Cochise County
Board of Supervisors

Public Programs…Personal Service
www.cochise.az.gov

THOMAS E. BORER
Chairman
District 1

ANN ENGLISH
Vice-Chairman
District 2

PEGGY JUDD
Supervisor
District 3

EDWARD T. GILLIGAN
County Administrator

SHARON GILMAN
Associate County Administrator

ARLETHE R. MORRISON
Clerk of the Board

AGENDA FOR REGULAR BOARD MEETING
Tuesday, October 22, 2019 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.

CONSENT

Adult Probation

1. Approve Fiscal Year 2019-2020 Community Punishment Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $36,561.

2. Approve Fiscal Year 2019-2020 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, 2019 through June 30, 2020 in the amount of $18,730.

3. Approve Fiscal Year 2019-2020 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, 2019 through June 30, 2020 in the amount of $3,740.

4. Approve Fiscal Year 2019-2020 Adult Drug Court funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $4,500.

5. Approve Fiscal Year 2019-2020 Transferred Youth funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $1,000.

6. Approve Fiscal Year 2019-2020 Adult Judicial Collection Enhancement Fund (JCEF) Assistance funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $21,689.

Board of Supervisors

7. Approve the Minutes of the regular meeting of the Board of Supervisors of October 8, 2019.

8. Approve Community Enhancement Fund expenditures for District 3 in Willcox effective October 22, 2019 to address hazard abatement / community clean-up in that community.

Finance

9. Approve demands and budget amendments for operating transfers.

Juvenile Probation

10. Approve Fiscal Year 2019-2020 Victims' Rights Program award agreement as provided by the State of Arizona, Office of the Attorney General effective July 1, 2019 through June 30, 2020 in the amount of $17,700.

Workforce Development

11. Approve Amendment #2 to Title IB Adult, Youth, and Dislocated Worker contract #DI19-002208 between Cochise County and the Arizona Department of Economic Security for the Workforce Innovation and Opportunity Act Service Delivery Area from April 1, 2018 to June 30, 2021.

ACTION

Adult Probation

12. Approve Fiscal Year 2019-2020 State Aid Enhancement funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $784,821.

13. Approve Fiscal Year 2019-2020 Adult Judicial Collections Enhancement Fund (JCEF) Assistance funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $144,411.

14. Approve Fiscal Year 2019-2020 Adult Intensive Probation Supervision funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $763,420.

Board of Supervisors

15. Approve Memorandum of Understanding 2019-137 between the Department of Public Safety and Cochise County in the amount of $166,666.66 to be used for prosecutorial and jail expenses incurred from individuals charged with drug trafficking, human smuggling, illegal immigration and other border related crime, effective July 1, 2019 through June 30, 2020.

Development Services

16. Approve Intergovernmental Agreement (IGA) between the City of Bisbee and Cochise County for planning and zoning, subdivision development, and other long-range planning services.

17. Approve Intergovernmental Agreement (IGA) between the City of Bisbee and the County for plan review and building inspection services.

Emergency Services

18. Approve the Grant Agreement 19-AZDOHS-HSGP-190400-01 in the amount of $32,254 for Regional Technical Rescue Equipment effective October 1, 2019 through September 30, 2020.

19. Approve the Grant Agreement 19-AZDOHS-HSGP-190400-02 in the amount of $2,500 for the Community Emergency Response Team (CERT) training and deployments effective October 1, 2019 through September 30, 2020.

Information Technology

20. Approve lease agreement with Arizona State Land Department for use of tower space in the amount of $2400 annually effective September 12, 2019 through September 11, 2029.

Juvenile Probation

21. Approve Fiscal Year 2019-2020 Drug Treatment & Education Fund funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $87,060.

22. Approve Fiscal Year 2019-2020 Juvenile Standard Probation Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $132,956.

23. Approve Fiscal Year 2019-2020 Diversion Intake funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $318,501.

24. Approve Fiscal Year 2019-2020 Juvenile Intensive Probation Supervision Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $282,354.

25. Approve Fiscal Year 2019-2020 Juvenile Probation Services Fund - Treatment funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $146,752.

26. Approve Fiscal Year 2019-2020 Diversion Consequences funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $51,866.

27. Approve Fiscal Year 2019-2020 Juvenile Drug Court Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $101,798.

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.

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

SUMMARY OF CURRENT EVENTS

Report by District 1 Supervisor, Thomas E. Borer

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 Julie Morales, Cochise County Risk Management & Safety, (520) 432-9830, FAX (520) 432-9758, TDD (520) 432-8360, 1415 Melody Lane, Building C, Bisbee, Arizona 85603.

Consent **1.**

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 10/22/2019

FY20 Community Punishment Program Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Community Punishment Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $36,561.

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

FY20 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)
Community Punishment Program Fines (CPP Fines)

Fiscal Year 2020

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, 2019 and shall remain in effect through June 30, 2020.

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, 2020.

iii. A closing financial and program activity report is due on or before August 31, 2020, 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, 2020, with the due date to the AOC on February 15, 2020.

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, 2020.

c. Unexpended Funds. All funds unencumbered as of June 30, 2020, and unexpended as of July 31, 2020, 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, 2020, 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

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.

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.

2.3.2 Business Automobile Liability

b. 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, CPP Fines 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. All expenditures for the CPP Program must be consistent with the purposes described in A.R.S. §12-299.01.

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

Pursuant to A.R.S. § 41-2401, 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 (JCEF)

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. COMMUNITY PUNISHMENT PROGRAM FINES (CPP FINES)

A.R.S. §13-821(A) permits a court to order a fine for a drug offense. A.R.S. §13-821(C) requires the court to transmit the "monies collected pursuant to this section to the supreme court for the purpose of providing drug treatment services to adult probationers through the community punishment program established in title 12, chapter 2, article 11." A.R.S. § 12-299(3) defines "Community punishment" to mean "programs for persons placed on supervised probation or intensive probation which are established pursuant to this article and provide for increased conditions of probation and community-based programs and services that emphasize supervision, surveillance, control, public protection, community work service, restitution and victims' rights and that provide opportunities for rehabilitation and treatment." All expenditures from the CPP Fines program must be consistent with the purposes set forth in A.R.S. §12-299.01.

27. 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 James L. Conlogue Digitally signed by James L. Conlogue Date: 2019.07.10 07:37:44 -07'00'

Honorable James Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By Mike Baumstark Digitally signed by Mike Baumstark Date: 2019.06.26 09:29:27 -07'00'

Mike Baumstark, Deputy Director
Administrative Office of the Courts

149

ADDENDUM A

COMMUNITY PUNISHMENT PROGRAM
COCHISE COUNTY
FY 2020

59,031.00

Addendum date: July 1, 2019
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$36,561**

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	$ 11,139
E.	Operating	$ -
F.	Contract	$ 4,000
TOTAL AMOUNT TO BE DISBURSED		**$ 36,561**

SCHEDULED DISBURSEMENTS:

July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$8,409	$9,140	$9,506	$9,506

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

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2019.06.14 12:08:21 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2019.07.08 17:40:32 -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 2.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 10/22/2019

FY20 CJEF Substance Abuse Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 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, 2019 through June 30, 2020 in the amount of $18,730.

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

FY20 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)
Community Punishment Program Fines (CPP Fines)

Fiscal Year 2020

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, 2019 and shall remain in effect through June 30, 2020.

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, 2020.

iii. A closing financial and program activity report is due on or before August 31, 2020, 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, 2020, with the due date to the AOC on February 15, 2020.

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, 2020.

c. Unexpended Funds. All funds unencumbered as of June 30, 2020, and unexpended as of July 31, 2020, 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, 2020, 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

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.

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.

2.3.2 Business Automobile Liability

b. 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, CPP Fines 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. All expenditures for the CPP Program must be consistent with the purposes described in A.R.S. §12-299.01.

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

Pursuant to A.R.S. § 41-2401, 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 (JCEF)

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. COMMUNITY PUNISHMENT PROGRAM FINES (CPP FINES)

A.R.S. §13-821(A) permits a court to order a fine for a drug offense. A.R.S. §13-821(C) requires the court to transmit the "monies collected pursuant to this section to the supreme court for the purpose of providing drug treatment services to adult probationers through the community punishment program established in title 12, chapter 2, article 11." A.R.S. § 12-299(3) defines "Community punishment" to mean "programs for persons placed on supervised probation or intensive probation which are established pursuant to this article and provide for increased conditions of probation and community-based programs and services that emphasize supervision, surveillance, control, public protection, community work service, restitution and victims' rights and that provide opportunities for rehabilitation and treatment." All expenditures from the CPP Fines program must be consistent with the purposes set forth in A.R.S. §12-299.01.

27. 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 James L. Conlogue Digitally signed by James L. Conlogue Date: 2019.07.10 07:37:44 -07'00'

Honorable James Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By Mike Baumstark Digitally signed by Mike Baumstark Date: 2019.06.26 09:29:27 -07'00'

Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

CJEF - SUBSTANCE ABUSE
COCHISE COUNTY
FY 2020

Addendum date: July 1, 2019
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$18,730**

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	$ 18,730
TOTAL AMOUNT TO BE DISBURSED		**$ 18,730**

SCHEDULED DISBURSEMENTS:

July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$4,308	$4,683	$4,870	$4,869

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

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2019.06.14 12:07:45 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2019.07.08 17:39:46 -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:	10/22/2019		
FY20 CJEF Sex Offender Funding Agreement			
Submitted By:	Teresa Rockrich, Juvenile Probation		
Department:	Juvenile Probation		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 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, 2019 through June 30, 2020 in the amount of $3,740.

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

FY20 AOC Funding Agreement
CJEF Sex Offender Addendum
Grant Approval Form - CJEF SO

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)
Community Punishment Program Fines (CPP Fines)

Fiscal Year 2020

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, 2019 and shall remain in effect through June 30, 2020.

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, 2020.

iii. A closing financial and program activity report is due on or before August 31, 2020, 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, 2020, with the due date to the AOC on February 15, 2020.

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, 2020.

c. Unexpended Funds. All funds unencumbered as of June 30, 2020, and unexpended as of July 31, 2020, 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, 2020, 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

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.

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.

2.3.2 Business Automobile Liability

b. 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, CPP Fines 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. All expenditures for the CPP Program must be consistent with the purposes described in A.R.S. §12-299.01.

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

Pursuant to A.R.S. § 41-2401, 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 (JCEF)

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. COMMUNITY PUNISHMENT PROGRAM FINES (CPP FINES)

A.R.S. §13-821(A) permits a court to order a fine for a drug offense. A.R.S. §13-821(C) requires the court to transmit the "monies collected pursuant to this section to the supreme court for the purpose of providing drug treatment services to adult probationers through the community punishment program established in title 12, chapter 2, article 11." A.R.S. § 12-299(3) defines "Community punishment" to mean "programs for persons placed on supervised probation or intensive probation which are established pursuant to this article and provide for increased conditions of probation and community-based programs and services that emphasize supervision, surveillance, control, public protection, community work service, restitution and victims' rights and that provide opportunities for rehabilitation and treatment." All expenditures from the CPP Fines program must be consistent with the purposes set forth in A.R.S. §12-299.01.

27. 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 James L. Conlogue Digitally signed by James L. Conlogue Date: 2019.07.10 07:37:44 -07'00'

Honorable James Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By Mike Baumstark Digitally signed by Mike Baumstark Date: 2019.06.26 09:29:27 -07'00'

Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

CJEF - SEX OFFENDER
COCHISE COUNTY
FY 2020

Addendum date: July 1, 2019
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$3,740**

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	$ 3,740
TOTAL AMOUNT TO BE DISBURSED		**$ 3,740**

SCHEDULED DISBURSEMENTS:

July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$860	$935	$973	$972

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

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2019.06.14 12:08:03 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2019.07.08 17:40:09 -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 4.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 10/22/2019

FY20 Adult Drug Court Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Adult Drug Court funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $4,500.

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

FY20 AOC Funding Agreement
Adult Drug Court Addendum
Grant Approval Form Drug Court

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)
Community Punishment Program Fines (CPP Fines)

Fiscal Year 2020

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, 2019 and shall remain in effect through June 30, 2020.

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, 2020.

iii. A closing financial and program activity report is due on or before August 31, 2020, 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, 2020, with the due date to the AOC on February 15, 2020.

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, 2020.

c. Unexpended Funds. All funds unencumbered as of June 30, 2020, and unexpended as of July 31, 2020, 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, 2020, 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

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.

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.

2.3.2 Business Automobile Liability

b. 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, CPP Fines 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. All expenditures for the CPP Program must be consistent with the purposes described in A.R.S. §12-299.01.

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

Pursuant to A.R.S. § 41-2401, 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 (JCEF)

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. COMMUNITY PUNISHMENT PROGRAM FINES (CPP FINES)

A.R.S. §13-821(A) permits a court to order a fine for a drug offense. A.R.S. §13-821(C) requires the court to transmit the "monies collected pursuant to this section to the supreme court for the purpose of providing drug treatment services to adult probationers through the community punishment program established in title 12, chapter 2, article 11." A.R.S. § 12-299(3) defines "Community punishment" to mean "programs for persons placed on supervised probation or intensive probation which are established pursuant to this article and provide for increased conditions of probation and community-based programs and services that emphasize supervision, surveillance, control, public protection, community work service, restitution and victims' rights and that provide opportunities for rehabilitation and treatment." All expenditures from the CPP Fines program must be consistent with the purposes set forth in A.R.S. §12-299.01.

27. 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 James L. Conlogue Digitally signed by James L. Conlogue Date: 2019.07.10 07:37:44 -07'00'

Honorable James Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By Mike Baumstark Digitally signed by Mike Baumstark Date: 2019.06.26 09:29:27 -07'00'

Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

ADULT DRUG COURT
COCHISE COUNTY
FY 2020

Addendum date: July 1, 2019
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$4,500**

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	$ 4,500
TOTAL AMOUNT TO BE DISBURSED		**$ 4,500**

SCHEDULED DISBURSEMENTS:

July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$1,035	$1,125	$1,170	$1,170

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

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2019.06.14 12:08:41 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2019.07.08 17:40:49 -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: 10/22/2019

FY20 Transferred Youth Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Transferred Youth funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $1,000.

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

FY20 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)
Community Punishment Program Fines (CPP Fines)

Fiscal Year 2020

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, 2019 and shall remain in effect through June 30, 2020.

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, 2020.

iii. A closing financial and program activity report is due on or before August 31, 2020, 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, 2020, with the due date to the AOC on February 15, 2020.

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, 2020.

c. Unexpended Funds. All funds unencumbered as of June 30, 2020, and unexpended as of July 31, 2020, 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, 2020, 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

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.

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.

2.3.2 Business Automobile Liability

b. 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, CPP Fines 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. All expenditures for the CPP Program must be consistent with the purposes described in A.R.S. §12-299.01.

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

Pursuant to A.R.S. § 41-2401, 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 (JCEF)

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. COMMUNITY PUNISHMENT PROGRAM FINES (CPP FINES)

A.R.S. §13-821(A) permits a court to order a fine for a drug offense. A.R.S. §13-821(C) requires the court to transmit the "monies collected pursuant to this section to the supreme court for the purpose of providing drug treatment services to adult probationers through the community punishment program established in title 12, chapter 2, article 11." A.R.S. § 12-299(3) defines "Community punishment" to mean "programs for persons placed on supervised probation or intensive probation which are established pursuant to this article and provide for increased conditions of probation and community-based programs and services that emphasize supervision, surveillance, control, public protection, community work service, restitution and victims' rights and that provide opportunities for rehabilitation and treatment." All expenditures from the CPP Fines program must be consistent with the purposes set forth in A.R.S. §12-299.01.

27. 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 James L. Conlogue Digitally signed by James L. Conlogue Date: 2019.07.10 07:37:44 -07'00'

Honorable James Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By Mike Baumstark Digitally signed by Mike Baumstark Date: 2019.06.26 09:29:27 -07'00'

Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

TRANSFERRED YOUTH
COCHISE COUNTY
FY 2020

592

Addendum date: July 1, 2019
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$1,000**

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	$ 1,000
TOTAL AMOUNT TO BE DISBURSED		**$ 1,000**

SCHEDULED DISBURSEMENTS:

July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$230	$250	$260	$260

	RETAINED FUNDS	AMOUNT
A.	N/A	$ -
B.	Contract Withheld	$ -
TOTAL AMOUNT TO BE RETAINED		**$ -**

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2019.06.14 12:10:44 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2019.07.08 17:42:31 -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: 10/22/2019

FY20 Adult JCEF IPS Assistance Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Adult Judicial Collection Enhancement Fund (JCEF) Assistance funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $21,689.

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

FY20 AOC Funding Agreement
JCEF IPS Assist Addendum
Grant Approval Form JCEF IPS Assist

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)
Community Punishment Program Fines (CPP Fines)

Fiscal Year 2020

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, 2019 and shall remain in effect through June 30, 2020.

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, 2020.

iii. A closing financial and program activity report is due on or before August 31, 2020, 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, 2020, with the due date to the AOC on February 15, 2020.

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, 2020.

c. Unexpended Funds. All funds unencumbered as of June 30, 2020, and unexpended as of July 31, 2020, 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, 2020, 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

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.

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.

2.3.2 Business Automobile Liability

b. 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, CPP Fines 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. All expenditures for the CPP Program must be consistent with the purposes described in A.R.S. §12-299.01.

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

Pursuant to A.R.S. § 41-2401, 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 (JCEF)

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. COMMUNITY PUNISHMENT PROGRAM FINES (CPP FINES)

A.R.S. §13-821(A) permits a court to order a fine for a drug offense. A.R.S. §13-821(C) requires the court to transmit the "monies collected pursuant to this section to the supreme court for the purpose of providing drug treatment services to adult probationers through the community punishment program established in title 12, chapter 2, article 11." A.R.S. § 12-299(3) defines "Community punishment" to mean "programs for persons placed on supervised probation or intensive probation which are established pursuant to this article and provide for increased conditions of probation and community-based programs and services that emphasize supervision, surveillance, control, public protection, community work service, restitution and victims' rights and that provide opportunities for rehabilitation and treatment." All expenditures from the CPP Fines program must be consistent with the purposes set forth in A.R.S. §12-299.01.

27. 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 James L. Conlogue Digitally signed by James L. Conlogue Date: 2019.07.10 07:37:44 -07'00'

Honorable James Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By Mike Baumstark Digitally signed by Mike Baumstark Date: 2019.06.26 09:29:27 -07'00'

Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

158

ADULT JCEF - IPS ASSISTANCE
COCHISE COUNTY
FY 2020

Addendum date: July 1, 2019
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$21,689**

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	$ 21,689
E.	Operating	$ -
F.	Contract	$ -
TOTAL AMOUNT TO BE DISBURSED		**$ 21,689**

SCHEDULED DISBURSEMENTS:

July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$4,988	$5,422	$5,640	$5,639

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

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2019.06.14 12:09:43 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2019.07.08 17:41:36 -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 **Board of Supervisors**

Meeting Date:	10/22/2019		
Minutes			
Submitted By:	Melissa Tucker, 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 October 8, 2019.

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
Demands

PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
REGULAR MEETING HELD ON
Tuesday, October 8, 2019

A regular board meeting of the Cochise County Board of Supervisors was held on Tuesday, October 8, 2019 at 10:00 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present:	Thomas E. Borer, Chairman (telephonically); Ann English, Vice-Chairman (telephonically); Peggy Judd, Supervisor
Staff Present:	Edward T. Gilligan, County Administrator; Sharon Gilman, Associate County Administrator; Christine Roberts, Civil Deputy County Attorney; Arlethe R. Morrison, Clerk of the Board

Supervisor Judd called the meeting to order at 10:06 a.m.

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

PRESENTATION

Presentation by Ms. Vada Phelps, Executive Director, Arizona @ Work, Southeastern Arizona regarding the highlights of the annual plan.

Ms. Phelps thanked Ms. Baca for her assistance and then went over the highlights of the annual plan.

The Board thanked Ms. Phelps for her work and the information.

Mr. Richard Dodge, All Aboard Arizona member, would like to share information about railroad transportation in Cochise County.

Mr. Dodge and Mr. Earl Van Swearagen used a PowerPoint presentation to go over their information. He went over the current goals for the group. Mr. Van Swearagen asked if the Board would consider writing a formal letter to AMTRAK requesting more train services in Cochise County.

Vice-Chairman English and Supervisor Judd were supportive of putting a letter of support together for consideration at a future board meeting.

Chairman Borer said he would like additional information regarding the demand for this service in the County and an estimate of what the County's support would be.

The Board thanked both gentlemen for the information.

CONSENT

Board of Supervisors

1. Approve the Minutes of the regular meeting of the Board of Supervisors for September 24, 2019.

2. Adopt Resolution 19-20 recognizing Fry Volunteer Fire Company as Fry Fire District due to the change from ARS Title 9 to ARS Title 48.

3. Adopt Resolution 19-21 and approve Letter of Support to the United States Congress for the United States-Mexico-Canada Agreement (USMCA).

4. Approve Community Enhancement Fund expenditures for District 3 in Benson effective October 8, 2019 and ratify the Community Enhancement Fund expenditures for District 2 and District 3 for Douglas and Willcox, respectively due to severe weather impact in those communities.

5. Approve Letter of Support for Bureau of Reclamation Applied Science Grant to provide a unique opportunity to develop a web-based hydrologic information portal (WHIP) and provide important information to scientists, water managers and other stakeholders.

County Attorney

6. Approve the proposed settlement of the Small Tax Appeal in IHCC and Associates v. Cochise County, ST2019-000514, now pending in Arizona Tax Court, a division of the Superior Court of and for Maricopa County.

7. Approve the proposed settlement of the Small Tax Appeal in Arko, Ronald M. & Judy M. v. Cochise County, ST2019-000005, now pending in Arizona Tax Court, a division of the Superior Court of and for Maricopa County.

County Sheriff

8. Approve Amendment 1 to the Intergovernmental Agreement (IGA) 2018-098 between the Arizona Department of Public Safety (ADPS) and the Cochise County Sheriff's Office, to continue to fund and increase the deputy positions from five to six positions for the Border Strike Force Bureau, effective July 1, 2018 through June 30, 2019 with automatic annual renewal options through June 30, 2021.

Finance

9. Approve demands and budget amendments for operating transfers.

Workforce Development

10. Approve the appointment of Mr. Irven Simpkins to the Local Workforce Development Board to fill an unexpired term, effective immediately through July 31, 2023.

    Vice-Chairman English moved to approve items 1-10 on the consent agenda. Chairman Borer seconded the motion and it carried unanimously.

ACTION

County Sheriff

11. Approve Software Service Subscription Agreement Addendum No. 1 with Cogniac Corporation for visual observation automation for the period of August 1, 2019 through August 1, 2020, with a one year automatic renewal in the amount of $90,000.

    Lt. Curtis Wilkins, Sheriff's Office, presented this item. Lt. Wilkins stated that this software was used to filter through photos collected from their cameras countywide. He added that this was already in the budget.

    Vice-Chairman English moved to approve Software Service Subscription Agreement Addendum No. 1 with Cogniac Corporation for visual observation automation for the period of August 1, 2019 through August 1, 2020, with a one year automatic renewal in the amount of $90,000. Chairman Borer seconded the motion.

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

12. Approve grant agreement HT-19-2934 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 $82,000 for salaries, partial fringe benefits (ERE), and supplies, effective January 1, 2019 through December 31, 2020.

    Lt. Curtis Wilkins, Sheriff's Office, presented this item. Lt. Wilkins stated that this was an annual grant and additional funds were already in the budget.

    Chairman Borer moved to approve grant agreement HT-19-2934 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 $82,000 for salaries, partial fringe benefits (ERE), and supplies, effective January 1, 2019 through December 31, 2020. Vice-Chairman English seconded the motion.

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

Development Services

13. Accept a FAA Grant for airport improvements at the Bisbee-Douglas International Airport in the amount of $468,637 to reconstruct runway 17/35 lighting.

    Mr. Dan Coxworth, Development Services Director, presented this item. Mr. Coxworth gave the background and said that this was a formal step to accept the funds.

    Vice-Chairman English moved to accept a FAA Grant for airport improvements at the Bisbee-Douglas International Airport in the amount of $468,637 to reconstruct runway 17/35 lighting. Chairman Borer seconded the motion.

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

CALL TO THE PUBLIC

Supervisor Judd opened the call to the public.

No one chose to speak and Supervisor 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.

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, Thomas E. Borer

Chairman Borer deferred his report.

Report by District 2 Supervisor, Ann English

Vice-Chairman English deferred her report.

Report by District 3 Supervisor, Peggy Judd

Supervisor Judd encouraged everyone to attend events countywide.

Chairman Judd adjourned the meeting at 10:40 a.m.

APPROVED:

_____
Thomas E. Borer, Chairman

ATTEST:

_____
Arlethe R. Morrison, Clerk of the Board

Demands 10/3/2019
Date Range 09/20/19-10/03/19
Warrant Range 36129-36353

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT	FUND NAME	AMOUNT
36129	09/26/2019	A+ Language Services	1350 - Legal Defender	100 General Fund	175.00
36130	09/26/2019	A-1 Shredding	1100 - Adult Probation	147 Adult Probation Svcs Fee	240.00
36130	09/26/2019	A-1 Shredding	1200 - Juvenile Court Servic	100 General Fund	240.00
36131	09/26/2019	A-1 Shredding	8000 - County Library Distric	171 County Library	48.00
36132	09/26/2019	AB STAFFING SOLUTIONS, LLC	5000 - Health Dept	100 General Fund	2,200.00
36133	09/26/2019	Alex Espinosa's Bisbee Funeral Home	5000 - Health Dept	100 General Fund	350.00
36134	09/26/2019	Amazon.com LLC	8000 - County Library Distric	171 County Library	475.73
36135	09/26/2019	Arizona Ambulance Transport	5000 - Health Dept	100 General Fund	2,863.13
36136	09/26/2019	Arizona Department of Corrections	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	75.82
36136	09/26/2019	Arizona Department of Corrections	1750 - Fleet Management	109 Fleet Management	99.82
36136	09/26/2019	Arizona Department of Corrections	7000 - Solid Waste	505 Solid Waste	499.19
36137	09/26/2019	Arizona Machinery Company, LLC dba St	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	959.62
36138	09/26/2019	Arizona Public Service - APS	7000 - Solid Waste	505 Solid Waste	1,878.41
36139	09/26/2019	Arizona State Hospital	1600 - Finance	100 General Fund	128,828.00
36140	09/26/2019	Baker & Taylor, LLC	8000 - County Library Distric	171 County Library	1,141.80
36141	09/26/2019	Bank of America Merchant Services, LLC	0700 - Clerk of the Superior (	100 General Fund	968.61
36142	09/26/2019	Banner-University Physicians Healthcare,	0810 - Court Administration	100 General Fund	750.00
36143	09/26/2019	Becker, Judith V. PH.D.	1350 - Legal Defender	100 General Fund	1,875.00
36144	09/26/2019	Benson, City of	4010 - Highway Dept Admini	251 Highway Fund	433.32
36145	09/26/2019	BI Incorporated	1200 - Juvenile Court Servic	555 Juvenile Treatment Svcs	334.56
36146	09/26/2019	Bisbee Napa	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	448.40
36146	09/26/2019	Bisbee Napa	1750 - Fleet Management	109 Fleet Management	286.16
36147	09/26/2019	Brown & White Inc	4010 - Highway Dept Admini	251 Highway Fund	4,195.35
36148	09/26/2019	CenturyLink Communications	1800 - IT/Communications	100 General Fund	2,285.18
36149	09/26/2019	CenturyLink Communications	0100 - Board of Supervisors	100 General Fund	68.32
36149	09/26/2019	CenturyLink Communications	0810 - Court Administration	100 General Fund	72.14
36149	09/26/2019	CenturyLink Communications	1100 - Adult Probation	100 General Fund	147.06
36149	09/26/2019	CenturyLink Communications	1200 - Juvenile Court Servic	100 General Fund	67.02
36149	09/26/2019	CenturyLink Communications	1750 - Fleet Management	109 Fleet Management	33.24
36149	09/26/2019	CenturyLink Communications	1800 - IT/Communications	100 General Fund	6,330.82
36149	09/26/2019	CenturyLink Communications	7000 - Solid Waste	505 Solid Waste	293.03
36150	09/26/2019	Cintas Corporation No. 445	7000 - Solid Waste	505 Solid Waste	234.16
36151	09/26/2019	David M Waterman dba Law Offices of Da	0100 - Board of Supervisors	100 General Fund	500.00
36152	09/26/2019	Dease, Iona	1200 - Juvenile Court Servic	154 Juv.Prob. Family Counse	720.00
36153	09/26/2019	Deneke, Buffy	0810 - Court Administration	100 General Fund	411.60
36154	09/26/2019	Earhart Equipment Corporation	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	319.10
36155	09/26/2019	Election Systems & Software LLC	0500 - Elections	100 General Fund	2,037.55
36156	09/26/2019	Empire Southwest LLC	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	12,812.11
36157	09/26/2019	Environmental Science Corporation	7000 - Solid Waste	505 Solid Waste	714.00
36158	09/26/2019	Federal Express Corporation	1800 - IT/Communications	100 General Fund	21.47
36159	09/26/2019	Griffith, David Bruce	0100 - Board of Supervisors	100 General Fund	1,400.00

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT		FUND NAME	AMOUNT
36160	09/26/2019	Grossman & Grossman Ltd	1200 - Juvenile Court Servic	154	Juv.Prob. Family Counse	1,126.25
36161	09/26/2019	Hale Trailer Brake & Wheel, Inc.	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	12,172.97
36162	09/26/2019	Interstate Battery	1750 - Fleet Management	109	Fleet Management	1,018.07
36163	09/26/2019	Janet E Lindenberg	0100 - Board of Supervisors	100	General Fund	132.00
36164	09/26/2019	Law Enforcement Targets, Inc. dba Action	0810 - Court Administration	100	General Fund	15.00
36165	09/26/2019	Mack's Auto Parts Inc	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	120.66
36165	09/26/2019	Mack's Auto Parts Inc	1750 - Fleet Management	109	Fleet Management	921.58
36166	09/26/2019	Maddux & Sons Inc	4010 - Highway Dept Admini	251	Highway Fund	26,613.91
36167	09/26/2019	Merle's Automotive Supply	1750 - Fleet Management	109	Fleet Management	2,732.53
36168	09/26/2019	Midwest Tape	8000 - County Library Distric	171	County Library	214.94
36169	09/26/2019	Neuropsychological Assessment & Consu	0810 - Court Administration	100	General Fund	875.00
36170	09/26/2019	O'Rielly Chevrolet, Inc.	1750 - Fleet Management	109	Fleet Management	748.35
36171	09/26/2019	Prudential Overall Supply	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	264.28
36171	09/26/2019	Prudential Overall Supply	1750 - Fleet Management	109	Fleet Management	152.28
36172	09/26/2019	Purcell Tire & Rubber Company	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	6,170.73
36173	09/26/2019	QT Petroleum on Demand LLC	2000 - Airport Operations	105	Bisbee/Douglas Airport	945.00
36174	09/26/2019	Ross, Ramiro	0810 - Court Administration	100	General Fund	67.74
36175	09/26/2019	RWC Group	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	3,346.63
36176	09/26/2019	Schlesinger, Aaron	0810 - Court Administration	100	General Fund	1,625.00
36177	09/26/2019	Senergy Petroleum LLC	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	22,040.26
36177	09/26/2019	Senergy Petroleum LLC	1750 - Fleet Management	109	Fleet Management	12,648.87
36178	09/26/2019	Sierra Vista Medical Group	5000 - Health Dept	100	General Fund	90.52
36179	09/26/2019	Sierra Vista NAPA	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	137.16
36180	09/26/2019	Southwest Gas Corporation	4010 - Highway Dept Admini	251	Highway Fund	106.39
36181	09/26/2019	Southwest Hazard Control Incorporated	4010 - Highway Dept Admini	251	Highway Fund	542.49
36182	09/26/2019	Sparkletts	0500 - Elections	100	General Fund	46.51
36182	09/26/2019	Sparkletts	0810 - Court Administration	100	General Fund	196.84
36182	09/26/2019	Sparkletts	1900 - Development Service	100	General Fund	102.14
36183	09/26/2019	STI-CO Industries, Inc.	1800 - IT/Communications	100	General Fund	531.25
36184	09/26/2019	Streitfeld, Stephen V. MD PC	0810 - Court Administration	100	General Fund	1,000.00
36185	09/26/2019	Sulphur Springs Valley Electric Cooperati	4010 - Highway Dept Admini	251	Highway Fund	1,414.12
36185	09/26/2019	Sulphur Springs Valley Electric Cooperati	7000 - Solid Waste	505	Solid Waste	930.11
36186	09/26/2019	Technical Resource Management, Inc.	1100 - Adult Probation	149	Adult Prob.Comm.Punish	1,855.00
36187	09/26/2019	Technical Resource Management, Inc.	1100 - Adult Probation	149	Adult Prob.Comm.Punish	865.75
36188	09/26/2019	Templeman, Douglas D	0810 - Court Administration	100	General Fund	54.52
36189	09/26/2019	The W Law Firm PLLC	0100 - Board of Supervisors	100	General Fund	10,700.00
36190	09/26/2019	Utility Trailer Sales Co. of Arizona	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	2,519.13
36191	09/26/2019	Voyager Fleet System, Inc.	1750 - Fleet Management	109	Fleet Management	8,347.53
36192	09/26/2019	Vulcan Materials	4010 - Highway Dept Admini	251	Highway Fund	1,351.82
36193	09/26/2019	W. R. Ryan Company	1750 - Fleet Management	109	Fleet Management	3,514.85
36194	09/26/2019	Walmart	0930 - Justice Court 3	100	General Fund	21.01
36195	09/26/2019	Watson Chevrolet Inc	1750 - Fleet Management	109	Fleet Management	2,097.04
36196	09/26/2019	Wick Communications	0700 - Clerk of the Superior	100	General Fund	108.99
36197	09/26/2019	Wick Communications	2200 - Human Resources	100	General Fund	4,831.05

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT		FUND NAME	AMOUNT
36198	09/26/2019	WIST Office Products Co	1200 - Juvenile Court Servic	100	General Fund	140.00
36199	09/26/2019	Arizona State Treasurer	1600 - Finance	100	General Fund	184,567.00
36200	09/26/2019	Cochise County Sheriff's Department	1350 - Legal Defender	100	General Fund	3.00
36201	09/26/2019	Fairchild, Heather	0940 - Justice Court 4	100	General Fund	170.00
36202	09/26/2019	Dianna Fischer	0950 - Justice Court 5	100	General Fund	100.00
36203	09/26/2019	Ramon Guerrero	0920 - Justice Court 2	100	General Fund	200.00
36204	09/26/2019	Pesina, Francisco	0940 - Justice Court 4	100	General Fund	105.00
36205	09/26/2019	Lisa Thompson	0950 - Justice Court 5	100	General Fund	100.00
36206	09/26/2019	Walmart	0920 - Justice Court 2	100	General Fund	26.26
36207	10/03/2019	Cochise County/Sheakley/National Bank	1600 - Finance	110	Payroll Clearing Fund	8,553.84
36208	10/03/2019	4imprint, Inc.	3000 - Sheriff	100	General Fund	2,699.05
36209	10/03/2019	A+ Language Services	1300 - Public Defender	100	General Fund	175.00
36210	10/03/2019	A-1 Shredding	0600 - County Attorney	100	General Fund	856.00
36211	10/03/2019	A-1 Shredding	0700 - Clerk of the Superior (	100	General Fund	560.00
36211	10/03/2019	A-1 Shredding	1220 - Juvenile Detention	100	General Fund	240.00
36212	10/03/2019	AB STAFFING SOLUTIONS, LLC	5000 - Health Dept	100	General Fund	2,475.00
36213	10/03/2019	Advanced Controls Corporation	2100 - Facilities Managemen	100	General Fund	660.00
36214	10/03/2019	Alex Espinosa's Bisbee Funeral Home	5000 - Health Dept	100	General Fund	2,889.00
36215	10/03/2019	Amazon.com LLC	8000 - County Library Distric	171	County Library	869.09
36216	10/03/2019	Anderson, Steven James	0810 - Court Administration	549	Probate Fees	250.00
36217	10/03/2019	Arizona Chief Probation Officer Associatio	1100 - Adult Probation	147	Adult Probation Svcs Fee	360.00
36217	10/03/2019	Arizona Chief Probation Officer Associatio	1200 - Juvenile Court Servic	100	General Fund	40.00
36217	10/03/2019	Arizona Chief Probation Officer Associatio	1220 - Juvenile Detention	100	General Fund	40.00
36218	10/03/2019	Arizona Correctional Industries	3000 - Sheriff	100	General Fund	760.20
36219	10/03/2019	Arizona Defensive Firearms Training LLC	3000 - Sheriff	100	General Fund	1,000.00
36220	10/03/2019	Arizona Department of Corrections	3000 - Sheriff	203	Jail Enhancement	810.00
36221	10/03/2019	Arizona Department of Corrections	1750 - Fleet Management	109	Fleet Management	88.00
36221	10/03/2019	Arizona Department of Corrections	2100 - Facilities Managemen	100	General Fund	426.16
36221	10/03/2019	Arizona Department of Corrections	7000 - Solid Waste	505	Solid Waste	785.47
36222	10/03/2019	Arizona Department of Transportation	1750 - Fleet Management	109	Fleet Management	2,245.90
36223	10/03/2019	Arizona Public Service - APS	2100 - Facilities Managemen	100	General Fund	52,543.21
36223	10/03/2019	Arizona Public Service - APS	2100 - Facilities Managemen	105	Bisbee/Douglas Airport	6,350.04
36223	10/03/2019	Arizona Public Service - APS	4010 - Highway Dept Admini	251	Highway Fund	2,372.87
36224	10/03/2019	Arizona State Prison Complex	4010 - Highway Dept Admini	251	Highway Fund	2,766.05
36225	10/03/2019	Arizona Supreme Court	0810 - Court Administration	166	SB 1398	2,120.00
36225	10/03/2019	Arizona Supreme Court	0810 - Court Administration	306	Local JCEF JP #6	1,505.00
36226	10/03/2019	Arizona Water Company	2100 - Facilities Managemen	100	General Fund	1,323.83
36227	10/03/2019	Atomic Nutrition, LLC	5000 - Health Dept	228	W.I.C. Grant	1,762.00
36228	10/03/2019	Azam, Syed T.	5000 - Health Dept	100	General Fund	750.00
36228	10/03/2019	Azam, Syed T.	5000 - Health Dept	234	TB Control	500.00
36229	10/03/2019	B & D Lumber and Hardware	3000 - Sheriff	100	General Fund	629.60
36230	10/03/2019	Baker & Taylor, LLC	8000 - County Library Distric	171	County Library	1,259.43
36231	10/03/2019	Bank of America	1600 - Finance	100	General Fund	93,585.82

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT		FUND NAME	AMOUNT
36232	10/03/2019	Barnett's Towing & Oxygen LLC	3000 - Sheriff	100	General Fund	302.00
36233	10/03/2019	Bella Vista Water Company-Liberty Water	2100 - Facilities Managemen	100	General Fund	1,242.71
36234	10/03/2019	Benjamin Supply Inc.	3000 - Sheriff	100	General Fund	854.70
36235	10/03/2019	Benson, City of	7000 - Solid Waste	505	Solid Waste	54.40
36236	10/03/2019	Bisbee Napa	1750 - Fleet Management	109	Fleet Management	197.76
36236	10/03/2019	Bisbee Napa	2100 - Facilities Managemen	100	General Fund	158.19
36237	10/03/2019	Bisbee Plumbing LLC	3000 - Sheriff	203	Jail Enhancement	3,210.00
36238	10/03/2019	Borer, Thomas Edward	0100 - Board of Supervisors	100	General Fund	274.92
36239	10/03/2019	Bowie Water Improvement District	2100 - Facilities Managemen	100	General Fund	95.13
36239	10/03/2019	Bowie Water Improvement District	4010 - Highway Dept Admini	251	Highway Fund	50.93
36240	10/03/2019	Bradley R Johnson MD PLLC	0810 - Court Administration	100	General Fund	500.00
36241	10/03/2019	Cable One dba Sparklight	2100 - Facilities Managemen	100	General Fund	103.01
36242	10/03/2019	Catholic Community Services Southern Ar	0810 - Court Administration	100	General Fund	523.86
36243	10/03/2019	Cengage Learning, Inc. dba GALE	8000 - County Library Distric	171	County Library	51.08
36244	10/03/2019	CenturyLink Communications	1800 - IT/Communications	100	General Fund	3,171.18
36244	10/03/2019	CenturyLink Communications	8000 - County Library Distric	171	County Library	1,459.09
36245	10/03/2019	CenturyLink Communications	0600 - County Attorney	100	General Fund	34.16
36245	10/03/2019	CenturyLink Communications	0600 - County Attorney	124	Attrny Anti-Racketeering	34.16
36245	10/03/2019	CenturyLink Communications	0700 - Clerk of the Superior (	100	General Fund	165.70
36245	10/03/2019	CenturyLink Communications	0920 - Justice Court 2	100	General Fund	72.62
36245	10/03/2019	CenturyLink Communications	2100 - Facilities Managemen	100	General Fund	104.91
36245	10/03/2019	CenturyLink Communications	2100 - Facilities Managemen	105	Bisbee/Douglas Airport	175.50
36245	10/03/2019	CenturyLink Communications	3000 - Sheriff	100	General Fund	608.89
36245	10/03/2019	CenturyLink Communications	4010 - Highway Dept Admini	251	Highway Fund	134.66
36245	10/03/2019	CenturyLink Communications	7000 - Solid Waste	505	Solid Waste	317.76
36246	10/03/2019	Childhelp, Inc.	3000 - Sheriff	100	General Fund	700.00
36247	10/03/2019	Cintas Corporation No. 445	4010 - Highway Dept Admini	251	Highway Fund	2,823.90
36247	10/03/2019	Cintas Corporation No. 445	7000 - Solid Waste	505	Solid Waste	234.16
36248	10/03/2019	City of Bisbee	1900 - Development Service	100	General Fund	5,958.66
36249	10/03/2019	City of Sierra Vista	1400 - General Government	216	SEACOM Operations	80,460.41
36250	10/03/2019	Carolyn Clark	0810 - Court Administration	168	Children's Issues Ed	297.80
36251	10/03/2019	Clear Springs Utility, Inc.	4010 - Highway Dept Admini	251	Highway Fund	172.83
36252	10/03/2019	Cloud, Shelly R.	0810 - Court Administration	549	Probate Fees	250.00
36253	10/03/2019	CMI, Inc.	3000 - Sheriff	100	General Fund	778.18
36254	10/03/2019	Cochise Lock and Safe, Inc.	2100 - Facilities Managemen	100	General Fund	405.62
36255	10/03/2019	Concentra Medical Centers	3000 - Sheriff	100	General Fund	205.50
36256	10/03/2019	Cooke, Stephen R.	0810 - Court Administration	168	Children's Issues Ed	180.00
36257	10/03/2019	Copygraphix Inc.	1600 - Finance	100	General Fund	25,228.37
36257	10/03/2019	Copygraphix Inc.	1900 - Development Service	100	General Fund	75.00
36258	10/03/2019	CRM of America LLC	7000 - Solid Waste	506	Waste Tire Grant	4,972.43
36259	10/03/2019	Culligan of Tucson	0810 - Court Administration	100	General Fund	170.33

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT		FUND NAME	AMOUNT
36259	10/03/2019	Culligan of Tucson	0810 - Court Administration	161	Local Court Assist Fund	51.63
36260	10/03/2019	Deneke, Buffy	0600 - County Attorney	124	Attrny Anti-Racketeering	104.00
36261	10/03/2019	Direct TV	3000 - Sheriff	208	Sheriff Inmate Welfare	67.63
36262	10/03/2019	Dominion Environmental Consultants, Inc.	2100 - Facilities Managemen	100	General Fund	9,943.00
36263	10/03/2019	Douglas, City of	2100 - Facilities Managemen	100	General Fund	152.87
36263	10/03/2019	Douglas, City of	4010 - Highway Dept Admini	251	Highway Fund	371.00
36264	10/03/2019	Dunbar, Patricia	1220 - Juvenile Detention	100	General Fund	39.40
36265	10/03/2019	Elfrida Water Improvement District	2100 - Facilities Managemen	100	General Fund	32.06
36266	10/03/2019	Empire Southwest LLC	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	647.62
36267	10/03/2019	English, Ann S.	0100 - Board of Supervisors	100	General Fund	391.50
36268	10/03/2019	Ergon Asphalt & Emulsions, Inc.	4010 - Highway Dept Admini	251	Highway Fund	26,880.67
36269	10/03/2019	Federal Express Corporation	3000 - Sheriff	100	General Fund	102.41
36270	10/03/2019	Ferguson Enterprises, Inc.	2100 - Facilities Managemen	100	General Fund	1,090.74
36271	10/03/2019	Gen-Tech	2100 - Facilities Managemen	100	General Fund	1,405.00
36272	10/03/2019	George Medina - George's Upholstery	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	142.88
36273	10/03/2019	Gonzales, Manuel V.	1750 - Fleet Management	109	Fleet Management	100.00
36274	10/03/2019	Green, Daniel D	0810 - Court Administration	100	General Fund	58.00
36275	10/03/2019	Hamilton, Les	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	42.65
36276	10/03/2019	Hatfield Funeral Home	5000 - Health Dept	100	General Fund	500.00
36277	10/03/2019	High Desert Clinic Urgent & Occupational	0100 - Board of Supervisors	100	General Fund	80.00
36278	10/03/2019	Honeman, Van G.	0810 - Court Administration	100	General Fund	714.00
36279	10/03/2019	HOV Services Inc/Lason Systems	0700 - Clerk of the Superior (	100	General Fund	106.58
36280	10/03/2019	Johnson, Gregory L.	1900 - Development Service	100	General Fund	202.92
36281	10/03/2019	JWS Web Design LLC	1800 - IT/Communications	100	General Fund	500.00
36282	10/03/2019	KE&G Construction Inc.	4110 - Engineering & Natura	267	Wine Country Developm	120,085.72
36283	10/03/2019	Keefe Commissary Network, LLC	3000 - Sheriff	208	Sheriff Inmate Welfare	1,417.80
36284	10/03/2019	Law Office of Joan M Sacramento	0810 - Court Administration	549	Probate Fees	2,820.00
36285	10/03/2019	Lawley's Team Ford Kia	1750 - Fleet Management	109	Fleet Management	898.16
36286	10/03/2019	Mack's Auto Parts Inc	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	224.69
36287	10/03/2019	Meracle, Tim	4010 - Highway Dept Admini	251	Highway Fund	100.00
36288	10/03/2019	Merle's Automotive Supply	1750 - Fleet Management	109	Fleet Management	375.26
36289	10/03/2019	Midwest Tape	8000 - County Library Distric	171	County Library	97.47
36290	10/03/2019	Murphy, Teresa	4010 - Highway Dept Admini	251	Highway Fund	77.81
36291	10/03/2019	Net Transcripts, Inc.	0600 - County Attorney	100	General Fund	195.00
36292	10/03/2019	Northern Cochise Community Hospital, In	0100 - Board of Supervisors	251	Highway Fund	95.00
36292	10/03/2019	Northern Cochise Community Hospital, In	0100 - Board of Supervisors	600	Heavy Fleet Managemen	33.00
36293	10/03/2019	Nyander, Penny Sue	0810 - Court Administration	100	General Fund	1,394.40
36294	10/03/2019	Pitney Bowes, Inc.	2100 - Facilities Managemen	100	General Fund	379.77
36295	10/03/2019	Point and Pay LLC	0700 - Clerk of the Superior (	100	General Fund	325.00
36296	10/03/2019	PrevenTronics	3000 - Sheriff	100	General Fund	2,650.00
36297	10/03/2019	Prudential Overall Supply	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	64.29

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT	FUND	FUND NAME	AMOUNT
36297	10/03/2019	Prudential Overall Supply	1750 - Fleet Management	109	Fleet Management	153.40
36298	10/03/2019	Pueblo del Sol Water Company	4010 - Highway Dept Admini	251	Highway Fund	63.27
36299	10/03/2019	Pueblo Mechanical & Controls, Inc.	3000 - Sheriff	100	General Fund	1,112.50
36300	10/03/2019	Red Eye Radiator and DPF Specialists LL	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	320.67
36301	10/03/2019	Ron Turley Associates, Inc.	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	1,299.72
36302	10/03/2019	Ron Turley Associates, Inc.	1750 - Fleet Management	109	Fleet Management	1,274.26
36303	10/03/2019	RWC Group	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	175.79
36304	10/03/2019	Safelite Autoglass Corp.	1750 - Fleet Management	251	Highway Fund	202.86
36305	10/03/2019	Sanchez, Miguel Angel	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	141.30
36306	10/03/2019	Sanofi Pasteur	5000 - Health Dept	100	General Fund	1,839.65
36307	10/03/2019	Schlesinger, Aaron	0810 - Court Administration	100	General Fund	325.00
36308	10/03/2019	SCS Engineers, SCS Field Services, SCS	7000 - Solid Waste	505	Solid Waste	2,075.00
36309	10/03/2019	Senergy Petroleum LLC	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	5,863.50
36309	10/03/2019	Senergy Petroleum LLC	1750 - Fleet Management	109	Fleet Management	13,770.62
36310	10/03/2019	Serological Research Institute	0600 - County Attorney	100	General Fund	7,850.00
36311	10/03/2019	Virginia A. Shreve,	0810 - Court Administration	549	Probate Fees	250.00
36312	10/03/2019	Sierra Vista NAPA	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	13.46
36313	10/03/2019	Southwest Gas Corporation	2100 - Facilities Managemen	100	General Fund	98.32
36313	10/03/2019	Southwest Gas Corporation	4010 - Highway Dept Admini	251	Highway Fund	141.22
36314	10/03/2019	Southwestern Scale Company, Inc.	7000 - Solid Waste	505	Solid Waste	3,470.61
36315	10/03/2019	Sparkletts	2100 - Facilities Managemen	100	General Fund	285.54
36316	10/03/2019	Stericycle Inc.	1220 - Juvenile Detention	100	General Fund	246.60
36316	10/03/2019	Stericycle Inc.	3000 - Sheriff	100	General Fund	838.02
36316	10/03/2019	Stericycle Inc.	5000 - Health Dept	100	General Fund	825.11
36317	10/03/2019	Sulphur Springs Valley Electric Cooperati	1800 - IT/Communications	100	General Fund	725.92
36317	10/03/2019	Sulphur Springs Valley Electric Cooperati	2100 - Facilities Managemen	100	General Fund	21,192.38
36317	10/03/2019	Sulphur Springs Valley Electric Cooperati	4010 - Highway Dept Admini	251	Highway Fund	486.76
36317	10/03/2019	Sulphur Springs Valley Electric Cooperati	7000 - Solid Waste	505	Solid Waste	79.33
36318	10/03/2019	The Bisbee Observer LLC	0200 - Treasurer	100	General Fund	118.06
36318	10/03/2019	The Bisbee Observer LLC	0500 - Elections	100	General Fund	82.22
36318	10/03/2019	The Bisbee Observer LLC	2200 - Human Resources	100	General Fund	260.47
36319	10/03/2019	The W Law Firm PLLC	0100 - Board of Supervisors	100	General Fund	4,000.00
36320	10/03/2019	Thomson West	0810 - Court Administration	151	Law Library	1,081.74
36321	10/03/2019	Titan Alarm, Inc.	2100 - Facilities Managemen	100	General Fund	449.91
36322	10/03/2019	Transact Commercial Furnishings, Inc.	0600 - County Attorney	100	General Fund	523.12
36323	10/03/2019	Trinity Services Group, Inc.	1220 - Juvenile Detention	100	General Fund	4,012.80
36323	10/03/2019	Trinity Services Group, Inc.	3000 - Sheriff	100	General Fund	34,739.07
36324	10/03/2019	Valley Telephone Cooperative, Inc.	3000 - Sheriff	208	Sheriff Inmate Welfare	79.90
36325	10/03/2019	Vulcan Materials	4010 - Highway Dept Admini	251	Highway Fund	1,301.42
36326	10/03/2019	W W Grainger Inc	2100 - Facilities Managemen	100	General Fund	55.55
36327	10/03/2019	W. R. Ryan Company	1750 - Fleet Management	109	Fleet Management	4,255.17

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT	FUND NAME	AMOUNT
36328	10/03/2019	Waste Management of Arizona, Inc.	2100 - Facilities Managemen	100 General Fund	174.96
36328	10/03/2019	Waste Management of Arizona, Inc.	2100 - Facilities Managemen	105 Bisbee/Douglas Airport	443.73
36328	10/03/2019	Waste Management of Arizona, Inc.	4010 - Highway Dept Admini	251 Highway Fund	608.54
36329	10/03/2019	Watson Chevrolet Inc	1750 - Fleet Management	109 Fleet Management	164.11
36330	10/03/2019	Waxie Sanitary Supply	3000 - Sheriff	100 General Fund	790.68
36331	10/03/2019	West Press	1600 - Finance	100 General Fund	1,078.19
36332	10/03/2019	Westlawn Chapel & Mortuary	5000 - Health Dept	100 General Fund	1,845.50
36333	10/03/2019	Wick Communications	0200 - Treasurer	100 General Fund	46.80
36334	10/03/2019	WIST Office Products Co	0600 - County Attorney	100 General Fund	77.29
36335	10/03/2019	Arizona Department of Public Safety	5000 - Health Dept	228 W.I.C. Grant	201.00
36336	10/03/2019	Caleb Barham	3000 - Sheriff	100 General Fund	700.00
36337	10/03/2019	Chiricahua Community Health Centers, IN	1220 - Juvenile Detention	100 General Fund	278.02
36338	10/03/2019	Cochise County Finance Revolving Fund	1600 - Finance	100 General Fund	119.00
36339	10/03/2019	Cochise County Finance Revolving Fund	1600 - Finance	100 General Fund	277.00
36340	10/03/2019	Cochise County Finance Revolving Fund	1600 - Finance	100 General Fund	277.00
36341	10/03/2019	Cochise County Sheriff's Department	3000 - Sheriff	100 General Fund	2,254.57
36342	10/03/2019	Inch, Brian D	1600 - Finance	100 General Fund	72.25
36343	10/03/2019	Motorola Solutions Inc	3000 - Sheriff	201 Stonegarden Program	319,385.00
36344	10/03/2019	Parker, Talmadge	3000 - Sheriff	100 General Fund	700.00
36345	10/03/2019	Robert Shalvoy	3000 - Sheriff	100 General Fund	700.00
36346	10/03/2019	Sparkman Enterprises	2100 - Facilities Managemen	400 County Capital Projects	44,045.70
36347	10/03/2019	Trachtman, Sean	1800 - IT/Communications	100 General Fund	1,330.00
36348	10/03/2019	Ian Williamson	3000 - Sheriff	100 General Fund	700.00
36349	10/03/2019	Jose Garcia	0920 - Justice Court 2	100 General Fund	42.02
36350	10/03/2019	Lodging Inn Iowa, LLC	0920 - Justice Court 2	100 General Fund	25.00
36351	10/03/2019	Vernon Moore	0930 - Justice Court 3	100 General Fund	58.82
36352	10/03/2019	Premier Alliances, Inc.	0100 - Board of Supervisors	251 Highway Fund	25.00
36353	10/03/2019	Walmart	0930 - Justice Court 3	100 General Fund	270.29
Grand Total					1,497,351.96

Consent 8.

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

Meeting Date: 10/22/2019

Community Enhancement Fund Expenditures

Submitted By: Kim Lemons, 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 Community Enhancement Fund expenditures for District 3 in Willcox effective October 22, 2019 to address hazard abatement / community clean-up in that community.

Background:

Supervisor Judd has submitted approval for two Willcox projects: water dirt road on September 22, 2019 and roll off placed at the Beacon at the Willcox Airport for storm clean up.

Department's Next Steps (if approved):

Release funds for projects.

Impact of NOT Approving/Alternatives:

Projects will not be funded.

To BOS Staff: Document Disposition/Follow-Up:

Submit City of Willcox Invoice to Finance for payment and notify Ms. Watkins via email of approved project and payment. Notify Mr. Haverty via email of approved project and request invoice from Solid Waste Dept. to payable to the County Treasurer.

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

20191022_CommunityEnhancementFundsDistrict3_WillcoxStorm

20191022_CommunityEnhancementFundsDistrict3_WillcoxWaterDirtRoad

Cochise County
Board of Supervisors

Public Programs...Personal Service
www.cochise.az.gov

Community Enhancement Fund Project Information Form

Project Name: _____

Authorized Project Category:

❑Multi-Use Path
❑Hazard Abatement/Community Clean-Up
❑County Maintained Road Improvements
❑Street Lights
❑Natural Resources Projects
❑Transit Support
❑Assistance with Right-of-Way Costs
❑Public Works Projects
❑Other: _____

Responsible Department: _____ Department Contact: _____

Supervisor's District Fund Line, G/L: _____

Project Total Budget Amount (*includes all labor and materials*): _____

Project Description (*attach additional information/photos/maps as needed*):

Date Approved: _____

1415 Melody Lane, Building G
Bisbee, Arizona 85603
520-432-9200
520-432-5016 fax
board@cochise.az.gov

Cochise County
Board of Supervisors

Public Programs...Personal Service
www.cochise.az.gov

Community Enhancement Fund Project Information Form

Project Name: _____

Authorized Project Category:

❑Multi-Use Path
❑Hazard Abatement/Community Clean-Up
❑County Maintained Road Improvements
❑Street Lights
❑Natural Resources Projects
❑Transit Support
❑Assistance with Right-of-Way Costs
❑Public Works Projects
❑Other: _____

Responsible Department: _____ Department Contact: _____

Supervisor's District Fund Line, G/L: _____

Project Total Budget Amount (*includes all labor and materials*): _____

Project Description (*attach additional information/photos/maps as needed*):

Date Approved: _____

1415 Melody Lane, Building G
Bisbee, Arizona 85603
520-432-9200
520-432-5016 fax
board@cochise.az.gov

CITY OF
WILLCOX
ARIZONA

INVOICE

Date:
September 30, 2019

Public Services & Works **250 N. Railroad Ave Willcox, AZ 85643 (520)384-6447**

Cochise County Highway Department
1415 Melody Lane, Building F
Bisbee AZ 85603

Description	each	Amount
Water dirt road on September 22, 2019		
21,000 gallons water @ $8.52 per gallon plus service fee's per load		$ 230.23
Labor - 8 hrs overtime		$ 203.68
Fuel		$ 70.00
	Sub Total	$ 503.91
Make all checks payable to City of Willcox	Tax Rate	Included 9.10%
and deliver to 250 N. Railroad Avenue	Sales Tax	
If you have any questions, please contact	Other	(freight)
the City at (520)384-6447	**TOTAL**	**$ 503.91**

THANK YOU FOR YOUR BUSINESS

OK TO PAY
COMMUNITY ENHANCEMENT FUNDS
OCT 3rd 2019
MA

Consent 9.

Regular Board of Supervisors Meeting **Finance**

Meeting Date:	10/22/2019		
Demands			
Submitted By:	Melissa Tucker, 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

Demands

Demands 10/17/2019
Date Range 10/04/19-10/17/19
Warrant Range 36354-36664

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT	FUND	FUND NAME	AMOUNT
36354	10/10/2019	A Check America	2200 - Human Resources	100	General Fund	89.50
36355	10/10/2019	A+ Language Services	0810 - Court Administration	100	General Fund	250.00
36355	10/10/2019	A+ Language Services	1310 - Legal Advocate	100	General Fund	175.00
36356	10/10/2019	A-1 Shredding	9000 - School Superintender	100	General Fund	216.00
36357	10/10/2019	Amazon.com LLC	8000 - County Library Distric	171	County Library	114.68
36358	10/10/2019	Arizona Counties Insurance Pool	0100 - Board of Supervisors	100	General Fund	19,573.08
36359	10/10/2019	Arizona Department of Corrections	7000 - Solid Waste	505	Solid Waste	224.50
36360	10/10/2019	Arizona Department of Corrections ASPC	7000 - Solid Waste	505	Solid Waste	37.00
36361	10/10/2019	Arizona Police Psychology, PLLC	3000 - Sheriff	100	General Fund	75.00
36362	10/10/2019	Arizona Smoke School, LLC	7000 - Solid Waste	505	Solid Waste	375.00
36363	10/10/2019	Arizona State Treasurer	1600 - Finance	100	General Fund	184,567.00
36364	10/10/2019	Arizona Supreme Court	0920 - Justice Court 2	100	General Fund	75.00
36365	10/10/2019	Arizona Water Company	7000 - Solid Waste	505	Solid Waste	1,505.32
36366	10/10/2019	Athens Technical Specialists, Inc. (ATSI)	3000 - Sheriff	570	GIITEM	47,963.86
36367	10/10/2019	Baker & Taylor, LLC	8000 - County Library Distric	171	County Library	732.93
36368	10/10/2019	Barnett's Towing & Oxygen LLC	1750 - Fleet Management	109	Fleet Management	562.50
36369	10/10/2019	Benjamin Supply Inc.	3000 - Sheriff	100	General Fund	470.33
36370	10/10/2019	Bisbee Napa	1750 - Fleet Management	109	Fleet Management	542.50
36371	10/10/2019	Bradley R Johnson MD PLLC	0810 - Court Administration	100	General Fund	1,000.00
36371	10/10/2019	Bradley R Johnson MD PLLC	1300 - Public Defender	100	General Fund	175.00
36372	10/10/2019	Bug-Wiser Exterminating, Inc.	3000 - Sheriff	100	General Fund	180.00
36373	10/10/2019	Cable One dba Sparklight	0810 - Court Administration	100	General Fund	416.94
36373	10/10/2019	Cable One dba Sparklight	1800 - IT/Communications	100	General Fund	160.26
36374	10/10/2019	CenturyLink Communications	9000 - School Superintender	100	General Fund	34.16
36375	10/10/2019	Cintas Corporation No. 445	7000 - Solid Waste	505	Solid Waste	241.41
36376	10/10/2019	Civil Air Patrol Magazine	3000 - Sheriff	100	General Fund	395.00
36377	10/10/2019	Cochise College	0100 - Board of Supervisors	100	General Fund	1,300.00
36378	10/10/2019	Copygraphix Inc.	0700 - Clerk of the Superior (	100	General Fund	96.10
36378	10/10/2019	Copygraphix Inc.	1310 - Legal Advocate	100	General Fund	197.30
36379	10/10/2019	CRM of America LLC	7000 - Solid Waste	506	Waste Tire Grant	3,748.65
36380	10/10/2019	Culligan of Tucson	0700 - Clerk of the Superior (	100	General Fund	396.86
36380	10/10/2019	Culligan of Tucson	1600 - Finance	100	General Fund	56.26
36380	10/10/2019	Culligan of Tucson	4010 - Highway Dept Admini	251	Highway Fund	375.48
36381	10/10/2019	Deluxe Business Forms	0200 - Treasurer	100	General Fund	54.67
36382	10/10/2019	Demco Inc.	8000 - County Library Distric	171	County Library	21.86
36383	10/10/2019	Deneke, Buffy	0810 - Court Administration	100	General Fund	468.40
36384	10/10/2019	Direct TV	3000 - Sheriff	208	Sheriff Inmate Welfare	26.99
36385	10/10/2019	Dotson, James M.	2200 - Human Resources	501	Cochise Combined Trust	246.48
36386	10/10/2019	Gaynes, Deborah L	0100 - Board of Supervisors	100	General Fund	1,273.50
36387	10/10/2019	Helm, Livesay, & Worthington, Ltd	1600 - Finance	100	General Fund	49.83
36388	10/10/2019	John M Herrera	0100 - Board of Supervisors	100	General Fund	100.00

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT		FUND NAME	AMOUNT
36389	10/10/2019	Honorable Adam Ambrose	2200 - Human Resources	501	Cochise Combined Trust	215.00
36390	10/10/2019	Interstate Battery	1750 - Fleet Management	109	Fleet Management	54.95
36391	10/10/2019	Interwest Safety Supply, LLC	4010 - Highway Dept Admini	251	Highway Fund	37,766.84
36392	10/10/2019	Interwest Safety Supply, LLC	4010 - Highway Dept Admini	251	Highway Fund	673.32
36393	10/10/2019	JWS Web Design LLC	1800 - IT/Communications	100	General Fund	875.00
36394	10/10/2019	K12 Handhelds, Inc.	8000 - County Library Distric	176	Library LSTA Grants	5,453.70
36395	10/10/2019	Keefe Commissary Network, LLC	3000 - Sheriff	208	Sheriff Inmate Welfare	2,233.93
36396	10/10/2019	Language Line Services, Inc.	1300 - Public Defender	100	General Fund	154.86
36397	10/10/2019	LexisNexis Matthew Bender	0810 - Court Administration	151	Law Library	354.15
36398	10/10/2019	Maddux & Sons Inc	4010 - Highway Dept Admini	251	Highway Fund	19,410.77
36399	10/10/2019	Merle's Automotive Supply	1750 - Fleet Management	109	Fleet Management	1,894.50
36400	10/10/2019	Midwest Tape	8000 - County Library Distric	171	County Library	64.98
36401	10/10/2019	Morin, Barth	2200 - Human Resources	501	Cochise Combined Trust	300.00
36402	10/10/2019	NI Government Services Inc	3000 - Sheriff	100	General Fund	221.18
36403	10/10/2019	Nyander, Penny Sue	0810 - Court Administration	100	General Fund	325.00
36404	10/10/2019	OCLC Online Computer Library Center, In	8000 - County Library Distric	171	County Library	863.52
36405	10/10/2019	Porta-Pot	7000 - Solid Waste	505	Solid Waste	750.75
36406	10/10/2019	Price, Lynn Darlene	9000 - School Superintender	278	Small Schools	326.25
36407	10/10/2019	Marcel Proulx	0930 - Justice Court 3	100	General Fund	64.40
36408	10/10/2019	Prudential Overall Supply	1750 - Fleet Management	109	Fleet Management	109.53
36409	10/10/2019	RevolutionaryText, LLC	0810 - Court Administration	100	General Fund	12,250.00
36410	10/10/2019	Rodgers, Brett	0100 - Board of Supervisors	100	General Fund	100.00
36411	10/10/2019	Steven Rojas	0920 - Justice Court 2	100	General Fund	21.01
36412	10/10/2019	Ruiz, Guadalupe	0920 - Justice Court 2	100	General Fund	25.00
36413	10/10/2019	Safelite Autoglass Corp.	1750 - Fleet Management	100	General Fund	1,616.13
36413	10/10/2019	Safelite Autoglass Corp.	1750 - Fleet Management	109	Fleet Management	119.85
36413	10/10/2019	Safelite Autoglass Corp.	1750 - Fleet Management	251	Highway Fund	406.76
36414	10/10/2019	Schlesinger, Aaron	0810 - Court Administration	100	General Fund	650.00
36415	10/10/2019	Senergy Petroleum LLC	1750 - Fleet Management	109	Fleet Management	6,362.56
36416	10/10/2019	Siempre	9000 - School Superintender	278	Small Schools	400.00
36417	10/10/2019	Sierra Vista Shooting Range	1100 - Adult Probation	147	Adult Probation Svcs Fee	240.00
36418	10/10/2019	Southeast Arizona Legal Support (SEALS	0200 - Treasurer	100	General Fund	453.75
36419	10/10/2019	Sparkletts	9000 - School Superintender	100	General Fund	28.42
36420	10/10/2019	Sulphur Springs Valley Electric Cooperati	7000 - Solid Waste	505	Solid Waste	162.68
36420	10/10/2019	Sulphur Springs Valley Electric Cooperati	8000 - County Library Distric	171	County Library	121.17
36421	10/10/2019	Swank Motion Pictures, Inc.	3000 - Sheriff	208	Sheriff Inmate Welfare	1,023.09
36422	10/10/2019	The Master's Touch, LLC	0200 - Treasurer	100	General Fund	28,940.44
36423	10/10/2019	Town of Payson	3000 - Sheriff	100	General Fund	250.00
36424	10/10/2019	Trademark Visual, Inc.	1750 - Fleet Management	109	Fleet Management	785.20
36425	10/10/2019	TransUnion Risk and Alternative Data Sol	1350 - Legal Defender	100	General Fund	54.80
36426	10/10/2019	TSYS Merchant Services	0930 - Justice Court 3	100	General Fund	224.63
36427	10/10/2019	Marta Olivia Valenzuela-Swan	0910 - Justice Court 1	100	General Fund	1,131.00
36428	10/10/2019	Valley Telephone Cooperative, Inc.	0960 - Justice Court 6	100	General Fund	271.99
36428	10/10/2019	Valley Telephone Cooperative, Inc.	3000 - Sheriff	100	General Fund	36.65

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT		FUND NAME	AMOUNT
36428	10/10/2019	Valley Telephone Cooperative, Inc.	8000 - County Library District	171	County Library	765.12
36429	10/10/2019	Verizon Wireless	1600 - Finance	100	General Fund	11,773.85
36429	10/10/2019	Verizon Wireless	3000 - Sheriff	100	General Fund	19,050.75
36429	10/10/2019	Verizon Wireless	3000 - Sheriff	200	Financial Crimes Unit	543.26
36429	10/10/2019	Verizon Wireless	3000 - Sheriff	205	Sheriff Law Enforcement	928.11
36430	10/10/2019	Vertress, Tambra	2200 - Human Resources	501	Cochise Combined Trust	146.37
36431	10/10/2019	W. R. Ryan Company	1750 - Fleet Management	109	Fleet Management	1,498.38
36432	10/10/2019	Watson Chevrolet Inc	1750 - Fleet Management	109	Fleet Management	1,865.21
36433	10/10/2019	Waxie Sanitary Supply	3000 - Sheriff	100	General Fund	1,433.01
36434	10/10/2019	William R Whitworth	0100 - Board of Supervisors	100	General Fund	200.00
36435	10/10/2019	Wick Communications	0200 - Treasurer	100	General Fund	103.83
36436	10/10/2019	Wick Communications	1900 - Development Service	100	General Fund	143.94
36436	10/10/2019	Wick Communications	2200 - Human Resources	100	General Fund	1,558.39
36437	10/10/2019	Willcox, City of	4010 - Highway Dept Admini	251	Highway Fund	968.08
36437	10/10/2019	Willcox, City of	7000 - Solid Waste	505	Solid Waste	142.24
36438	10/10/2019	Yavapai County Education Service Agenc	8000 - County Library District	171	County Library	2,500.00
36439	10/10/2019	Cochise Association of School Administra	9000 - School Superintender	100	General Fund	150.00
36440	10/10/2019	Cochise County Library - Petty Cash	8000 - County Library District	171	County Library	13.40
36441	10/10/2019	Cochise County Sheriff's Department	3000 - Sheriff	100	General Fund	1,045.77
36442	10/10/2019	Cochise Private Industry Council, Inc.	1600 - Finance	192	J.T.P.A.	83,268.00
36443	10/10/2019	Gijanto, Sean R.	3000 - Sheriff	100	General Fund	700.00
36444	10/10/2019	U S Postal Service	0400 - Recorder	100	General Fund	7,000.00
36445	10/10/2019	B & D Lumber and Hardware	0920 - Justice Court 2	100	General Fund	4,965.61
36446	10/10/2019	Alice Ban	0940 - Justice Court 4	100	General Fund	20.00
36447	10/10/2019	Berean Academy	0950 - Justice Court 5	100	General Fund	5.88
36448	10/10/2019	Ana Diaz	0920 - Justice Court 2	100	General Fund	8.40
36449	10/10/2019	Ryan Diaz	0940 - Justice Court 4	100	General Fund	40.00
36450	10/10/2019	Lena Estavillo	0930 - Justice Court 3	100	General Fund	50.00
36451	10/10/2019	Farmers Insurance	0950 - Justice Court 5	100	General Fund	25.00
36452	10/10/2019	Jennings, Jeffrey	0950 - Justice Court 5	100	General Fund	16.81
36453	10/10/2019	Angelica Luzania	0920 - Justice Court 2	100	General Fund	25.00
36454	10/10/2019	Alistar McEwan	0950 - Justice Court 5	100	General Fund	25.00
36455	10/10/2019	Veronica Navarro	0950 - Justice Court 5	100	General Fund	33.61
36456	10/10/2019	Safeway Loss Prevention	0940 - Justice Court 4	100	General Fund	20.00
36457	10/10/2019	Sierra Vista Police Department	0950 - Justice Court 5	100	General Fund	5.38
36458	10/10/2019	Sierra Vista Unified School District No. 68	0950 - Justice Court 5	100	General Fund	5.55
36459	10/10/2019	Lidia G Trinidad	0920 - Justice Court 2	100	General Fund	602.00
36460	10/10/2019	US Bureau of Land Management	0950 - Justice Court 5	100	General Fund	100.00
36461	10/10/2019	Walmart	0920 - Justice Court 2	100	General Fund	50.00
36462	10/15/2019	AFLAC	1600 - Finance	501	Cochise Combined Trust	8,122.32
36463	10/15/2019	Arizona Counties Insurance Pool	1600 - Finance	110	Payroll Clearing Fund	113,269.05
36464	10/15/2019	Arizona Department of Administration-Ris	1600 - Finance	110	Payroll Clearing Fund	5,119.18
36465	10/15/2019	Cochise County/Sheakley/National Bank	1600 - Finance	110	Payroll Clearing Fund	4,198.07

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT	FUND NAME	AMOUNT
36466	10/17/2019	A+ Language Services	0600 - County Attorney	124 Attrny Anti-Racketeering	640.00
36467	10/17/2019	AB STAFFING SOLUTIONS, LLC	5000 - Health Dept	100 General Fund	4,730.00
36468	10/17/2019	Aerial Solutions II LLC	3000 - Sheriff	211 Private Donor	37,251.34
36469	10/17/2019	ALLDATA	1750 - Fleet Management	109 Fleet Management	1,591.50
36470	10/17/2019	Amazon.com LLC	8000 - County Library District	171 County Library	201.65
36471	10/17/2019	Aqua Life	0920 - Justice Court 2	100 General Fund	22.00
36472	10/17/2019	Arizona Department of Corrections	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	48.00
36472	10/17/2019	Arizona Department of Corrections	1750 - Fleet Management	109 Fleet Management	88.00
36472	10/17/2019	Arizona Department of Corrections	2100 - Facilities Managemen	100 General Fund	256.00
36472	10/17/2019	Arizona Department of Corrections	7000 - Solid Waste	505 Solid Waste	368.00
36473	10/17/2019	Arizona Forensic Services, LLC	0810 - Court Administration	100 General Fund	2,480.00
36474	10/17/2019	Arizona Medical Waste, LLC	5000 - Health Dept	100 General Fund	315.85
36475	10/17/2019	Arizona Public Service - APS	2100 - Facilities Managemen	100 General Fund	176.23
36475	10/17/2019	Arizona Public Service - APS	2100 - Facilities Managemen	105 Bisbee/Douglas Airport	255.27
36476	10/17/2019	Arizona State Hospital	1600 - Finance	100 General Fund	98,868.00
36477	10/17/2019	Arizona State Prison Complex	4010 - Highway Dept Admini	251 Highway Fund	9,483.33
36478	10/17/2019	Arizona Supreme Court	1100 - Adult Probation	147 Adult Probation Svcs Fee	8,710.00
36479	10/17/2019	Arizona Water Company	2100 - Facilities Managemen	100 General Fund	79.68
36480	10/17/2019	Atomic Nutrition, LLC	5000 - Health Dept	228 W.I.C. Grant	2,451.00
36481	10/17/2019	Aztec Welding Supply Company	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	288.97
36482	10/17/2019	B & D Lumber and Hardware	3000 - Sheriff	100 General Fund	208.37
36483	10/17/2019	Heather Marie Baker	0100 - Board of Supervisors	100 General Fund	589.50
36484	10/17/2019	Baker & Taylor, LLC	8000 - County Library District	171 County Library	1,528.59
36485	10/17/2019	Beacon Secure	5000 - Health Dept	100 General Fund	65.00
36486	10/17/2019	Becker, Judith V. PH.D.	1200 - Juvenile Court Servic	555 Juvenile Treatment Svcs	1,250.00
36486	10/17/2019	Becker, Judith V. PH.D.	1350 - Legal Defender	100 General Fund	2,000.00
36487	10/17/2019	Benson Autobody Inc. dba Benson Glass	1750 - Fleet Management	100 General Fund	1,209.20
36488	10/17/2019	Benson, City of	2100 - Facilities Managemen	100 General Fund	376.93
36489	10/17/2019	BI Incorporated	1200 - Juvenile Court Servic	555 Juvenile Treatment Svcs	394.81
36490	10/17/2019	BI2 Technologies, LLC	3000 - Sheriff	203 Jail Enhancement	11,040.00
36491	10/17/2019	Bisbee Napa	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	1,762.03
36491	10/17/2019	Bisbee Napa	1750 - Fleet Management	109 Fleet Management	278.79
36492	10/17/2019	Bisbee Plumbing LLC	3000 - Sheriff	203 Jail Enhancement	6,835.00
36493	10/17/2019	Blackstone Audio, Inc.	8000 - County Library District	171 County Library	47.00
36494	10/17/2019	Bug-Wiser Exterminating, Inc.	2100 - Facilities Managemen	100 General Fund	330.00
36495	10/17/2019	Bureau of Vital Records	5000 - Health Dept	100 General Fund	4,162.30
36496	10/17/2019	C & C Manufacturing LLC	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	69.51
36497	10/17/2019	Cengage Learning, Inc. dba GALE	8000 - County Library District	171 County Library	317.49
36498	10/17/2019	Center for Disease Detection, LLC	5000 - Health Dept	100 General Fund	166.00
36499	10/17/2019	CenturyLink Communications	1800 - IT/Communications	100 General Fund	1,394.49
36500	10/17/2019	CenturyLink Communications	4010 - Highway Dept Admini	251 Highway Fund	74.73

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT	FUND NAME	AMOUNT
36501	10/17/2019	CenturyLink Communications	1100 - Adult Probation	100 General Fund	289.41
36501	10/17/2019	CenturyLink Communications	1200 - Juvenile Court Servic	100 General Fund	102.97
36501	10/17/2019	CenturyLink Communications	2100 - Facilities Managemen	105 Bisbee/Douglas Airport	77.65
36501	10/17/2019	CenturyLink Communications	3000 - Sheriff	100 General Fund	188.74
36501	10/17/2019	CenturyLink Communications	7000 - Solid Waste	505 Solid Waste	140.11
36502	10/17/2019	Cintas Corporation No. 445	7000 - Solid Waste	505 Solid Waste	241.41
36503	10/17/2019	City of Bisbee	2100 - Facilities Managemen	100 General Fund	7,446.51
36504	10/17/2019	City of Sierra Vista	1750 - Fleet Management	109 Fleet Management	15,511.58
36504	10/17/2019	City of Sierra Vista	5000 - Health Dept	100 General Fund	1,004.63
36505	10/17/2019	Cochise Family Advocacy Center	0600 - County Attorney	100 General Fund	3,250.00
36506	10/17/2019	Cochise Floor Covering	2100 - Facilities Managemen	100 General Fund	495.40
36507	10/17/2019	Cochise Lock and Safe, Inc.	2100 - Facilities Managemen	100 General Fund	1,947.55
36508	10/17/2019	Cochise Private Industry Council, Inc.	1600 - Finance	192 J.T.P.A.	126,856.00
36509	10/17/2019	Cochise Supplies, Inc.	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	171.99
36510	10/17/2019	Cogniac Corporation	3000 - Sheriff	570 GIITEM	90,000.00
36511	10/17/2019	Community Bridges, Inc.	5000 - Health Dept	100 General Fund	25,800.00
36512	10/17/2019	Concentra Medical Centers	1220 - Juvenile Detention	100 General Fund	143.00
36513	10/17/2019	Contract Pharmacy Services, Inc.	5000 - Health Dept	100 General Fund	875.00
36514	10/17/2019	Copper Queen Community Hospital	1710 - Heavy Fleet Managen	600 Heavy Fleet Managemen	105.06
36514	10/17/2019	Copper Queen Community Hospital	5000 - Health Dept	100 General Fund	5,115.92
36515	10/17/2019	Copygraphix Inc.	5000 - Health Dept	100 General Fund	192.58
36516	10/17/2019	COSUGI	8000 - County Library Distric	171 County Library	100.00
36517	10/17/2019	COX Communication Arizona, LLC	0810 - Court Administration	100 General Fund	305.00
36518	10/17/2019	Crawford Supply Co	3000 - Sheriff	208 Sheriff Inmate Welfare	135.72
36519	10/17/2019	Creative Culture Insignia, LLC	3000 - Sheriff	100 General Fund	507.30
36520	10/17/2019	Crestline Specialties, Inc.	3000 - Sheriff	100 General Fund	4,503.57
36521	10/17/2019	CRM of America LLC	7000 - Solid Waste	506 Waste Tire Grant	1,440.39
36522	10/17/2019	Crowell, Patricia	0810 - Court Administration	100 General Fund	5.80
36523	10/17/2019	Culligan of Tucson	0600 - County Attorney	100 General Fund	189.42
36524	10/17/2019	CureMD.com, Inc.	5000 - Health Dept	100 General Fund	305.00
36525	10/17/2019	David M Waterman dba Law Offices of Da	0100 - Board of Supervisors	100 General Fund	2,400.00
36526	10/17/2019	Deneke, Buffy	0100 - Board of Supervisors	100 General Fund	143.50
36526	10/17/2019	Deneke, Buffy	0600 - County Attorney	100 General Fund	61.50
36526	10/17/2019	Deneke, Buffy	0600 - County Attorney	124 Attrny Anti-Racketeering	36.00
36526	10/17/2019	Deneke, Buffy	0810 - Court Administration	100 General Fund	268.80
36527	10/17/2019	DePew, Kimberly A.	1900 - Development Service	100 General Fund	29.29
36528	10/17/2019	Diagnostic Pathology Consultants PC	5000 - Health Dept	100 General Fund	851.24
36529	10/17/2019	Diamondback Police Supply Co	3000 - Sheriff	100 General Fund	455.40
36530	10/17/2019	Doss, Angelita	0810 - Court Administration	100 General Fund	363.68
36531	10/17/2019	Douglas, City of	2100 - Facilities Managemen	105 Bisbee/Douglas Airport	943.00
36531	10/17/2019	Douglas, City of	7000 - Solid Waste	505 Solid Waste	34.95

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT	FUND	FUND NAME	AMOUNT
36532	10/17/2019	Duchon, Daniel	1600 - Finance	100	General Fund	220.54
36533	10/17/2019	Edie, Patricia Ann	1900 - Development Service	100	General Fund	41.01
36534	10/17/2019	Empire Southwest LLC	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	8,684.68
36535	10/17/2019	English, Ann S.	0100 - Board of Supervisors	100	General Fund	49.95
36536	10/17/2019	Ennis Paint, Inc.	4010 - Highway Dept Admini	251	Highway Fund	50,432.67
36537	10/17/2019	Ergon Asphalt & Emulsions, Inc.	4010 - Highway Dept Admini	251	Highway Fund	1,186.66
36538	10/17/2019	Ezzo Law	0100 - Board of Supervisors	100	General Fund	378.00
36539	10/17/2019	Federal Express Corporation	0600 - County Attorney	100	General Fund	79.48
36540	10/17/2019	Foremost Promotions	3000 - Sheriff	100	General Fund	1,665.00
36541	10/17/2019	Goodmans, Inc.	2100 - Facilities Managemen	400	County Capital Projects	11,785.11
36542	10/17/2019	Greene, Patrick K.	1900 - Development Service	100	General Fund	36.42
36543	10/17/2019	Gregan & Associates	0100 - Board of Supervisors	100	General Fund	6,188.00
36544	10/17/2019	Gregan, Wayne	1900 - Development Service	100	General Fund	35.26
36545	10/17/2019	Griffith, David Bruce	0100 - Board of Supervisors	100	General Fund	1,555.00
36546	10/17/2019	Guardian Tracking, LLC	3000 - Sheriff	100	General Fund	7,136.00
36547	10/17/2019	Hatfield Funeral Home	5000 - Health Dept	100	General Fund	640.00
36548	10/17/2019	Holman, Dale	0950 - Justice Court 5	100	General Fund	53.43
36549	10/17/2019	Honeman, Van G.	0600 - County Attorney	124	Attrny Anti-Racketeering	31.50
36549	10/17/2019	Honeman, Van G.	0810 - Court Administration	100	General Fund	921.20
36550	10/17/2019	Huachuca Federal Credit	0950 - Justice Court 5	100	General Fund	84.03
36551	10/17/2019	Hubble, Anthony D	0810 - Court Administration	549	Probate Fees	250.00
36552	10/17/2019	International Chemtex Corporation	2100 - Facilities Managemen	100	General Fund	737.00
36553	10/17/2019	Interstate Battery	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	284.23
36553	10/17/2019	Interstate Battery	1750 - Fleet Management	109	Fleet Management	405.29
36554	10/17/2019	IronHawk Elevator LLC	2100 - Facilities Managemen	100	General Fund	750.00
36555	10/17/2019	JE Fuller Hydrology & Geomorphology, In	4110 - Engineering & Natura	258	Recharge & Monitoring P	24,808.21
36556	10/17/2019	Jensen's Sierra Vista Mortuary	5000 - Health Dept	100	General Fund	500.00
36557	10/17/2019	JWS Web Design LLC	1800 - IT/Communications	100	General Fund	500.00
36558	10/17/2019	KE&G Construction Inc.	4110 - Engineering & Natura	267	Wine Country Developm	141,227.70
36559	10/17/2019	Keefe Commissary Network, LLC	3000 - Sheriff	208	Sheriff Inmate Welfare	1,017.36
36560	10/17/2019	Koch, David	1900 - Development Service	100	General Fund	30.51
36561	10/17/2019	Laboratory Corporation of America	0100 - Board of Supervisors	100	General Fund	34.00
36561	10/17/2019	Laboratory Corporation of America	0100 - Board of Supervisors	251	Highway Fund	52.00
36561	10/17/2019	Laboratory Corporation of America	0100 - Board of Supervisors	505	Solid Waste	18.00
36561	10/17/2019	Laboratory Corporation of America	0100 - Board of Supervisors	600	Heavy Fleet Managemen	18.00
36562	10/17/2019	Language Line Services, Inc.	0810 - Court Administration	100	General Fund	45.12
36563	10/17/2019	Law Office of Janelle A. McEachern	0100 - Board of Supervisors	100	General Fund	3,425.00
36564	10/17/2019	Law Office of Joan M Sacramento	0100 - Board of Supervisors	100	General Fund	1,200.00
36565	10/17/2019	Legend Technical Services of Arizona, Inc	2100 - Facilities Managemen	105	Bisbee/Douglas Airport	720.00
36566	10/17/2019	Lowell A. Jensen, PLC	0100 - Board of Supervisors	100	General Fund	2,270.00
36567	10/17/2019	Mack's Auto Parts Inc	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	437.18

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT	FUND	FUND NAME	AMOUNT
36567	10/17/2019	Mack's Auto Parts Inc	1750 - Fleet Management	109	Fleet Management	1,440.98
36568	10/17/2019	Manch Law Firm PLLC	0100 - Board of Supervisors	100	General Fund	4,674.00
36569	10/17/2019	Martzke, James F.	1900 - Development Service	100	General Fund	72.50
36570	10/17/2019	McCook Boiler & Pump Company	2100 - Facilities Managemen	100	General Fund	4,368.00
36571	10/17/2019	Mendez Construction	2100 - Facilities Managemen	100	General Fund	1,200.00
36572	10/17/2019	Merle's Automotive Supply	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	2.47
36572	10/17/2019	Merle's Automotive Supply	1750 - Fleet Management	109	Fleet Management	722.55
36573	10/17/2019	Midwest Tape	8000 - County Library Distric	171	County Library	119.97
36574	10/17/2019	Miller, Carmen J.	1900 - Development Service	100	General Fund	51.39
36575	10/17/2019	Mindful Lactation	5000 - Health Dept	227	Breastfeeding Counselin	160.00
36576	10/17/2019	Mitchell, Victoria	0810 - Court Administration	100	General Fund	282.88
36577	10/17/2019	NCS Pearson, Inc.	1220 - Juvenile Detention	100	General Fund	106.00
36577	10/17/2019	NCS Pearson, Inc.	1220 - Juvenile Detention	581	JCRF Planning Grant	61.00
36578	10/17/2019	Nesbitt Contracting Co., Inc	4110 - Engineering & Natura	251	Highway Fund	422,249.93
36579	10/17/2019	Northern Cochise Community Hospital, In	5000 - Health Dept	100	General Fund	268.43
36580	10/17/2019	Norwood Equipment Inc.	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	1,377.86
36581	10/17/2019	Nyander, Penny Sue	0600 - County Attorney	124	Attrny Anti-Racketeering	52.50
36581	10/17/2019	Nyander, Penny Sue	0810 - Court Administration	100	General Fund	1,353.80
36582	10/17/2019	O'Rielly Chevrolet, Inc.	1750 - Fleet Management	109	Fleet Management	38.56
36583	10/17/2019	Pima Heart Physicians PC	5000 - Health Dept	100	General Fund	106.10
36584	10/17/2019	Pride Outfitting, LLC	1750 - Fleet Management	109	Fleet Management	3,144.60
36585	10/17/2019	Prudential Overall Supply	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	340.62
36585	10/17/2019	Prudential Overall Supply	1750 - Fleet Management	109	Fleet Management	144.11
36586	10/17/2019	PTS-Prisoner Transportation Services Am	3000 - Sheriff	100	General Fund	3,416.95
36587	10/17/2019	Public Safety Personnel Retirement Syste	2200 - Human Resources	100	General Fund	75.00
36588	10/17/2019	Pueblo Mechanical & Controls, Inc.	3000 - Sheriff	100	General Fund	148.00
36589	10/17/2019	Purcell Tire & Rubber Company	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	13,226.21
36590	10/17/2019	Red Eye Radiator and DPF Specialists LL	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	1,526.88
36591	10/17/2019	Relda LLC dba Dermatec	3000 - Sheriff	100	General Fund	961.99
36592	10/17/2019	Richardsons Remembrance Center	5000 - Health Dept	100	General Fund	500.00
36593	10/17/2019	Robert J. Zohlmann, Esq.	0100 - Board of Supervisors	100	General Fund	800.00
36594	10/17/2019	Rothrock Investigations, LLC	0100 - Board of Supervisors	100	General Fund	1,884.20
36595	10/17/2019	RWC Group	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	9,928.79
36596	10/17/2019	Safelite Autoglass Corp.	1750 - Fleet Management	109	Fleet Management	39.95
36597	10/17/2019	Sanchez, Miguel Angel	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	100.00
36598	10/17/2019	Schiff, Laurence	5000 - Health Dept	100	General Fund	2,800.00
36599	10/17/2019	Schlesinger, Aaron	0810 - Court Administration	100	General Fund	949.60
36600	10/17/2019	Schlievert, Scott W.	0100 - Board of Supervisors	100	General Fund	500.00
36601	10/17/2019	SCS Engineers, SCS Field Services, SCS	7000 - Solid Waste	505	Solid Waste	3,125.00
36602	10/17/2019	Senergy Petroleum LLC	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	38,861.07
36602	10/17/2019	Senergy Petroleum LLC	1750 - Fleet Management	109	Fleet Management	13,704.17

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT		FUND NAME	AMOUNT
36603	10/17/2019	Sierra Vista NAPA	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	1,256.58
36604	10/17/2019	SMC Direct, LLC	1100 - Adult Probation	147	Adult Probation Svcs Fee	998.00
36605	10/17/2019	Sonora Avionics, Inc.	2000 - Airport Operations	100	General Fund	510.00
36606	10/17/2019	SoundOff Signal	1750 - Fleet Management	109	Fleet Management	1,017.86
36607	10/17/2019	Southern Arizona Children's Advocacy Ce	0600 - County Attorney	100	General Fund	400.00
36608	10/17/2019	Southwest Disposal LC	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	262.50
36608	10/17/2019	Southwest Disposal LC	2100 - Facilities Managemen	100	General Fund	131.25
36609	10/17/2019	Southwest Gas Corporation	2100 - Facilities Managemen	100	General Fund	522.97
36610	10/17/2019	Southwest Gas Corporation	2100 - Facilities Managemen	100	General Fund	2,087.14
36610	10/17/2019	Southwest Gas Corporation	2100 - Facilities Managemen	105	Bisbee/Douglas Airport	46.26
36611	10/17/2019	Southwest Hazard Control Incorporated	2100 - Facilities Managemen	100	General Fund	6,447.04
36612	10/17/2019	Sparkletts	0100 - Board of Supervisors	100	General Fund	89.38
36612	10/17/2019	Sparkletts	1800 - IT/Communications	100	General Fund	133.07
36612	10/17/2019	Sparkletts	8000 - County Library Distric	171	County Library	29.77
36613	10/17/2019	Spectra Training	7000 - Solid Waste	505	Solid Waste	850.00
36614	10/17/2019	Spragins Law Office	0100 - Board of Supervisors	100	General Fund	241.18
36615	10/17/2019	State Bar of Arizona	0100 - Board of Supervisors	100	General Fund	98.40
36616	10/17/2019	State of Arizona	1600 - Finance	400	County Capital Projects	1,000.00
36617	10/17/2019	Stericycle Inc.	5000 - Health Dept	100	General Fund	1,338.90
36618	10/17/2019	Sulphur Springs Valley Electric Cooperati	2100 - Facilities Managemen	100	General Fund	4,953.12
36618	10/17/2019	Sulphur Springs Valley Electric Cooperati	4010 - Highway Dept Admini	251	Highway Fund	228.24
36618	10/17/2019	Sulphur Springs Valley Electric Cooperati	7000 - Solid Waste	505	Solid Waste	1,000.00
36619	10/17/2019	Sune D14 Misc-A Holdings, LLC	2100 - Facilities Managemen	100	General Fund	7,885.07
36620	10/17/2019	Technical Resource Management, Inc.	1100 - Adult Probation	149	Adult Prob.Comm.Punish	2,812.45
36621	10/17/2019	The Law Offices of Harriette P Levitt, PLL	0100 - Board of Supervisors	100	General Fund	610.00
36622	10/17/2019	dbaOschmann Employee Screening Servic	1100 - Adult Probation	147	Adult Probation Svcs Fee	35.00
36623	10/17/2019	Thomson West	0810 - Court Administration	100	General Fund	405.56
36623	10/17/2019	Thomson West	0810 - Court Administration	151	Law Library	2,996.45
36623	10/17/2019	Thomson West	0810 - Court Administration	315	JP 5 Enhancement Fund	81.12
36624	10/17/2019	Thomson West	0810 - Court Administration	151	Law Library	3,658.41
36625	10/17/2019	Tim's Electric LLC	2100 - Facilities Managemen	100	General Fund	155.95
36626	10/17/2019	Titan Machinery Inc.	1710 - Heavy Fleet Managen	600	Heavy Fleet Managemen	128.90
36627	10/17/2019	Total Equipment Service and Engineering	3000 - Sheriff	100	General Fund	110.00
36628	10/17/2019	Town of Arlington MA	8000 - County Library Distric	171	County Library	18.00
36629	10/17/2019	Tracking Products, Inc.	1750 - Fleet Management	109	Fleet Management	204.00
36630	10/17/2019	Trane U.S. Inc.	2100 - Facilities Managemen	100	General Fund	8,001.19
36631	10/17/2019	Tucson Heart Group	5000 - Health Dept	100	General Fund	897.27
36632	10/17/2019	University Of Arizona	1600 - Finance	100	General Fund	28,953.25
36633	10/17/2019	VCA Apache Animal Hospital	3000 - Sheriff	100	General Fund	1,045.35
36634	10/17/2019	Waste Management of Arizona, Inc.	4010 - Highway Dept Admini	251	Highway Fund	1,026.92
36635	10/17/2019	Watson Chevrolet Inc	1750 - Fleet Management	109	Fleet Management	6,387.30

WARRANT #	CHECK DATE	VENDOR NAME	DEPARTMENT	FUND NAME	AMOUNT
36636	10/17/2019	Waxie Sanitary Supply	1220 - Juvenile Detention	100 General Fund	1,051.51
36637	10/17/2019	Wick Communications	1900 - Development Service	100 General Fund	50.40
36638	10/17/2019	Wick Communications	0810 - Court Administration	315 JP 5 Enhancement Fund	741.08
36638	10/17/2019	Wick Communications	1900 - Development Service	100 General Fund	209.63
36639	10/17/2019	Willcox, City of	2100 - Facilities Managemen	100 General Fund	947.46
36640	10/17/2019	Williamson, Daniel dba Arbo Scientific	5000 - Health Dept	232 Family Planning	20,840.00
36641	10/17/2019	WIST Office Products Co	0600 - County Attorney	100 General Fund	668.75
36641	10/17/2019	WIST Office Products Co	0600 - County Attorney	124 Attrny Anti-Racketeering	274.69
36642	10/17/2019	Huafang Xu	1300 - Public Defender	100 General Fund	540.00
36643	10/17/2019	Chiricahua Community Health Centers, IN	1220 - Juvenile Detention	100 General Fund	446.31
36644	10/17/2019	City of Sierra Vista	8000 - County Library Distric	171 County Library	723.90
36645	10/17/2019	Cochise County Treasurer	0100 - Board of Supervisors	100 General Fund	602.08
36646	10/17/2019	Copper Queen Library	8000 - County Library Distric	171 County Library	13.80
36647	10/17/2019	Hopper Jr., Albert N	2100 - Facilities Managemen	400 County Capital Projects	6,970.00
36648	10/17/2019	Laboratory Corporation of America	1220 - Juvenile Detention	100 General Fund	228.89
36649	10/17/2019	Southern Arizona Rad Associates LLC	1220 - Juvenile Detention	100 General Fund	48.82
36650	10/17/2019	Town of Huachuca City	8000 - County Library Distric	171 County Library	14.25
36651	10/17/2019	Traywick, Catherine Lynn	0200 - Treasurer	100 General Fund	742.56
36652	10/17/2019	US District Court	0600 - County Attorney	124 Attrny Anti-Racketeering	159.00
36653	10/17/2019	Becker, Grace	0910 - Justice Court 1	100 General Fund	271.74
36654	10/17/2019	City of Sierra Vista	0950 - Justice Court 5	100 General Fund	100.00
36655	10/17/2019	Lena Estavillo	0930 - Justice Court 3	100 General Fund	75.00
36656	10/17/2019	Dianna Fischer	0950 - Justice Court 5	100 General Fund	150.00
36657	10/17/2019	Tanya Hiple	0930 - Justice Court 3	100 General Fund	84.04
36658	10/17/2019	Angelica Luzania	0920 - Justice Court 2	100 General Fund	25.00
36659	10/17/2019	McCarty, Allen	0950 - Justice Court 5	100 General Fund	134.45
36660	10/17/2019	McGaffey, Laura	0940 - Justice Court 4	100 General Fund	200.00
36661	10/17/2019	Raymond Benjamin Sustaita	0940 - Justice Court 4	100 General Fund	354.00
36662	10/17/2019	Lisa Thompson	0950 - Justice Court 5	100 General Fund	150.00
36663	10/17/2019	Walmart	0920 - Justice Court 2	100 General Fund	100.00
36664	10/17/2019	Gary Weller	0950 - Justice Court 5	100 General Fund	1,915.00
Grand Total					2,097,002.12

Consent 10.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 10/22/2019

FY20 Victims' Rights Program Award Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Victims' Rights Program award agreement as provided by the State of Arizona, Office of the Attorney General effective July 1, 2019 through June 30, 2020 in the amount of $17,700.

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

AZAG Award Agreement

Grant Approval Form VRP

State of Arizona
Office of the Attorney General
FY 2020 Victims' Rights Program
AWARD AGREEMENT
A.G. #: 2020-018

RECIPIENT

Name:	Cochise County Superior Court
Contact:	Sarah Graves
Address:	1415 Melody Lane, Bldg. C, Bisbee, AZ 85603
Award Amount:	$17,700.00
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 2019, by and between the Arizona Attorney General, and the Cochise County Superior Court, the "Contractor", to commence on July 1, 2019 and terminate June 30, 2020. The Attorney General, having been satisfied as to the qualifications of Contractor, agrees to pay Contractor the above shown $17,700.00 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 $17,700.00 award budget as follows:

Personnel: $11,325.00 ERE/Benefits: $6,375.00

Title: Victim Rights Coordinator Percent: 75%

Consulting: $0.00

Operating: $0.00

Equipment: $0.00

C. To complete and submit, on or before August 14, 2020, an annual report to the Attorney General as prescribed in A.R.S. § 41-191.08(F).

D. To comply with FY 2020 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 14, 2020, 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, 2020, 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:**

_____ _____ _____ _____
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 **11.**

Regular Board of Supervisors Meeting **Workforce Development**

Meeting Date: 10/22/2019

Approve Amendment #2 to Title IB Adult, Youth, and Dislocated Worker contract #DI19-002208 between Cochise County and the Arizona Department of Econom

Submitted By:	Anita Baca, Housing Authority		
Department:	Housing Authority		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	4
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 Amendment #2 to Title IB Adult, Youth, and Dislocated Worker contract #DI19-002208 between Cochise County and the Arizona Department of Economic Security for the Workforce Innovation and Opportunity Act Service Delivery Area from April 1, 2018 to June 30, 2021.

Background:

Programs through the Department of Labor contracts and funds come from the DOL to the State. Cochise Private Industry Council, Inc. (CPIC) works with Adult, Youth, and Dislocated Worker training programs in Cochise, Graham, and Greenlee Counties. CPIC is reimbursed for their allowable expense through DOL and the State. This Intergovernmental Agreement is for the term of April 1, 2018 to June 30, 2021.

Department's Next Steps (if approved):

Review and sign the four copies of the Intergovernmental Agreement so that once expenses have been submitted to the State for reimbursement, the State WIA funds (only up to the contract limit) can be wired to Cochise County and passed to Cochise Private Industry Council, Inc. in order to cover expenses.

Impact of NOT Approving/Alternatives:

Funds would not be available for the program.

To BOS Staff: Document Disposition/Follow-Up:

The documents should be mailed to: Cochise Private Industry Council., 900 Carmelita Drive, Sierra Vista, AZ 85635, Attn: Vada Phelps. Request a fully executed original to be returned to the Board office.

Attachments

ADES and Cochise County IGA Amendment # DI19-002208

DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Intergovernmental Agreement

CONTRACT AMENDMENT

1. CONTRACTOR *(Name and address)*	2. CONTRACT ID NUMBER
Cochise County Board of Supervisors 900 Carmelita Dr. Sierra Vista, Arizona 85635	DI19-002208
	3. AMENDMENT NUMBER 2

4. THE PARTIES AGREE TO THE FOLLOWING AMENDMENT

Pursuant to Section 9.0 Manner of Financing, Paragraph 9.2 the purpose of this amendment is to increase fund balances for the following Program Year (PY) and Fiscal Year (FY):

PY19/FY20 Additional Allocation- TEGL 16-18 Ch 1			
PY	2019	AD Admin	
PY	2019	YT Admin	$164
PY	2019	DW Admin	
FY	2020	AD Admin	$135
FY	2020	DW Admin	$89
PY	2019	Youth	$1,473
PY	2019	Adult	
FY	2020	Adult	$1,212
PY	2019	DW	
FY	2020	DW	$805
PY	2019	RR	
FY	2020	RR	

This is an increase of $3,878

The reimbursement ceiling is increased from $4,614,042 to $4,617,920.

Attachment B. Allocation by Program and Fiscal Year, updated 9/17/2019 is revised and attached and reflects all current totals by Program and Fiscal Year.

5. EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AS HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. THE AMENDMENT SHALL BECOME EFFECTIVE ON THE DATE OF LAST SIGNATURE UNLESS OTHERWISE SPECIFIED HEREIN. BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

6. **ARIZONA DEPARTMENT OF ECONOMIC SECURITY**	7. NAME OF CONTRACTOR **COCHISE COUNTY BOARD OF SUPERVISORS**
SIGNATURE OF AUTHORIZED INDIVIDUAL	SIGNATURE OF AUTHORIZED INDIVIDUAL
TYPED NAME	TYPED NAME
TITLE	TITLE
DATE	DATE

IN ACCORDANCE WITH ARS §11-952 THIS CONTRACT AMENDMENT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT AMENDMENT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

ARIZONA ATTORNEY GENERAL'S OFFICE	
BY:	BY:
ASSISTANT ATTORNEY GENERAL	PUBLIC AGENCY LEGAL COUNSEL
DATE:	DATE:

DI19-002208 A2

Attachment B - WIOA Title I Allocation by Program and Fiscal Year

Updated 9/17/19

Vendor Name: Cochise/Graham/Greenlee

Contract #: DI19-002208

DI19-002208 A1

PY/FY	Year	Program	Amount	Begin Date	End Date	Final Expenditure / Cash Report Submission Date
PY	2018	AD Admin	$ 8,202	07/01/18	06/30/20	August 15, 2020
PY	2018	YT Admin	$ 51,618	04/01/18	06/30/20	August 15, 2020
PY	2018	DW Admin	$ 15,082	07/01/18	06/30/20	August 15, 2020
FY	2019	AD Admin	$ 43,673	10/01/18	06/30/20	August 15, 2020
FY	2019	DW Admin	$ 71,656	10/01/18	06/30/20	August 15, 2020
PY	2018	Youth	$ 464,578	04/01/18	06/30/20	August 15, 2020
PY	2018	Adult	$ 73,821	07/01/18	06/30/20	August 15, 2020
FY	2019	Adult	$ 393,048	10/01/18	06/30/20	August 15, 2020
PY	2018	DW	$ 135,741	07/01/18	06/30/20	August 15, 2020
FY	2019	DW	$ 644,907	10/01/18	06/30/20	August 15, 2020
PY	2018	RR	$ 18,100	07/01/18	06/30/20	August 15, 2020
FY	2019	RR	$ 85,694	10/01/18	06/30/20	August 15, 2020
TOTAL			$ 2,006,120			

Funding provided by U.S Department of Labor

Note : The final close out packet for the PY18/FY19 allocation is due to DES on or before 8/01/2021

DI19-002208 A1 & A2

PY/FY	Year	Program	Amount	Begin Date	End Date	Final Expenditure / Cash Report Submission Date
PY	2019	AD Admin	$ 8,689	07/01/19	06/30/21	August 15, 2021
PY	2019	YT Admin	$ 55,505	04/01/19	06/30/21	August 15, 2021
PY	2019	DW Admin	$ 23,415	07/01/19	06/30/21	August 15, 2021
FY	2020	AD Admin	$ 46,325	10/01/19	06/30/21	August 15, 2021
FY	2020	DW Admin	$ 111,109	10/01/19	06/30/21	August 15, 2021
PY	2019	Youth	$ 499,551	04/01/19	06/30/21	August 15, 2021
PY	2019	Adult	$ 78,206	07/01/19	06/30/21	August 15, 2021
FY	2020	Adult	$ 416,918	10/01/19	06/30/21	August 15, 2021
PY	2019	DW	$ 210,747	07/01/19	06/30/21	August 15, 2021
FY	2020	DW	$ 1,000,008	10/01/19	06/30/21	August 15, 2021
PY	2019	RR	$ 28,100	07/01/19	06/30/21	August 15, 2021
FY	2020	RR	$ 133,227	10/01/19	06/30/21	August 15, 2021
TOTAL			$ 2,611,800			

Funding provided by U.S Department of Labor

Note : The final close out packet for the PY19/FY20 allocation is due to DES on or before 8/01/2022

Action 12.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 10/22/2019

FY20 State Aid Enhancement Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 State Aid Enhancement funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $784,821.

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

FY20 AOC Funding Agreement
SAE 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)
Community Punishment Program Fines (CPP Fines)

Fiscal Year 2020

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, 2019 and shall remain in effect through June 30, 2020.

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, 2020.

iii. A closing financial and program activity report is due on or before August 31, 2020, 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, 2020, with the due date to the AOC on February 15, 2020.

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, 2020.

c. Unexpended Funds. All funds unencumbered as of June 30, 2020, and unexpended as of July 31, 2020, 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, 2020, 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

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.

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.

2.3.2 Business Automobile Liability

b. 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, CPP Fines 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. All expenditures for the CPP Program must be consistent with the purposes described in A.R.S. §12-299.01.

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

Pursuant to A.R.S. § 41-2401, 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 (JCEF)

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. COMMUNITY PUNISHMENT PROGRAM FINES (CPP FINES)

A.R.S. §13-821(A) permits a court to order a fine for a drug offense. A.R.S. §13-821(C) requires the court to transmit the "monies collected pursuant to this section to the supreme court for the purpose of providing drug treatment services to adult probationers through the community punishment program established in title 12, chapter 2, article 11." A.R.S. § 12-299(3) defines "Community punishment" to mean "programs for persons placed on supervised probation or intensive probation which are established pursuant to this article and provide for increased conditions of probation and community-based programs and services that emphasize supervision, surveillance, control, public protection, community work service, restitution and victims' rights and that provide opportunities for rehabilitation and treatment." All expenditures from the CPP Fines program must be consistent with the purposes set forth in A.R.S. §12-299.01.

27. 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 James L. Conlogue Digitally signed by James L. Conlogue Date: 2019.07.10 07:37:44 -07'00'

Honorable James Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By Mike Baumstark Digitally signed by Mike Baumstark Date: 2019.06.26 09:29:27 -07'00'

Mike Baumstark, Deputy Director
Administrative Office of the Courts

152

929,232.00

ADDENDUM A

STATE AID ENHANCEMENT
COCHISE COUNTY
FY 2020

Addendum date: July 1, 2019
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$784,821**

APPROVED FTE'S	
Personnel - PO/SO	12.00
Personnel - Other	2.40
Total	14.40

BUDGET CATEGORY	APPROVED BUDGET
A. Personnel - PO/SO	$ 491,883
B. Personnel - Other	$ 17,759
C. ERE - PO/SO	$ 265,617
D. ERE - Other	$ 9,562
E. Operating	$ -
F. Contract	$ -
TOTAL AMOUNT TO BE DISBURSED	**$ 784,821**

SCHEDULED DISBURSEMENTS:

July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$180,509	$196,205	$191,810	$216,297

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

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2019.06.14 12:10:03 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2019.07.08 17:41:57 -07'00'

Chief Probation Officer

V:\ASD\FY2020\SAE\SAE-Addenda-FY20 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 13.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 10/22/2019

FY20 Adult JCEF - SAE Assistance Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Adult Judicial Collections Enhancement Fund (JCEF) Assistance funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $144,411.

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

FY20 AOC Funding Agreement
JCEF SAE Assist Addendum
Grant Approval Form SAE Assist

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)
Community Punishment Program Fines (CPP Fines)

Fiscal Year 2020

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, 2019 and shall remain in effect through June 30, 2020.

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, 2020.

iii. A closing financial and program activity report is due on or before August 31, 2020, 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, 2020, with the due date to the AOC on February 15, 2020.

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, 2020.

c. Unexpended Funds. All funds unencumbered as of June 30, 2020, and unexpended as of July 31, 2020, 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, 2020, 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

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.

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.

2.3.2 Business Automobile Liability

b. 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, CPP Fines 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. All expenditures for the CPP Program must be consistent with the purposes described in A.R.S. §12-299.01.

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

Pursuant to A.R.S. § 41-2401, 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 (JCEF)

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. COMMUNITY PUNISHMENT PROGRAM FINES (CPP FINES)

A.R.S. §13-821(A) permits a court to order a fine for a drug offense. A.R.S. §13-821(C) requires the court to transmit the "monies collected pursuant to this section to the supreme court for the purpose of providing drug treatment services to adult probationers through the community punishment program established in title 12, chapter 2, article 11." A.R.S. § 12-299(3) defines "Community punishment" to mean "programs for persons placed on supervised probation or intensive probation which are established pursuant to this article and provide for increased conditions of probation and community-based programs and services that emphasize supervision, surveillance, control, public protection, community work service, restitution and victims' rights and that provide opportunities for rehabilitation and treatment." All expenditures from the CPP Fines program must be consistent with the purposes set forth in A.R.S. §12-299.01.

27. 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 James L. Conlogue Digitally signed by James L. Conlogue Date: 2019.07.10 07:37:44 -07'00'

Honorable James Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By Mike Baumstark Digitally signed by Mike Baumstark Date: 2019.06.26 09:29:27 -07'00'

Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

ADULT JCEF - SAE ASSISTANCE
COCHISE COUNTY
FY 2020

Addendum date: July 1, 2019
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$144,411**

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	$ 93,755
C.	ERE - PO/SO	$ -
D.	ERE - Other	$ 50,656
E.	Operating	$ -
F.	Contract	$ -
TOTAL AMOUNT TO BE DISBURSED		**$ 144,411**

SCHEDULED DISBURSEMENTS:

July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$33,215	$36,103	$37,547	$37,546

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

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2019.06.14 12:10:23 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2019.07.08 17:42:17 -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 14.

Regular Board of Supervisors Meeting **Adult Probation**

Meeting Date: 10/22/2019

FY20 Adult Intensive Probation Supervision Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Adult Intensive Probation Supervision funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $763,420.

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

FY20 AOC Funding Agreement
IPS Addendum
Grant Approval Form 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)
Community Punishment Program Fines (CPP Fines)

Fiscal Year 2020

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, 2019 and shall remain in effect through June 30, 2020.

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, 2020.

iii. A closing financial and program activity report is due on or before August 31, 2020, 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, 2020, with the due date to the AOC on February 15, 2020.

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, 2020.

c. Unexpended Funds. All funds unencumbered as of June 30, 2020, and unexpended as of July 31, 2020, 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, 2020, 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

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.

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.

2.3.2 Business Automobile Liability

b. 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, CPP Fines 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. All expenditures for the CPP Program must be consistent with the purposes described in A.R.S. §12-299.01.

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

Pursuant to A.R.S. § 41-2401, 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 (JCEF)

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. COMMUNITY PUNISHMENT PROGRAM FINES (CPP FINES)

A.R.S. §13-821(A) permits a court to order a fine for a drug offense. A.R.S. §13-821(C) requires the court to transmit the "monies collected pursuant to this section to the supreme court for the purpose of providing drug treatment services to adult probationers through the community punishment program established in title 12, chapter 2, article 11." A.R.S. § 12-299(3) defines "Community punishment" to mean "programs for persons placed on supervised probation or intensive probation which are established pursuant to this article and provide for increased conditions of probation and community-based programs and services that emphasize supervision, surveillance, control, public protection, community work service, restitution and victims' rights and that provide opportunities for rehabilitation and treatment." All expenditures from the CPP Fines program must be consistent with the purposes set forth in A.R.S. §12-299.01.

27. 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 James L. Conlogue Digitally signed by James L. Conlogue Date: 2019.07.10 07:37:44 -07'00'

Honorable James Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By Mike Baumstark Digitally signed by Mike Baumstark Date: 2019.06.26 09:29:27 -07'00'

Mike Baumstark, Deputy Director
Administrative Office of the Courts

1598

ADDENDUM A

ADULT INTENSIVE PROBATION SUPERVISION
COCHISE COUNTY
FY 2020

Addendum date: July 1, 2019
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$790,520**

APPROVED FTE'S	
Personnel - PO/SO	8.00
Personnel - Other	6.00
Total	**14.00**

	BUDGET CATEGORY	APPROVED BUDGET
A.	Personnel - PO/SO	$ 296,502
B.	Personnel - Other	$ 220,017
C.	ERE - PO/SO	$ 154,181
D.	ERE - Other	$ 92,720
E.	Operating	$ -
F.	Contract	$ -
TOTAL AMOUNT TO BE DISBURSED		**$ 763,420**

SCHEDULED DISBURSEMENTS:

July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$175,587	$190,855	$186,580	$210,398

	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: 2019.06.14 12:09:23 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2019.07.08 17:41:21 -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 15.

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

Meeting Date:	10/22/2019		
DPS MOU Border Strike Task Force			
Submitted By:	Kim Lemons, Board of Supervisors		
Department:	Board of Supervisors		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	2
NAME of PRESENTER:	Brian McIntyre/Kenny Bradshaw	**TITLE of PRESENTER:**	County Attorney/Jail Commander
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 Memorandum of Understanding 2019-137 between the Department of Public Safety and Cochise County in the amount of $166,666.66 to be used for prosecutorial and jail expenses incurred from individuals charged with drug trafficking, human smuggling, illegal immigration and other border related crime, effective July 1, 2019 through June 30, 2020.

Background:

The State of Arizona, administered through the Department of Public Safety, has provided funding in the amount of $166,666.66 to reimburse for costs incurred due to enforcement, incarceration and prosecution of individuals arrested for smuggling in Cochise County.

These funds will be disbursed in two increments, one after 10/1/19 and the other after 4/1/20.

Department's Next Steps (if approved):

Utilize funds as approved to reimburse for costs associated with smuggling.

Impact of NOT Approving/Alternatives:

Cochise County will not be provided with $166,666.66 that can be used for the mentioned costs, thereby having to fund these out of the general fund.

To BOS Staff: Document Disposition/Follow-Up:

Send one fully executed original to:
Criminal Investigations Division
Attn: Capt. J. Barcello
Arizona Department of Public Safety
P.O. Box 6638, Mail Drop 1350
Phoenix, AZ 85005-6638

File one fully executed copy at the Board Office; email a signed copy to Brian McIntyre, Kenny Reeves (CAO); Thad Smith, Kenny Bradshaw (CCSO); and Keith Buonocore (FIN).

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

DPS_Contract_2019-137

DPS CONTRACT NO: 2019-137

MEMORANDUM OF UNDERSTANDING
REGARDING BORDER STRIKE TASK FORCE

This Memorandum of Understanding ("MOU") is entered into between the State of Arizona through its Department of Public Safety, hereinafter referred to as "DPS", and Cochise County.

This MOU serves as notification for the release of funds granted to Cochise County by the Arizona Legislature and passed through DPS to be used for prosecutorial and jail expenses incurred from individuals charged with drug trafficking, human smuggling, illegal immigration and other border related crime.

I. PARTICIPATION

DPS agrees to provide Cochise County with $166,666.66 pursuant to Laws 2016, Chapter 117.

Cochise County agrees to utilize the funding solely for prosecutorial and jail expenses incurred from individuals charged with drug trafficking, human smuggling, illegal immigration and other border related crime.

Cochise County certifies its agencies will comply with A.R.S. §11-1051 to the fullest extent of the law.

II. FUNDING

DPS shall disburse $166,666.66 to Cochise County in two payments as follows:

- $83,333.33 after October 1, 2019
- $83,333.33 after April 1, 2020

III. REPORTING REQUIREMENT

By April 30, 2020, Cochise County shall provide a report to DPS that details actual expenditures, accounting obligations, and planned expenditures of the funds provided by this agreement. The report shall reflect activity during the reporting period of July 1, 2019 through March 31, 2020. Expenditures, accounting obligations, and planned expenditures shall be reported by the following line items: Personal Services, Employee Related Expenditures, Professional and Outside Services, Travel In-State, Other Operating Expenditures, Capital Equipment, Non-Capital Equipment, and Miscellaneous. The line items shall be as defined by the State of Arizona, as found at https://gao.az.gov/sites/default/files/SAAM-4c00-20140701.pdf. The "Miscellaneous" category shall encompass all line items defined by the State of Arizona that are not explicitly listed herein. In addition to the line item reporting, Cochise County shall provide a brief narrative description of the expenditures, obligations, and planned expenditures. The narrative shall explain what was purchased, obligated, and/or planned, what has been accomplished with expenditures to date, and what is planned to be accomplished with future expenditures.

IV. NON-AVAILABILITY OF FUNDS

Every payment obligation of the State 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 the Agreement, this Agreement may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this

provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

V. NON-DISCRIMINATION

The Parties shall comply with Executive Order 2009-09, which mandates that all persons, regardless of race, color, religion, sex, age national origin or political affiliation, shall have equal access to employment opportunities, and all other applicable State and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The Parties shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

VI. ARBITRATION

The parties to this agreement agree to resolve all disputes arising out of or relating to this agreement 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.

VII. RECORDKEEPING

All records regarding the MOU must be retained for five (5) years after expiration of the MOU in compliance with A.R.S. §35-214, entitled Inspection and Audit of Contract Provisions.

VIII. EFFECTIVE DATE/DURATION

The term of this MOU is July 1, 2019 through June 30, 2020. Should the State Legislature reduce or eliminate the appropriation for this program, DPS may cancel or modify this MOU.

IX. CANCELLATION

All parties are hereby put on notice that this MOU is subject to cancellation by the Governor for conflicts of interest pursuant to A.R.S. §38-511.

X. COMMUNICATION

Any notice required to be given under the MOU will be provided by mail to:

Lt. Colonel Kenneth Hunter
Arizona Department of Public Safety
P. O. Box 6638, Mail Drop 1350
Phoenix, Arizona 85005-6638

Ms. Peggy Judd, Chairman
Cochise County Board of Supervisors
1415 Melody Lane, Building G
Bisbee, Arizona 85603

XI. VALIDITY

This document contains the entire understanding between the parties and may not be modified, amended, altered or extended except through a written amendment signed by both parties. If any portion of this MOU is held to be invalid, the remaining provisions shall not be affected.

The parties hereto have caused this MOU to be executed by the proper officers and officials.

ARIZONA DEPARTMENT OF PUBLIC SAFETY

By: _____ Date: 9/24/15
Frank L. Milstead, Colonel
Director

COCHISE COUNTY

By: _____ Date: _____
~~Ms. Peggy Judd~~, Chairman
Cochise County Board of Supervisors

Tom Borer,

DOUGLAS A. DUCEY
Governor

FRANK L. MILSTEAD
Director

ARIZONA DEPARTMENT OF PUBLIC SAFETY

2102 WEST ENCANTO BLVD. P.O. BOX 6638 PHOENIX, ARIZONA 85005-6638 (602) 223-2000

"Courteous Vigilance"

September 30, 2019

Ms. Peggy Judd, Chairperson
Cochise County Board of Supervisors
1415 Melody Lane, Building G
Bisbee, Arizona 85603

RE: Memorandum of Understanding (MOU) #2019-137, Laws 2016 Chapter 117

Dear Ms. Judd,

Attached for review and signature are two (2) originals of the above referenced MOU for the release of funds granted to Cochise County by the state. Please sign each of the agreements and return one original to the following address for our records:

Criminal Investigations Division
Attn: Capt. J. Barcello
Arizona Department of Public Safety
PO Box 6638, MD 1350
Phoenix, AZ 85005-6638

Please contact our office at 602-223-2433 with any questions or concerns.

Sincerely,

Kenneth G. Hunter, Lt. Colonel
Assistant Director
Criminal Investigations Division

/cjh

Enclosures

RECEIVED
COCHISE COUNTY
BOARD OF SUPERVISORS
2019 OCT -3 AM 11:58

Action 16.

Regular Board of Supervisors Meeting **Development Services**

Meeting Date:	10/22/2019		
Intergovernmental Agreement (IGA) with the City of Bisbee for County Planning Services			
Submitted By:	Dan Coxworth, Development Services		
Department:	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:

Approve Intergovernmental Agreement (IGA) between the City of Bisbee and Cochise County for planning and zoning, subdivision development, and other long-range planning services.

Background:

Cochise County and the City of Bisbee currently have in place an IGA for Planning and Building Services. After discussions with the Bisbee City Manager, Bisbee no longer needs all the services provided by Cochise County Development Services. The new IGA provides planning services similar to the planning services provided to other municipalities in Cochise County (the City of Douglas and the City of Willcox).

Department's Next Steps (if approved):

Begin to provide planning services to the City of Bisbee.

Impact of NOT Approving/Alternatives:

The County will not support or provide planning services to the City of Bisbee.

To BOS Staff: Document Disposition/Follow-Up:

Please record and provide the executed copy of the IGA to Dan Coxworth.

Attachments

IGA

INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF BISBEE AND THE COUNTY OF COCHISE FOR PLANNING AND ZONING, SUBDIVISION DEVELOPMENT, AND OTHER LONG-RANGE PLANNING SERVICES

This agreement is made and entered into this ____ day of _____, 2019, by and between the City of Bisbee, a municipal corporation of the state of Arizona, hereinafter referred to as "City", and the County of Cochise, a political subdivision of the State of Arizona, hereinafter referred to as "County", pursuant to the authority of A.R .S. § 11-952, et seq.

WHEREAS, the City is authorized to establish a planning agency with the powers necessary to enable it to administer and enforce its planning functions pursuant to § 9-461; and

WHEREAS, the City's planning agency has adopted Zoning Regulations and the City of Bisbee General Plan for long range planning; and

WHEREAS, the County has similar authorization to adopt Zoning Regulations, Subdivision Code, and a Comprehensive Plan for long range planning within the unincorporated areas of the County, pursuant to A.R.S. §§ 11-804, 11-807, 11-811, and 11-821; and

WHEREAS, at certain times, due to the limited staff which the City has available for this work, the City needs assistance for the development and administration of zoning regulation, subdivision regulation, and other long-range planning services within the City of Bisbee; and

WHEREAS, pursuant to A.R.S. § 9-461, 11-803 and 11-952, the County and the City 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 County has the resources available to assist the City in the performance of certain planning and zoning, and other long-range planning services under the terms and conditions of the Agreement,

IT IS HEREBY AGREED THAT:

1. **SCOPE OF SERVICES**: The County agrees to provide, subject to the availability of its resources and upon the request of the City, planning and zoning, subdivision development, and other long-range planning services for the City of Bisbee to be performed by qualified County personnel. The services to be provided by the County shall be limited to review of use applications, subdivision tentative and final plats, rezoning applications and specific plans for conformance with the City of Bisbee Zoning Code, the City of Bisbee Subdivision Code and the City of Bisbee General Plan. In addition, planning services that detail master plans and other amenities may be provided when requested in writing to the County. The City shall provide the County with the City of Bisbee Zoning Code, the City of Bisbee subdivision Code and the City of Bisbee General Plan for use of County planners when requested in order that County staff can determine conformance with the duly adopted Bisbee Zoning Code, Subdivision Code and the Bisbee General Plan, 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 City regulation or code. The City shall retain the full responsibility for all such enforcement actions.

2. **PAYMENT TERMS**: The City shall agree to monthly billings for any planning and zoning services or assistance conducted by County personnel at the rate of seventy-five dollars ($75.00) per hour 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 1415 Melody Lane, Bisbee, the County buildings, to the site where the services are rendered. Mileage will be paid based upon the current federal government travel rate. The City will make all such payments within thirty (30) days of the receipt of an itemized bill for authorized services.

3. **TERM**: This Agreement shall become effective following its approval by both parties. It shall remain in effect for a term of one-year following approval. Thereafter, this Agreement shall automatically be renewed for successive one-year terms, unless the Agreement is terminated earlier as provided in this Agreement.

4. **TERMINATION**: 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.

5. **WORKER'S COMPENSATION**: For purposes of workers' compensation, an employee of a Party to this Agreement, who works under the jurisdiction or control of, or

who works within the jurisdictional boundaries of another Party pursuant to this intergovernmental agreement, is deemed to be an employee of both the Party who is her primary employer and the Party under whose jurisdiction or control or within whose jurisdictional boundaries she is then working, as provided in A.R.S. §23-1022(D). The primary employer of such employee shall be solely liable for payment of workers' compensation benefits for the purposes of this section. Each Party herein shall comply with the provisions of A.R.S. §23- 1022(E) by posting the notice required.

6. **INDEMNIFICATION AND HOLD-HARMLESS**: To the fullest extent allowed by law, the City 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 City, 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 City, its officers, agents and employees, from all demands, suits, damages and loss ("claims") which result from the negligence or intentional tors of the County, 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.

7. **JURISDICTION AND APPLICABLE LAW**: 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.

8. **NON-DISCRIMINATION**: The parties shall comply with all applicable state and federal statutes and regulations governing Equal Employment Opportunity, Non-Discrimination, and Immigration.

9. **CONFLICT OF INTEREST**. This Agreement is subject to cancellation pursuant to the provisions of A.R.S. § 38-511 regarding Conflict of Interest.

10. **CERTIFICATION PURSUANT TO A.R.S. § 35-393.01**: In accordance with A.R.S. § 35-393.01, if parties engage in for-profit activity and have 10 or more employees, and if this Agreement has a value of $100,000 or more, parties certify they are not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842

11. **COMPLIANCE WITH IMMIGRATION LAWS**. 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.

12. **INSPECTION AND AUDIT**. 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.

13. **PUBLIC RECORDS LAW**. Notwithstanding any other provision of the agreement, the parties understand that all of the other parties are public entities and, as such, are each subject to Arizona's public records law, A.R.S. § 39-121 et. seq.

14. **ARBITRATION**. The parties agree that any dispute arising under this Contract involving the sum of $65,000 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 shall be final.

IN WITNESS WHEREOF the parties have duly executed this Agreement.

COCHISE COUNTY

_____
Thomas E. Borer
Chair Board of Supervisors

ATTEST:

_____
Arlethe R. Morrison
Clerk of the Board

CITY OF BISBEE

_____
David Smith
Mayor of Bisbee

ATTEST:

_____
Ashlee Coronado
City of Bisbee Clerk

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 _____day of _____,2019.

By: _____
Christine J. Roberts
Civil Deputy County Attorney

By: _____
James Ledbetter
City Attorney

Action 17.

Regular Board of Supervisors Meeting **Development Services**

Meeting Date:	10/22/2019		
Intergovernmental Agreement (IGA) with the City of Bisbee for Building Inspection and Plan Review Services			
Submitted By:	Dan Coxworth, Development Services		
Department:	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:

Approve Intergovernmental Agreement (IGA) between the City of Bisbee and the County for plan review and building inspection services.

Background:

Cochise County and the City of Bisbee currently have in place an IGA for Planning and Building Services. After discussions with the Bisbee City Manager, Bisbee no longer needs all the services provided by Cochise County Development Services. The new IGA allows for the City of Bisbee Building Official to provide plan review and building inspections services when requested by the County. The new IGA also enables the County to provide the City with the same services when requested.

Department's Next Steps (if approved):

Provide plan review and inspection services to the City of Bisbee when requested, per the IGA.

Impact of NOT Approving/Alternatives:

The City and County will not be able to provide each other plan review and building inspection services when requested.

To BOS Staff: Document Disposition/Follow-Up:

Please record and provide the executed copy of the IGA to Dan Coxworth.

Attachments

IGA

INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF BISBEE AND THE COUNTY OF COCHISE FOR PLAN REVIEW AND BUILDING INSPECTION SERVICES

This agreement is made and entered into this _____ day of _____, 2019, by and between the City of Bisbee, a municipal corporation of the State of Arizona, hereinafter referred to as "City", and the County of Cochise, a political subdivision of the State of Arizona, hereinafter referred to as "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 City has similar authorization to adopt Building Code Regulations, within the incorporated areas of the City, pursuant to A.R.S. §§ 9-801 et. seq.; and

WHEREAS, at certain times, due to the limited staff which the City or County has available for this work, the City or County needs assistance for the administration of the building code to include plan review and building inspections within the City of Bisbee and unincorporated areas of Cochise County; and

WHEREAS, pursuant to A.R.S. §§ 9.461, 11-863 and 11-952, the County and the City 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 City 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. **SCOPE OF SERVICES - CITY:** The City agrees to provide, subject to the availability of its resources and upon the request of the County, building code enforcement for unincorporated areas of Cochise County, to be performed by qualified City personnel. The services to be provided by the City shall be limited to review of building plans and building code inspections for conformance with the County adopted building code regulations.

2. **SCOPE OF SERVICES - COUNTY:** The County agrees to provide, subject to the availability of its resources and upon the request of the City, building code enforcement for the City of Bisbee 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 City adopted building code regulations.

3. **MUTUAL OBLIGATIONS:**

   a. Building code services will be provided when the City building staff or County building staff is unavailable or if requested in writing.

   b. The City shall provide the County with a copy of the City of Bisbee adopted ICC Building Code, and the County shall provide the City with a copy of the Cochise County adopted ICC Building Code for the use of respective City or County Building Official, when requested, so that City or County staff can determine conformance with the duly adopted Bisbee Building Code or Cochise County adopted Building Code, as currently in effect, or as amended from time to time.

   c. This Agreement shall not obligate or authorize City or County personnel to take any regulatory action, in either an administrative or judicial forum, to enforce compliance with any such City or County regulation or code. The City or County shall retain the full responsibility for all such enforcement actions.

4. **BUILDING CODE INSPECTION PAYMENT TERMS:** The City and County agree to monthly billings for building inspections or assistance conducted by City or County personnel at the rate of Fifty ($50) per hour, with a one hour minimum, including travel time to and from any location that is deemed necessary by City or County employees to fulfill the services in this Agreement. Travel distance will be measured from 915 S.

Tovreaville Road, Bisbee for City employees and 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 City and County will make all such payments within thirty (30) days of the receipt of an itemized bill for authorized services.

5. **BUILDING PLAN REVIEW PAYMENT TERMS:** The City and County agree to monthly billings for building plan review services equal to the amount the City or County's current Plan Review Fee for residential and commercial permits, per the City or County's Permit Fee Schedule. The City or County will make all such payments within thirty (30) days of the receipt of an itemized bill for authorized services.

6. **TERM:** This Agreement shall become effective following its approval by both parties. It shall remain in effect for a term of one year following approval. Thereafter, this Agreement shall automatically be renewed for successive one-year terms, unless the Agreement is terminated earlier as provided in this Agreement.

7. **TERMINATION:** 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.

8. **NOTICE:** 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.

CITY	AGENCY
City of Bisbee	Cochise County
P.O. Box 4601	1415 Melody Lane, Building E
Bisbee, AZ 85603	Bisbee, AZ 85603
Attn: City Manager's Office	Attn: Director of Development Services

9. **WORKERS' COMPENSATION:** 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.

10. **INDEMNIFICATION AND HOLD HARMLESS:** To the fullest extent allowed by law, the City 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 City, 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 City, its officers, agents and employees, from all demands, suits, damages and loss ("claims") which result from the negligence or intentional torts of the City, 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.

11. **COMPLIANCE WITH IMMIGRATION LAWS**: 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.

12. **CONFLICT OF INTEREST:** This Contract is subject to cancellation pursuant to the provisions of A.R.S. § 38-511 regarding Conflict of Interest.

13. **NON-DISCRIMINATION:** 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.

14. **NO THIRD-PARTY RIGHTS:** 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.

15. **SEVERABILITY**: 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.

16. **CERTIFICATION PURSUANT TO A.R.S. § 35-393.01:** In accordance with A.R.S. § 35-393.01, if parties engage in for-profit activity and have 10 or more employees, and if this Agreement has a value of $100,000 or more, parties certify they are not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842 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.

17. **COMPLIANCE WITH IMMIGRATION LAWS:** 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.

18. **INSPECTION AND AUDIT**: 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.

19. **PUBLIC RECORDS LAW**: Notwithstanding any other provision of the agreement, the parties understand that all of the other parties are public entities and, as such, are each subject to Arizona's public records law, A.R.S. § 39-121 et. seq.

20. **JURISDICTION AND LAW:** 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.

21. **ARBITRATION:** The parties agree that any dispute arising under this Contract involving the sum of $65,000 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 shall be final.

APPROVED BY THE BOARD OF SUPERVISORS OF COCHISE COUNTY, ARIZONA,

this _____day of _____, 2019.

ATTEST: **COCHISE COUNTY BOARD OF SUPERVISORS**

_____ _____
Arlethe R. Morrison Thomas E. Borer
Clerk of the Board Chairman

APPROVED BY MAYOR AND COUNCIL OF THE CITY OF BISBEE, ARIZONA,

this _____day of _____, 2019.

ATTEST: **CITY OF BISBEE**

_____ _____
Ashlee Coronado David Smith
City Clerk 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 _____day of _____,2019.

By: _____
Christine J. Roberts
Civil Deputy County Attorney

By: _____
James Ledbetter
City Attorney

Action 18.

Regular Board of Supervisors Meeting **Emergency Services**

Meeting Date: 10/22/2019

Approval of 2019 SHSGP Sub-Recipient Agreement - Technical Rescue Equipment

Submitted By: Gabriel Lavine, Emergency Services

Department: Emergency Services

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	2
NAME of PRESENTER:	Gabe Lavine	**TITLE of PRESENTER:**	Director Emergency Management
Mandated Function?:	Federal or State Mandate	**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 the Grant Agreement 19-AZDOHS-HSGP-190400-01 in the amount of $32,254 for Regional Technical Rescue Equipment effective October 1, 2019 through September 30, 2020.

Background:

The State Homeland Security Grant Program is a federal grant program that funds preparedness projects in an effort to increase readiness in response to all hazards and terrorist attacks. The County Technical Rescue Committee is a sub-committee under the Local Emergency Planning Committee (LEPC) who organizes specialty rescue training, coordinates resources during large technical rescue events, and maintains equipment caches through partner agencies. The Office of Emergency Services sponsors the LEPC and administers grant applications in support of the committees priorities. No less than 10 public safety agencies have benefited from the equipment and training provided by this committee. Two emergency equipment caches exist for use by any public safety agency based in Cochise County. Sunsites Pearce Fire District and Fry Fire District are the custodians for each cache and ensure equipment is available for immediate deployment and in good working order. This is a 100% reimbursed expense grant with no cost match required by the county.

Department's Next Steps (if approved):

Purchase equipment and add to County caches with custody reciepts.

Impact of NOT Approving/Alternatives:

If this grant is not approved countywide response to technical rescue incidents will be degraded requiring support requests to be routed to Tucson delaying responses by as much as 2-3 hours. Individual agency grant applications would then be submitted in subsequent years which would have a low likelihood of success due to the priority of regionalized resource projects by the grant advisory council.

To BOS Staff: Document Disposition/Follow-Up:

Please provide 2 signed copies to Gabe Lavine in Emergency Services.

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: 2019

One-time Fixed Costs? ($$$): $32,254

Ongoing Costs? ($$$): $0

County Match Required? ($$$): $0

A-87 Overhead Amt? (Co. Cost Allocation $$$):

Source of Funding?: SHSGP Grant

Fiscal Impact & Funding Sources (if known):

There is no cost match to the county as this is a 100% reimbursed grant.

Attachments

2019 SHSGP Agreement - TRT

SUBRECIPIENT AGREEMENT

19-AZDOHS-HSGP-190400-01

Between

The Arizona Department of Homeland Security

And

Cochise County Office of Emergency Services (DUNS# 020126041)

WHEREAS, A.R.S. § 41-4254 charges the Arizona Department of Homeland Security (AZDOHS) with the responsibility of administering funds.

THEREFORE, it is agreed that the AZDOHS shall provide funding to the **Cochise County Office of Emergency Services** (Subrecipient) for services under the terms of this Agreement (the "Agreement").

I. **PURPOSE OF AGREEMENT**
The purpose of this Agreement is to specify the rights and responsibilities of AZDOHS in administering the distribution of homeland security grant funds to the Subrecipient, and to specify the rights and responsibilities of the Subrecipient as the recipient of these funds.

II. **PERIOD OF PERFORMANCE, TERMINATION AND AMENDMENTS**
This Agreement shall become effective on **October 1, 2019** and shall terminate on **September 30, 2020**. The obligations of the Subrecipient as described herein will survive termination of this agreement.

III. **DESCRIPTION OF SERVICES**
The Subrecipient shall provide the services for AZDOHS as set forth in writing in Subrecipient's grant application titled: **"Regional Technical Rescue Equipment"** and funded at **$32,254** (as may have been modified by the award letter).

IV. **MANNER OF FINANCING**
The AZDOHS shall under the U.S. Department of Homeland Security grant # EMW-2019-SS-00002-S01 and CFDA #97.067:

a. Provide up to **$32,254** to the Subrecipient for services provided under Paragraph III.

b. Payment made by the AZDOHS to the Subrecipient shall be on a reimbursement basis only and is conditioned upon receipt of proof of payment and applicable, accurate and complete reimbursement documents, as deemed necessary by the AZDOHS, to be submitted by the Subrecipient. A listing of acceptable documentation can be found at www.azdohs.gov. Payments will be contingent upon receipt of all reporting requirements of the Subrecipient under this Agreement.

V. FISCAL RESPONSBILITY

It is understood and agreed that the total amount of the funds used under this Agreement shall be used only for the project as described in the application and award documentation. Therefore, should the project not be completed, the Subrecipient shall reimburse said funds directly to the AZDOHS immediately. If the project is completed at a lower cost than the original budget called for, the amount reimbursed to the Subrecipient shall be for only the amount of dollars actually spent by the Subrecipient in accordance with the approved application. For any funds received under this Agreement for which expenditure is disallowed by an audit exemption or otherwise by the AZDOHS, the State, or Federal government, the Subrecipient shall reimburse said funds directly to the AZDOHS immediately.

VI. FINANCIAL AUDIT/PROGRAMMATIC MONITORING

The Subrecipient agrees to comply with the record-keeping requirements and other requirements of A.R.S. 35-214 and 35-215.

a) In addition, in compliance with the Federal Single Audit Act (31 USC 7501-7507) as amended by the Single Audit Act Amendments of 1996 (P.L. 104-156) and 2 C.F.R. 200.501, the Subrecipient must have a Single Audit or program specific audit conducted in accordance with 2 C.F.R. 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) if the Subrecipient expends more than $750,000 from Federal awards in its previous fiscal year. If the Subrecipient has expended more than $750,000 in Federal dollars, a copy of the Subrecipient's single audit or program specific audit report for the previous fiscal year and subsequent fiscal years that fall within the period of performance is due annually to AZDOHS within nine (9) months of the Subrecipient's fiscal year end.

b) Failure to comply with any requirements imposed as a result of an audit will suspend reimbursement by AZDOHS to the Subrecipient until the Subrecipient is in compliance with all such requirements. Additionally, the Subrecipient will not be eligible for any new awards until the Subrecipient is in compliance with all such requirements.

c) Subrecipients who do not expend more than $750,000 in Federal dollars in the previous fiscal year and subsequent fiscal years that fall within the period of performance must submit to AZDOHS via audits@azdohs.gov, a statement stating they do not meet the threshold and therefore do not have to complete a single audit or program specific audit.

d) Subrecipient will be monitored periodically by AZDOHS, both programmatically and financially, to ensure that the project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based reviews and on-site monitoring visits. Monitoring can involve aspects of the work involved under this Agreement including but not limited to the review and analysis of financial, programmatic, equipment, performance, and administrative issues relative to each program and will identify areas where technical assistance and other support may be needed. Subrecipient shall participate in and cooperate with all such monitoring by AZDOHS, and shall provide access to all personnel, documents, and other records as may be requested from time to time by AZDOHS. Subrecipient also shall comply with all requests of AZDOHS that AZDOHS deems necessary to assure the parties' compliance with their obligations under this Agreement.

e) The Subrecipient agrees to cooperate with any assessments, state/national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this Agreement.

VII. APPLICABLE STANDARDS AND REGULATIONS

The Subrecipient must comply with the applicable Notice of Funding Opportunity (NOFO) and Code of Federal Regulations (C.F.R.) 2 C.F.R. 200. The NOFO for this program is hereby incorporated into this Agreement by reference. By accepting this award, the Subrecipient agrees that all allocation and use of funds under this grant will be in accordance with the requirements contained in the NOFO and all other applicable law.

Davis Bacon Act

HSGP Program subrecipients using funds for construction projects must comply with the *Davis-Bacon Act* (40 U.S.C. 3141 *et seq*.). Subrecipients must obtain written approval from AZDOHS prior to use of any HSGP funds for construction or renovation. Subrecipients must ensure that their contractors or subcontractors for construction projects pay workers no less than the prevailing wages for laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the state in which the work is to be performed. Additional information regarding compliance with the *Davis-Bacon Act*, including Department of Labor (DOL) wage determinations, is available from the following website https://www.dol.gov/whd/govcontracts/dbra.htm.

Insurance Coverage

The Subrecipient affirms the organization maintain insurance coverage as described in 2 C.F.R. 200.310. The non-Federal (Subrecipient) entity must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by the non-Federal (Subrecipient) entity. Federally-owned property need not be insured unless required by the terms and conditions of the Federal award.

National Incident Management System (NIMS)

The Subrecipient agrees to remain in compliance with National Incident Management System (NIMS) implementation initiatives as outlined in the applicable NOFO.

Environmental Planning and Historic Preservation

The Subrecipient shall comply with Federal, State and Local environmental and historical preservation (EHP) regulations, laws and Executive Orders as applicable. *See* FEMA publication FP 108-023-1, titled "Environmental Planning and Historic Preservation (EHP) Policy Guidance," available at https://www.fema.gov/media-library-data/1533321728657-592e122ade85743d1760fd4747241776/GPD_EHP_Policy_Final_Amendment_GPD_final_508.pdf. Subrecipients proposing projects that have the potential to impact the environment, including but not limited to construction of communication towers, modification or renovation of existing buildings, structures and facilities, or new construction including replacement of facilities, must participate in the Federal Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA) EHP review process. The EHP review process involves the submission of a detailed project description that explains the goals and objectives of the proposed project along with supporting documentation so that DHS/FEMA may determine whether the proposed project has the potential to impact environmental resources and/or historic properties. In some cases, DHS/FEMA is also required to consult with other regulatory agencies and the public in order to complete the review process. The EHP review process must be completed before funds are released to carry out the proposed project. If ground disturbing activities occur during project implementation, the Subrecipient must ensure monitoring of ground disturbance and if any archeological resources are discovered, the Subrecipient shall immediately cease construction in that area and notify FEMA, AZDOHS and the appropriate State Historic

Preservation Office. DHS/FEMA will not fund projects that are initiated without the required EHP review. In addition, the following provisions must be adhered to:

Consultants/Trainers/Training Providers
Invoices for consultants/trainers/training providers must include at a minimum: a description of services; dates of services; number of hours for services performed; rate charged for services; and, the total cost of services performed. Consultant/trainer/training provider costs must be within the prevailing rates; must be obtained under consistent treatment with the procurement policies of the Subrecipient and 2 C.F.R. 200; and shall not exceed the maximum of $450 per day per consultant/trainer/training provider unless prior written approval is granted by the AZDOHS. This includes internal personnel hired on backfill/overtime to deliver training. In addition to the per day $450 maximum amount, the consultant/trainer/training provider may be reimbursed reasonable travel, lodging, meal and incidental expenses not to exceed the State rate. Itemized receipts are required for lodging and travel reimbursements. The Subrecipient will not be reimbursed costs other than travel, lodging, meals and incidentals on travel days for consultants/trainers/training providers. See Travel Costs below.

Contractors/Subcontractors
The Subrecipient may enter into written subcontract(s) for performance of certain of its functions under the Agreement in accordance with terms established in 2 C.F.R. 200 and the applicable NOFO. The Subrecipient agrees and understands that no subcontract that the Subrecipient enters into with respect to performance under this Agreement shall in any way relieve the Subrecipient of any responsibilities for performance of its duties. The Subrecipient shall give the AZDOHS immediate notice in writing by certified mail of any action or suit filed and prompt notice of any claim made against the Subrecipient by any subcontractor or vendor which may result in litigation related in any way to this Agreement.

Travel Costs
All grant funds expended for travel, lodging, meals and incidentals are subject to the standards of the Subrecipient's policies and procedures, as well as the State of Arizona Accounting Manual (SAAM). These policies must be applied uniformly to both federally financed and other activities of the Subrecipient. AZDOHS will reimburse at the most restrictive allowability and rate. At no time will the Subrecipient's reimbursement(s) exceed the State rate established by the Arizona Department of Administration, General Accounting Office Travel Policies: https://gao.az.gov/travel.

Procurement
The Subrecipient shall comply with its own procurement rules/policies and must also comply with Federal procurement rules/policies and all Arizona state procurement code provisions and rules. The Federal intent is that all Homeland Security Funds are awarded competitively. The Subrecipient shall not enter into a Noncompetitive (Sole or Single Source) Procurement Agreement, unless prior written approval is granted by the AZDOHS via the Noncompetitive Procurement Request Form. The Noncompetitive Procurement Request Form and instructions are located on the AZDOHS website: *https://azdohs.gov/grant-program-forms.*

Training and Exercise
The Subrecipient agrees that any grant funds used for training and exercise must be in compliance with the applicable NOFO. All training must be included and approved in your application and/or approved through the DEMA/AZDOHS training request process prior to execution of training contract(s). All exercises must utilize and comply with the FEMA Homeland Security Exercise and Evaluation Program (HSEEP) guidance for exercise design, development, conduct, evaluation and reporting. The Subrecipient agrees to:

a) Submit an exercise summary and attendance/sign-in roster to AZDOHS with all related reimbursement requests.

b) Email the After Action Report/Improvement Plan (AAR/IP) to the local County Emergency Manager, the AZDOHS Strategic Planner, and the Arizona Department of Military Affairs (DEMA) Exercise Branch within 90 days of completion of an exercise or as prescribed by the most current HSEEP guidance.

Communications Equipment

All Land Mobile Radio equipment purchased with Homeland Security funds is required to comply with the following:

a) P25 (Project 25) standards;
b) SAFECOM Guidance (*see* https://www.dhs.gov/safecom);
c) Land Mobile Radio Minimum Equipment Standards as approved by the Statewide Interoperability Executive Committee (SIEC); and
d) Arizona's State Interoperable Priority Programming Guide also as approved by the SIEC

Nonsupplanting Agreement

The Subrecipient shall not use funds received under this Agreement to supplant Federal, State, Tribal or Local funds or other resources that would otherwise have been made available for this program/project. The Subrecipient may be required to demonstrate and document that a reduction in non-Federal resources occurred for reasons other than the receipt of expected receipt of Federal funds. Further, if a position created by a grant is filled from within, the vacancy created by this action must be filled within thirty (30) days. If the vacancy is not filled within thirty (30) days, the Subrecipient must stop charging the grant for the new position. Upon filling the vacancy, the Subrecipient may resume charging for the grant position.

E-Verify

Compliance requirements for A.R.S. 41-4401—immigration laws and E-Verify requirement.

a) The Subrecipient warrants its compliance with all State and Federal immigration laws and regulations relating to its employees and to employees of any contractor or subcontractor retained through Subrecipient to provide goods or services related to this Agreement, including but not limited to A.R.S. 23-214, Subsection A (that subsection reads: “After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program”).

b) A breach of a warranty by Subrecipient regarding compliance with immigration laws and regulations shall be deemed a material breach of this Agreement and the Subrecipient may be subject to penalties to be determined at AZDOHS’s discretion, up to and including termination of this Agreement.

c) The AZDOHS retains the legal right to inspect the papers of any Subrecipient employee who works on the Agreement, and to those of any employee of any contractor or subcontractor retained through Subrecipient to provide goods or services related to this Agreement, to ensure that the Subrecipient is complying with the warranty under paragraph (a) above.

Property Control

Effective control and accountability must be maintained by Subrecipient for all property/equipment purchased under this Agreement. The Subrecipient must adequately safeguard all such property/equipment and must assure that it is used for authorized purposes as described in the NOFO, the grant application as approved by AZDOHS, and 2 C.F.R. 200. The Subrecipient shall exercise caution in the use, maintenance, protection and preservation of such property.

a) Property/equipment shall be used by the Subrecipient in the program or project for which it was acquired as long as needed, whether or not the program or project continues to be supported by federal grant funds. Subrecipient is required to maintain and utilize equipment as outlined in 2 C.F.R. 200.313 - Equipment. Any loss, damage, or theft shall be investigated by Subrecipient and reported by Subrecipient to the AZDOHS. Any equipment lost, damaged or stolen shall be replaced by the Subrecipient at the Subrecipient's expense and an updated Property Control Form shall be submitted to AZDOHS by Subrecipient.

b) Nonexpendable Property/Equipment and Capital Assets:

   a. Nonexpendable Property/Equipment is property which has a continuing use, is not consumed in use, is of a durable nature with an expected service life of one or more years, has an acquisition cost of $5,000 (Five Thousand Dollars) or more, and does not become a fixture or lose its identity as a component of other equipment or systems.

   b. A Capital Asset is any personal or real property, or fixture that has an acquisition cost of $5,000 (Five Thousand Dollars) or more per unit and a useful life of more than one year.

c) A Property Control Form (if applicable) shall be maintained for the entire scope of the program or project for which property was acquired through the end of its useful life and/or disposition. All Nonexpendable Property and Capital Assets must be included on the Property Control Form. The Subrecipient shall provide AZDOHS a copy of the Property Control Form with the final quarterly programmatic report. The Property Control Form can be located at *https://azdohs.gov/grant-program-forms.* The Subrecipient agrees to be subject to equipment monitoring and auditing by state or federal authorized representatives to verify information.

d) A physical inventory of Nonexpendable Property/Equipment and Capital Assets must be taken and the results reconciled with the Property Control Form at least once every two years.

   a. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated and reported by Subrecipient to AZDOHS immediately.

   b. Adequate maintenance procedures must be developed to keep the property in good condition.

e) When Nonexpendable Property/Equipment and/or Capital Assets are no longer in operational use by the Subrecipient, an updated Property Control Form must be submitted by Subrecipient to AZDOHS immediately. The disposition of equipment shall be in compliance with the AZDOHS Disposition Guidance and 2 C.F.R. 200. If the Subrecipient is requesting disposition of Capital Assets for reasons other than theft, destruction, or loss, the Subrecipient must submit an Equipment Disposition Request Form to AZDOHS and receive approval prior to the disposition. The Equipment Disposition Guidance and Request Form can be found at *https://azdohs.gov/grant-program-forms.*

f) Equipment Record Retention
Pursuant to 2 C.F.R. 200.333(c), records for real property and equipment acquired with Federal funds must be retained for three (3) years after final disposition.

Allowable Costs
The allowability of costs incurred under this Agreement shall be determined in accordance with the general principles of allowability and standards for selected cost items as set forth in the applicable Code of Federal Regulations, authorized equipment lists, and guidance documents referenced above.

a) The Subrecipient agrees that use of grant funds for any indirect costs that may be incurred must be in accordance with 2 C.F.R. 200 and the applicable NOFO. Indirect costs must be applied for and approved in writing by the AZDOHS prior to expenditure and reimbursement.

b) The Subrecipeint agrees that grant funds are not to be expended for any Management and Administrative (M&A) costs that may be incurred by the Subrecipient for administering these funds unless explicitly applied for and approved in writing by the AZDOHS and shall be in compliance with the applicable NOFO.

VIII. DEBARMENT CERTIFICATION

The Subrecipient is to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, which are at 2 C.F.R. Part 180 as adopted by DHS at 2 C.F.R. Part 3000. These regulations restrict federal financial assistance awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

IX. FUNDS MANAGEMENT

The Subrecipient must maintain funds received under this Agreement in separate ledger accounts and cannot mix these funds with funds from other sources. The Subrecipient must manage funds according to applicable Federal regulations for administrative requirements, costs principles, and audits.

The Subrecipient must maintain adequate business systems to comply with Federal requirements. The business systems that must be maintained are:

- Financial Management
- Procurement
- Personnel
- Property
- Travel

A system is adequate if it is 1) written; 2) consistently followed – it applies in all similar circumstances; and 3) consistently applied – it applies to all sources of funds.

X. REPORTING REQUIREMENTS

Regular reports by the Subrecipient shall include:

a) Programmatic Reports
The Subrecipient shall provide quarterly programmatic reports to the AZDOHS within fifteen (15) calendar days of the last day of the quarter in which services are provided. The Subrecipient shall use the form provided by the AZDOHS to submit quarterly programmatic reports. The report shall contain such information as deemed necessary by the AZDOHS. The Subrecipient shall use the Quarterly Programmatic Report form, which is posted at *https://azdohs.gov/grant-program-forms*. Quarterly programmatic reports shall be submitted to the AZDOHS until the entire project is completed. If the project has been fully completed and implemented, and there will be no further updates, then the quarterly programmatic report for the quarter in which the project was completed will be sufficient as the final report. The report

should be marked as final and should be inclusive of all necessary and pertinent information regarding the project as deemed necessary by the AZDOHS.

b) Subrecipients must provide substantial/detailed information as to the status of completion of the milestones included in the application as approved by AZDOHS. Failure to adequately provide complete information will result in the Quarterly Report being rejected and resubmission will be required.

c) Quarterly Programmatic Reports are due:
January 15 (for the period from October 1– December 31)
April 15 (for the period from January 1 – March 31)
July 15 (for the period from April 1 – June 30)
October 15 (for the period from July 1 – September 30)

d) Final Quarterly Report:
The final quarterly report is due no more than fifteen (15) calendar days after the end of the performance period. Subrecipient may submit a final quarterly report prior to the end of the performance period if the scope of the project has been fully completed and implemented. The Property Control Form is due with the final quarterly report (if applicable).

e) Property Control Form – if applicable:
The Subrecipient shall provide the AZDOHS a copy of the Property Control Form with the final quarterly report.

    a. In case of equipment disposition:
    The Property Control Form shall be updated and a copy provided to AZDOHS no more than forty-five (45) calendar days after equipment disposition, if applicable. The Subrecipient's use and disposition of equipment must be in compliance with the AZDOHS Disposition Guidance and 2 C.F.R. 200.313.

f) Financial Reimbursements
The Subrecipient shall provide AZDOHS with requests for reimbursement as frequently as monthly but not less than quarterly. Reimbursement requests are only required when expenses have been incurred. Reimbursement requests shall be submitted with the Reimbursement Form provided by the AZDOHS staff. The Subrecipient shall submit a final reimbursement request for expenses received and invoiced prior to the end of the period of performance. The final reimbursement must be received by AZDOHS no more than **forty-five (45) calendar days** after the end of the period of performance. Requests for reimbursement received by AZDOHS later than **forty-five (45) calendar** days after the end of the period of performance will not be paid. The final reimbursement request as submitted shall be marked as final.

Subrecipients will only be reimbursed for expenses that have been obligated, expended and received within the authorized Period of Performance as identified in Section II of this Agreement. Subrecipients are not authorized to obligate or expend funds prior to the start date of the Period of Performance. Any expenses obligated or expended prior to the Period of Performance start date will be deemed unallowable and will not be reimbursed. Any expenses/services that occur beyond the Period of Performance (i.e. cell phone service) will be deemed unallowable and will not be reimbursed.

The AZDOHS requires that all requests for reimbursement are submitted via United States Postal Service, FedEx, UPS, etc. or in person. Reimbursement requests submitted via fax or by any electronic means will not be accepted.

The AZDOHS reserves the right to request and/or require any supporting documentation and/or information it feels necessary in order to process reimbursements. Subrecipient shall promptly provide AZDOHS with all such documents and/or information.

All reports shall be submitted to the contact person as described in Paragraph XXXVII, NOTICES, of this Agreement.

XI. ASSIGNMENT AND DELEGATION

The Subrecipient may not assign any rights hereunder without the express, prior written agreement of both parties.

XII. AMENDMENTS

Any change in this Agreement including but not limited to the Description of Services and budget described herein, whether by modification or supplementation, must be accomplished by a formal Agreement amendment signed and approved by and between the duly authorized representatives of the Subrecipient and the AZDOHS. In the event of any new legislation, laws, ordinances, or rules affecting this Agreement, the parties agree that the terms of this Agreement shall automatically incorporate the terms of such new legislation, laws, ordinances, or rules.

Any such amendment shall specify: 1) an effective date; 2) any increases or decreases in the amount of the Subrecipient's compensation, if applicable; 3) be titled as an "Amendment," and 4) be signed by the parties identified in the preceding paragraph. The Subrecipient expressly and explicitly understands and agrees that no other method of communication, including any other document, correspondence, act, or oral communication by or from any person, shall be used or construed as an amendment or modification or supplementation to this Agreement.

XIII. US DEPARTMENT OF HOMELAND SECURITY AGREEMENT ARTICLES

Article A - Disposition of Equipment Acquired Under the Federal Award

When original or replacement equipment acquired in conjunction with this Agreement by the Subrecipient is no longer needed for the original project or program or for other activities currently or previously supported by DHS/FEMA, the Subrecipient must request instructions from DHS/FEMA via AZDOHS by submitting an Equipment Disposition Request Form in order to make proper disposition of the equipment pursuant to 2 C.F.R. 200.313.

Article B – Acceptance of Post Award Changes

In the event FEMA determines that changes are necessary to this Agreement after it has been entered into, including changes to period of performance or terms and conditions, the Subrecipient will be notified of the changes in writing. Once notification has been made, any subsequent request for funds by Subrecipient will constitute Subrecipient's acceptance of the changes to this Agreement and the incorporation of such changes into this Agreement.

Article C - Procurement of Recovered Materials

The Subrecipient hereby acknowledges and agrees that it must comply with section 6002 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965) (codified as amended by the Resource Conservation and Recovery Act, 42 U.S.C. 6962) and that the requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

Article D - Whistleblower Protection Act

The Subrecipient hereby acknowledges and agrees that it must comply with the statutory requirements for whistleblower protections (if applicable) at 10 U.S.C. 2409, 41 U.S.C. 4712, and 10 U.S.C. 2324, 41 U.S.C. section 4304 and 4310.

Article E - Use of DHS Seal, Logo and Flags
Subrecipient hereby acknowledges that it must obtain DHS's approval prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

Article F - USA Patriot Act of 2001
Subrecipient hereby acknowledges and agrees that it must comply with the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act, P.L. 107-56), which amends 18 U.S.C. section 175–175c.

Article G – Universal Identifier and System of Award Management (SAM)
Subrecipient hereby acknowledges and agrees that is must comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal Identifier Requirements located at 2 C.F.R. Part 25, Appendix A.

Article H - Reporting of Matters Related to Recipient Integrity and Performance
If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal assistance offices exceeds $10,000,000 for any period of time during the period of performance of this Federal award, you must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and, Performance Matters located at 2 C.F.R. Part 200 Appendix XII, the full text of which is incorporated here by reference in the terms and conditions of your award.

Article I - Rehabilitation Act of 1973
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, P. L. No. 93-112 (1973) (codified as amended at 29 U.S.C. 794), which provides that no otherwise qualified handicapped individual in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. These requirements pertain to the provision of benefits or services as well as to employment.

Article J - Trafficking Victims Protection Act of 2000
Subrecipient hereby acknowledges and agrees that it must comply with the requirements of the government-wide award term which implements Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104). The award term is located at 2 C.F.R. Part 175.15, the full text of which is incorporated here by reference.

Article K - Terrorist Financing
The Subrecipient hereby acknowledges and agrees that it must comply with U.S. Executive Order 13224 and all U.S. laws that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the Subrecipient to ensure compliance with all such laws and U.S. Executive Order 13224.

Article L - SAFECOM
The Subrecipient hereby acknowledges and agrees that recipients who receive awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

Article M - Reporting Subawards and Executive Compensation
All subrecipients are required to comply with the requirements set forth in the government-wide Award Term on Reporting Subawards and Executive Compensation located at 2 C.F.R. Part 170, Appendix A, the full text of which is incorporated here by reference in the terms and conditions of your award.

Article N – Department and Suspension
The Subrecipient hereby acknowledges and agrees that it is subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, and 2 C.F.R. Part 180. These regulations restrict Federal financial assistance awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

Article O - Copyright
The Subrecipient hereby acknowledges and agrees that it must affix the applicable copyright notices of 17 U.S.C. 401 or 402 and an acknowledgement of Government sponsorship (including award number) to any work first produced under Federal financial assistance awards.

Article P - Civil Rights Act of 1964 - Title VI
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), codified at 6 C.F.R. Part 21 and 44 C.F.R. Part 7, which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Article Q - Best Practices for Collection and Use of Personally Identifiable Information (PII)
The Subrecipient hereby acknowledges and agrees that if it collects PII, it is required to have a publically-available privacy policy that describes standards on the usage and maintenance of PII it collects. DHS defines personally identifiable information (PII) as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. Subrecipients may also find the DHS Privacy Impact Assessments: Privacy Guidance and Privacy template as useful resources respectively.

Article R - Americans with Disabilities Act of 1990
The Subrecipient hereby acknowledges and agrees that it shall comply with all State and Federal equal opportunity and non-discrimination requirements and conditions of employment, including but not limited to Arizona Executive Order 2009-9 and the requirements of Titles I, II, and III of the Americans with Disabilities Act, P.L. No. 101-336 (1990) (codified as amended at 42 US.C. 12101-12213), which prohibit subrecipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities.

Article S - Age Discrimination Act of 1975
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), which prohibits discrimination on the basis of age in any program or activity receiving Federal financial assistance.

Article T - Activities Conducted Abroad
The Subrecipient hereby acknowledges and agrees that it must ensure that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

Article U - Acknowledgement of Federal Funding from DHS
The Subrecipient hereby acknowledges and agrees that it must acknowledge its use of federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal funds.

Article V - DHS Specific Acknowledgements and Assurances
Subrecipient hereby acknowledges and agrees—and agrees to require any contractors, successors, transferees, and assignees acknowledge and agree—to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff.

1. Subrecipient hereby agrees to cooperate with any compliance review or complaint investigation conducted by DHS and/or AZDOHS.

2. Subrecipient hereby agrees to give DHS access and AZDOHS to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations and other applicable laws or program guidance.

3. Subrecipient hereby agrees to submit timely, complete, and accurate reports to the appropriate DHS and AZDOHS officials and maintain appropriate backup documentation to support the reports.

4. Subrecipient hereby agrees to comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

Article W - Assurances, Administrative Requirements and Cost Principles, and Audit Requirements
The Subrecipient hereby acknowledges and agrees that it must complete OMB Standard Form 424B Assurances – Non-Construction Programs, or OMB Standard Form 424D Assurances – Construction Programs as applicable.

DHS financial assistance recipients are required to follow the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located at 2 C.F.R. Part 200, and adopted by DHS at 2 C.F.R. Part 3002.

Article X - Patents and Intellectual Property Rights
Unless otherwise provided by law, the Subrecipient hereby acknowledges and agrees that it is subject to the Bayh-Dole Act, P.L. 96-517, codified in 35 U.S.C. 200 et seq., and that it is subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from financial assistance awards that are in 37 C.F.R. Part 401 and the standard patent rights clause in 37 C.F.R. 401.14.

Article Y – Nondiscrimination in Matters Pertaining to Faith-Based Organizations
It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. All subrecipients must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statutes, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.

Article Z – National Environmental Policy Act
All subrecipients must comply with the requirements of the National Environmental Policy Act (NEPA) 42 U.S.C. 4321 et seq., and the Council on Environmental Quality (CEQ) Regulations (40 C.F.R. Parts 1500-1508) for Implementing the Procedural Provisions of NEPA, which requires Subrecipients to use all practicable means within their authority, and consistent with other essential considerations of national policy, to create and maintain conditions under which people and nature can exist in productive harmony and fulfill the social, economic, and other needs of present and future generations of Americans.

Article AA - Lobbying Prohibitions
The Subrecipient hereby acknowledges and agrees that it must comply with 31 U.S.C. 1352, and acknowledges and agrees that none of the funds provided under this Agreement may be used to pay any person to influence, or attempt to influence an officer or employee of any agency (whether State or Federal), a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action related to a Federal award or contract, including any extension, continuation, renewal, amendment, or modification.

Article AB - Limited English Proficiency (Civil Rights Act of 1964, Title VI)
The Subrecipient hereby acknowledges and agrees that it must comply with the Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) prohibition against discrimination on the basis of national origin, which requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with Limited English Proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance *https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited* and additional resources on *http://www.lep.gov*.

Article AC - Hotel and Motel Fire Safety Act of 1990
In accordance with Section 6 of the Hotel and Motel Fire Safety Act of 1990 and the Federal Fire Prevention and Control Act of 1974, 15 U.S.C. section 2225(a), the Subrecipient hereby acknowledges and agrees that it must ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with all applicable fire prevention and control guidelines of the Federal Fire Prevention and Control Act of 1974, 15 U.S.C. section 2225.

Article AD - Fly America Act of 1974
The Subrecipient hereby acknowledges and agrees that it must comply with Preference for U.S. Flag Air Carriers (air carriers holding certificates under 49 U.S.C. 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, 49 U.S.C. 40118, and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

Article AE - Federal Leadership on Reducing Text Messaging while Driving
All subrecipients are encouraged to adopt and enforce policies that ban text messaging while driving as described in U.S. Executive Order 13513, including conducting initiatives described in Section 3(a) of the Order when on official Government business or when performing any work for or on behalf of the federal government.

Article AF - Federal Debt Status
The Subrecipient hereby acknowledges and agrees that it is required to be non-delinquent in its repayment of any Federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129.

Article AG - False Claims Act and Program Fraud Civil Remedies
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of The False Claims Act (31 U.S.C. 3729-3733) which prohibits the submission of false or fraudulent claims for payment to the Federal government. See also 31 U.S.C. 3801-3812 which details the administrative remedies for false claims and statements made.

Article AH - Energy Policy and Conservation Act
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of The Energy Policy and Conservation Act, Pub. L. No. 94-163 (1975) (codified as amended at 42 U.S.C. 6201 et. seq.) which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

Article AI - Education Amendments of 1972 (Equal Opportunity in Education Act) – Title IX
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving Federal financial assistance. These regulations are codified at 6 CFR Part 17 and 44 CFR Part 19.

Article AJ - Duplication of Benefits
Any cost allocable to a particular Federal award, provided for in 2 C.F.R. Part 200, Subpart E may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude a subrecipient from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal award.

Article AK - Drug-Free Workplace Regulations
The Subrecipient hereby acknowledges and agrees that it must comply with the drug-free workplace requirements in Subpart B (or Subpart C, if the Subrecipient is an individual) of 2 C.F.R. part 3001, which adopts the Government-wide implementation (2 C.F.R. part 182) of sec. 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 8101-8106).

Article AL - Civil Rights Act of 1968
The Subrecipient hereby acknowledges and agrees that it must comply with Title VIII of the Civil Rights Act of 1968, which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. 3601 et seq.), as implemented by the Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units—i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)—be designed and constructed with certain accessible features (see 24 C.F.R. 100.201).

XIV. OFFSHORE PERFORMANCE OF WORK PROHIBITED

Due to security and identity protection concerns, all services under this Agreement shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision applies to work performed by the Subrecipient's contractors and subcontractors at all tiers.

XV. AGREEMENT RENEWAL

This Agreement shall not bind nor purport to bind the AZDOHS for any contractual commitment in excess of the original Agreement period, which may not be changed except by a writing signed by all parties hereto in conformity with Paragraph XII, AMENDMENTS.

XVI. RIGHT TO ASSURANCE

If the AZDOHS in good faith has reason to believe that the Subrecipient does not intend to, or is unable to perform or continue performing under this Agreement, the AZDOHS may demand in writing that the Subrecipient give a written assurance of intent and ability to perform. If the Subrecipient fails to provide written assurance within the number of days specified in the demand, the AZDOHS at its option may terminate this Agreement.

XVII. CANCELLATION FOR CONFLICT OF INTEREST

The AZDOHS may, by written notice to the Subrecipient, immediately cancel this Agreement without penalty or further obligation pursuant to A.R.S. 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on behalf of the State or its subdivisions (unit of Local Government) is an employee or agent of any other party in any capacity or a consultant to any other party to the Agreement with respect to the subject matter of the Agreement. Such cancellation shall be effective when the parties to the Agreement receive written notice from the AZDOHS, unless the notice specifies a later time.

XVIII. THIRD PARTY ANTITRUST VIOLATIONS

The Subrecipient hereby assigns to the State of Arizona any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to Subrecipient toward fulfillment of this Agreement.

XIX. AVAILABILITY OF FUNDS

Every payment obligation of the AZDOHS under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligations under A.R.S. 35-154. If the funds are not allocated and available for the continuance of this Agreement, the AZDOHS may terminate this Agreement at the end of the period for which funds are available. No liability shall accrue to the AZDOHS in the event this provision is exercised, and the AZDOHS shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph, including purchases and/or contracts entered into by the Subrecipient in the execution of this Agreement.

XX. FORCE MAJEURE

If either party hereto is delayed or prevented from the performance of any act required in this Agreement by reason of acts of God, strikes, lockouts, labor disputes, civil disorder, or other causes without fault and beyond the control of the party obligated, performance of such act will be excused for the period of the delay.

XXI. PARTIAL INVALIDITY

Any term or provision of this Agreement that is hereafter declared contrary to any current or future law, order, regulation, or rule, or which is otherwise invalid, shall be deemed stricken from this Agreement without impairing the validity of the remainder of this Agreement.

XXII. ARBITRATION

In the event of any dispute arising under this Agreement, written notice of the dispute must be provided to the other party within thirty (30) calendar days of the events giving the rise to the dispute. Any claim made by or against the State or any of its political subdivisions (including but not limited to AZDOHS) relating to this Agreement shall be resolved through the administrative claims process. In the event that the parties would otherwise be in court and/or if A.R.S. 12-1518 applies, the parties shall proceed in arbitration through the American Arbitration Association

("AAA"), with the arbitrator to be selected pursuant to AAA rules and the arbitration to be conducted according to the applicable AAA rules, and with the costs of arbitration (including but not limited to the arbitrator's fees and costs) to be divided 50/50 between the parties, subject to reallocation between the parties by the arbitrator. In the event that the parties become involved in litigation with each other relating to this Agreement for any reason in any other forum, both parties agree to have any claim(s) resolved in arbitration on the terms set forth in this part XXII. Any arbitration award may be enforced through the Maricopa County Superior Court or the U.S. District Court located in Phoenix, Arizona.

XXIII. GOVERNING LAW AND CONTRACT INTERPRETATION

a) This Agreement shall be governed and interpreted in accordance with the laws of the State of Arizona.

b) This Agreement is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms in this document.

c) Either party's failure to insist on strict performance of any term or condition of the Agreement shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object.

XXIV. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the parties hereto pertaining to the subject matter hereof and may not be changed or added to except by a writing signed by all parties hereto in conformity with Paragraph XII, AMENDMENTS. All prior and contemporaneous agreements, representations, and understandings of the parties, oral, written, pertaining to the subject matter hereof, are hereby superseded or merged herein.

XXV. LICENSING

The Subrecipient, unless otherwise exempted by law, shall obtain and maintain all licenses, permits, and authority necessary to perform those acts it is obligated to perform under this Agreement.

XXVI. SECTARIAN REQUESTS

Funds disbursed pursuant to this Agreement may not be expended for any sectarian purpose or activity, including sectarian worship or instruction in violation of the United States or Arizona Constitutions.

XXVII. ADVERTISING AND PROMOTION OF AGREEMENT

The Subrecipient shall not advertise or publish information for commercial benefit concerning this Agreement without the prior written approval of the AZDOHS.

XXVIII. OWNERSHIP OF INFORMATION, PRINTED AND PUBLISHED MATERIAL

The Subrecipient acknowledges that the DHS and the AZDOHS reserve a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and authorize others to use, for Federal government purposes: (a) the copyright in any work developed under an award or sub-award; and (2) any rights of copyright to which a subrecipient purchases ownership with Federal support. The Subrecipient shall consult with the AZDOHS regarding the allocation of any patent rights that arise from, or are purchased with, this funding

XXIX. CLOSED-CAPTIONING OF PUBLIC SERVICE ANNOUNCEMENTS

Any television public service announcement that is produced or funded in whole or in part by the Subrecipient shall include closed captioning of the verbal content of such announcement.

XXX. INDEMNIFICATION

Each party (as "Indemnitor") agrees to defend, indemnify, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers. The State of Arizona (AZDOHS) is self-insured per A.R.S. 41-621.

In addition, should Subrecipient utilize a contractor(s) and subcontractor(s), the indemnification clause between Subrecipient and contractor(s) and subcontractor(s) shall include the following:

Contractor shall defend, indemnify, and hold harmless the (insert name of other governmental entity) and the State of Arizona, and any jurisdiction or agency issuing any permits for any work arising out of this Agreement, 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 the 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 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 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. Additionally on all applicable insurance policies, contractor and its subcontractors shall name the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as an additional insured and also include a waiver of subrogation in favor of the State.

XXXI. TERMINATION

a) All parties reserve the right to terminate the Agreement in whole or in part due to the failure of the Subrecipient or AZDOHS to comply with any term or condition of the Agreement, to acquire and maintain all required insurance policies, bonds, licenses, and permits or to make satisfactory progress in performing the Agreement. A party invoking the right to terminate shall provide written thirty (30) day advance notice of the termination and the reasons for it to the other party.

b) If the Subrecipient chooses to terminate the Agreement before the grant deliverables have been met, then the AZDOHS reserves the right to collect all reimbursements distributed to the Subrecipient.

c) The AZDOHS may, upon termination of this Agreement, procure, on terms and in the manner that it deems appropriate, materials or services to replace those that otherwise would have been provided by Subrecipient under this Agreement. The Subrecipient shall be liable to the AZDOHS for any excess costs incurred by the AZDOHS in procuring materials or services in substitution for those due from the Subrecipient.

XXXII. CONTINUATION OF PERFORMANCE THROUGH TERMINATION

The Subrecipient shall continue to perform, in accordance with the requirements of the Agreement, up to the date of termination, as directed in the termination notice.

XXXIII. PARAGRAPH HEADINGS

The paragraph headings in this Agreement are for convenience of reference only and do not define, limit, enlarge, or otherwise affect the scope, construction, or interpretation of this Agreement or any of its provisions.

XXXIV. COUNTERPARTS

This Agreement may be executed in any number of counterparts, copies, or duplicate originals. Each such counterpart, copy, or duplicate original shall be deemed an original, and collectively they shall constitute one Agreement.

XXXV. AUTHORITY TO EXECUTE THIS AGREEMENT

Each individual executing this Agreement on behalf of the Subrecipient represents and warrants that he or she is duly authorized to execute this Agreement on behalf of the Subrecipient.

XXXVI. SPECIAL CONDITIONS

a) The Subrecipient must comply with the most recent version of the Administrative Requirements, Cost Principles, and Audit requirements.

b) The Subrecipient is prohibited from transferring funds between programs (e.g., State Homeland Security Program, Urban Area Security Initiative, Operation Stonegarden).

c) The Subrecipient agrees to comply with the U.S. Department of Homeland Security regulation 6 C.F.R Part 19, which prohibits discrimination based on religion in social service programs

XXXVII. NOTICES

Any and all notices, requests, demands, or communications by either party to this Agreement, pursuant to or in connection with this Agreement shall be in writing, be delivered in person, or shall be sent to the respective parties at the following addresses:

Arizona Department of Homeland Security
1700 West Washington Street, Suite 210
Phoenix, AZ 85007

The Subrecipient shall address all programmatic and reimbursement notices relative to this Agreement to the appropriate AZDOHS staff; contact information at www.azdohs.gov.

The AZDOHS shall address all notices relative to this Agreement to:

Enter Title, First & Last Name Above

Enter Agency Name Above

Enter Street Address Above

Enter City, State, ZIP Above

XXXVIII. IN WITNESS WHEREOF

The parties hereto agree to execute this Agreement.

FOR AND BEHALF OF THE

Enter Agency Name Above

Authorized Signature Above

Print Name & Title Above

Enter Date Above

FOR AND BEHALF OF THE

Arizona Department of Homeland Security

Gilbert M. Orrantia
Director

Date

(Complete and mail two original documents to the Arizona Department of Homeland Security.)

Action 19.

Regular Board of Supervisors Meeting **Emergency Services**

Meeting Date: 10/22/2019

Approval of 2019 SHSGP Sub-Recipient Agreement - CERT

Submitted By: Gabriel Lavine, Emergency Services

Department: Emergency Services

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature Required	**# of ORIGINALS Submitted for Signature:**	2
NAME of PRESENTER:	Gabe Lavine	**TITLE of PRESENTER:**	Director Emergency Management
Mandated Function?:	Federal or State Mandate	**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 the Grant Agreement 19-AZDOHS-HSGP-190400-02 in the amount of $2,500 for the Community Emergency Response Team (CERT) training and deployments effective October 1, 2019 through September 30, 2020.

Background:

The State Homeland Security Grant Program is a federal grant program that funds preparedness projects in an effort to increase readiness in response to all hazards and terrorist attacks. The Community Emergency Response Team (CERT) is a volunteer community member based organization under the Office of Emergency Services who provide preparedness training to the local community as well as deployable volunteers to augment first responders during large scale emergencies or disasters. This is a 100% reimbursed expense grant with no cost match required by the county.

Department's Next Steps (if approved):

Schedule community classes and team training events.

Impact of NOT Approving/Alternatives:

Preparedness efforts in rural communities within the county will be limited to volunteer donations and existing equipment resources. Impacts will be realized in 2-3 years. Alternative funding sources would be requested through general fund budget or donations.

To BOS Staff: Document Disposition/Follow-Up:

Request 2 signed copies of the grant agreement be returned to Gabe Lavine in Emergency Services.

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: 2019

One-time Fixed Costs? ($$$): $2500

Ongoing Costs? ($$$): $0

County Match Required? ($$$): $0

A-87 Overhead Amt? (Co. Cost Allocation $$$):

Source of Funding?: SHSGP Grant

Fiscal Impact & Funding Sources (if known):
This is a 100% reimbursement grant.

Attachments

2019 SHSGP Agreement - CERT

SUBRECIPIENT AGREEMENT

19-AZDOHS-HSGP-190400-02

Between

The Arizona Department of Homeland Security

And

Cochise County Office of Emergency Services (DUNS# 020126041)

WHEREAS, A.R.S. § 41-4254 charges the Arizona Department of Homeland Security (AZDOHS) with the responsibility of administering funds.

THEREFORE, it is agreed that the AZDOHS shall provide funding to the **Cochise County Office of Emergency Services** (Subrecipient) for services under the terms of this Agreement (the "Agreement").

I. **PURPOSE OF AGREEMENT**
The purpose of this Agreement is to specify the rights and responsibilities of AZDOHS in administering the distribution of homeland security grant funds to the Subrecipient, and to specify the rights and responsibilities of the Subrecipient as the recipient of these funds.

II. **PERIOD OF PERFORMANCE, TERMINATION AND AMENDMENTS**
This Agreement shall become effective on **October 1, 2019** and shall terminate on **September 30, 2020**. The obligations of the Subrecipient as described herein will survive termination of this agreement.

III. **DESCRIPTION OF SERVICES**
The Subrecipient shall provide the services for AZDOHS as set forth in writing in Subrecipient's grant application titled: **"Citizen Corps CERT Training"** and funded at **$2,500** (as may have been modified by the award letter).

IV. **MANNER OF FINANCING**
The AZDOHS shall under the U.S. Department of Homeland Security grant # EMW-2019-SS-00002-S01 and CFDA #97.067:

a. Provide up to **$2,500** to the Subrecipient for services provided under Paragraph III.

b. Payment made by the AZDOHS to the Subrecipient shall be on a reimbursement basis only and is conditioned upon receipt of proof of payment and applicable, accurate and complete reimbursement documents, as deemed necessary by the AZDOHS, to be submitted by the Subrecipient. A listing of acceptable documentation can be found at www.azdohs.gov. Payments will be contingent upon receipt of all reporting requirements of the Subrecipient under this Agreement.

V. FISCAL RESPONSBILITY

It is understood and agreed that the total amount of the funds used under this Agreement shall be used only for the project as described in the application and award documentation. Therefore, should the project not be completed, the Subrecipient shall reimburse said funds directly to the AZDOHS immediately. If the project is completed at a lower cost than the original budget called for, the amount reimbursed to the Subrecipient shall be for only the amount of dollars actually spent by the Subrecipient in accordance with the approved application. For any funds received under this Agreement for which expenditure is disallowed by an audit exemption or otherwise by the AZDOHS, the State, or Federal government, the Subrecipient shall reimburse said funds directly to the AZDOHS immediately.

VI. FINANCIAL AUDIT/PROGRAMMATIC MONITORING

The Subrecipient agrees to comply with the record-keeping requirements and other requirements of A.R.S. 35-214 and 35-215.

a) In addition, in compliance with the Federal Single Audit Act (31 USC 7501-7507) as amended by the Single Audit Act Amendments of 1996 (P.L. 104-156) and 2 C.F.R. 200.501, the Subrecipient must have a Single Audit or program specific audit conducted in accordance with 2 C.F.R. 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) if the Subrecipient expends more than $750,000 from Federal awards in its previous fiscal year. If the Subrecipient has expended more than $750,000 in Federal dollars, a copy of the Subrecipient's single audit or program specific audit report for the previous fiscal year and subsequent fiscal years that fall within the period of performance is due annually to AZDOHS within nine (9) months of the Subrecipient's fiscal year end.

b) Failure to comply with any requirements imposed as a result of an audit will suspend reimbursement by AZDOHS to the Subrecipient until the Subrecipient is in compliance with all such requirements. Additionally, the Subrecipient will not be eligible for any new awards until the Subrecipient is in compliance with all such requirements.

c) Subrecipients who do not expend more than $750,000 in Federal dollars in the previous fiscal year and subsequent fiscal years that fall within the period of performance must submit to AZDOHS via audits@azdohs.gov, a statement stating they do not meet the threshold and therefore do not have to complete a single audit or program specific audit.

d) Subrecipient will be monitored periodically by AZDOHS, both programmatically and financially, to ensure that the project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based reviews and on-site monitoring visits. Monitoring can involve aspects of the work involved under this Agreement including but not limited to the review and analysis of financial, programmatic, equipment, performance, and administrative issues relative to each program and will identify areas where technical assistance and other support may be needed. Subrecipient shall participate in and cooperate with all such monitoring by AZDOHS, and shall provide access to all personnel, documents, and other records as may be requested from time to time by AZDOHS. Subrecipient also shall comply with all requests of AZDOHS that AZDOHS deems necessary to assure the parties' compliance with their obligations under this Agreement.

e) The Subrecipient agrees to cooperate with any assessments, state/national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this Agreement.

VII. APPLICABLE STANDARDS AND REGULATIONS

The Subrecipient must comply with the applicable Notice of Funding Opportunity (NOFO) and Code of Federal Regulations (C.F.R.) 2 C.F.R. 200. The NOFO for this program is hereby incorporated into this Agreement by reference. By accepting this award, the Subrecipient agrees that all allocation and use of funds under this grant will be in accordance with the requirements contained in the NOFO and all other applicable law.

Davis Bacon Act

HSGP Program subrecipients using funds for construction projects must comply with the *Davis-Bacon Act* (40 U.S.C. 3141 *et seq*.). Subrecipients must obtain written approval from AZDOHS prior to use of any HSGP funds for construction or renovation. Subrecipients must ensure that their contractors or subcontractors for construction projects pay workers no less than the prevailing wages for laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the state in which the work is to be performed. Additional information regarding compliance with the *Davis-Bacon Act*, including Department of Labor (DOL) wage determinations, is available from the following website https://www.dol.gov/whd/govcontracts/dbra.htm.

Insurance Coverage

The Subrecipient affirms the organization maintain insurance coverage as described in 2 C.F.R. 200.310. The non-Federal (Subrecipient) entity must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by the non-Federal (Subrecipient) entity. Federally-owned property need not be insured unless required by the terms and conditions of the Federal award.

National Incident Management System (NIMS)

The Subrecipient agrees to remain in compliance with National Incident Management System (NIMS) implementation initiatives as outlined in the applicable NOFO.

Environmental Planning and Historic Preservation

The Subrecipient shall comply with Federal, State and Local environmental and historical preservation (EHP) regulations, laws and Executive Orders as applicable. *See* FEMA publication FP 108-023-1, titled "Environmental Planning and Historic Preservation (EHP) Policy Guidance," available at https://www.fema.gov/media-library-data/1533321728657-592e122ade85743d1760fd4747241776/GPD_EHP_Policy_Final_Amendment_GPD_final_508.pdf. Subrecipients proposing projects that have the potential to impact the environment, including but not limited to construction of communication towers, modification or renovation of existing buildings, structures and facilities, or new construction including replacement of facilities, must participate in the Federal Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA) EHP review process. The EHP review process involves the submission of a detailed project description that explains the goals and objectives of the proposed project along with supporting documentation so that DHS/FEMA may determine whether the proposed project has the potential to impact environmental resources and/or historic properties. In some cases, DHS/FEMA is also required to consult with other regulatory agencies and the public in order to complete the review process. The EHP review process must be completed before funds are released to carry out the proposed project. If ground disturbing activities occur during project implementation, the Subrecipient must ensure monitoring of ground disturbance and if any archeological resources are discovered, the Subrecipient shall immediately cease construction in that area and notify FEMA, AZDOHS and the appropriate State Historic

Preservation Office. DHS/FEMA will not fund projects that are initiated without the required EHP review. In addition, the following provisions must be adhered to:

Consultants/Trainers/Training Providers
Invoices for consultants/trainers/training providers must include at a minimum: a description of services; dates of services; number of hours for services performed; rate charged for services; and, the total cost of services performed. Consultant/trainer/training provider costs must be within the prevailing rates; must be obtained under consistent treatment with the procurement policies of the Subrecipient and 2 C.F.R. 200; and shall not exceed the maximum of $450 per day per consultant/trainer/training provider unless prior written approval is granted by the AZDOHS. This includes internal personnel hired on backfill/overtime to deliver training. In addition to the per day $450 maximum amount, the consultant/trainer/training provider may be reimbursed reasonable travel, lodging, meal and incidental expenses not to exceed the State rate. Itemized receipts are required for lodging and travel reimbursements. The Subrecipient will not be reimbursed costs other than travel, lodging, meals and incidentals on travel days for consultants/trainers/training providers. See Travel Costs below.

Contractors/Subcontractors
The Subrecipient may enter into written subcontract(s) for performance of certain of its functions under the Agreement in accordance with terms established in 2 C.F.R. 200 and the applicable NOFO. The Subrecipient agrees and understands that no subcontract that the Subrecipient enters into with respect to performance under this Agreement shall in any way relieve the Subrecipient of any responsibilities for performance of its duties. The Subrecipient shall give the AZDOHS immediate notice in writing by certified mail of any action or suit filed and prompt notice of any claim made against the Subrecipient by any subcontractor or vendor which may result in litigation related in any way to this Agreement.

Travel Costs
All grant funds expended for travel, lodging, meals and incidentals are subject to the standards of the Subrecipient's policies and procedures, as well as the State of Arizona Accounting Manual (SAAM). These policies must be applied uniformly to both federally financed and other activities of the Subrecipient. AZDOHS will reimburse at the most restrictive allowability and rate. At no time will the Subrecipient's reimbursement(s) exceed the State rate established by the Arizona Department of Administration, General Accounting Office Travel Policies: https://gao.az.gov/travel.

Procurement
The Subrecipient shall comply with its own procurement rules/policies and must also comply with Federal procurement rules/policies and all Arizona state procurement code provisions and rules. The Federal intent is that all Homeland Security Funds are awarded competitively. The Subrecipient shall not enter into a Noncompetitive (Sole or Single Source) Procurement Agreement, unless prior written approval is granted by the AZDOHS via the Noncompetitive Procurement Request Form. The Noncompetitive Procurement Request Form and instructions are located on the AZDOHS website: *https://azdohs.gov/grant-program-forms.*

Training and Exercise
The Subrecipient agrees that any grant funds used for training and exercise must be in compliance with the applicable NOFO. All training must be included and approved in your application and/or approved through the DEMA/AZDOHS training request process prior to execution of training contract(s). All exercises must utilize and comply with the FEMA Homeland Security Exercise and Evaluation Program (HSEEP) guidance for exercise design, development, conduct, evaluation and reporting. The Subrecipient agrees to:

a) Submit an exercise summary and attendance/sign-in roster to AZDOHS with all related reimbursement requests.

b) Email the After Action Report/Improvement Plan (AAR/IP) to the local County Emergency Manager, the AZDOHS Strategic Planner, and the Arizona Department of Military Affairs (DEMA) Exercise Branch within 90 days of completion of an exercise or as prescribed by the most current HSEEP guidance.

Communications Equipment

All Land Mobile Radio equipment purchased with Homeland Security funds is required to comply with the following:

a) P25 (Project 25) standards;
b) SAFECOM Guidance (*see* https://www.dhs.gov/safecom);
c) Land Mobile Radio Minimum Equipment Standards as approved by the Statewide Interoperability Executive Committee (SIEC); and
d) Arizona's State Interoperable Priority Programming Guide also as approved by the SIEC

Nonsupplanting Agreement

The Subrecipient shall not use funds received under this Agreement to supplant Federal, State, Tribal or Local funds or other resources that would otherwise have been made available for this program/project. The Subrecipient may be required to demonstrate and document that a reduction in non-Federal resources occurred for reasons other than the receipt of expected receipt of Federal funds. Further, if a position created by a grant is filled from within, the vacancy created by this action must be filled within thirty (30) days. If the vacancy is not filled within thirty (30) days, the Subrecipient must stop charging the grant for the new position. Upon filling the vacancy, the Subrecipient may resume charging for the grant position.

E-Verify

Compliance requirements for A.R.S. 41-4401—immigration laws and E-Verify requirement.

a) The Subrecipient warrants its compliance with all State and Federal immigration laws and regulations relating to its employees and to employees of any contractor or subcontractor retained through Subrecipient to provide goods or services related to this Agreement, including but not limited to A.R.S. 23-214, Subsection A (that subsection reads: “After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program”).

b) A breach of a warranty by Subrecipient regarding compliance with immigration laws and regulations shall be deemed a material breach of this Agreement and the Subrecipient may be subject to penalties to be determined at AZDOHS’s discretion, up to and including termination of this Agreement.

c) The AZDOHS retains the legal right to inspect the papers of any Subrecipient employee who works on the Agreement, and to those of any employee of any contractor or subcontractor retained through Subrecipient to provide goods or services related to this Agreement, to ensure that the Subrecipient is complying with the warranty under paragraph (a) above.

Property Control

Effective control and accountability must be maintained by Subrecipient for all property/equipment purchased under this Agreement. The Subrecipient must adequately safeguard all such property/equipment and must assure that it is used for authorized purposes as described in the NOFO, the grant application as approved by AZDOHS, and 2 C.F.R. 200. The Subrecipient shall exercise caution in the use, maintenance, protection and preservation of such property.

a) Property/equipment shall be used by the Subrecipient in the program or project for which it was acquired as long as needed, whether or not the program or project continues to be supported by federal grant funds. Subrecipient is required to maintain and utilize equipment as outlined in 2 C.F.R. 200.313 - Equipment. Any loss, damage, or theft shall be investigated by Subrecipient and reported by Subrecipient to the AZDOHS. Any equipment lost, damaged or stolen shall be replaced by the Subrecipient at the Subrecipient's expense and an updated Property Control Form shall be submitted to AZDOHS by Subrecipient.

b) Nonexpendable Property/Equipment and Capital Assets:

   a. Nonexpendable Property/Equipment is property which has a continuing use, is not consumed in use, is of a durable nature with an expected service life of one or more years, has an acquisition cost of $5,000 (Five Thousand Dollars) or more, and does not become a fixture or lose its identity as a component of other equipment or systems.

   b. A Capital Asset is any personal or real property, or fixture that has an acquisition cost of $5,000 (Five Thousand Dollars) or more per unit and a useful life of more than one year.

c) A Property Control Form (if applicable) shall be maintained for the entire scope of the program or project for which property was acquired through the end of its useful life and/or disposition. All Nonexpendable Property and Capital Assets must be included on the Property Control Form. The Subrecipient shall provide AZDOHS a copy of the Property Control Form with the final quarterly programmatic report. The Property Control Form can be located at *https://azdohs.gov/grant-program-forms.* The Subrecipient agrees to be subject to equipment monitoring and auditing by state or federal authorized representatives to verify information.

d) A physical inventory of Nonexpendable Property/Equipment and Capital Assets must be taken and the results reconciled with the Property Control Form at least once every two years.

   a. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated and reported by Subrecipient to AZDOHS immediately.

   b. Adequate maintenance procedures must be developed to keep the property in good condition.

e) When Nonexpendable Property/Equipment and/or Capital Assets are no longer in operational use by the Subrecipient, an updated Property Control Form must be submitted by Subrecipient to AZDOHS immediately. The disposition of equipment shall be in compliance with the AZDOHS Disposition Guidance and 2 C.F.R. 200. If the Subrecipient is requesting disposition of Capital Assets for reasons other than theft, destruction, or loss, the Subrecipient must submit an Equipment Disposition Request Form to AZDOHS and receive approval prior to the disposition. The Equipment Disposition Guidance and Request Form can be found at *https://azdohs.gov/grant-program-forms.*

f) Equipment Record Retention
Pursuant to 2 C.F.R. 200.333(c), records for real property and equipment acquired with Federal funds must be retained for three (3) years after final disposition.

Allowable Costs
The allowability of costs incurred under this Agreement shall be determined in accordance with the general principles of allowability and standards for selected cost items as set forth in the applicable Code of Federal Regulations, authorized equipment lists, and guidance documents referenced above.

a) The Subrecipient agrees that use of grant funds for any indirect costs that may be incurred must be in accordance with 2 C.F.R. 200 and the applicable NOFO. Indirect costs must be applied for and approved in writing by the AZDOHS prior to expenditure and reimbursement.

b) The Subrecipeint agrees that grant funds are not to be expended for any Management and Administrative (M&A) costs that may be incurred by the Subrecipient for administering these funds unless explicitly applied for and approved in writing by the AZDOHS and shall be in compliance with the applicable NOFO.

VIII. DEBARMENT CERTIFICATION

The Subrecipient is to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, which are at 2 C.F.R. Part 180 as adopted by DHS at 2 C.F.R. Part 3000. These regulations restrict federal financial assistance awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

IX. FUNDS MANAGEMENT

The Subrecipient must maintain funds received under this Agreement in separate ledger accounts and cannot mix these funds with funds from other sources. The Subrecipient must manage funds according to applicable Federal regulations for administrative requirements, costs principles, and audits.

The Subrecipient must maintain adequate business systems to comply with Federal requirements. The business systems that must be maintained are:

- Financial Management
- Procurement
- Personnel
- Property
- Travel

A system is adequate if it is 1) written; 2) consistently followed – it applies in all similar circumstances; and 3) consistently applied – it applies to all sources of funds.

X. REPORTING REQUIREMENTS

Regular reports by the Subrecipient shall include:

a) Programmatic Reports
The Subrecipient shall provide quarterly programmatic reports to the AZDOHS within fifteen (15) calendar days of the last day of the quarter in which services are provided. The Subrecipient shall use the form provided by the AZDOHS to submit quarterly programmatic reports. The report shall contain such information as deemed necessary by the AZDOHS. The Subrecipient shall use the Quarterly Programmatic Report form, which is posted at *https://azdohs.gov/grant-program-forms*. Quarterly programmatic reports shall be submitted to the AZDOHS until the entire project is completed. If the project has been fully completed and implemented, and there will be no further updates, then the quarterly programmatic report for the quarter in which the project was completed will be sufficient as the final report. The report

should be marked as final and should be inclusive of all necessary and pertinent information regarding the project as deemed necessary by the AZDOHS.

b) Subrecipients must provide substantial/detailed information as to the status of completion of the milestones included in the application as approved by AZDOHS. Failure to adequately provide complete information will result in the Quarterly Report being rejected and resubmission will be required.

c) Quarterly Programmatic Reports are due:
January 15 (for the period from October 1– December 31)
April 15 (for the period from January 1 – March 31)
July 15 (for the period from April 1 – June 30)
October 15 (for the period from July 1 – September 30)

d) Final Quarterly Report:
The final quarterly report is due no more than fifteen (15) calendar days after the end of the performance period. Subrecipient may submit a final quarterly report prior to the end of the performance period if the scope of the project has been fully completed and implemented. The Property Control Form is due with the final quarterly report (if applicable).

e) Property Control Form – if applicable:
The Subrecipient shall provide the AZDOHS a copy of the Property Control Form with the final quarterly report.

   a. In case of equipment disposition:
   The Property Control Form shall be updated and a copy provided to AZDOHS no more than forty-five (45) calendar days after equipment disposition, if applicable. The Subrecipient's use and disposition of equipment must be in compliance with the AZDOHS Disposition Guidance and 2 C.F.R. 200.313.

f) Financial Reimbursements
The Subrecipient shall provide AZDOHS with requests for reimbursement as frequently as monthly but not less than quarterly. Reimbursement requests are only required when expenses have been incurred. Reimbursement requests shall be submitted with the Reimbursement Form provided by the AZDOHS staff. The Subrecipient shall submit a final reimbursement request for expenses received and invoiced prior to the end of the period of performance. The final reimbursement must be received by AZDOHS no more than **forty-five (45) calendar days** after the end of the period of performance. Requests for reimbursement received by AZDOHS later than **forty-five (45) calendar** days after the end of the period of performance will not be paid. The final reimbursement request as submitted shall be marked as final.

Subrecipients will only be reimbursed for expenses that have been obligated, expended and received within the authorized Period of Performance as identified in Section II of this Agreement. Subrecipients are not authorized to obligate or expend funds prior to the start date of the Period of Performance. Any expenses obligated or expended prior to the Period of Performance start date will be deemed unallowable and will not be reimbursed. Any expenses/services that occur beyond the Period of Performance (i.e. cell phone service) will be deemed unallowable and will not be reimbursed.

The AZDOHS requires that all requests for reimbursement are submitted via United States Postal Service, FedEx, UPS, etc. or in person. Reimbursement requests submitted via fax or by any electronic means will not be accepted.

The AZDOHS reserves the right to request and/or require any supporting documentation and/or information it feels necessary in order to process reimbursements. Subrecipient shall promptly provide AZDOHS with all such documents and/or information.

All reports shall be submitted to the contact person as described in Paragraph XXXVII, NOTICES, of this Agreement.

XI. ASSIGNMENT AND DELEGATION

The Subrecipient may not assign any rights hereunder without the express, prior written agreement of both parties.

XII. AMENDMENTS

Any change in this Agreement including but not limited to the Description of Services and budget described herein, whether by modification or supplementation, must be accomplished by a formal Agreement amendment signed and approved by and between the duly authorized representatives of the Subrecipient and the AZDOHS. In the event of any new legislation, laws, ordinances, or rules affecting this Agreement, the parties agree that the terms of this Agreement shall automatically incorporate the terms of such new legislation, laws, ordinances, or rules.

Any such amendment shall specify: 1) an effective date; 2) any increases or decreases in the amount of the Subrecipient's compensation, if applicable; 3) be titled as an "Amendment," and 4) be signed by the parties identified in the preceding paragraph. The Subrecipient expressly and explicitly understands and agrees that no other method of communication, including any other document, correspondence, act, or oral communication by or from any person, shall be used or construed as an amendment or modification or supplementation to this Agreement.

XIII. US DEPARTMENT OF HOMELAND SECURITY AGREEMENT ARTICLES

Article A - Disposition of Equipment Acquired Under the Federal Award

When original or replacement equipment acquired in conjunction with this Agreement by the Subrecipient is no longer needed for the original project or program or for other activities currently or previously supported by DHS/FEMA, the Subrecipient must request instructions from DHS/FEMA via AZDOHS by submitting an Equipment Disposition Request Form in order to make proper disposition of the equipment pursuant to 2 C.F.R. 200.313.

Article B – Acceptance of Post Award Changes

In the event FEMA determines that changes are necessary to this Agreement after it has been entered into, including changes to period of performance or terms and conditions, the Subrecipient will be notified of the changes in writing. Once notification has been made, any subsequent request for funds by Subrecipient will constitute Subrecipient's acceptance of the changes to this Agreement and the incorporation of such changes into this Agreement.

Article C - Procurement of Recovered Materials

The Subrecipient hereby acknowledges and agrees that it must comply with section 6002 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965) (codified as amended by the Resource Conservation and Recovery Act, 42 U.S.C. 6962) and that the requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

Article D - Whistleblower Protection Act

The Subrecipient hereby acknowledges and agrees that it must comply with the statutory requirements for whistleblower protections (if applicable) at 10 U.S.C. 2409, 41 U.S.C. 4712, and 10 U.S.C. 2324, 41 U.S.C. section 4304 and 4310.

Article E - Use of DHS Seal, Logo and Flags
Subrecipient hereby acknowledges that it must obtain DHS's approval prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

Article F - USA Patriot Act of 2001
Subrecipient hereby acknowledges and agrees that it must comply with the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act, P.L. 107-56), which amends 18 U.S.C. section 175–175c.

Article G – Universal Identifier and System of Award Management (SAM)
Subrecipient hereby acknowledges and agrees that is must comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal Identifier Requirements located at 2 C.F.R. Part 25, Appendix A.

Article H - Reporting of Matters Related to Recipient Integrity and Performance
If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal assistance offices exceeds $10,000,000 for any period of time during the period of performance of this Federal award, you must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and, Performance Matters located at 2 C.F.R. Part 200 Appendix XII, the full text of which is incorporated here by reference in the terms and conditions of your award.

Article I - Rehabilitation Act of 1973
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, P. L. No. 93-112 (1973) (codified as amended at 29 U.S.C. 794), which provides that no otherwise qualified handicapped individual in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. These requirements pertain to the provision of benefits or services as well as to employment.

Article J - Trafficking Victims Protection Act of 2000
Subrecipient hereby acknowledges and agrees that it must comply with the requirements of the government-wide award term which implements Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104). The award term is located at 2 C.F.R. Part 175.15, the full text of which is incorporated here by reference.

Article K - Terrorist Financing
The Subrecipient hereby acknowledges and agrees that it must comply with U.S. Executive Order 13224 and all U.S. laws that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the Subrecipient to ensure compliance with all such laws and U.S. Executive Order 13224.

Article L - SAFECOM
The Subrecipient hereby acknowledges and agrees that recipients who receive awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

Article M - Reporting Subawards and Executive Compensation
All subrecipients are required to comply with the requirements set forth in the government-wide Award Term on Reporting Subawards and Executive Compensation located at 2 C.F.R. Part 170, Appendix A, the full text of which is incorporated here by reference in the terms and conditions of your award.

Article N – Department and Suspension
The Subrecipient hereby acknowledges and agrees that it is subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, and 2 C.F.R. Part 180. These regulations restrict Federal financial assistance awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

Article O - Copyright
The Subrecipient hereby acknowledges and agrees that it must affix the applicable copyright notices of 17 U.S.C. 401 or 402 and an acknowledgement of Government sponsorship (including award number) to any work first produced under Federal financial assistance awards.

Article P - Civil Rights Act of 1964 - Title VI
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), codified at 6 C.F.R. Part 21 and 44 C.F.R. Part 7, which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Article Q - Best Practices for Collection and Use of Personally Identifiable Information (PII)
The Subrecipient hereby acknowledges and agrees that if it collects PII, it is required to have a publically-available privacy policy that describes standards on the usage and maintenance of PII it collects. DHS defines personally identifiable information (PII) as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. Subrecipients may also find the DHS Privacy Impact Assessments: Privacy Guidance and Privacy template as useful resources respectively.

Article R - Americans with Disabilities Act of 1990
The Subrecipient hereby acknowledges and agrees that it shall comply with all State and Federal equal opportunity and non-discrimination requirements and conditions of employment, including but not limited to Arizona Executive Order 2009-9 and the requirements of Titles I, II, and III of the Americans with Disabilities Act, P.L. No. 101-336 (1990) (codified as amended at 42 US.C. 12101-12213), which prohibit subrecipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities.

Article S - Age Discrimination Act of 1975
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), which prohibits discrimination on the basis of age in any program or activity receiving Federal financial assistance.

Article T - Activities Conducted Abroad
The Subrecipient hereby acknowledges and agrees that it must ensure that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

Article U - Acknowledgement of Federal Funding from DHS
The Subrecipient hereby acknowledges and agrees that it must acknowledge its use of federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal funds.

Article V - DHS Specific Acknowledgements and Assurances
Subrecipient hereby acknowledges and agrees—and agrees to require any contractors, successors, transferees, and assignees acknowledge and agree—to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff.

1. Subrecipient hereby agrees to cooperate with any compliance review or complaint investigation conducted by DHS and/or AZDOHS.

2. Subrecipient hereby agrees to give DHS access and AZDOHS to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations and other applicable laws or program guidance.

3. Subrecipient hereby agrees to submit timely, complete, and accurate reports to the appropriate DHS and AZDOHS officials and maintain appropriate backup documentation to support the reports.

4. Subrecipient hereby agrees to comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

Article W - Assurances, Administrative Requirements and Cost Principles, and Audit Requirements
The Subrecipient hereby acknowledges and agrees that it must complete OMB Standard Form 424B Assurances – Non-Construction Programs, or OMB Standard Form 424D Assurances – Construction Programs as applicable.

DHS financial assistance recipients are required to follow the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located at 2 C.F.R. Part 200, and adopted by DHS at 2 C.F.R. Part 3002.

Article X - Patents and Intellectual Property Rights
Unless otherwise provided by law, the Subrecipient hereby acknowledges and agrees that it is subject to the Bayh-Dole Act, P.L. 96-517, codified in 35 U.S.C. 200 et seq., and that it is subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from financial assistance awards that are in 37 C.F.R. Part 401 and the standard patent rights clause in 37 C.F.R. 401.14.

Article Y – Nondiscrimination in Matters Pertaining to Faith-Based Organizations
It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. All subrecipients must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statutes, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.

Article Z – National Environmental Policy Act
All subrecipients must comply with the requirements of the National Environmental Policy Act (NEPA) 42 U.S.C. 4321 et seq., and the Council on Environmental Quality (CEQ) Regulations (40 C.F.R. Parts 1500-1508) for Implementing the Procedural Provisions of NEPA, which requires Subrecipients to use all practicable means within their authority, and consistent with other essential considerations of national policy, to create and maintain conditions under which people and nature can exist in productive harmony and fulfill the social, economic, and other needs of present and future generations of Americans.

Article AA - Lobbying Prohibitions
The Subrecipient hereby acknowledges and agrees that it must comply with 31 U.S.C. 1352, and acknowledges and agrees that none of the funds provided under this Agreement may be used to pay any person to influence, or attempt to influence an officer or employee of any agency (whether State or Federal), a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action related to a Federal award or contract, including any extension, continuation, renewal, amendment, or modification.

Article AB - Limited English Proficiency (Civil Rights Act of 1964, Title VI)
The Subrecipient hereby acknowledges and agrees that it must comply with the Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) prohibition against discrimination on the basis of national origin, which requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with Limited English Proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance *https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited* and additional resources on *http://www.lep.gov*.

Article AC - Hotel and Motel Fire Safety Act of 1990
In accordance with Section 6 of the Hotel and Motel Fire Safety Act of 1990 and the Federal Fire Prevention and Control Act of 1974, 15 U.S.C. section 2225(a), the Subrecipient hereby acknowledges and agrees that it must ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with all applicable fire prevention and control guidelines of the Federal Fire Prevention and Control Act of 1974, 15 U.S.C. section 2225.

Article AD - Fly America Act of 1974
The Subrecipient hereby acknowledges and agrees that it must comply with Preference for U.S. Flag Air Carriers (air carriers holding certificates under 49 U.S.C. 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, 49 U.S.C. 40118, and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

Article AE - Federal Leadership on Reducing Text Messaging while Driving
All subrecipients are encouraged to adopt and enforce policies that ban text messaging while driving as described in U.S. Executive Order 13513, including conducting initiatives described in Section 3(a) of the Order when on official Government business or when performing any work for or on behalf of the federal government.

Article AF - Federal Debt Status
The Subrecipient hereby acknowledges and agrees that it is required to be non-delinquent in its repayment of any Federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129.

Article AG - False Claims Act and Program Fraud Civil Remedies
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of The False Claims Act (31 U.S.C. 3729-3733) which prohibits the submission of false or fraudulent claims for payment to the Federal government. See also 31 U.S.C. 3801-3812 which details the administrative remedies for false claims and statements made.

Article AH - Energy Policy and Conservation Act
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of The Energy Policy and Conservation Act, Pub. L. No. 94-163 (1975) (codified as amended at 42 U.S.C. 6201 et. seq.) which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

Article AI - Education Amendments of 1972 (Equal Opportunity in Education Act) – Title IX
The Subrecipient hereby acknowledges and agrees that it must comply with the requirements of Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving Federal financial assistance. These regulations are codified at 6 CFR Part 17 and 44 CFR Part 19.

Article AJ - Duplication of Benefits
Any cost allocable to a particular Federal award, provided for in 2 C.F.R. Part 200, Subpart E may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude a subrecipient from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal award.

Article AK - Drug-Free Workplace Regulations
The Subrecipient hereby acknowledges and agrees that it must comply with the drug-free workplace requirements in Subpart B (or Subpart C, if the Subrecipient is an individual) of 2 C.F.R. part 3001, which adopts the Government-wide implementation (2 C.F.R. part 182) of sec. 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 8101-8106).

Article AL - Civil Rights Act of 1968
The Subrecipient hereby acknowledges and agrees that it must comply with Title VIII of the Civil Rights Act of 1968, which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. 3601 et seq.), as implemented by the Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units—i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)—be designed and constructed with certain accessible features (see 24 C.F.R. 100.201).

XIV. OFFSHORE PERFORMANCE OF WORK PROHIBITED

Due to security and identity protection concerns, all services under this Agreement shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision applies to work performed by the Subrecipient's contractors and subcontractors at all tiers.

XV. AGREEMENT RENEWAL

This Agreement shall not bind nor purport to bind the AZDOHS for any contractual commitment in excess of the original Agreement period, which may not be changed except by a writing signed by all parties hereto in conformity with Paragraph XII, AMENDMENTS.

XVI. RIGHT TO ASSURANCE

If the AZDOHS in good faith has reason to believe that the Subrecipient does not intend to, or is unable to perform or continue performing under this Agreement, the AZDOHS may demand in writing that the Subrecipient give a written assurance of intent and ability to perform. If the Subrecipient fails to provide written assurance within the number of days specified in the demand, the AZDOHS at its option may terminate this Agreement.

XVII. CANCELLATION FOR CONFLICT OF INTEREST

The AZDOHS may, by written notice to the Subrecipient, immediately cancel this Agreement without penalty or further obligation pursuant to A.R.S. 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on behalf of the State or its subdivisions (unit of Local Government) is an employee or agent of any other party in any capacity or a consultant to any other party to the Agreement with respect to the subject matter of the Agreement. Such cancellation shall be effective when the parties to the Agreement receive written notice from the AZDOHS, unless the notice specifies a later time.

XVIII. THIRD PARTY ANTITRUST VIOLATIONS

The Subrecipient hereby assigns to the State of Arizona any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to Subrecipient toward fulfillment of this Agreement.

XIX. AVAILABILITY OF FUNDS

Every payment obligation of the AZDOHS under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligations under A.R.S. 35-154. If the funds are not allocated and available for the continuance of this Agreement, the AZDOHS may terminate this Agreement at the end of the period for which funds are available. No liability shall accrue to the AZDOHS in the event this provision is exercised, and the AZDOHS shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph, including purchases and/or contracts entered into by the Subrecipient in the execution of this Agreement.

XX. FORCE MAJEURE

If either party hereto is delayed or prevented from the performance of any act required in this Agreement by reason of acts of God, strikes, lockouts, labor disputes, civil disorder, or other causes without fault and beyond the control of the party obligated, performance of such act will be excused for the period of the delay.

XXI. PARTIAL INVALIDITY

Any term or provision of this Agreement that is hereafter declared contrary to any current or future law, order, regulation, or rule, or which is otherwise invalid, shall be deemed stricken from this Agreement without impairing the validity of the remainder of this Agreement.

XXII. ARBITRATION

In the event of any dispute arising under this Agreement, written notice of the dispute must be provided to the other party within thirty (30) calendar days of the events giving the rise to the dispute. Any claim made by or against the State or any of its political subdivisions (including but not limited to AZDOHS) relating to this Agreement shall be resolved through the administrative claims process. In the event that the parties would otherwise be in court and/or if A.R.S. 12-1518 applies, the parties shall proceed in arbitration through the American Arbitration Association

("AAA"), with the arbitrator to be selected pursuant to AAA rules and the arbitration to be conducted according to the applicable AAA rules, and with the costs of arbitration (including but not limited to the arbitrator's fees and costs) to be divided 50/50 between the parties, subject to reallocation between the parties by the arbitrator. In the event that the parties become involved in litigation with each other relating to this Agreement for any reason in any other forum, both parties agree to have any claim(s) resolved in arbitration on the terms set forth in this part XXII. Any arbitration award may be enforced through the Maricopa County Superior Court or the U.S. District Court located in Phoenix, Arizona.

XXIII. GOVERNING LAW AND CONTRACT INTERPRETATION

a) This Agreement shall be governed and interpreted in accordance with the laws of the State of Arizona.

b) This Agreement is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms in this document.

c) Either party's failure to insist on strict performance of any term or condition of the Agreement shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object.

XXIV. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the parties hereto pertaining to the subject matter hereof and may not be changed or added to except by a writing signed by all parties hereto in conformity with Paragraph XII, AMENDMENTS. All prior and contemporaneous agreements, representations, and understandings of the parties, oral, written, pertaining to the subject matter hereof, are hereby superseded or merged herein.

XXV. LICENSING

The Subrecipient, unless otherwise exempted by law, shall obtain and maintain all licenses, permits, and authority necessary to perform those acts it is obligated to perform under this Agreement.

XXVI. SECTARIAN REQUESTS

Funds disbursed pursuant to this Agreement may not be expended for any sectarian purpose or activity, including sectarian worship or instruction in violation of the United States or Arizona Constitutions.

XXVII. ADVERTISING AND PROMOTION OF AGREEMENT

The Subrecipient shall not advertise or publish information for commercial benefit concerning this Agreement without the prior written approval of the AZDOHS.

XXVIII. OWNERSHIP OF INFORMATION, PRINTED AND PUBLISHED MATERIAL

The Subrecipient acknowledges that the DHS and the AZDOHS reserve a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and authorize others to use, for Federal government purposes: (a) the copyright in any work developed under an award or sub-award; and (2) any rights of copyright to which a subrecipient purchases ownership with Federal support. The Subrecipient shall consult with the AZDOHS regarding the allocation of any patent rights that arise from, or are purchased with, this funding

XXIX. CLOSED-CAPTIONING OF PUBLIC SERVICE ANNOUNCEMENTS

Any television public service announcement that is produced or funded in whole or in part by the Subrecipient shall include closed captioning of the verbal content of such announcement.

XXX. INDEMNIFICATION

Each party (as "Indemnitor") agrees to defend, indemnify, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers. The State of Arizona (AZDOHS) is self-insured per A.R.S. 41-621.

In addition, should Subrecipient utilize a contractor(s) and subcontractor(s), the indemnification clause between Subrecipient and contractor(s) and subcontractor(s) shall include the following:

Contractor shall defend, indemnify, and hold harmless the (insert name of other governmental entity) and the State of Arizona, and any jurisdiction or agency issuing any permits for any work arising out of this Agreement, 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 the 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 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 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. Additionally on all applicable insurance policies, contractor and its subcontractors shall name the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as an additional insured and also include a waiver of subrogation in favor of the State.

XXXI. TERMINATION

a) All parties reserve the right to terminate the Agreement in whole or in part due to the failure of the Subrecipient or AZDOHS to comply with any term or condition of the Agreement, to acquire and maintain all required insurance policies, bonds, licenses, and permits or to make satisfactory progress in performing the Agreement. A party invoking the right to terminate shall provide written thirty (30) day advance notice of the termination and the reasons for it to the other party.

b) If the Subrecipient chooses to terminate the Agreement before the grant deliverables have been met, then the AZDOHS reserves the right to collect all reimbursements distributed to the Subrecipient.

c) The AZDOHS may, upon termination of this Agreement, procure, on terms and in the manner that it deems appropriate, materials or services to replace those that otherwise would have been provided by Subrecipient under this Agreement. The Subrecipient shall be liable to the AZDOHS for any excess costs incurred by the AZDOHS in procuring materials or services in substitution for those due from the Subrecipient.

XXXII. CONTINUATION OF PERFORMANCE THROUGH TERMINATION

The Subrecipient shall continue to perform, in accordance with the requirements of the Agreement, up to the date of termination, as directed in the termination notice.

XXXIII. PARAGRAPH HEADINGS

The paragraph headings in this Agreement are for convenience of reference only and do not define, limit, enlarge, or otherwise affect the scope, construction, or interpretation of this Agreement or any of its provisions.

XXXIV. COUNTERPARTS

This Agreement may be executed in any number of counterparts, copies, or duplicate originals. Each such counterpart, copy, or duplicate original shall be deemed an original, and collectively they shall constitute one Agreement.

XXXV. AUTHORITY TO EXECUTE THIS AGREEMENT

Each individual executing this Agreement on behalf of the Subrecipient represents and warrants that he or she is duly authorized to execute this Agreement on behalf of the Subrecipient.

XXXVI. SPECIAL CONDITIONS

a) The Subrecipient must comply with the most recent version of the Administrative Requirements, Cost Principles, and Audit requirements.

b) The Subrecipient is prohibited from transferring funds between programs (e.g., State Homeland Security Program, Urban Area Security Initiative, Operation Stonegarden).

c) The Subrecipient agrees to comply with the U.S. Department of Homeland Security regulation 6 C.F.R Part 19, which prohibits discrimination based on religion in social service programs

XXXVII. NOTICES

Any and all notices, requests, demands, or communications by either party to this Agreement, pursuant to or in connection with this Agreement shall be in writing, be delivered in person, or shall be sent to the respective parties at the following addresses:

Arizona Department of Homeland Security
1700 West Washington Street, Suite 210
Phoenix, AZ 85007

The Subrecipient shall address all programmatic and reimbursement notices relative to this Agreement to the appropriate AZDOHS staff; contact information at www.azdohs.gov.

The AZDOHS shall address all notices relative to this Agreement to:

Enter Title, First & Last Name Above

Enter Agency Name Above

Enter Street Address Above

Enter City, State, ZIP Above

XXXVIII. IN WITNESS WHEREOF

The parties hereto agree to execute this Agreement.

FOR AND BEHALF OF THE

Enter Agency Name Above

Authorized Signature Above

Print Name & Title Above

Enter Date Above

FOR AND BEHALF OF THE

Arizona Department of Homeland Security

Gilbert M. Orrantia
Director

Date

(Complete and mail two original documents to the Arizona Department of Homeland Security.)

Action 20.

Regular Board of Supervisors Meeting — **Information Technologies**

Meeting Date: 10/22/2019

Arizona State Land Department lease agreement for tower usage

Submitted By: Tatiana Rodriguez, Information Technology

Department: Information Technology

Presentation: No A/V Presentation

Recommendation: Approve

Document Signatures: BOS Signature Required

# of ORIGINALS Submitted for Signature: 2

NAME of PRESENTER: Joe Casey

TITLE of PRESENTER: CIO

Mandated Function?: Not Mandated

Source of Mandate or Basis for Support?:

Docket Number (If applicable):

Information

Agenda Item Text:

Approve lease agreement with Arizona State Land Department for use of tower space in the amount of $2400 annually effective September 12, 2019 through September 11, 2029.

Background:

DPS turned over Mule Mountain Tower Site to Cochise County several years ago. This agreement is to formalize lease with the Arizona State Land Department.

Department's Next Steps (if approved):

Send Arizona State Land Department one original fully executed agreement, send second agreement to IT.

Impact of NOT Approving/Alternatives:

Cochise County must take over control of this tower site to ensure all communications throughout the county remain stable and no delays in response times.

To BOS Staff: Document Disposition/Follow-Up:

See next steps.

Please do not interoffice, call Tatiana and she will pick up all originals.

Budget Information

Information about available funds

Budgeted: ◉ **Funds Available:** ◉ **Amount Available:** 2,400.00

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

Account Code(s) for Available Funds 1:

Fund Transfers

Fiscal Year: 19/20

One-time Fixed Costs? ($$$):

Ongoing Costs? ($$$):

County Match Required? ($$$):

A-87 Overhead Amt? (Co. Cost Allocation $$$):

Source of Funding?: I.T.

Fiscal Impact & Funding Sources (if known):

I.T. will be funding this annual payment.

Attachments

Commercial Lease 03-120985-00

COMMERCIAL LEASE NO. 03-120985-00

ARIZONA STATE LAND DEPARTMENT

THIS COMMERCIAL LEASE is entered into by and between the State of Arizona as "Lessor" by and through the Arizona State Land Department and

COCHISE COUNTY

as "Lessee". In consideration of the payment of rent and the performance by the parties of each of the provisions set forth herein, and intending to be legally bound, the parties agree as follows:

ARTICLE 1
PARCEL

1.1 Agreement. Lessor hereby leases to Lessee for the term, at the rent, and in accordance with the provisions set forth herein, the Parcel described in Appendix "A" attached hereto (the "Parcel") for the uses and purposes specified below, subject to the provisions of Article 4 (Use of Premises).

1.2 Use. The Parcel shall be used solely and exclusively for:
A wireless telecommunications monopole and antennae facility. The monopole shall be constructed in such a manner as to support additional users as allowed by applicable zoning

1.3 Parcel leased "as is". Lessee makes use of the Parcel "as is" and Lessor makes no express or implied warranties as to the physical condition of the Parcel.

1.4 Definition. "Premises" means the Parcel together with all rights appurtenant thereto expressly granted by this Lease, including Improvements, Removable Improvements, and personal property located on, below or above the Parcel.

1.5 Definition. "Rent" means Annual Rent, base rent, percentage rent or any combination thereof, including any and all payments required of Lessee to Lessor.

ARTICLE 2
TERM

2.1 Commencement; Expiration. The term of this lease commences on September 12, 2019, and ends on September 11, 2029, unless terminated earlier as provided in this Lease.

ARTICLE 3
RENT

3.1 Annual Rent. Lessee shall pay rent to Lessor, without notice or demand, on or before the commencement date of this Lease, and each year thereafter, annually in advance, on or before the anniversary of the commencement date, for the use and occupancy of the Parcel during the term of this Lease, without offset or deduction except as provided hereafter. In the event that Lessee appeals the initial rental value set by the Land Commissioner for this Lease, and the Board of Appeals determines a rental value different from the initial rental value set by the Land Commissioner, either party may terminate this Lease within thirty days after the decision of the Board of Appeals is final. Lessee agrees to pay rent for this Lease due and payable as follows:

Annual rent of $2,400.00

3.2 Penalty; Interest; Lien. There shall be added to the delinquent rental or other monies due, a penalty and delinquent interest. The delinquent interest rate shall be set by the State Treasurer according to law. The penalty shall be the greater of a minimum processing cost as determined by the Commissioner or five (5%) percent. The delinquent rent, penalty and interest shall be a lien on the improvements and property on the land.

ARTICLE 4
USE OF PREMISES

4.1 Use. The Premises shall be used solely and exclusively for the purpose described in Article 1.2 (Use). All others are prohibited.

4.2 Co-location. Subject to Lessee (i) receiving technical and construction details of the additional user's proposed installation and Lessee verifying that such proposed installation will not interfere with Lessee's facilities or its operation and (ii) reaching reasonable and mutually acceptable terms and conditions of co-location with the additional user (including, without limitation, reimbursement of pro-rata capital costs, payment of modification costs, if any, payment of subrentals, additional user's agreement to reasonable continuing non-interference and operational rules and regulations), Lessee agrees that co-location of other compatible and similar communication users on the Premises is mandatory where space is available or where facilities can be modified to allow such use, and wherever non-interference to radio frequencies of Lessee and any approved sublessees can be assured.

Lessee and any additional user shall comply with subleasing requirements of Article 14.

4.3 Waste. Lessee shall not conduct or permit to be conducted any public or private nuisance on the Premises, nor commit or permit to be committed any waste thereon. Lessee shall report to Lessor and appropriate law enforcement authorities any known or suspected trespass or waste committed on the Premises.

4.4 Conformity to Law. Lessee shall not use or permit the Premises to be used in any manner that is not in conformity with all applicable Federal, State, County and municipal laws, rules and regulations, unless Lessor determines and advises Lessee in writing otherwise.

4.5 Governmental Approval. Except as provided in Article 4.4 (Conformity to Law), failure to obtain, or loss of any governmental approval that is prerequisite to the use for which this lease is issued or that is necessary to construct, maintain or operate any facilities on the site in connection with that use, shall constitute a breach of this Lease, subject to the provisions of Article 17 (Lessee Defaults and Lessor's Remedies).

4.6 Reservations. Lessor excepts and reserves from the Parcel all oil, gases, geothermal resources, coal, ores, limestone, minerals, fossils, and fertilizers of every name and description that may be found in or upon the Parcel, and Lessor reserves the right to enter upon the Parcel for the purpose of prospecting therefor, or extracting any or all of the commodities therefrom. Lessor reserves the right to issue to other persons, rights to use the Parcel in a manner not inconsistent with the purposes for which this Lease was issued. Lessor further excepts and reserves the right to relinquish to the United States lands needed for irrigation works in connection with a government reclamation project, and to grant or dispose of rights-of-way and sites for canals, reservoirs, dams, power or irrigation plants or works, railroads, tramways, transmission lines or any other purpose or use on or over the Parcel.

4.7 No Water Rights Conferred. This Lease does not confer upon Lessee, its assignees or sublessees, any express or implied rights to the use or removal of surface or ground water from the Parcel. Any use or removal of water from the Parcel shall be pursuant to an independent written agreement with Lessor and no claim thereto shall be made by Lessee. Any water right established shall attach and be appurtenant to the Parcel.

4.8 Groundwater Conditions. Drilling of well(s) is PROHIBITED without prior written permission from Lessor per Article 6.2 (Prior Approval Required).

4.9 Quiet Enjoyment. Lessee shall peaceably and quietly enjoy the Parcel during the term of this Lease so long as Lessee is in compliance with all the provisions of this Lease.

4.10 Inspection. Lessor, its duly authorized agents, employees and representatives shall have the right to enter upon and inspect the Parcel and all Improvements thereon at reasonable time, and in a reasonable manner.

4.11 Surrender. In the event this Lease is not renewed, Lessee shall surrender peaceably the possession of the Parcel upon expiration of the term of this Lease.

ARTICLE 5
RECORDS

5.1 Record Keeping; Inspection. Lessee shall make and keep for the term of the Lease and either (i) five (5) years thereafter; or (ii) until the conclusion of any dispute concerning this Lease, whichever is later, appropriate books and records concerning the operation of this Lease, including but not limited to Federal and State tax statements, receipts and other records. Lessor, its duly authorized agents, employees and representatives shall have the right at all times during the term of this Lease and for either (i) five (5) years thereafter; or (ii) until the conclusion of any dispute, whichever is later, to make reasonable examination of those books, records or other material in order to obtain information which Lessor deems necessary to administer this Lease.

ARTICLE 6
CONSTRUCTION AND IMPROVEMENTS

6.1 Definitions. "Improvements" means anything permanent in character which is the result of labor or capital expended by Lessee or his predecessors in interest on State land in its reclamation or development, and which has enhanced the value of the Parcel. "Removable Improvements" means anything not permanent in character which is the result of labor or capital expended by Lessee or his predecessors in interest on State land.

6.2 Prior Approval Required. Lessee shall not place or construct or permit to be placed or constructed any Improvement or Removable Improvement on or to the Parcel, other than:
Telecommunication facilities, including: Telecommunications tower and ancillary equipment as allowed by zoning.
All other improvements are prohibited. Prior to applying for a building permit from the local government authority or prior to beginning of the construction if no permit is required, Lessee shall submit a current *Application to Place Improvement ("Application").* No construction shall begin until Lessor approves in writing the *Application.* The *Application* shall include plans and specification (including but not limited to grading, construction and landscape plans) showing the nature, location, approximate cost, and quality of the proposed Improvements. Drainage, waste water, and sewage plans must be submitted with the *Application.* Plans submitted must be stamped by an Arizona registered engineer or architect. The work shall be completed by an Arizona registered contractor. The location of completed Improvements, as-built construction plans stamped by an Arizona registered engineer or architect, and any other information required by Lessor, shall be submitted to Lessor within thirty (30) days following the completion of construction on Lessor's form known as a *Report of Improvement Placed With Prior Approval.* Any Improvements placed

on the Parcel shall conform to existing laws and ordinances applicable to the proposed construction in the jurisdiction where the Premises are located, unless Lessor determines and advises Lessee in writing that such conformity is not in the best interest of the Trust.

6.3 Utilities; New Construction. Gas, electric, power, telephone, water, sewer, cable television and other utility or service lines of every nature shall be placed and kept underground unless Lessor grants prior written approval otherwise. All buildings and structures shall be of new construction and no buildings or structures shall be moved from any other location onto the Parcel without Lessor's prior written approval.

6.4 Annual Statement. Upon request, but not more frequently than once a year, Lessee shall file with Lessor a sworn statement setting forth the description of any Improvement(s) placed on the Parcel during the prior lease year and the actual cash value of such Improvement(s).

6.5 Ownership; Removal. All Improvements placed upon the Parcel by Lessee shall be the property of the Lessee subject to the terms of this Lease, and shall, unless they become the property of the Lessor, be subject to assessment for taxes in the name of the Lessee, the same as other property of the Lessee. Not later than ninety (90) days following the expiration of this Lease, or, subject to A.R.S. § 37-289.B, sixty (60) days following the cancellation of this Lease, Lessee may remove those Improvements which belong to it, are free of any liens and can be removed without causing injury to the Parcel. At its option, Lessor may waive any of the above listed prerequisites to Lessee's removal of Improvements. Lessee may, with Lessor's prior written approval and within the time allowed for removal, sell its Improvements to the succeeding Lessee.

ARTICLE 7
REPAIRS AND MAINTENANCE

7.1 Lessee's Obligations. Lessor shall be under no obligation to maintain, repair, rebuild or replace any Improvement on the Parcel. Lessee shall, subject to the provisions of Article 12 (Damage) and Article 15 (Eminent Domain) and at its own expense, keep and maintain the Premises in good order, condition and repair in conformity with all governmental requirements and if applicable, those of the insurance underwriting board or insurance inspection bureau having jurisdiction over the Premises, unless Lessor determines and advises Lessee in writing that such conformity is not in the best interest of the Trust.

ARTICLE 8
MECHANICS' LIENS

8.1 Payment; Indemnity. Lessee shall be responsible for payment of all costs and charges for any work done by or for it on the Premises or in connection with Lessee's occupancy thereof, and Lessee shall keep the Premises free and clear of all mechanics' liens and other liens and encumbrances resulting from work done for Lessee or persons claiming

under it; provided, however, that Lessee may in good faith, and with reasonable diligence, contest or dispute any such lien claims in any appropriate forum so long as this Lease or the Leased Parcel are not actually in danger of levy or sale. Lessee expressly agrees to and shall indemnify and save Lessor harmless against liability, loss, damages, costs, attorney's fees and all other expenses on account of claims of lien or other encumbrances of laborers or material men or others for work performed or materials or supplies furnished to Lessee or persons claiming under it. Further, any contracts between Lessee or sublessees and any contractors and subcontractors shall expressly hold Lessor harmless against any liability arising from such contracts, as described above.

8.2 Notice. Should any such claims of lien or other encumbrances be filed against the Parcel or any action affecting the title to the Parcel be commenced, the party receiving notice of such lien or action shall immediately give the other party written notice thereof.

ARTICLE 9
UTILITIES

9.1 Lessee's Obligations. Lessee shall be responsible for and shall hold Lessor harmless from any liability for all charges for water, gas, sewage, electricity, telephone and any other utility service.

ARTICLE 10
TAXES AND ASSESSMENTS

10.1 Lessee's Obligations. In addition to the rent set herein, Lessee shall timely pay and discharge, without deduction or abatement for any cause, all duties, taxes, charges, assessments, impositions and payments, extraordinary as well as ordinary, unforeseen as well as foreseen, of every kind and nature (under or by virtue of any current or subsequently enacted law, ordinance, regulation or order of any public or governmental authority), which during the term are due, imposed upon, charged against, measured by or become a lien on (i) the Premises; (ii) any Leasehold interest; (iii) the interest of any of the parties to this Lease or in proceeds received pursuant to this Lease; and (iv) the rent paid pursuant to this Lease.

ARTICLE 11
INSURANCE AND INDEMNITY

11.1 Indemnity. Lessee shall indemnify, defend, save and hold harmless the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees (hereinafter referred to as "State of Arizona") 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 Lessee or any of its owners, officers, directors, agents, employees or contractors, arising out of or related to Lessee's occupancy and use of the Leased Premises. It is the specific intention of the parties that the State of Arizona shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the State of Arizona, be indemnified by Lessee from and against any and all Claims. It is agreed that Lessee will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

11.2 Insurance Requirements. Lessee shall procure and maintain for the duration of the Lease insurance against claims for injury to persons or damage to property which may arise from or in connection with this Lease. The insurance requirements herein are minimum requirements for this Lease and in no way limit the indemnity covenants contained in this Lease. The State of Arizona in no way warrants that the minimum limits contained herein is sufficient to protect the Lessee from liabilities that might arise out of this Lease. Lessee is free to purchase such additional insurance as Lessee determines necessary.

A. Minimum Scope and Limits of Insurance. Lessee shall provide coverage with limits of liability not less than those stated below:

1. Commercial General Liability-Occurrence Form. The Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

General Aggregate:	$2,000,000.00
Personal Injury:	$1,000,000.00
Each Occurrence:	$1,000,000.00
Blanket Contractual Liability:	$1,000,000.00
Fire Damage (Any one fire):	$500,000.00

The policy shall be endorsed to or automatically include the following as additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the use and/or occupancy of the property subject to this Lease, as their interests may appear."

The policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions and its officers, officials, agents and employees for losses arising from the Lessee.

Each liability policy or policies shall be written on an occurrence basis. Furthermore,

the minimum amount of coverage for the above shall be adjusted upward on Lessor's reasonable request to be made no more frequently than once every two (2) years so that such respective minimum amounts of coverage shall not be less than the amounts then required by statute or generally carried on similarly improved real estate in the County herein described, whichever is greater.

B. Additional Insurance Requirements. The policies shall include, or be endorsed to include, the following provisions:

1. The Lessee's insurance coverage shall be primary insurance with respect to all other available sources.

2. Lessee's liability and indemnification obligations pursuant to this Lease shall not be limited by the coverage provided by Lessee.

C. Notice of Cancellation. Unless evidence of replacement coverage equivalent to or exceeding the requirements of the Lease is verified according to subsection E below, each insurance policy required by the insurance provisions of this Lease shall not be cancelled or reduced below the requirements of this Lease in coverage or in limits except after thirty (30) days' prior written notice has been given to the State of Arizona (ten (10) days prior written notice due to non-payment). Such notice shall be sent directly to the Arizona State Land Department, 1616 W. Adams, Phoenix, Arizona 85007, and shall be sent by certified mail, return receipt requested.

D. Acceptability of Insurers. Insurance is to be placed with duly licensed or approved nonadmitted insurers in the State of Arizona with an "A.M. Best" rating of not less than A-VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Lessee from potential insurer insolvency.

E. Verification of Coverage. Lessee shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Lease. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before the Lease Term commences. Each insurance policy required by this Lease must be in effect at or prior to the commencement of the Lease and must remain in effect for the duration of the Lease. Failure to maintain the insurance policies as required by this Lease or to provide timely evidence of renewal will be considered a material breach of the Lease.

All certificates required by this Lease shall be sent directly to The Arizona State Land Department, 1616 W. Adams, Phoenix, Arizona 85007. Lease number and location description are to be noted on the certificate of insurance. In the event a claim is presented against the state relating to this site or use of this site, or in the event a default has occurred

under this Lease, the State of Arizona reserves the right to require complete, certified copies of all insurance policies and endorsements required by this Lease at any time, thereafter, subject to such confidentiality as is permitted pursuant to applicable laws, rules and regulations.

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

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

H. Blanket Umbrella Policy. Anything in this Section to the contrary notwithstanding, any insurance which Lessee is required to obtain pursuant to this Section may be carried under a "blanket" or umbrella policy or policies covering other properties or liabilities of Lessee, so long as the "blanket" or umbrella policy or policies otherwise comply with the provisions of this Section and provided further that the policies provide for a reserved amount with respect to the Leased Premises so as to assure that the amount of insurance required by this Section will be available notwithstanding any losses with respect to other property covered by the blanket policies.

ARTICLE 12
DAMAGE

12.1 Lessee's Obligations. If the Parcel or any building or other Improvement located thereon are damaged or destroyed during the term of this Lease, Lessee may arrange at its expense for the repair, restoration and reconstruction of the same substantially to its former condition, but such damage or destruction shall not terminate this Lease or relieve Lessee from its duties and liabilities hereunder.

ARTICLE 13
TRADE FIXTURES AND PERSONAL PROPERTY

13.1 Lessee's Property. Any trade fixtures, signs, store equipment, and other personal property installed in or on the Parcel by Lessee or any sublessee shall remain its property subject to the provisions of this Lease. Lessee shall have the right, provided it is not then in breach hereunder, at any time to remove any and all of the same, subject to the restrictions of Article 6.5 (Ownership; Removal).

ARTICLE 14
ASSIGNMENT, SUBLETTING AND ENCUMBRANCE

14.1 Prior Approval Required. Lessee shall not assign this Lease or any interest therein, nor shall Lessee sublease any portion or all of the Premises without obtaining Lessor's prior written approval. In no event may this Lease or any interest therein be assigned or sublet unless Lessee is in full compliance with this Lease. Lessor may require additional rent in consideration for approval of any sublease. Lessee shall not enter into a contract of sale, mortgage, lien or other encumbrance affecting this Lease unless a copy is filed with Lessor. Sublease approval shall be contingent upon the proposed sublessee obtaining and complying with the terms of a Special Land Use Permit ("SLUP") for the sublessee's use of the Parcel and Premises. Sublease approval shall terminate automatically upon the expiration, or cancellation for any reason including non-renewal, of the SLUP.

14.2 Consent Required. An assignment of this Lease shall not be made without the consent of all lienholders of record. Lessee may assign all or a portion of the Premises as allowed by the terms of this Article provided Lessee shall assign Lessee's entire interest in that portion of the Premises.

14.3 Purpose. There shall be no assignment or sublease made except to an assignee or sublessee that will use the Premises for the purpose(s) described herein.

14.4 Lessee Primarily Responsible. Notwithstanding any sublease, Lessee shall remain responsible to Lessor for the performance of the provisions of this Lease.

14.5 Entire Interest. The assignment of Lessee's entire interest in a portion of the Premises shall not relieve Lessee of its responsibility to Lessor for the performance of the provisions of this Lease as it relates to that portion of the Premises not transferred by the assignment.

ARTICLE 15
EMINENT DOMAIN

15.1 Expiration. If at any time during the duration of this Lease the whole or any part of the Parcel is taken by direct sale, lease, institutional taking under A.R.S. § 37-441 or acquisition in any manner through condemnation proceedings or otherwise, for any quasi-public or public purpose by any person, private or public corporation, or any governmental agency having authority to exercise the power of eminent domain or condemnation pursuant to any law, general, special or otherwise, this Lease shall expire on the date when the Parcel is taken or acquired except as otherwise provided.

15.2 Partial Taking; Damages; Rent. In the event of a partial taking and if Lessor determines that it is in the best interest of the Trust, the Lease may continue in full force and effect for that portion of the Parcel not taken. As against Lessor, Lessee and any sublessee

shall not have a compensable right or interest in the real property being taken and shall have no compensable right or interest in severance damages which may accrue to the remainder of the Parcel not taken, nor shall Lessee or any sublessee have any compensable right or interest in the remaining term of this Leasehold or any renewal. Rent shall be apportioned as of the day of such taking. Lessor shall be entitled to and shall receive any awards, including severance damage to remaining state lands that may be made for any taking concerning the Parcel.

15.3 Lessee's Rights to Award. In the event of any taking, Lessee shall have the right to receive any and all awards or payments made for any building or other Improvements on the lands fully placed on the Parcel by Lessee with Lessor's prior written approval.

ARTICLE 16
BANKRUPTCY AND INSOLVENCY

16.1 Lessor's Rights. If (i) all or substantially all of Lessee's assets are placed in the hands of a receiver, and such receivership continues for a period of thirty (30) days; or (ii) should Lessee make an assignment for the benefit of creditors; or (iii) should Lessee institute any proceedings under any present or future provisions of the Bankruptcy Code or under a similar law wherein Lessee seeks to be adjudicated as bankrupt, or to be discharged of its debts, or to effect a plan of liquidation, composition or reorganization; or (iv) should any involuntary proceedings be filed against Lessee under such bankruptcy laws and not be dismissed or otherwise removed within ninety (90) days after its filing, then this Lease shall not become an asset in any of such proceedings or assignment. In addition to all other rights and remedies of Lessor provided hereunder or by law, Lessor shall have the right to declare the term of this Lease at an end and to re-enter the Premises, take possession and remove all persons, and Lessee shall have no further claim on the Parcel under this Lease.

ARTICLE 17
LESSEE DEFAULTS AND LESSOR'S REMEDIES

17.1 Conditions. All of the provisions of this Lease are conditions. Breach of any one of these conditions by Lessee or any sublessee shall be sufficient grounds for cancellation of this Lease by Lessor, subject to the other provisions of this Article.

17.2 Cancellation. If Lessee fails to keep any provision of this Lease, Lessor may cancel this Lease and declare Lessee's interest forfeited, and if it appears that this Lease was procured through fraud, deceit or willful misrepresentation, the Improvements shall be forfeited to the State. Lessor shall be forever wholly absolved from liability for damages which might result to Lessee or any sublessee on account of this Lease having been canceled or forfeited prior to the expiration of the full term, subject to the other provisions of this Article.

17.3 Breach. In the event of a breach of this Lease which is not curable or remains uncured after thirty (30) days notice by Lessor of failure to pay rent, taxes or other assessments, and forty-five (45) days from the receipt of the notice to cure any other curable default, to Lessee of the breach, Lessor may, in addition to all other remedies which may be available to Lessor in law or in equity, (i) enter and repossess the Premises or any part thereof, expelling and removing therefrom all persons and property (either holding such property pursuant to Lessor's landlord's lien, or storing it at Lessee's risk and expense, or otherwise disposing thereof), as to which Lessor shall not be liable to Lessee or any sublessee for any claim for damage or loss which may thereby occur, and (ii) either (a) terminate this Lease, holding Lessee liable for damages for its breach or (b) treat the Lease as having been breached anticipatorily and the Premises abandoned by Lessee without thereby altering Lessee's continuing obligations for the payment of rent and the performance of those Lease provisions to be performed by Lessee during the Lease term.

17.4 Liquidated Damages. If Lessor terminates this Lease for Lessee's breach, Lessee shall be liable to Lessor, as liquidated damages and not as a penalty, an amount, which at the time of such termination, represents the amount equal to the rent due for the two (2) subsequent lease years or the remaining term of the Lease, whichever is less. The liquidated damages will compensate Lessor for the loss of rent from the parcel due to the default and costs incurred to re-lease the Premises.

17.5 Expenses. Lessee shall pay to Lessor upon demand all costs, expenses and fees, including attorneys' fees (or market value of attorney's fees) which Lessor may incur in connection with the exercise of any remedies on account of or in connection with any breach by Lessee, plus interest on all amounts due from Lessee to Lessor at the rate set by the Arizona State Treasurer, according to law.

17.6 Remedies not Exclusive. The remedies herein granted to Lessor shall not be exclusive or mutually exclusive and Lessor shall have such other additional remedies against Lessee as may be permitted in law or in equity at any time; provided, however, Lessor shall not be relieved of any obligation imposed by law for mitigation of damages, nor shall Lessor recover any duplicative damages, and Lessee shall be reimbursed by any subsequent Lessee or purchaser of the Premises for any amount by which the value of Lessee's Improvements exceed Lessor's damages, notwithstanding any other provision in this Lease to the contrary. In particular, any exercise of a right of termination by Lessor shall not be construed to end or discharge any right of Lessor to damages on account of Lessee's breach.

17.7 No Waiver. No waiver of breach of any provision of this Lease shall be construed as a waiver of succeeding breach of the same or other provisions.

ARTICLE 18
HOLDING OVER

18.1 Prohibition. There shall not be any holding over by Lessee or any assignee or sublessee, upon the expiration or cancellation of this Lease without Lessor's prior written consent. If there be any holding over by Lessee or any assignee or sublessee, the holding over shall give rise to a tenancy at the sufferance of Lessor upon the same terms and conditions as are provided for herein with a rent for the holdover period commensurate with, but in no event less than, the previous year's rent.

18.2 Renewal Application. An application to renew this Lease, properly and timely filed, may give rise to a period of interim occupancy if the term of this Lease expires prior to execution of a new lease or the denial of the application to renew.

18.3 Interim Occupancy Conditions. Should interim occupancy occur, on or before the expiration of this Lease, and annually thereafter, Lessee shall pay rent established by Lessor (subject to A.R.S. § 37-215(B)). Unless advised in writing by Lessor to the contrary, all other terms and conditions of this Lease shall remain in full force and effect.

ARTICLE 19
ENCUMBRANCES

19.1 Rights. Lessee, and its successors and assigns, shall have the unrestricted right to mortgage and pledge this Lease, subject, however, to the limitations of this Section. Any such mortgage/deed of trust or pledge shall be subject and subordinate to the rights of Lessor, and nothing in this Lease shall be construed to impose upon Lessor any obligation or liability with respect to the payment of any indebtedness to any holder of a mortgage/deed of trust or pledge of this Lease.

19.2 Term. The term of any leasehold mortgage or deed of trust shall not be longer than the remaining lease term.

19.3 Registration. No holder of a mortgage/deed of trust on this Lease shall have the rights or benefits provided by this Article nor shall the provisions of this Article be binding upon Lessor, unless and until the name and address of the holder of the mortgage/deed of trust is registered with Lessor.

19.4 Of Record. If Lessee, or Lessee's successors or assigns, shall mortgage this Lease in compliance with provisions of this Article, then so long as any such mortgage/deed of trust of record remains unsatisfied, the following provisions shall apply:

(a) Lessor, upon giving Lessee any notice of default, or any other notice under the provisions of or with respect to this Lease, shall also give a copy of such notice to the registered holder of a mortgage/deed of trust on this Lease.

(b) Any holder of such mortgage/deed of trust, in case Lessee shall have a monetary default hereunder, shall, within thirty (30) days from the receipt of notice have the right to cure such default, or cause the same to be cured, and Lessor shall accept such performance by or at the instance of such holder as if the same had been made by Lessee, all as provided in A.R.S. § 37-289 (A)(2).

(c) Nothing herein contained shall preclude Lessor, subject to the provisions of this Article, from exercising any rights or remedies under this Lease with respect to any other default by Lessee during the pendency of any foreclosure or trustee's sale proceedings.

(d) Any holder of such mortgage/deed of trust, in case Lessee shall have a default other than a default involving failure to pay rent, taxes or other assessments, shall have forty-five (45) days from the receipt of notice to cure any curable default.

(e) No failure on the part of Lessor to give the required notice of default to the holder of a mortgage/deed of trust shall be deemed a waiver of Lessor's continuing right to give notice of the default.

(f) Upon foreclosure of the mortgage or deed of trust, Lessor shall assign this Lease to the holder of the mortgage or deed or trust if all taxes rent and assessment payments are current. Nothing herein contained shall be deemed to obligate Lessor to deliver physical possession of the demised Premises to the assignee under any assignment entered into pursuant to this paragraph.

(g) No agreement between Lessor and Lessee modifying, canceling or surrendering this Lease shall be effective without the prior written consent of the registered mortgagees and lienholders.

(h) No union of the interest of Lessor and Lessee shall result in a merger of this Lease in the fee interest.

(i) If a default is not cured within the applicable time period, Lessor may issue an order canceling the Lease. If a cancellation order is issued, the order shall not become final until any foreclosure action by a mortgagee or other lienholder, registered with Lessor pursuant to this Article, is finally resolved, if the mortgagee or lienholder does both of the following:

(1) Within thirty (30) days of the date of issuance of a Notice of Default, files written notice with Lessor of its intent to proceed with a foreclosure action, and;

(2) Within one hundred twenty (120) days of the date of issuance of a Notice of Default, has commenced either a foreclosure action in court or a nonjudicial foreclosure of a deed of trust, and has provided Lessor with a certified copy of the complaint or other document that officially commences the foreclosure process, and thereafter

prosecutes the foreclosure with reasonable diligence.

19.5 Casualty Loss. A standard Mortgage Clause naming each leasehold mortgagee may be added to any and all insurance policies required to be carried by Lessee hereunder on condition that the insurance proceeds are to be applied in the manner that is not in derogation of Lessor's rights; except that the leasehold mortgage may provide a manner for the disposition of such proceeds, if any, otherwise payable directly to Lessee (but not such proceeds, if any, payable jointly to Lessor and Lessee) pursuant to the provisions of this Lease.

ARTICLE 20
ENVIRONMENTAL MATTERS

20.1 Definition of Regulated Substances and Environmental Laws. For purposes of this Lease, the term "Environmental Laws" shall include but not be limited to any relevant federal, state or local environmental laws, and the regulations, rules and ordinances, relating to environmental matters, and publications promulgated pursuant to the local, state, and federal laws and any rules or regulations relating to environmental matters. For the purpose of this Lease, the term "Regulated Substances" shall include but not be limited to substances defined as "regulated substance," "solid waste," "hazardous waste," "hazardous materials," "hazardous substances," "toxic materials," "toxic substances," "inert materials," "pollutants," "toxic pollutants," "herbicides," "fungicides," "rodenticides," "insecticides," "contaminants," "pesticides," "asbestos," "environmental nuisance," "criminal littering," or "petroleum products" as defined in Environmental Laws.

20.2 Compliance with Environmental Laws. Lessee shall strictly comply with all Environmental Laws, including, without limitation, water quality, air quality; and handling, transportation, storage, treatment, or disposal of any Regulated Substance on, under, or from the Premises. Without limiting the foregoing, compliance includes that Lessee shall: (1) comply with all reporting obligations imposed under Environmental Laws; (2) obtain and maintain all permits required by Environmental Laws, and provide a copy to Lessor within ten (10) business days of receipt of the lease; (3) provide copies of all documentation required by Environmental Laws to Lessor within ten (10) business days of Lessee's submittal and/or receipt of the documentation; (4) during the term of Lease, provide copies of all information it receives or obtains regarding any and all environmental matters relating to the Premises, including but not limited to environmental audits relating to the Premises regardless of the reason for which the information was obtained or whether or not the information was required by Environmental Laws; (5) prevent treatment, storage, disposal, handling or use of any Regulated Substances by Lessee and its agents,
employees and contractors within the Premises without prior written authorization from Lessor. Lessee shall use commercially reasonable efforts to preclude use of Lessee's portion of the Premises by unauthorized persons.

20.3 Designated Compliance Officer. Lessee at all times shall employ or designate an existing employee (the "Designated Compliance Officer") who is responsible for knowing all Environmental Laws affecting Lessee and Lessee's business and monitoring Lessee's continued compliance with applicable Environmental Laws. Upon request by Lessor, Lessee shall make the Designated Compliance Officer available to discuss Lessee's compliance, answer any questions, and provide such reports and confirming information as Lessor may reasonably request.

20.4 Audit. At any time, Lessor may request Lessee to provide an environmental audit of the Premises performed by an Arizona registered professional engineer or an Arizona registered geologist. Lessee shall pay the entire cost of the audit.

20.5 Environmental Assessment. At any time, during the term of the Lease, Lessor may require Lessee to obtain one Phase I environmental assessment of the Premises performed by an Arizona registered professional engineer or an Arizona registered geologist. If based upon the Phase I environmental assessment or its own independent investigation, Lessor identifies any possible violation of Environmental Laws or the terms of this Lease by Lessee or its agents, employees or contractors, Lessor may require Lessee to conduct additional environmental assessments as Lessor deems appropriate for the purpose of ensuring that the Premises are in compliance with Environmental Laws. The Phase I assessment, or any other assessment required by Lessor, shall be obtained for the benefit of both Lessee and Lessor. A copy of the Phase I report shall be provided both to Lessee and Lessor. Lessor, in its sole discretion, shall have the right to require Lessee to perform additional assessments of any damage to the Premises arising out of any violations of Environmental Laws by Lessee or its agents, employees or contractors. If Lessee fails to obtain any assessments required by Lessor, Lessee shall pay the entire costs of any and all assessments required by Lessor, notwithstanding the expiration or termination of the Lease.

20.6 Indemnity for Environmental Damage. Lessee shall defend, indemnify and hold Lessor harmless from and against any and all liability, obligations, losses, damages, penalties, claims, environmental response and cleanup costs and fines, and actions, suits, costs, taxes, charges, expenses and disbursements, including legal fees and expenses of whatever kind or nature (collectively, "claims" or "damages") imposed on, incurred by, or reserved against Lessor in any way relating to or arising out of any non-compliance with any Environmental Laws by Lessee or its agents, employees or contractors, the existence or presence of any Regulated Substance, on, under, or from the Premises due to the acts or omissions of Lessee or its agents, employees or contractors, and any claims or damages in any way relating to or arising out of the removal, treatment, storage, disposition, mitigation, cleanup or remedying of any Regulated Substance on, under, or from the Premises by Lessee, its agents, contractors, or subcontractors.

20.7 Scope of Indemnity. This indemnity shall survive the expiration or termination of this Lease and/or transfer of all or any portion of the Premises and shall be governed by the laws of the State of Arizona.

20.8 Lessee's Participation in the Defense. In the event any action or claim is brought or asserted against Lessor which is or may be covered by this indemnity, Lessee shall fully participate, at Lessee's expense, in the defense of the action or claim including but not limited to the following: (1) the conduct of any required cleanup, removal or remedial actions and/or negotiations, (2) the conduct of any proceedings, hearings, and/or litigation, and (3) the negotiation and finalization of any agreement or settlement. For indemnified matters all final decisions concerning the defense shall be reasonably approved by Lessor. Lessee's obligations to participate in the defense under this Section shall survive the expiration or termination of the Lease.

20.9 Restoration. Prior to the termination of the Lease, Lessee shall restore the Premises by removing any and all Regulated Substances deposited by Lessee or its agents, employees or contractors. In addition, the restoration shall include, but not be limited to, removal of all waste and debris deposited by Lessee. If the Premises or any portions thereof are damaged or destroyed from the existence or presence of any Regulated Substance due to the acts or omissions of Lessee or its agents, employees or contractors, or if the Premises or any portions thereof are damaged or destroyed in any way relating to or arising out of the removal, treatment, storage, disposition, mitigation, cleanup or remedying of any Regulated Substance due to the acts or omissions of Lessee or its agents, employees or contractors, Lessee shall arrange, at its expense, for the repair, removal, remediation, restoration, and reconstruction to the Premises to the original condition existing on the date that Lessee first occupied the Parcel, to the satisfaction of Lessor. In any event, any damage, destruction, or restoration by Lessee shall not relieve Lessee from its obligations and liabilities under this Lease. Lessee's restoration obligations under this Section shall survive the expiration or the termination of the Lease.

ARTICLE 21
NATIVE PLANTS AND CULTURAL RESOURCES

21.1 Cultural Resources.

(a) Pursuant to A.R.S. §§ 41-841 and 41-842, Lessee, Lessee's employees, and Lessee's guests shall not excavate or collect any prehistoric or historic archaeological specimens on the Parcel without a permit from the Director of the Arizona State Museum and written approval of Lessor pursuant to the terms of this Lease. Lessee shall immediately report any unpermitted excavation or collection of archaeological specimens on the Parcel to the Arizona State Museum and Lessor.

(b) Pursuant to A.R.S. § 41-844, Lessee shall report to the Director of the Arizona State Museum and Lessor any prehistoric or historic archaeological site, or paleontological site, that is discovered on the Parcel by Lessee, Lessee's employees, or Lessee's guests, and shall, in consultation with the Director of the Arizona State Museum and Lessor, immediately take all reasonable steps to secure the preservation of the discovery.

21.2 Native Plants/Noxious Weeds.

(a) Lessee shall not move, use, destroy, cut or remove or permit to be moved, used, destroyed, cut or removed any timber, cactus, native plants, standing trees or products of the land except that which is necessary for the use of the Parcel, and then only with the prior written approval of Lessor. For undeveloped land, the Lessee must submit a plant survey prior to the removal of any native plant. If the removal or destruction of plants protected under the Arizona Native Plant Law (A.R.S. § 3-901 et seq., or any successor statutes) is necessary to the use of the Parcel, Lessee shall also obtain the prior written approval of the Arizona Department of Agriculture. In the event the Lessee removes the native plants, the Lessee must pay a vegetation fee to the Lessor and this fee is not a reimbursable improvement.

(b) Lessee is responsible for treatment of all regulated and restricted noxious weeds listed by the Arizona Department of Agriculture.

ARTICLE 22
MISCELLANEOUS

22.1 Reservation. This Lease grants Lessee only those rights expressly granted herein and Lessor retains and reserves all other rights in the Premises.

22.2 Binding Effect. Each provision of this Lease shall extend to, be binding on and inure to the benefit of not only Lessee but each of its respective heirs, administrators, executors, successors and assigns. When reference is made in this Lease to either "Lessor" or "Lessee", the reference shall be deemed to include, wherever applicable, the heirs, administrators, executors, successors and assigns of the parties. This Lease shall be binding upon all subsequent owners of the Premises, and of any interest or estate therein or lien or encumbrance thereon.

22.3 No Partnership. The relationship of the parties is that of Lessor and Lessee, and it is expressly understood and agreed that Lessor does not in any way or for any purpose become a partner of Lessee or a joint venturer with Lessee in the conduct of Lessee's business or otherwise, and that the provisions of any agreement between Lessor and Lessee relating to rent are made solely for the purpose of providing a method by which rental payments are to be measured and ascertained.

22.4 Quitclaim Upon Termination. After the expiration or termination of this Lease, Lessee shall execute, acknowledge and deliver to Lessor within thirty (30) days after written demand from Lessor to Lessee, any document requested by Lessor quitclaiming any right, title or interest in the Leasehold to Lessor or other document required by any reputable title company to remove the cloud of this Lease from the Premises.

22.5 Title. The titles to the Articles of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part of the Lease.

22.6 Fraud or Misrepresentation. If during the term of this Lease it appears that there has been fraud or collusion on the part of Lessee to obtain or hold this Lease at a rent less than its value, or through Lessee's fraud or collusion a former Lessee of the Premises has been allowed to escape payment of the rent due for former Lessee's use of the Premises, Lessor may cancel this Lease and the Parcel shall immediately revert to Lessor. If during the term of this Lease it appears that Lessee has misrepresented, by implication, willful concealment or otherwise, (i) the value of the Improvements placed on the Parcel by a former Lessee or any other person; or (ii) Lessee not being the owner of the Improvements placed on the Parcel by a former Lessee or any other person at the commencement of the Lease term, Lessor may cancel this Lease and the Parcel shall immediately revert to Lessor.

22.7 Notices. Any notice to be given or other document to be delivered to Lessee or Lessor hereunder shall be in writing and delivered to Lessee or Lessor by depositing same in the United States Mail, with prepaid postage thereon fully prepaid and addressed as follows:

TO Lessor: Arizona State Land Department
1616 West Adams Street - First Floor
Phoenix, Arizona 85007

TO Lessee: Address of Record

Lessee must notify Lessor by written notice of any change in address within thirty (30) days. Lessor may, by written notice to Lessee, designate a different address.

22.8 Lessor's Title. If it is determined that Lessor has failed to receive title to any of the Parcel, the Lease is null and void insofar as it relates to that portion of the Parcel to which Lessor has failed to receive title. Lessor shall not be liable to Lessee or any assignee or sublessee for any damages that result from Lessor's failure to receive title.

22.9 Lessor's Lien. Lessee grants to Lessor a lien superior to all others in Lessee's interest in Improvements and valuable materials located on the Parcel. Lessor has the right to recover any rent arrearage and outstanding liabilities of Lessee from Lessee's interest in the Improvements or valuable materials.

22.10 No Promise to Sell. Lessee acknowledges that it has not been induced to enter into this Lease by any promise from Lessor or any of its agents, servants or employees that the Parcel will be offered for sale at any time.

22.11 Cancellation. Pursuant to A.R.S. § 38-511 this Lease may be canceled within three years after its execution, if any person significantly involved in initiating, negotiating, securing, drafting, or creating the contract on behalf of the state, its political subdivisions or

any of the departments or agencies of either is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

22.12 Applicable Law. This Lease is subject to all current and subsequently enacted rules, regulations and laws applicable to State lands and to the rights and obligations of Lessors and Lessees. No provision of this Lease shall create any vested right in Lessee except as otherwise specifically provided in this Lease.

22.13 Amendment. This Lease may be amended only in writing and upon agreement by all parties.

22.14 Attorneys' Fees. In any action arising out of this Lease, the prevailing party is entitled to recover reasonable attorneys' fees and costs in addition to the amount of any judgment, costs and other expenses as determined by the court. In the case of Lessor, reasonable attorney's fees shall be calculated at the reasonable market value for such services when rendered by private counsel, notwithstanding that it is represented by the Arizona Attorney General's Office or other salaried counsel.

22.15 Execution. This document is submitted for examination and shall have no binding effect on the parties unless and until executed by Lessor (after execution by Lessee), and a fully executed copy is delivered to Lessee. Upon the execution hereof, at the request of Lessee, the parties also shall execute, so that Lessee may cause it to be recorded, a short form of this Lease.

22.16 Arbitration. In the event of a dispute between the parties to this Lease, it is agreed to use arbitration to resolve the dispute but only to the extent required by A.R.S. § 12-1518; and in no event shall arbitration be employed to resolve a dispute which is otherwise subject to administrative review by the Department.

22.17 Survey. At the request of Lessor, Lessee shall submit a current survey prepared by an Arizona registered land surveyor of the Parcel. The survey shall be prepared to Lessors satisfaction and the cost of the survey shall be borne by Lessee.

22.18 Mutual Cancellation. This Lease may be terminated as to all or part of the parcel prior to the expiration date upon written agreement signed by both Lessor and Lessee. The agreement shall specify the terms and conditions of such a cancellation.

22.19 Non-Availability of Funds. Every obligation of the State under this Lease 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 Lease, this Lease may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State

shall not be obligated or liable for any future payments or any damages as a result of termination under this paragraph.

22.20 Non-discrimination. The parties agree to be bound by applicable State and Federal rules governing Equal Employment Opportunity, Non-discrimination and Disabilities, including Executive Order No. 2009-09.

APPENDIX A

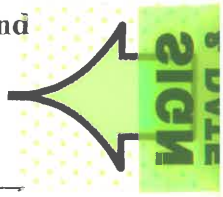
STATE OF ARIZONA LAND DEPARTMENT
1616 W. ADAMS
PHOENIX, AZ 85007

RUN DATE: 26 September 2019
RUN TIME: 9:40 AM
PAGE: 1

KE-LEASE# 003-120985-00-100 APPTYPE: NEW
AMENDMENT#: 0

LAND#	LEGAL DESCRIPTION	AUS	ACREAGE
22.0-S-23.0-E-36-02-030-1028	M&B IN NESE	0.00	0.060
	TOTALS	0.00	0.060

IN WITNESS HEREOF, the parties hereto have signed this Lease effective the day and year set forth below.



STATE OF ARIZONA, LESSOR
Arizona State Land Commissioner

Space reserved for ASLD signature & seal

COCHISE COUNTY
LESSEE

√**Authorized Signature** √**Date**

√**Printed Name** √**Title**

√**Address**

√**City** √**State** √**Zip**

ATTEST:

√**Clerk of the Board**

APPROVED AS TO FORM:

√**Deputy County Attorney**

Action 21.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 10/22/2019

FY20 Drug Treatment & Education Fund Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Drug Treatment & Education Fund funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $87,060.

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

FY20 Funding Agreement
Drug Treatment and Education Addendum
Grant Approval Form - 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)
Community Punishment Program Fines (CPP Fines)

Fiscal Year 2020

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, 2019 and shall remain in effect through June 30, 2020.

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, 2020.

iii. A closing financial and program activity report is due on or before August 31, 2020, 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, 2020, with the due date to the AOC on February 15, 2020.

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, 2020.

c. Unexpended Funds. All funds unencumbered as of June 30, 2020, and unexpended as of July 31, 2020, 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, 2020, 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

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.

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.

2.3.2 Business Automobile Liability

b. 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, CPP Fines 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. All expenditures for the CPP Program must be consistent with the purposes described in A.R.S. §12-299.01.

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

Pursuant to A.R.S. § 41-2401, 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 (JCEF)

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. COMMUNITY PUNISHMENT PROGRAM FINES (CPP FINES)

A.R.S. §13-821(A) permits a court to order a fine for a drug offense. A.R.S. §13-821(C) requires the court to transmit the "monies collected pursuant to this section to the supreme court for the purpose of providing drug treatment services to adult probationers through the community punishment program established in title 12, chapter 2, article 11." A.R.S. § 12-299(3) defines "Community punishment" to mean "programs for persons placed on supervised probation or intensive probation which are established pursuant to this article and provide for increased conditions of probation and community-based programs and services that emphasize supervision, surveillance, control, public protection, community work service, restitution and victims' rights and that provide opportunities for rehabilitation and treatment." All expenditures from the CPP Fines program must be consistent with the purposes set forth in A.R.S. §12-299.01.

27. 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 James L. Conlogue Digitally signed by James L. Conlogue Date: 2019.07.10 07:37:44 -07'00'

Honorable James Conlogue
Superior Court Presiding Judge

Date _____

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By Mike Baumstark Digitally signed by Mike Baumstark Date: 2019.06.26 09:29:27 -07'00'

Mike Baumstark, Deputy Director
Administrative Office of the Courts

ADDENDUM A

540

DRUG TREATMENT & EDUCATION FUND
COCHISE COUNTY
FY 2020

Addendum date: July 1, 2019
Note: This addendum supersedes all previously dated addendums.

TOTAL AMOUNT AWARDED: **$87,060**

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	$ 29,048
E.	Operating	$ -
F.	Contract	$ 2,150
TOTAL AMOUNT TO BE DISBURSED		**$ 87,060**

SCHEDULED DISBURSEMENTS:

July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$20,024	$21,765	$22,636	$22,635

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

Signed: Kathy Waters Digitally signed by Kathy Waters Date: 2019.06.14 12:09:02 -07'00'

Director, Adult Probation Services Division, AOC

Signed: Patricia G. Munoz Digitally signed by Patricia G. Munoz Date: 2019.07.08 17:41:03 -07'00'

Chief Probation Officer

I:\ASD\FY2020\DTEF\DTEF-Addenda-FY20

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 **Juvenile Probation**

Meeting Date: 10/22/2019

FY20 Juvenile Standard Probation Program Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Juvenile Standard Probation Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $132,956.

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

FY20 AOC Funding Agreement
Standard Probation Addendum
Grant Approval Form Standard

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 2020

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, 2019 and shall remain in effect through June 30, 2020.

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.§ 12-265, 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, 2020.

ii. A closing report for the above listed funds is due on or before August 31, 2020 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, 2020 and unexpended as of July 31, 2020, 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 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, 2020, 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 (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 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 ACJA §1-401 or subsequent code. The Department is responsible for timely entry of financial data into the JOLTSAZ database. Periodic reporting and review of collection data will be required.

13. 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.

14. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to the AOC from a non-AOC contracted provider. Rather, the Department shall use their disbursed treatment

funds to cover these expenses.

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.

15. 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 the request of the AOC, detail 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:

- Contract 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 A.R.S. §8-243(A) and ACJA §6-309 or subsequent statute and code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS §8-261 - §8-265 and ACJA §6-310 or subsequent statute and code, 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 Department. The clerk of the court shall transmit such money to the state treasurer for deposit in the state

general fund.

16. 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.

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.

17. FAMILY COUNSELING AND JUVENILE DRUG COURT (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 the request of the AOC, detail 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:

- Contract 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.

18. 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.

b. **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), ACJA §6-309, or subsequent statute and/or code, in the assignment and collection of parental payments for treatment services.

19. 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 three 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.

c. **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.

20. 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 three 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.

c. **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.

21. 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 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 is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By James L. Conlogue

Honorable James L. Conlogue
Presiding Superior Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By

Dave Byers, Director
Administrative Office of the Courts

ADDENDUM A

JUVENILE STANDARD PROBATION PROGRAM

JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2020

Addendum date: July 1, 2019 Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: **$132,956**

APPROVED BUDGET	APPROVED FTE'S	AMOUNT	
A. Case-Carrying Personnel	1.00	44%	$39,360
B. ERE			$19,680
C. Non Case-Carrying/Other/Contract Personnel	1.00		$49,277
D. ERE			$24,639
E.			
F.			
G. Travel			
H. Operating			$0
I. Equipment			
TOTAL AMOUNT TO BE DISBURSED			$132,956

SCHEDULED DISBURSEMENTS:			
July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$31,909	$31,909	$34,569	$34,569

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: 2019.06.27 12:37:43 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz
Digitally signed by Patricia G. Munoz
Date: 2019.07.14 17:28:35 -07'00'

Director of Juvenile Court Services

AOC Finance Office Receipt:

Fund Manager Date

N:\JJSD\FY2020\1073\20Addendum_A1073.xlsx

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 23.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 10/22/2019

FY20 Diversion Intake Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Diversion Intake funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $318,501.

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

FY20 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 2020

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, 2019 and shall remain in effect through June 30, 2020.

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.§ 12-265, 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, 2020.

ii. A closing report for the above listed funds is due on or before August 31, 2020 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, 2020 and unexpended as of July 31, 2020, 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 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, 2020, 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 (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 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 ACJA §1-401 or subsequent code. The Department is responsible for timely entry of financial data into the JOLTSAZ database. Periodic reporting and review of collection data will be required.

13. 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.

14. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to the AOC from a non-AOC contracted provider. Rather, the Department shall use their disbursed treatment

funds to cover these expenses.

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.

15. 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 the request of the AOC, detail 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:

- Contract 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 A.R.S. §8-243(A) and ACJA §6-309 or subsequent statute and code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS §8-261 - §8-265 and ACJA §6-310 or subsequent statute and code, 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 Department. The clerk of the court shall transmit such money to the state treasurer for deposit in the state

general fund.

16. 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.

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.

17. FAMILY COUNSELING AND JUVENILE DRUG COURT (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 the request of the AOC, detail 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:

- Contract 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.

18. 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.

b. **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), ACJA §6-309, or subsequent statute and/or code, in the assignment and collection of parental payments for treatment services.

19. 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 three 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.

c. **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.

20. 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 three 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.

c. **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.

21. 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 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 is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By James L. Conlogue

Honorable James L. Conlogue
Presiding Superior Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By

Dave Byers, Director
Administrative Office of the Courts

ADDENDUM A

DIVERSION - INTAKE

JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2020

Addendum date: July 1, 2019 Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: $318,501

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	$189,948
D. ERE		$94,974
E. Travel		$0
F. Equipment		$0
G. Operating		$33,579
H Contract Services		$0
I Other		$0
TOTAL AMOUNT TO BE DISBURSED		$318,501

SCHEDULED DISBURSEMENTS:			
July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$76,440	$76,440	$82,811	$82,810

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: 2019.06.27 12:36:51 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz
Digitally signed by Patricia G. Munoz
Date: 2019.07.14 17:26:56 -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 24.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 10/22/2019

FY20 Juvenile Intensive Probation Program Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Juvenile Intensive Probation Supervision Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $282,354.

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

FY20 AOC Funding Agreement
JIPS Addendum
Grant Approval Form JIPS

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 2020

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, 2019 and shall remain in effect through June 30, 2020.

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.§ 12-265, 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, 2020.

ii. A closing report for the above listed funds is due on or before August 31, 2020 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, 2020 and unexpended as of July 31, 2020, 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 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, 2020, 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 (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 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 ACJA §1-401 or subsequent code. The Department is responsible for timely entry of financial data into the JOLTSAZ database. Periodic reporting and review of collection data will be required.

13. 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.

14. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to the AOC from a non-AOC contracted provider. Rather, the Department shall use their disbursed treatment

funds to cover these expenses.

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.

15. 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 the request of the AOC, detail 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:

- Contract 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 A.R.S. §8-243(A) and ACJA §6-309 or subsequent statute and code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS §8-261 - §8-265 and ACJA §6-310 or subsequent statute and code, 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 Department. The clerk of the court shall transmit such money to the state treasurer for deposit in the state

general fund.

16. 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.

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.

17. FAMILY COUNSELING AND JUVENILE DRUG COURT (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 the request of the AOC, detail 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:

- Contract 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.

18. 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.

b. **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), ACJA §6-309, or subsequent statute and/or code, in the assignment and collection of parental payments for treatment services.

19. 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 three 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.

c. **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.

20. 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 three 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.

c. **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.

21. 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 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 is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By James L. Conlogue

Honorable James L. Conlogue
Presiding Superior Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By

Dave Byers, Director
Administrative Office of the Courts

159

ADDENDUM A

JUVENILE INTENSIVE PROBATION SUPERVISION PROGRAM

JUVENILE COURT IN COCHISE COUNTY FOR Fiscal Year 2020

Addendum date: July 1, 2019 Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: $282,354

APPROVED BUDGET		APPROVED FTE's	AMOUNT
A.	Case-Carrying Personnel	2.00	$75,862
B.	ERE		$37,931
C.	Non Case-Carrying/Contract/Other P	2.00	$97,194
D.	ERE		$48,597
E.	Travel		$0
F.	Equipment		$0
G.	Operating		$22,770
H.	Contract Services		$0
I.	Other		$0
TOTAL AMOUNT TO BE DISBURSED			$282,354

SCHEDULED DISBURSEMENTS:			
July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$67,765	$67,765	$73,412	$73,412

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: 2019.06.27 12:37:16 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz — Digitally signed by Patricia G. Munoz Date: 2019.07.14 17:27:39 -07'00'

Director of Juvenile Court Services

AOC Finance Office Receipt:

Fund Manager _____ Date _____

.:\JJSD\FY2020\1071\20Addend_A1071.xlsx

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 25.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date:	10/22/2019		
FY20 Juvenile Probation Services Fund Treatment Funding Agreement			
Submitted By:	Teresa Rockrich, Juvenile Probation		
Department:	Juvenile Probation		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Juvenile Probation Services Fund - Treatment funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $146,752.

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

FY20 AOC Funding Agreement
Grant Approval Form JPSF
JPSF Treatment Addendum

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 2020

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, 2019 and shall remain in effect through June 30, 2020.

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.§ 12-265, 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, 2020.

ii. A closing report for the above listed funds is due on or before August 31, 2020 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, 2020 and unexpended as of July 31, 2020, 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 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, 2020, 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 (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 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 ACJA §1-401 or subsequent code. The Department is responsible for timely entry of financial data into the JOLTSAZ database. Periodic reporting and review of collection data will be required.

13. 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.

14. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to the AOC from a non-AOC contracted provider. Rather, the Department shall use their disbursed treatment

funds to cover these expenses.

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.

15. 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 the request of the AOC, detail 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:

- Contract 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 A.R.S. §8-243(A) and ACJA §6-309 or subsequent statute and code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS §8-261 - §8-265 and ACJA §6-310 or subsequent statute and code, 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 Department. The clerk of the court shall transmit such money to the state treasurer for deposit in the state

general fund.

16. 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.

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.

17. FAMILY COUNSELING AND JUVENILE DRUG COURT (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 the request of the AOC, detail 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:

- Contract 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.

18. 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.

b. **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), ACJA §6-309, or subsequent statute and/or code, in the assignment and collection of parental payments for treatment services.

19. 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 three 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.

c. **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.

20. 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 three 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.

c. **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.

21. 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 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 is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By James L. Conlogue

Honorable James L. Conlogue
Presiding Superior Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By

Dave Byers, Director
Administrative Office of the Courts

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.

ADDENDUM A

JUVENILE PROBATION SERVICES FUND - TREATMENT

JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2020

Addendum date: July 1, 2019 Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: $475,752

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	$82,959
D. ERE		$41,480
E. Travel		$0
F. Equipment		$0
G. Operating		$7,000
H. Contract Services		$15,313
I. Other		$0
TOTAL AMOUNT TO BE DISBURSED		$146,752

SCHEDULED DISBURSEMENTS:				
	July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
	$35,220	$35,220	$38,156	$38,156

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: 2019.06.27 12:37:29 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz
Digitally signed by Patricia G. Munoz
Date: 2019.07.14 17:27:58 -07'00'

Director of Juvenile Court Services

AOC Finance Office Receipt:

Fund Manager Date

Action 26.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 10/22/2019

FY20 Diversion Consequences Funding Agreement

Submitted By: Teresa Rockrich, Juvenile Probation

Department: Juvenile Probation

Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Diversion Consequences funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $51,866.

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

FY20 AOC Funding Agreement
Diversion Consequence Addendum
Grant Approval Form Div Consequence

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 2020

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, 2019 and shall remain in effect through June 30, 2020.

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.§ 12-265, 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, 2020.

ii. A closing report for the above listed funds is due on or before August 31, 2020 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, 2020 and unexpended as of July 31, 2020, 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 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, 2020, 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 (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 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 ACJA §1-401 or subsequent code. The Department is responsible for timely entry of financial data into the JOLTSAZ database. Periodic reporting and review of collection data will be required.

13. 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.

14. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to the AOC from a non-AOC contracted provider. Rather, the Department shall use their disbursed treatment

funds to cover these expenses.

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.

15. 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 the request of the AOC, detail 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:

- Contract 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 A.R.S. §8-243(A) and ACJA §6-309 or subsequent statute and code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS §8-261 - §8-265 and ACJA §6-310 or subsequent statute and code, 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 Department. The clerk of the court shall transmit such money to the state treasurer for deposit in the state

general fund.

16. 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.

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.

17. FAMILY COUNSELING AND JUVENILE DRUG COURT (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 the request of the AOC, detail 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:

- Contract 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.

18. 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.

b. **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), ACJA §6-309, or subsequent statute and/or code, in the assignment and collection of parental payments for treatment services.

19. 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 three 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.

c. **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.

20. 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 three 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.

c. **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.

21. 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 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 is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By James L. Conlogue

Honorable James L. Conlogue
Presiding Superior Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By

Dave Byers, Director
Administrative Office of the Courts

ADDENDUM A

DIVERSION - CONSEQUENCE

JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2020

Addendum date: July 1, 2019 Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: $56,423

	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	$33,244
D.	ERE		$16,622
E.	Travel		$0
F.	Equipment		$0
G.	Operating		$2,000
H.	Contract Services		$0
I.	Other		0
TOTAL AMOUNT TO BE DISBURSED			$51,866

SCHEDULED DISBURSEMENTS:			
July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$12,448	$12,448	$13,485	$13,485

	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: 2019.06.27 12:36:35 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz
Digitally signed by Patricia G. Munoz
Date: 2019.07.14 17:26:41 -07'00'

Director of Juvenile Court Services

AOC Finance Office Receipt:

Fund Manager Date

`I:\JJSD\FY2020\1918\20Addendum_A1918.xls

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 27.

Regular Board of Supervisors Meeting **Juvenile Probation**

Meeting Date: 10/22/2019

FY20 Juvenile Drug Court Funding Agreement

Submitted By:	Teresa Rockrich, Juvenile Probation		
Department:	Juvenile Probation		
Presentation:	No A/V Presentation	**Recommendation:**	Approve
Document Signatures:	BOS Signature NOT Required	**# of ORIGINALS Submitted for Signature:**	0
NAME of PRESENTER:	Teresa Rockrich	**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 2019-2020 Juvenile Drug Court Program funding agreement as provided by the Arizona Supreme Court, Administrative Office of the Courts (AOC) effective July 1, 2019 through June 30, 2020 in the amount of $101,798.

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

FY20 AOC Funding Agreement
Drug Court Addendum
Grant Approval Form Drug Court

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 2020

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, 2019 and shall remain in effect through June 30, 2020.

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.§ 12-265, 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, 2020.

ii. A closing report for the above listed funds is due on or before August 31, 2020 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, 2020 and unexpended as of July 31, 2020, 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 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, 2020, 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 (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 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 ACJA §1-401 or subsequent code. The Department is responsible for timely entry of financial data into the JOLTSAZ database. Periodic reporting and review of collection data will be required.

13. 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.

14. VENDOR PAYMENT RESTRICTIONS

a. Utilization. The Department shall not submit invoices to the AOC from a non-AOC contracted provider. Rather, the Department shall use their disbursed treatment

funds to cover these expenses.

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.

15. 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 the request of the AOC, detail 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:

- Contract 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 A.R.S. §8-243(A) and ACJA §6-309 or subsequent statute and code, in the assignment and collection of parental payments for treatment services.

c. Assessment of Family Counseling Costs. The Department shall comply with ARS §8-261 - §8-265 and ACJA §6-310 or subsequent statute and code, 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 Department. The clerk of the court shall transmit such money to the state treasurer for deposit in the state

general fund.

16. 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.

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.

17. FAMILY COUNSELING AND JUVENILE DRUG COURT (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 the request of the AOC, detail 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:

- Contract 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.

18. 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.

b. **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), ACJA §6-309, or subsequent statute and/or code, in the assignment and collection of parental payments for treatment services.

19. 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 three 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.

c. **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.

20. 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 three 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.

c. **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.

21. 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 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 is solely responsible for the actions of its employees under this Agreement.

COCHISE COUNTY JUVENILE COURT

By James L. Conlogue

Honorable James L. Conlogue
Presiding Superior Court Judge

ARIZONA SUPREME COURT ADMINISTRATIVE OFFICE OF THE COURTS

By

Dave Byers, Director
Administrative Office of the Courts

ADDENDUM A

JUVENILE DRUG COURT PROGRAM

JUVENILE COURT IN COCHISE COUNTY FOR FISCAL YEAR 2020

Addendum date: July 1, 2019 Note: This addendum supersedes all previously dated addendums

TOTAL AMOUNT AWARDED: **$101,798**

APPROVED BUDGET	APPROVED FTE's	AMOUNT
A. Case - Carrying Personnel	0.00	$ -
B. ERE		$ -
C. Non Case-Carrying Personne	1.50	$ 62,556.00
D. ERE		$ 31,278.00
E. Travel		$ -
F. Equipment		$ -
G. Operating		$ 7,964.00
H. Contract Services		$ -
I. Other		$ -
TOTAL AMOUNT TO BE DISBURSED		$101,798

SCHEDULED DISBURSEMENTS:			
July 31, 2019	October 31, 2019	March 16, 2020	May 15, 2020
$24,432.00	$24,432.00	$26,467.00	$26,467.00

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: 2019.06.27 12:36:21 -07'00'

JJSD Division Director
Arizona Supreme Court

Signed:

Patricia G. Munoz
Digitally signed by Patricia G. Munoz
Date: 2019.07.14 17:26:21 -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.