

ARIZONA DEPARTMENT OF ADMINISTRATION  
GRANTS & SPECIAL PROGRAMS  
GRANT AGREEMENT

Grant Number: ADOA-DBF-ELEC-01

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This Grant Agreement (“**Agreement**”) is between the Cochise County, (“**Grantee**”), participating and the State of Arizona, acting through the Arizona Department of Administration (“**ADOA**”), (sometimes, individually, a “**Party**,” or collectively, “**Parties**”).

**AUTHORIZATION**

1. Laws 2022, Ch.313, Sec. 5 of the Second Regular Session authorizes the Arizona Department of Administration to administer the Election Security grant program.

**BACKGROUND**

2. Laws 2022, Ch.313, Sec. 5 appropriated a total of \$1,000,000 to one or more county recorders to test ballot paper in tabulation systems with specific security features, including watermarks or unique ballot identifiers, or both. The security features shall be used to authenticate the ballot as an official ballot, but may not make the ballot identifiable to a particular elector. The testing shall allow for different sized ballots.

**PURPOSE OF THE AGREEMENT**

3. Distribution of funding per Laws 2022, Ch.313, Sec. 5.

**TERM, EFFECTIVE DATE, AND Termination**

4. Term and Effective Date: This Agreement will commence on October 1, 2022 and terminate on April 30th, 2023. This agreement expires at the end of the award period unless prior written approval for an extension has been obtained by ADOA. A request for an extension must be received by ADOA, thirty (30) days prior to the end of the award period. ADOA in its sole discretion may approve an extension to further the goals and objectives of the program, and determine the length of any extension.

5. Termination:

- 5.1. In the event of a material breach of any provision of this Agreement, the non-breaching Party shall give written notice to the breaching Party specifically setting forth the nature of the breach. Upon being served with such notice, the breaching Party shall have ten (10) days in which to cure said breach. If said breach has not been cured within the ten (10) days, then the non-breaching Party may terminate this Agreement.

- 5.2. In accordance with A.R.S. § 38-511, State may within three years after execution cancel the Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on behalf of the State, at any time while the Agreement is in effect, becomes an employee or agent or any other party to the Agreement in any capacity or a consultant to any other party of the Agreement with respect to the subject matter of the Agreement.

**OBLIGATIONS OF THE PARTIES**

6. Responsibilities of the Grantee:

- 6.1. Grantee agrees that grant funds will be used to test ballot paper in tabulation systems with specific security features, including watermarks or unique ballot identifiers, or both. The security features shall be used to authenticate the ballot as an official ballot, but may not make the ballot identifiable to a particular elector. The testing shall allow for different sized ballots.

- 6.2. Grantee understands that financial reports are required as an accounting of expenditures for either reimbursement or ADOA-approved payments. Reports are due pursuant to the schedule listed in this agreement.
- 6.3. The final request for reimbursement of grant funds must be received by ADOA no later than forty-five (45) days after the last day of the award period.
- 6.4. All goods and services must be received or have reasonable expectations thereof and placed in service by Grantee by the expiration of this award.
- 6.5. Grantee agrees to remit all unexpended grant funds to ADOA within thirty (30) days of written request received from ADOA.
- 6.6. Grantee agrees that all encumbered funds must be expended and that goods and services must be paid within forty-five (45) days of expiration of this award.
- 6.7. Grantee agrees to cooperate and participate with any and all assessments, evaluation efforts or information and data collection requests, and acknowledges that the State grantor agency has the right to obtain, reproduce, publish, or use data provided under this award in accordance with applicable statutes, rules, and guidelines.
- 6.8. Grantee understands that grant funds may not be released until Grantee is compliant with all requirements of grant agreement.
- 6.9. Required activity reports are submitted according to the following schedule(s):

<b>ACTIVITY REPORTS</b>	
<b>Report Due:</b> Ballot Security Findings	<b>Due Date:</b> April 30, 2023

7. Responsibilities of the State:

- 7.1. It is agreed and understood that the total to be paid by ADOA under this Agreement shall not exceed \$1,000,000 in state funds.
- 7.2. Once the financial reimbursement request is approved by ADOA, payment to Grantee will be completed within 5 business days.
- 7.3.

<b>APPROVED LINE ITEM PROGRAM BUDGET</b>	
Personnel	\$0.00
Fringe Benefits	\$0.00
Travel	\$0.00
Equipment	\$0.00
Supplies	\$0.00

Contractual/Outside Services	\$1,000,000
Construction	\$0.00
Other Costs	\$0.00
<b>Total</b>	\$0.00

### MISCELLANEOUS TERMS

8. In accordance with ARS § 35-154, every payment obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for payment of such obligation. If funds are not allocated and available for the continuance of this 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.
9. In accordance with A.R.S. § 35-214, the GRANTEE shall retain all data, books, and other records (“records”) relating to this Agreement for a period of five years from the last financial report submitted to ADOA. All such documents shall be subject to inspection and audit at reasonable times, including such records of any subgrantee, contractor, or subcontractor. Upon request, the Grantee shall produce the original of any or all such records to the offices of the Arizona Department of Administration
10. The Parties warrant that they are in compliance with A.R.S. § 41-4401 and further acknowledge that:
  - 10.1. Any contractor or subcontractor who is contracted by a party to perform work related to this Agreement shall warrant its compliance with all federal immigration laws and regulations that relate to its employees and its compliance with A.R.S. § 23-214(A);
  - 10.2. The Parties retain the legal right to inspect the employment records of any employee of any contractor or subcontractor who performs work related to this Agreement to ensure that the contractor or subcontractor is complying with the warranty and that the contractor agrees to make all employment records of said employee available during normal working hours to facilitate such an inspection; and
  - 10.3. Nothing in this Agreement shall make any contractor or subcontractor an agent or employee of the Parties to this Agreement.
11. The Parties shall comply with the provisions of State Executive Order 2009-9, Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act, as amended.
12. This Agreement does not imply authority to perform any tasks or accept any responsibility not expressly stated in this Agreement.
13. This Agreement does not create a duty or responsibility unless the intention to do so is clearly and unambiguously stated in this Agreement. This Agreement shall not relieve the Parties of any obligation or responsibility imposed on it by law.
14. This Agreement contains the entire agreement of the Parties with respect to its subject matter and supersedes all prior and contemporaneous agreements, understandings, and inducements, whether express or implied, oral or written.
15. Any change, modification, or extension of this Agreement must be submitted through ADOA’s online grant management system, eCivis, and approved by ADOA.

16. This Agreement has been arrived at by negotiation and shall not be construed for or against any Party.
17. The Parties agree that all the conditions set forth herein are material to this Agreement and a breach of any condition is a breach of this Agreement.
18. The failure of either Party to insist in any one or more instances upon the full and complete performance of any of the terms and provisions of this Agreement to be performed by the other Party or to take any action permitted by this Agreement shall not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same or any other covenant or condition either in the past or in the future. The acceptance by either Party of sums less than may be due and owing at any time shall not be construed as an accord and satisfaction.
19. The substantive laws of Arizona (without reference to any choice of law principles) shall govern the interpretation, validity, performance and enforcement of this Agreement. The Parties further agree to cooperate in all ways reasonable and necessary to comply with the applicable statutes, including amending this Agreement as needed in the future and making any refunds or payments that might be required to bring the Parties into full compliance with applicable law.
20. Nothing in this Agreement is intended to create any third-party beneficiary rights; and the State and the Grantee expressly state that this Agreement does not create any third-party rights of enforcement.
21. This Agreement may be executed in any number of counterparts, all such counterparts shall be deemed to constitute one and the same instrument, and each of said counterparts shall be deemed an original hereof.
22. If the last day of any time stated herein shall fall on a Saturday, Sunday, or legal holiday in the State of Arizona, then the duration of such time shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday, or legal holiday.
23. Except as expressly provided herein, no Party may delegate or assign its rights or responsibilities under this Agreement without prior written approval of the other Party and any purported assignment or delegation in violation of this provision shall be void.
24. 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.
25. If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall be in full force and effect.
26. Any deviation or failure to comply with the purpose and/or conditions of this Agreement without prior approval may constitute sufficient reason for ADOA to terminate this Agreement, revoke the grant, require the return of all unspent funds, perform an audit of expended funds, and require the return of any previously spent funds which are deemed to have been spent in violation of the purpose or conditions of this grant.
27. All notices required or permitted under this Agreement shall be given in writing and addressed as follows:

A. If to the Grants Office:

Arizona Department of Administration  
Division of Business and Finance  
100 North 15<sup>th</sup> Avenue, Suite 302  
Phoenix, AZ 85007  
Attention: Michael Gurr

B. If to the GRANTEE:

Cochise County

1415 W Melody Ln Building B

Bisbee, AZ 85603

ATTENTION: David Stevens

IN WITNESS WHEREOF, the parties have made and executed the Agreement the day and year first above written.  
**FOR GRANTEE:**

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Authorized Signatory Date

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Printed Name and Title

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Additional signature(s) if required by political subdivision Date

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Printed Name and Title Date

**FOR ARIZONA DEPARTMENT OF ADMINISTRATION:**

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*Mike Gurr* 10/26/2022  
Grants Administrator Date  
Arizona Department of Administration