



Staff Report

Agenda Item: Acceptance of a DUI Abatement Grant through ACJC (Arizona Criminal Justice Commission) for overtime and a portable breathalyzer in the amount of \$3,760.00.

Staff Contact: Police Chief Haynie

Meeting Date: January 22, 2008

Background:

Driving Under the Influence of alcohol and drugs continues to be a national problem. The Town of Clarkdale is not immune from this and the police department continues to work on making our streets safer from impaired driving. Although this is done on a daily basis time needs to be dedicated for just identifying impaired drivers. By providing overtime money allows for officers to commit time just for this purpose. Every year we also try to add another portable breathalyzer to our equipment inventory in order for officers to have another tool available in the field. Currently we have three.

Recommendation: Accept this grant in order to continue our DUI enforcement efforts.

Oversight Council on Driving or Operating Under the Influence Abatement

December 24, 2007

Chairperson
DWAYNE HARTUP, Chief
Holbrook Police Department

Dear Grantee:

RE: DUI Abatement Grant Program

KEN BUCKLAND
Senate President appointee

On December 6, 2007, in response to your application for grant funding under the DUI Abatement Grant Program, the Oversight Council on Driving or Operating Under the Influence Abatement voted to approve an award. Paragraph 5 of the Grant Agreement shows you the award amount.

MARK DANNELS, Captain
Cochise County Sheriff's Office

RICHARD FIMBRES, Director
Governor's Office of Highway Safety

Quarterly progress and financial reports are required for this grant (See paragraph 17 of Agreement). Attached is a Quarterly Progress/Activity Report form. The Financial Report is available from the Arizona Criminal Justice Commission (ACJC) website in a fillable format at <http://azcjc.gov/pubs/byrne/FinancialReport.pdf>.

DAISY FLORES
Gila County Attorney

Although the Grant Agreement lists the due dates, for your convenience they are repeated below:

ALBERTO GUTIER,
Speaker of the House appointee

<u>Quarter</u>	<u>Due Date</u>
January – March	April 25 th
April – June	July 25 th

GARY JOHNSON,
Governor appointee

It is important to return the Agreement with authorized signatures to the ACJC office within 90 days of the award date of January 1, 2008 or the Agreement may be cancelled.

STACEY STANTON, Division
Director
Motor Vehicle Division

Please call Pat Nelson or Debby Finkel at (602) 364-1146 if you need additional information or assistance.

VACANT
City Prosecutor

Sincerely,

ROGER VANDERPOOL, Director
Department of Public Safety



Oversight Council on Driving or
Operating Under the Influence
Abatement
1110 West Washington, Suite 230
Phoenix, Arizona 85007
PHONE: (602) 364-1146
FAX: (602) 364-1175

DWayne Hartup, Chairman
Oversight Council on Driving or Operating Under the Influence Abatement

ACJC Grantee Resources

In addition to valuable resources available through the ACJC website, grantees may find the following links useful.

A Quarterly Progress/Activity Report is provided with your grant award packet. The Financial Report is available from our website in a fillable pdf format at: <http://azcjc.gov/pubs/byrne/FinancialReport.pdf>.

Additional resources and instructional documents are available through ACJC:

- [Instruction on obtaining signatures and formal action](#)
- [Financial reporting instructions](#)
- [Grant Resource Manual](#)
- [Computer Hardware and Software Vendor Guidelines](#)

The *Data Dictionary* you may have received from past grants remains unchanged. If you need an additional copy, contact the Commission office to request an electronic version.

Direct Deposit of grant funds is available through the Automated Clearing House (ACH) Vendor Payments and is a quick and easy way to receive your monthly reimbursements. The ACH Vendor Authorization form may be found here:

The *OMB Financial Guide*: <http://www.ojp.usdoj.gov/oc/>

The *OMB Circulars A-87, A-102, and A-133*:
<http://www.whitehouse.gov/omb/circulars/>

Code of Federal Regulations:
<http://www.gpoaccess.gov/cfr/index.html>

Refer to your grant application for your stated goals and objectives.

Goal:

No.	Measurable Objective	Program Activities	Performance Indicator	Targeted Result Date	Actual Results	Comments/Remarks

Goal:

No.	Measurable Objective	Program Activities	Performance Indicator	Targeted Result Date	Actual Results	Comments/Remarks

* Use additional sheets as necessary.

ARIZONA CRIMINAL JUSTICE COMMISSION FINANCIAL REPORT

ACJC Administered Grant Programs

Quarterly Reports

PART I FINANCIAL DETAIL

Provide the following **DETAILED** budget information

Name of Agency:

Grant Number:

Report Period: Jan-Mar Apr-Jun Jul-Sept Oct-Dec Final Calendar Year

Please round to the nearest dollar.

	Category	This Period Expenses	This Period Encumbrances
1.	Personnel:		
1a.	Salary	\$	\$
1b.	Fringe Benefits (for salary and/or overtime)	\$	\$
1c.	Overtime	\$	\$
2.	Professional & Outside/ Consultant & Contractual Services	\$	\$
3.	In-State Travel	\$	\$
4.	Out-of-State Travel	\$	\$
5.	Confidential Expenses		
6.	Operating Expenses		
6a.	Supplies	\$	\$
6b.	Registration/Training	\$	\$
6c.	Other	\$	\$
7.	Equipment: (See Budget Category Guidelines for definitions)		
7a.	Capital (List Below)	\$	\$
7b.	Non-Capital (List Below)	\$	\$
8.	Total Paid this period (Enter on Page 2, Line B)	\$0.00	
9.	Total Encumbrances this period (Enter on Page 2, Line D)		\$0.00
10.	Program Income spent this period***	\$	\$
11.	SUBTOTAL	\$0.00 (Add lines 8+10)	\$0.00 (Add lines 10+11)

Please round all line items to the nearest dollar.

Type of Equipment Purchased: List Each Item Included Above (Written Approval is Required)			Quantity	Amount Each (\$)
<input checked="" type="checkbox"/> Capital <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Non-Capital <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Type of Equipment		

PART II FINANCIAL SUMMARY

Provide information as requested below

Name of Agency: _____

Grant Number: _____

Report Period: Jan-Mar Apr-Jun Jul-Sept Oct-Dec Final Calendar Year

Please round to the nearest dollar.

Line #	Status of Funds	Current Period
A	Total funds spent from prior report (Enter the number from Line C page 2 from your previous report)	\$
B	Total funds spent this period (Enter the number from Line 9 Page 1)	\$0.00
C	Total funds spent to date (Add Lines A+B)	\$0.00
D	Total encumbrances this period (Enter the number from Line 11 Page 1)	\$0.00
E	Total spent and encumbered to date (Add Line C+D)	\$0.00
F	Total grant award (includes match, if any)	\$ 0.00
G	Balance of grant (Line F-E)	\$0.00
H	Interest earned this period**	\$
I	Program income received this period***	\$

Please round to the nearest dollar.

CERTIFICATION: I certify that to the best of my knowledge and belief, this report is correct and complete and that all outlays and unpaid obligations are for the purposes set forth in the grant award documents.

Prepared by: _____
Typed Name/Date/Telephone/Fax Number

Certified by: _____
Authorized Signature Date



ARIZONA CRIMINAL JUSTICE COMMISSION
DUI ABATEMENT GRANT PROGRAM
GRANT AGREEMENT

ACJC Grant Number DUI-08B-264
State Funded Grant Program

This Grant Agreement is made this 1ST day of January, 2008, by and between the OVERSIGHT COUNCIL ON DRIVING OR OPERATING UNDER THE INFLUENCE ABATEMENT hereinafter called "COUNCIL" and CITY OF CLARKDALE, through CLARKDALE POLICE DEPARTMENT hereinafter called "GRANTEE". The COUNCIL enters into this Agreement pursuant to its authority under the provisions of A.R.S. § 28-1303(G), and having satisfied itself as to the qualification of GRANTEE;

NOW, THEREFORE, it is agreed between the parties as follows:

1. This Agreement will commence on January 1, 2008 and terminate on June 30, 2008. This Agreement expires at the end of the award period unless prior written approval for an extension has been obtained from the COUNCIL. A request for an extension must be received by the COUNCIL sixty (60) days prior to the end of the award period. The COUNCIL in its sole discretion may approve an extension that further the goals and objectives of the program and shall determine the length of any extension.
2. The GRANTEE agrees that grant funds will be used:
 - For enforcement purposes, prosecutorial, judicial activities, and alcohol abuse treatment services related to preventing and abating driving or operating under the influence occurrences in a motor vehicle or a motorized watercraft as specified in the grant application and the approved budget.
 - For innovative programs that use emerging technologies to educate, prevent or deter occurrences of driving or operating under the influence in a motor vehicle or motorized watercraft as specified in the grant application and the approved budget.
3. The COUNCIL will monitor the performance of the GRANTEE against goals and performance standards outlined in the grant application. Sub-standard performance as determined by the COUNCIL will constitute non-compliance with this Agreement. The GRANTEE shall operate in a manner consistent with and in compliance with the provisions and stipulations of the approved grant application and this Agreement. If the COUNCIL finds non-compliance, the GRANTEE will receive a written notice which identifies the area of non-compliance, and the appropriate corrective action to be taken. If the GRANTEE does not respond within thirty calendar days to this notice, and does not provide sufficient information concerning the steps which are being taken to correct the problem, the COUNCIL may suspend funding or permanently terminate this Agreement or revoke the grant. Any deviation or failure to comply with the purpose and/or conditions of this Agreement without prior written COUNCIL approval may constitute sufficient reason for the COUNCIL to terminate this Agreement, revoke the grant, require the return of all unspent funds, perform an audit of expended funds, and require the return of any previously spent funds which are deemed to have been spent in violation of the purpose or conditions of this grant.
4. This Agreement may be modified only by a written amendment signed by the Executive Director or by persons authorized by the Executive Director on behalf of the COUNCIL and GRANTEE. Any notice given pursuant to this Agreement shall be in writing and shall be considered to have been given when actually received by the following addressee or their agents or employees:

A. If to the COUNCIL:

Arizona Criminal Justice Commission
 1110 W. Washington Street, Suite 230
 Phoenix, Arizona 85007
 Attn: Program Manager

B. If to the GRANTEE:

CLARKDALE POLICE DEPARTMENT
 6655 W. Glendale Ave
 Glendale, AZ 85301
 Attn: Sgt. Chris Wylie

5. For grant awards above \$100,000, the GRANTEE may make budget adjustments of up to ten (10) percent of the total grant within any approved budget category excluding equipment. If the GRANTEE wishes to make adjustments or reprogram in excess of ten (10) percent or purchase equipment, written approval from the COUNCIL in advance is required. For grant awards less than \$100,000, the GRANTEE may make budget adjustments within approved categories excluding equipment as long as there are no changes to the purpose or scope of the project. If the GRANTEE wishes to purchase equipment, written approval from the COUNCIL in advance is required.

APPROVED LINE ITEM PROGRAM BUDGET	
Personnel:	
Salaries	Not Approved
Fringe Benefits (for salaries/overtime)	Not Approved
Overtime	\$3,010
Professional & Outside/Consultant & Contractual Services	Not Approved
Travel In-State	Not Approved
Travel Out-of-State	Not Approved
Confidential Funds	
Operating Expenses:	Not Approved
Supplies	Not Approved
Registration/Training	Not Approved
Other	Not Approved
Equipment	\$ 750
TOTAL	\$3,760
Portable Breath Tester	

6. It is agreed and understood that the total to be paid by the COUNCIL under this Agreement shall not exceed \$3,760 in State funds.
7. The GRANTEE understands that financial reports are required for reimbursement of expenditures. The final request for re-imbursement of grant funds must be received by the COUNCIL no later than 90 days after the last day of the award period.
8. Every payment obligation of the COUNCIL 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 COUNCIL. No liability shall accrue to the COUNCIL in the event this provision is exercised, and the COUNCIL shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.
9. The GRANTEE agrees to retain all books, account reports, files and other records, (paper and/or electronic) relating to this Agreement and the performance of this Agreement for no

less than five (5) years from the last financial report submitted to the COUNCIL. All such documents shall be subject to inspection and audit at reasonable times.

10. For the purpose of this grant, a capital expenditure is \$5,000 or above. If the GRANTEE'S policy defines a capital expenditure as less than \$5,000, the GRANTEE will use its own policy.
11. The GRANTEE agrees to maintain property records for equipment purchased with grant funds and perform a physical inventory and reconciliation with property records at least every two years or more frequently based on GRANTEE policy. The GRANTEE agrees that funds will not be used for the construction of new facilities.
12. The GRANTEE agrees to keep time and attendance sheets signed by the employee and supervisory official having first hand knowledge of the work performed by the grant funded employees.
13. The GRANTEE agrees that it will submit financial and activity reports to the COUNCIL on forms/format provided by the COUNCIL, documenting the activities supported by these grant funds and providing an assessment of the impact of these activities. In the event reports are not received on or before the indicated date(s), funding will be suspended until such time as delinquent report(s) are received. These reports are submitted according to the following schedule:

Report Period:	Due Date:
January 1 to March 31	April 25
April 1 to June 30	July 25

More frequent reports may be required for GRANTEES who are considered high risk.

14. All goods and services must be received or have reasonable expectations thereof and placed in service by the GRANTEE by the expiration of this award.
15. All goods and services must be paid by the GRANTEE within 60 days of the expiration of this award.
16. The GRANTEE agrees to obtain COUNCIL approval for all sole-source procurements in excess of \$100,000.
17. The GRANTEE agrees to obtain COUNCIL approval prior to the expenditure of grant funds for consultant fees in excess of \$450 per day.
18. The GRANTEE agrees to utilize the *Computer Hardware and Software Vendor Guidelines* distributed by the COUNCIL when purchasing hardware and software with grant funds.
19. The GRANTEE agrees not to use grant funds for food and/or beverage unless explicitly approved in writing by the COUNCIL.
20. No funds shall be used to supplant Federal, State, county or local funds that would otherwise be made available for such purposes.
21. The GRANTEE assigns to the COUNCIL any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services applied by third parties to the GRANTEE in exchange for grant funds provided under this Agreement.
22. The parties agree to use arbitration in the event of disputes in accordance with the provisions of A.R.S. § 12-1518 et seq. The laws of the State of Arizona apply to questions arising under

- this Agreement and any litigation regarding this Agreement must be maintained in Arizona courts, except as pertaining to disputes which are subject to arbitration.
23. The GRANTEE understands that grant funds will not be released until all required reports and reversion of funds from the prior year grant are submitted to the COUNCIL.
 24. The GRANTEE agrees that grant funds are not to be expended for any indirect costs that may be incurred by GRANTEE for administering these funds unless explicitly approved in writing by the COUNCIL. This may include, but is not limited to, costs for services such as accounting, payroll, data processing, purchasing, personnel, and building use which may have been incurred by the GRANTEE.
 25. Each party (as "Indemnitor") agrees to indemnify, defend and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses, (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers. If the GRANTEE is a State agency this paragraph does not apply.
 26. Unless GRANTEE is a State agency, GRANTEE shall cause its contractor(s), if any to indemnify defend, save and hold harmless the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of GRANTEE'S contractor or any of its owners, officers, directors, agents, or employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Worker's Compensation Law or arising out of the failure of such contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligence or willful acts or omissions of the Indemnitee, be indemnified by 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 grant, 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. Insurance requirements for any contractor used by GRANTEE are incorporated herein by this reference and attached to this Agreement as Exhibit "A".
 27. If the GRANTEE is a governmental political subdivision, the GRANTEE agrees to utilize the *Data Dictionary*, approved and distributed by the COUNCIL, as the data entry standard for information systems when improving or updating an existing Information System. The GRANTEE agrees to utilize the *Data Dictionary* as the data entry standard in any new system or when an existing Information System is replaced. (Please call for copy, we will email).
 28. If the GRANTEE is a governmental political subdivision, the GRANTEE should integrate their information sharing systems with other information sharing systems and networks within the state using existing networks as the backbone to achieve interstate connectivity. Unless the GRANTEE can demonstrate to the satisfaction of the COUNCIL that this requirement would not



ARIZONA CRIMINAL JUSTICE COMMISSION
GRANT AGREEMENT

**Insurance Requirements
Exhibit "A"**

Insurance Requirements for Governmental Parties to a Grant Agreement:

None.

Insurance Requirements for Any Contractors Used by a Party to the Grant Agreement:

(Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.) The insurance requirements herein are minimum requirements and in no way limit the indemnity covenants contained in the Intergovernmental Agreement. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors, and Contractor and the governmental entity are free to purchase additional insurance.

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

1. Commercial General Liability – Occurrence Form

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

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

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

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

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

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

FOR GRANTEE:

Chief Of Police

Date

Note: If applicable, the Agreement must be approved by the appropriate county supervisory board or municipal council and appropriate local counsel (i.e. county or city attorney). Furthermore, if applicable, resolutions and meeting minutes must be forwarded to the COUNCIL with the signed Agreement.

Approved as to form and authority to enter into Agreement (Excluding non-profits):

Legal counsel for GRANTEE

Date

Statutory or other legal authority to enter into Agreement (Excluding non-profits):

Appropriate A.R.S., ordinance, or charter reference

FOR OVERSIGHT COUNCIL ON DRIVING OR OPERATING UNDER THE INFLUENCE ABATEMENT:

DWayne Hartup, Chairman
OVERSIGHT COUNCIL ON DRIVING OR OPERATING
UNDER THE INFLUENCE ABATEMENT

Date

Amendments of 1972; The Age Discrimination Act of 1975; All applicable state laws of A.R.S. § 41-1463, and Executive Orders 1999-4, and 2000-4. These laws prohibit discrimination on the basis of race, color, religion, after a due process hearing against the GRANTEE, the GRANTEE will forward a copy of the findings to the COUNCIL. Additionally the GRANTEE ensures compliance with Executive Order 2005-30 federal immigration laws by state employers and contractors.

40. The GRANTEE assures that it will comply with all state and federal laws regarding privacy during the course of the award. All information relating to clients is to be treated with confidentiality.
41. This Agreement is subject to cancellation pursuant to the provision of A.R.S. § 38-511.
42. This Agreement may be cancelled at the COUNCIL'S discretion if not returned with authorized signatures to the COUNCIL within 90 days of commencement of the award.
43. 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.

- be costs effective or would impair the functionality of an existing or proposed information sharing system.
29. If the GRANTEE is a governmental political subdivision, the GRANTEE should, to the extent possible and practical share criminal justice information with other authorized criminal justice agencies. The process control number (PCN) shall be used in accordance with A.R.S. § 41-1750 when sharing data with other criminal justice agencies as electronic data systems are developed or improved.
 30. The GRANTEE agrees to notify the COUNCIL within ten (10) days in the event that the project official is replaced during the award period. If the GRANTEE is a forensic laboratory all key laboratory personnel must meet all applicable qualifications required for their positions as outlined in the National DNA Quality Assurance Standards issued by the FBI. Additionally any change in laboratory accreditation or certification must be reported to the COUNCIL within ten (10) days of the change.
 31. No rights or interest in this Agreement shall be assigned by GRANTEE without prior written approval of the COUNCIL.
 32. The GRANTEE agrees that no funds provided, or personnel employed under this Agreement shall be in any way or to any extent engaged in conduct of political activities in violation of U.S.C. Title 5, Part II, Chapter 15, Section 1502.
 33. The GRANTEE certifies that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement.
 34. The GRANTEE agrees to cooperate and participate with any and all assessments, evaluation efforts or information and data collection requests, and acknowledges that the federal or state grantor agency has the right to obtain, reproduce, publish or use data provided under this award and may authorize others to receive and use such information.
 35. The GRANTEE shall provide the COUNCIL with a copy of all interim and final reports and proposed publications (including those prepared for conferences and other presentations) resulting from this Agreement. Submission of such materials must be prior to or simultaneous with their public release
 36. The GRANTEE agrees to abide by State laws and provide accounting, auditing and monitoring procedures to safeguard grant funds and keep such records to assure proper fiscal controls, management and the efficient disbursement of grant funds.
 37. The GRANTEE agrees to follow its own agency equipment disposition policies when the equipment is no longer needed for the grant program. If the GRANTEE has no policy, reference the *Uniform Accounting Manual for Arizona Counties* authorized by the Auditor General for disposition guidelines and guideline development.
Link: *Uniform Accounting Manual for Arizona Counties* <http://www.auditorgen.state.az.us>
 38. The GRANTEE agrees expend all encumbered funds within 60 days of expiration of this award and to remit all unexpended grant funds to the COUNCIL within 30 days of written request received from the COUNCIL.
 39. The GRANTEE agrees to comply with all Federal Civil Rights Laws, including Title VI of the Civil Rights Act of 1964, as amended, Section 504, Rehabilitation Act of 1973, as amended; Subtitle A, Title II of the Americans with Disabilities Act (ADA) (1990); Title IX of the Education

Exhibit "A" Continued

2. **Automobile Liability**

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

Combined Single Limit (CSL)	\$1,000,000
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- a. The policy shall be endorsed to include the following additional insured language: ***"The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".***

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

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

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

- a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

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

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

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Agreement shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given the State of Arizona. Such notice shall be sent directly to the GRANTEE and the Arizona Criminal Justice Commission 1110 W. Washington, Suite 230, Phoenix, AZ 85007 and shall be sent by certified mail, return receipt requested.

Exhibit "A" Continued

- D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the GRANTEE and the Arizona Criminal Justice Commission with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.
- All certificates and endorsements are to be received and approved before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Agreement, or to provide evidence of renewal, is a material breach of contract.
- All certificates required by this Agreement shall be sent directly to the GRANTEE and the Arizona Criminal Justice Commission 1110 W. Washington, Suite 230, Phoenix, AZ 85007. The Commission project/contract number and project description are to be noted on the certificate of insurance. The State of Arizona and the Arizona Criminal Justice Commission reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.**
- F. **SUBCONTRACTORS:** Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the county or local government agency responsible separate certificates for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
- G. **APPROVAL:** Any modification or variation from the *insurance requirements* must have prior approval from the State of Arizona Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal contract amendment, but may be made by administrative action.
- H. **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university then none of the above shall apply.