E, Diversion and Family Counseling due on or before January 31, 2019.

ii. A closing report for the above listed funds is due on or before August 31, 2019 which includes: (1) a juvenile probation fund report in accordance with A.R.S. § 12-268 documenting the total amount of annual receipts and expenditures for all probation funding; (2) a program report; (3) an interest report which includes the total amount of interest accrued and expended on all funds; and (4) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Department being placed on financial sanction status by the AOC. With prior approval from the AOC, modifications may be made to the report format.

iii. Results of the juvenile probation caseload audit. To ensure accuracy and validity of reported monthly statistical information, the Department will perform a minimum of one yearly caseload audit of juveniles placed on juvenile probation, on a date established by the Juvenile Justice Services Division (JJSD). The caseload audit shall consist of a manual tabulation of all probation case files in the county, and a listing of juveniles on probation generated by the Juvenile On-Line Tracking System (JOLTS). A comparison of the two lists will be made on forms provided, and the results forwarded to the JJSD in accordance with the processes outlined by the AOC.

iv. A monthly payroll and expense report is due to the AOC on the 15th day of the following month.

v. A copy of the department's approved county budget or any board resolution affecting salaries of state funded employees no later than 14 days after approval.

c. Unexpended Funds. Funds unencumbered as of June 30, 2019 and un-expended as of July 31, 2019, with the exception of Title IV-E administrative and training reimbursements, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the presiding juvenile court judge.

d. Inappropriate Expenditures. The Department shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. The Department agrees to reimburse the AOC for any

unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of the Department shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of the Department to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds. The AOC may prepare and implement procedures for allocation and adjusting state funds among courts.

h. Allocation and Management of State-Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and employee related expenses (ERE) lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, the Department shall promptly take steps to fill pre-approved positions. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

i. Department must request approval to fill any vacant case carrying and (both county and state funded positions) and any state-funded non-case carrying positions from the Juvenile Justice Services Division. Departments must petition the AOC to fill any vacant positions funded with AOC dollars and may not move non-AOC funded staff into positions funded with AOC dollars without prior approval from the AOC. The Juvenile Justice Services Division shall be informed, in writing, of the number and the funding source for each new staff.

5. BOOKS AND RECORDS

a. Financial Records and Examination. The Department shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by the Department and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons

duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of funds, the Department agrees to maintain and provide to the AOC such data and statistics as may be required for purposes of evaluation. The Department further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

Equipment purchased with funds received pursuant to this Agreement or provided to the Department through direct payment by the AOC, shall become the property of Department, and the Department shall maintain written inventory and property control policies and procedures covering the equipment. The Department may use its existing inventory system but must at a minimum maintain the information required by AOC policies and procedures.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement, and in compliance with applicable administrative orders or codes, for five years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the presiding juvenile court judge. The Department is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTION STATUS

In addition to any other remedy available pursuant to this Agreement, the Department may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement; or
g. Failure to adhere to the administrative code governing each state fund.

9. FINANCIAL SANCTION ACTION

During the period of financial sanction status, the AOC may take any appropriate action including:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;

c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Department shall submit a monthly reimbursement request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Departments financial sanction status);
f. Recovery of funds or equipment already disbursed; or
g. Not authorizing new positions/teams/equipment.

10. OTHER REQUIREMENTS

The Department agrees to**:** (1) utilize the JOLTS/JOLTSAZ including but not limited to; the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize AZYAS tool(s) administered to classify risk of recidivism and identify needs related to delinquent behavior for juveniles referred to the court; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2004 expenditure levels for each probation program. State monies are not intended to supplant county dollars for probation programs. Should a County not provide sufficient funds to meet the 2004 maintenance of effort requirement the AOC will address the issue in the next funding allocation cycle.

12. COLLECTIONS

The Department shall make every effort to enforce the collection of fees, parental assessments and restitution payments due to victims. The collection of monies shall be made in accordance with generally accepted accounting principles and minimum accounting standards for Arizona courts as prescribed in Administrative Order 97-62 or subsequent updates. The Department is responsible for timely entry of financial data into the JOLTS database. Periodic reporting and review of collection data will be required.

13. VEHICLE EXPENDITURES

The Department shall manage the motor pool allocation retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its motor pool allocation at any time, the Department shall contact the AOC and develop a plan to bring the Department into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. Failure to comply may result in additional action by the AOC. The AOC shall adjust motor pool allocations among courts as deemed necessary. Any unauthorized vehicle expenditure(s) will be charged back to the Department.

14. PROBATION SERVICES FUND

In accordance with A.R.S. §12-268, each fiscal year the Department shall, on or before August 31, submit to the AOC a report detailing expenditures of fund monies for the preceding fiscal year.

The Department shall also submit to the AOC a plan, in compliance with existing code detailing intended expenditure of fund monies for the following fiscal year, no later than August 31. Any request for modification of an existing approved plan or for any variation from code guidelines, must be submitted to AOC and approved prior to any expenditures.

15. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to be paid with retained treatment funds for a vendor with whom the AOC does not have a contract for services.

b. Contract Suspension. The Department shall not submit invoices to be paid with retained treatment funds for a vendor whose contract is suspended or for services provided to youth referred after the AOC has recommended suspending referrals as a result of: concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

16. JPSF AND DIVERSION

a. Management of Allocation. The Department shall manage allocations retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

If an over expenditure of funds exists, the AOC may collaborate with the Department to identify subcategories within funds currently allocated to the Department that can be used to cover the over-expenditure from the following:

- Contact Services Disbursed
- Operating
- . Equipment
- Travel
- Personnel
- ERE
- Fees and accumulated interest

Any Budget Modification initiated by the AOC to assist with the coverage of identified over expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

If the over expenditure cannot be resolved from either of the two measures above then the AOC may notify providers not to accept referrals from the Department unless the Department has agreed to pay for the services from county or other funds.

b. Assessment of Treatment Costs. The Department shall comply with ARS §243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS § 263 c. in the assignment and collection of parental payments for family counseling services. The clerk of the court shall acknowledge receipt of the money received to the person paying same. The clerk of the court shall transmit such money to the state treasurer for deposit in the state general fund.

17. TITLE IV-E (If Applicable)

a. Maintenance Reimbursements. Will be held at the AOC and be disbursed at least semi-annually to the Department equal to the amount of reimbursement received by the AOC on behalf of the Department, unless the Department indicates to the AOC a preference to have a portion of those funds retained at the AOC. The Department shall manage the Title IV-E maintenance funds for services and expenses that benefit the provision of services to youth on probation and diversion status.

b. Administrative and Training Reimbursements. Will be disbursed at least semi-annually to the Department in amounts equal to the amount of reimbursement received by AOC on the behalf of the Department.

c. Federal Audit Repayments. Any request for repayment of any Title IV-E Maintenance, Administrative or Training reimbursement as a result of a federal review or action is the responsibility of the Department to remit.

18. FAMILY COUNSELING AND JDC (If Applicable)

a. **Management of Allocation**. The Department shall manage the allocation of these dispersed funds provided by the AOC. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. For the Family Counseling Fund, the Department will monitor expenditures of both the AOC and required County match portions and report this information as outlined in Paragraph 4 (Fund Management) of this document.

If an over expenditure of funds exists, the AOC will collaborate with the Department to identify subcategories (if applicable) within funds currently allocated to the Department that can be used to cover the over-expenditure from the following subcategories:

- Contact Services Disbursed
- Personnel
- ERE

Any budget modification initiated by the AOC to assist with the coverage of identified over-expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department or from county fees and accumulated interest, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

19. DIVERSION

a. Juvenile Hearing Officer. If the Department utilizes juvenile hearing officers to dispose of juvenile offenses pursuant to A.R.S. § 8-323, the Department shall require the juvenile hearing officer to immediately transmit to the Department all copies of citations with the findings. The Department shall approve any diversion program established by a city or town attorney or prosecutor under this section. No funds approved under this Addendum may be used for programs which have not been approved by the Department and/or AOC. The Department is responsible for ensuring full compliance with A.R.S. §8-323 and all other applicable statutes, rules and administrative orders.

Reduction of Funds. AOC reserves the right to reduce funding should the diversion population be determined by the AOC to be insufficient to support the current or projected level of funding or should the county attorney operate a community based alternative program. This reduction may include previously funded positions, operating cost and/or the allocation for program consequences and services. The Department **must request approval** to fill any vacant state-funded positions funded with Diversion funds as described in Paragraph 4 (Fund Management) of this document.

c. Assessment of Diversion Costs. The Department shall comply with A.R.S.§8-243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

20. JIPS

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration shall state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the JIPS population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, contract services, operating costs and vehicle costs.

d. Case Load Ratios. In the event the Department's JIPS probation population falls below the statutory established case load ratios for active probationers,

the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state-funded positions. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

21. STANDARD PROBATION

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload of 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

e. Case Load Ratios. In the event the Department's standard probation population falls below the statutory established case load ratios for active probationers, the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state funded positions as described in Paragraph 4 (Fund Management) of this document. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

22. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement and the Department's approved plan both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By
Honorable, Karl Elledge
Presiding Juvenile Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

DIVERSION - CONSEQUENCE

JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2019

Addendum date: July 1, 2018 — Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: **$55,080**

APPROVED BUDGET		APPROVED FTE's	AMOUNT
A.	Case-Carrying Personnel	0.00	$0
B.	ERE		$0
C.	Non Case-Carrying/Contract/Other Personnel	1.00	$33,235
D.	ERE		$15,288
E.	Travel		$0
F.	Equipment		$0
G.	Operating		$2,000
H.	Contract Services		$0
I.	Other		0
TOTAL AMOUNT TO BE DISBURSED			$50,523

SCHEDULED DISBURSEMENTS:			
July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$12,126	$12,126	$13,136	$13,135

RETAINED FUNDS		AMOUNT
A.	Contract Services	$4,557
B.	Direct Payment	0
C.	Vacancy Reserve	0
D.	Salary Reimbursement	0
TOTAL AMOUNT TO BE RETAINED		$4,557

Signed:

Joseph Kelroy — Digitally signed by Joseph Kelroy Date: 2018.06.20 15:09:17 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz — Digitally signed by Patricia G. Munoz Date: 2018.07.03 09:46:04 -07'00'

Director of Juvenile Court Services

AOC Finance Office Receipt:

Fund Manager _____ Date _____

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.

Action 33.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 08/14/2018

FY19 Juvenile Drug Court Funding Agreement

Submitted By: Rita Shipley, Adult Probation

Department: Adult Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Rita Shipley	**TITLE of PRESENTER:**	Administrative Finance Manager
Mandated Function?:	Not Mandated	**Source of Mandate or Basis for Support?:**	

You will use this Agenda Item template if your item involves a Grant (whether a new or renewal grant). You also must attach the Grant Approval Form to the item before Finance will approve it. Select the SPECIAL LINKS on your left-hand menu and Click on "Grant Approval Form". Then complete the form, save it and attach it to your item (on the Attachments tab).

Information

Agenda Item Text:

Approve Fiscal Year 2018-2019 Juvenile Drug Court Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2018 through June 30, 2019 in the amount of $86,654.

Background:

The purpose of these treatment/intervention funds are to support the juvenile courts and probation departments to impact the number of repetitive offenders.

Department's Next Steps (if approved):

Receive AOC funding and administer program.

Impact of NOT Approving/Alternatives:

No funding for Juvenile Probation treatment programs.

To BOS Staff: Document Disposition/Follow-Up:

BOS Approval only. No signature or additional documents/follow-up needed.

Budget Information

Information about available funds

Budgeted: ◯ **Funds Available:** ◯ **Amount Available:**

Unbudgeted: ◯ **Funds NOT Available:** ◯ **Amendment:** ☐

Account Code(s) for Available Funds

1:

Fund Transfers

Attachments

FY19 AOC Funding Agreement
Drug Court - Addendum
Grant Approval Form - Drug Ct

Arizona Supreme Court
Administrative Office of the Courts

FUNDING AGREEMENT FOR:

Juvenile Probation Services Fund (JPSF)
Diversion (Intake and Consequences)
Juvenile Intensive Probation Supervision (JIPS)
Juvenile Standard Probation
Juvenile Drug Court (JDC)*
Family Counseling
Title IV-E*

***If Applicable**

Fiscal Year 2019

This Agreement is entered into by and between the Arizona Supreme Court, Administrative Office of the Courts, ("AOC"), and **COCHISE COUNTY JUVENILE COURT** ("Department").

1. TERM

This Agreement becomes effective on July 1, 2018 and shall remain in effect through June 30, 2019.

2. MODIFICATION AND TERMINATION

This Agreement may be modified or terminated by the AOC if in its judgment such action is necessary due to: (1) lack of funding; (2) statutory changes in the program; (3) the Department's failure to implement or operate the approved plan; (4) the Department's non-compliance with this Agreement or other program requirements, or (5) other circumstances necessitating such action. Either party may terminate this Agreement upon thirty (30) days written notice to the other party by certified mail.

3. FUND ACCOUNTING

Funds distributed to the Department shall be deposited in a Special Revenue Fund established for the execution of this Agreement. Per A.R.S.§ 12-268, each program must be accounted for separately within this fund. Any interest earned on these monies while in the possession of the Department shall accrue to the fund for use by the Department in accordance with its approved plan. The Department shall ensure that the board of supervisors designates a chief fiscal officer who will establish and administer this fund.

4. FUND MANAGEMENT

a. Distribution of Funds. The AOC may retain all or any portion of the funds

allocated to the Department for the performance of its approved plan and may authorize direct expenditures for the benefit of the Department. The specific amounts to be retained by the AOC for direct expenditures for the benefit of the Department and to be disbursed to the Department are set forth in Addendum A to this Agreement for each specified program. The AOC may periodically modify the distribution of funds contained in the Addendum A's based on its determination of the Department's need for and usage of the funds and/or funding changes.

b. Reporting Requirements. Department shall submit the following to the AOC:

i. A mid-year financial progress report for JIPS, Standard Probation, JPSF, JDC, Title IV-E, Diversion and Family Counseling due on or before January 31, 2019.

ii. A closing report for the above listed funds is due on or before August 31, 2019 which includes: (1) a juvenile probation fund report in accordance with A.R.S. § 12-268 documenting the total amount of annual receipts and expenditures for all probation funding; (2) a program report; (3) an interest report which includes the total amount of interest accrued and expended on all funds; and (4) performance measure data for each applicable program.

Closing reports submitted past the deadline may result in the Department being placed on financial sanction status by the AOC. With prior approval from the AOC, modifications may be made to the report format.

iii. Results of the juvenile probation caseload audit. To ensure accuracy and validity of reported monthly statistical information, the Department will perform a minimum of one yearly caseload audit of juveniles placed on juvenile probation, on a date established by the Juvenile Justice Services Division (JJSD). The caseload audit shall consist of a manual tabulation of all probation case files in the county, and a listing of juveniles on probation generated by the Juvenile On-Line Tracking System (JOLTS). A comparison of the two lists will be made on forms provided, and the results forwarded to the JJSD in accordance with the processes outlined by the AOC.

iv. A monthly payroll and expense report is due to the AOC on the 15th day of the following month.

v. A copy of the department's approved county budget or any board resolution affecting salaries of state funded employees no later than 14 days after approval.

c. Unexpended Funds. Funds unencumbered as of June 30, 2019 and un-expended as of July 31, 2019, with the exception of Title IV-E administrative and training reimbursements, shall be transmitted to the AOC for reversion no later than August 31 of the same year. The reversion shall be accompanied by a closing financial statement signed by the presiding juvenile court judge.

d. Inappropriate Expenditures. The Department shall expend funds only for the purposes and uses specified in the approved plan and budget and as set forth in the applicable Addendum A. The Department agrees to reimburse the AOC for any

unauthorized or inappropriate expenditures which are not in compliance with the approved plan, budget and this Agreement. Funds shall not be used to pay county or city administrative costs for services associated with receipt of those funds including, but not limited to, the cost of: accounting, payroll, data processing, purchasing, personnel, and building use. All equipment purchased with state funds distributed by the AOC shall be used solely for purposes designated in the approved plan unless written permission is received from the AOC.

e. Budget Modifications. Funds shall not be moved to or from any budget category without prior written approval from the AOC. All budget modifications shall be in accordance with the AOC's Budget Modification Policy.

f. Termination of Funding. In the event that this Agreement is terminated prior to June 30, 2019, all unexpended funds in the possession of the Department shall be returned to the AOC within 30 days of such termination, along with, but not limited to: (1) a closing financial statement; (2) a final report outlining the program achievements; and (3) an inventory, including serial numbers, of all equipment purchased with grant funds. If termination is due to failure of the Department to comply with this agreement, the AOC may require return of equipment and supplies purchased with grant funds.

g. Allocation and Management of Funds. The AOC shall allocate available state monies among courts requesting state funds. The AOC may prepare and implement procedures for allocation and adjusting state funds among courts.

h. Allocation and Management of State-Funded Personnel Placements. The AOC shall allocate state funded personnel placements among courts. The AOC may prepare and implement procedures for adjusting allocated placements and associated monies among courts.

The AOC may apply a vacancy factor against the personnel and employee related expenses (ERE) lines to maximize the use of available funds and reduce disbursed funds accordingly. In the event the probation population is equal to or greater than statutory capacity, the Department shall promptly take steps to fill pre-approved positions. On a quarterly basis, AOC will review personnel and other budget categories and make adjustments if necessary.

i. Department must request approval to fill any vacant case carrying and (both county and state funded positions) and any state-funded non-case carrying positions from the Juvenile Justice Services Division. Departments must petition the AOC to fill any vacant positions funded with AOC dollars and may not move non-AOC funded staff into positions funded with AOC dollars without prior approval from the AOC. The Juvenile Justice Services Division shall be informed, in writing, of the number and the funding source for each new staff.

5. BOOKS AND RECORDS

a. Financial Records and Examination. The Department shall maintain and shall require its subcontractors to maintain acceptable accounting systems, records, and documents to properly reflect all funds expended in the performance of this agreement. All books, records and other documents relevant to this Agreement shall be retained by the Department and its subcontractors for a period of five years after the final payment has been made, or until after the resolution of any audit questions or contract disputes, whichever is longer. AOC, state, or federal auditors, as applicable, and any other persons

duly authorized by the AOC shall have full access to, and the right to examine, audit, copy and make use of any and all said materials. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such audits or examinations.

b. Program Records and Evaluation. The AOC may monitor and evaluate the local plan to determine its effectiveness. As a condition of receipt of funds, the Department agrees to maintain and provide to the AOC such data and statistics as may be required for purposes of evaluation. The Department further agrees that authorized agents of the AOC shall have the right to conduct on-site visits for purposes of compliance monitoring, operational review and program evaluation. All subcontracts shall include a provision acknowledging the authority of the AOC to conduct such inspections and evaluations.

6. INVENTORY

Equipment purchased with funds received pursuant to this Agreement or provided to the Department through direct payment by the AOC, shall become the property of Department, and the Department shall maintain written inventory and property control policies and procedures covering the equipment. The Department may use its existing inventory system but must at a minimum maintain the information required by AOC policies and procedures.

7. USE, LOSS AND DISPOSITION OF EQUIPMENT

Equipment must be used as required by this Agreement, and in compliance with applicable administrative orders or codes, for five years, unless written permission is given by the AOC. After this time, the equipment may be transferred upon approval of the presiding juvenile court judge. The Department is responsible for any maintenance, loss or damage to the equipment and the AOC makes no assurances regarding its repair or replacement. Equipment which is no longer needed or usable shall be surplused as required by this Agreement. If no such requirements are included in the Agreement, then local surplus property procedures may be utilized.

8. FINANCIAL SANCTION STATUS

In addition to any other remedy available pursuant to this Agreement, the Department may be placed in financial sanction status for deficiencies including but not limited to:

a. Delinquent budget request or plan submissions;
b. Delinquent midyear, closing or other reports requested by the AOC;
c. Inaccurate reporting of probation population statistics;
d. Unauthorized allocation of personnel;
e. Expenditures in excess of the approved amounts;
f. Expenditures not authorized within the current funding agreement; or
g. Failure to adhere to the administrative code governing each state fund.

9. FINANCIAL SANCTION ACTION

During the period of financial sanction status, the AOC may take any appropriate action including:

a. Written warning with request for immediate compliance;
b. Withholding all or any portion of state funds or equipment disbursements;

c. Withholding all disbursements from all state funds;
d. Requiring monthly submission of costs incurred for prior disbursements;
e. Requiring monthly submission of expenses for reimbursement of actual costs incurred (to receive reimbursement while on sanctions status, Department shall submit a monthly reimbursement request to the AOC detailing expenses in funding categories as delineated on Addendum A, in addition to the monthly payroll and expense report; state funds shall not be used for any adverse financial costs or interest charged or incurred due to Departments financial sanction status);
f. Recovery of funds or equipment already disbursed; or
g. Not authorizing new positions/teams/equipment.

10. OTHER REQUIREMENTS

The Department agrees to**:** (1) utilize the JOLTS/JOLTSAZ including but not limited to; the input of data in a timely and accurate manner as established by the AOC and providing reports as requested by the AOC; (2) utilize AZYAS tool(s) administered to classify risk of recidivism and identify needs related to delinquent behavior for juveniles referred to the court; (3) establish program goals and objectives which are measurable in accordance with guidelines provided by the AOC; and (4) participate in any applicable outcome studies.

11. COUNTY APPROPRIATION LEVELS

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2004 expenditure levels for each probation program. State monies are not intended to supplant county dollars for probation programs. Should a County not provide sufficient funds to meet the 2004 maintenance of effort requirement the AOC will address the issue in the next funding allocation cycle.

12. COLLECTIONS

The Department shall make every effort to enforce the collection of fees, parental assessments and restitution payments due to victims. The collection of monies shall be made in accordance with generally accepted accounting principles and minimum accounting standards for Arizona courts as prescribed in Administrative Order 97-62 or subsequent updates. The Department is responsible for timely entry of financial data into the JOLTS database. Periodic reporting and review of collection data will be required.

13. VEHICLE EXPENDITURES

The Department shall manage the motor pool allocation retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its motor pool allocation at any time, the Department shall contact the AOC and develop a plan to bring the Department into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. Failure to comply may result in additional action by the AOC. The AOC shall adjust motor pool allocations among courts as deemed necessary. Any unauthorized vehicle expenditure(s) will be charged back to the Department.

14. PROBATION SERVICES FUND

In accordance with A.R.S. §12-268, each fiscal year the Department shall, on or before August 31, submit to the AOC a report detailing expenditures of fund monies for the preceding fiscal year.

The Department shall also submit to the AOC a plan, in compliance with existing code detailing intended expenditure of fund monies for the following fiscal year, no later than August 31. Any request for modification of an existing approved plan or for any variation from code guidelines, must be submitted to AOC and approved prior to any expenditures.

15. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to be paid with retained treatment funds for a vendor with whom the AOC does not have a contract for services.

b. Contract Suspension. The Department shall not submit invoices to be paid with retained treatment funds for a vendor whose contract is suspended or for services provided to youth referred after the AOC has recommended suspending referrals as a result of: concern for the health and safety of youth in the facility, a death of a youth in a facility or as a result of other significant contractual or statutory violations.

16. JPSF AND DIVERSION

a. Management of Allocation. The Department shall manage allocations retained at the AOC on behalf of the Department. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation.

If an over expenditure of funds exists, the AOC may collaborate with the Department to identify subcategories within funds currently allocated to the Department that can be used to cover the over-expenditure from the following:

- Contact Services Disbursed
- Operating
- . Equipment
- Travel
- Personnel
- ERE
- Fees and accumulated interest

Any Budget Modification initiated by the AOC to assist with the coverage of identified over expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

If the over expenditure cannot be resolved from either of the two measures above then the AOC may notify providers not to accept referrals from the Department unless the Department has agreed to pay for the services from county or other funds.

b. Assessment of Treatment Costs. The Department shall comply with ARS §243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS § 263 c. in the assignment and collection of parental payments for family counseling services. The clerk of the court shall acknowledge receipt of the money received to the person paying same. The clerk of the court shall transmit such money to the state treasurer for deposit in the state general fund.

17. TITLE IV-E (If Applicable)

a. Maintenance Reimbursements. Will be held at the AOC and be disbursed at least semi-annually to the Department equal to the amount of reimbursement received by the AOC on behalf of the Department, unless the Department indicates to the AOC a preference to have a portion of those funds retained at the AOC. The Department shall manage the Title IV-E maintenance funds for services and expenses that benefit the provision of services to youth on probation and diversion status.

b. Administrative and Training Reimbursements. Will be disbursed at least semi-annually to the Department in amounts equal to the amount of reimbursement received by AOC on the behalf of the Department.

c. Federal Audit Repayments. Any request for repayment of any Title IV-E Maintenance, Administrative or Training reimbursement as a result of a federal review or action is the responsibility of the Department to remit.

18. FAMILY COUNSELING AND JDC (If Applicable)

a. **Management of Allocation**. The Department shall manage the allocation of these dispersed funds provided by the AOC. If the Department projects an over expenditure of its allocation, the Department shall submit a report to the AOC within 30 days of the projection, or at AOC request detailing how the Department will come into fiscal compliance. The Department shall make every effort to manage its budget effectively and to avoid over expenditure of its allocation. For the Family Counseling Fund, the Department will monitor expenditures of both the AOC and required County match portions and report this information as outlined in Paragraph 4 (Fund Management) of this document.

If an over expenditure of funds exists, the AOC will collaborate with the Department to identify subcategories (if applicable) within funds currently allocated to the Department that can be used to cover the over-expenditure from the following subcategories:

- Contact Services Disbursed
- Personnel
- ERE

Any budget modification initiated by the AOC to assist with the coverage of identified over-expenditures of funds shall be in accordance with the AOC's Budget Modification Policy.

If the over expenditure cannot be resolved within the funds currently allocated to the Department or from county fees and accumulated interest, then, the AOC may look for unexpended funds within other departments across the state to assist the Department to cover the over-expenditure.

19. DIVERSION

a. Juvenile Hearing Officer. If the Department utilizes juvenile hearing officers to dispose of juvenile offenses pursuant to A.R.S. § 8-323, the Department shall require the juvenile hearing officer to immediately transmit to the Department all copies of citations with the findings. The Department shall approve any diversion program established by a city or town attorney or prosecutor under this section. No funds approved under this Addendum may be used for programs which have not been approved by the Department and/or AOC. The Department is responsible for ensuring full compliance with A.R.S. §8-323 and all other applicable statutes, rules and administrative orders.

Reduction of Funds. AOC reserves the right to reduce funding should the diversion population be determined by the AOC to be insufficient to support the current or projected level of funding or should the county attorney operate a community based alternative program. This reduction may include previously funded positions, operating cost and/or the allocation for program consequences and services. The Department **must request approval** to fill any vacant state-funded positions funded with Diversion funds as described in Paragraph 4 (Fund Management) of this document.

c. Assessment of Diversion Costs. The Department shall comply with A.R.S.§8-243 a. and Administrative Order 04-56, or subsequent code, in the assignment and collection of parental payments for treatment services.

20. JIPS

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration shall state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the JIPS population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions, contract services, operating costs and vehicle costs.

d. Case Load Ratios. In the event the Department's JIPS probation population falls below the statutory established case load ratios for active probationers,

the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state-funded positions. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

21. STANDARD PROBATION

a. Capacity. The Department may request additional positions from the AOC when the program has maintained an active caseload of 95%, or higher, of statutory capacity for a minimum of two months. The Department shall send a declaration of need to the JJSD. The declaration is to state: (1) the number of positions being requested, (2) the current ratio of probationers to probation officers and program capacity, and (3) the number of juvenile probation officers performing field supervision by funding source. The declaration is to be signed by both the presiding juvenile court judge of the county and the juvenile court director or chief probation officer. Upon receipt of the declaration, JJSD will audit the juvenile probation caseloads of the department to confirm the need for additional officers. Upon verification of the need, and if resources are available, the JJSD will proceed to allocate additional resources.

b. Reduction of Funds. The AOC reserves the right to reduce funding should the standard probation population be determined by the AOC to be insufficient to support the current or projected level of funding. This reduction is not limited to, but may include, previously authorized positions and operating costs.

e. Case Load Ratios. In the event the Department's standard probation population falls below the statutory established case load ratios for active probationers, the Department must request approval to fill any vacant case carrying (both county and state funded case carrying) positions funded under the program. The Department must request approval to fill all vacant non-case carrying state funded positions as described in Paragraph 4 (Fund Management) of this document. Failure to cooperate may result in the need to adjust future disbursements to the Department to correct inequities.

22. PERFORMANCE LIABILITY

Except as otherwise provided by law, in the performance of this Agreement and the Department's approved plan both parties hereto are acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of each other. The employees, agents, or subcontractors of one party shall not be deemed or construed to be the employees or agents of the other party. Each party is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By
Honorable, Karl Elledge
Presiding Juvenile Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By
Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

JUVENILE DRUG COURT PROGRAM
JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2019

Addendum date: July 1, 2018 Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: **$86,654**

APPROVED BUDGET	APPROVED FTE's	AMOUNT
A. Case - Carrying Personnel	0.00	$ -
B. ERE		$ -
C. Non Case-Carrying Personne	1.50	$ 53,897.00
D. ERE		$ 24,793.00
E. Travel		$ -
F. Equipment		$ -
G. Operating		$ 7,964.00
H. Contract Services		$ -
I. Other		$ -
TOTAL AMOUNT TO BE DISBURSED		$86,654

SCHEDULED DISBURSEMENTS:			
July 31, 2018	October 31, 2018	March 15, 2019	May 15, 2019
$20,797.00	$20,797.00	$22,530.00	$22,530.00

RETAINED FUNDS		AMOUNT
A. Contract Services		$0
B. Direct Payment		$0
C. Vacancy Reserve		$0
TOTAL AMOUNT TO BE RETAINED		$0

Signed:

Joseph Kelroy
Digitally signed by Joseph Kelroy
Date: 2018.06.20 15:09:07 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz
Digitally signed by Patricia G. Munoz
Date: 2018.07.03 09:45:48 -07'00'

Director of Juvenile Court Services

AOC Finance Office Receipt:

Fund Manager

Date

COCHISE COUNTY GRANT APPROVAL FORM

Form Initiator: Date Prepared:

Point of Contact: Phone Number:

Department:

PRIMARY GRANT

Primary Grantor: CFDA: www.CFDA.gov

Grant Title:

Grant Term From: To: Total Award Amount:

New Grant: Yes No Grant No:

Amendment: Yes No Amendment No:

GL Account No: If new, Finance will assign a fund number.

Strategic Plan: District: Mandated by Law Yes No

Number of Positions Funded:

Asset(s) Acquired:

Grantor's reimbursement mileage rate:

Health or pension reimbursement: Other reimbursement:

Briefly describe the purpose of the grant:

If this is a mandated service, cite the source. If not mandated, cite indications of local customer support for this service.

PRIMARY FUNDING SOURCE

Funding Year: Federal Funds 332.100

State Funds 336.100

County Funds 391.000

Other Funds:

Total Funds:

Has this amount been budgeted? Yes No

Method of collecting funds: Lump Sum Quarterly Draw Reimbursement

Is revertment of unexpected funds required at the end of grant period? Yes No

(a) Total indirect (A-87) Cost Allocation: (b) Amount of overhead allowed by grant:

County Subsidy (a) - (b) =

Is there a Secondary Grant Award associated with this Grant? Yes No

Name of Grant: Funder:

If yes please complete an additional grant approval form.

Is County match required? Yes No

County match source:

County match dollar amount or percentage:

NOTE: Please attach this Grant Approval form to the AgendaQuick item. The AgendaQuick "Grant Approval template" must be used. Once approved by the Board of Supervisors, the department is responsible for sending a copy of the fully executed GRANT DOCUMENT *(not this approval form)* to the Finance Department.