

COST ALLOCATION AGREEMENT  
STATE AND LOCAL GOVERNMENTS

STATE OF ARIZONA  
100 N. 15<sup>th</sup> Avenue, Rm. 302  
PHOENIX, AZ 85007

DATE: April 24, 2015  
FILING REF.: The preceding  
agreement was dated:

02/24/14

G10266

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SECTION I: ALLOCATED COSTS

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The central service costs listed in Exhibit A, attached, are approved on a fixed basis and may be included as part of the costs of the State/local departments and agencies indicated during your fiscal year ended June 30, 2015 for further allocation to Federal grants, contracts and other agreements performed at those departments and agencies.

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SECTION II: BILLED COSTS

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In addition to Section I, which provides for services furnished but not billed, the services listed below are furnished and billed to State/local departments and agencies.

- Automation Service
- Telecommunication Service
- Personnel Division
- Motor Pool
- Special Services (Reproduction, Mail and Messenger, Central Supplies)
- Risk Management
- Auditor General (including ARRA admin. costs effective 2/17/09)
- Attorney General
- Government Information Technology Agency(GITA)\*
- Retirement Fund
- Health Insurance Trust Fund
- Unemployment Compensation
- Governor's Office of Economic Recovery (ARRA admin. costs effective 2/17/09)

Direct charges from the above centers will be billed in accordance with rates established by the State and included in the records of the operating department/agency responsible for providing services.

\*GITA became Strategic Transformation and Innovation (STI), part of the Arizona Department of Administration on July 1, 2011.

STATE/LOCALITY: State of Arizona

AGREEMENT DATE: April 24, 2015

SECTION III: CONDITIONS

The amounts approved in Section I and the billings for the services listed in Section II are subject to the following conditions:

A. LIMITATIONS: (1) Charges resulting from this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. (2) Such charges represent costs incurred by the State/locality which are legal obligations of the State/locality and are allowable under OMB Circular A-87. (3) The same costs that are treated as indirect costs are not claimed as direct costs. (4) Similar types of costs are accorded consistent accounting treatment. (5) The information provided by the State/locality which was used to establish this Agreement is not later found to be materially incomplete or inaccurate.

B. ACCOUNTING CHANGES: This Agreement is based on the accounting system purported by the State/locality to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from use of this Agreement require prior approval of the authorized representative of the Cognizant Agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from allocated cost to a billed cost. Failure to obtain approval may result in cost disallowances.

C. FIXED AMOUNTS: If fixed amounts are approved in Section I of this Agreement, they are based on an estimate of the costs for the period covered by the Agreement. When the actual costs for this period are determined, adjustments will be made to the amounts of a future year to compensate for the difference between the costs used to establish the fixed amounts and actual costs.

D. BILLED COSTS: Charges for the services listed in Section II will be billed in accordance with rates established by the State/locality. These rates will be based on the estimated costs of providing the services. Adjustments for variances between billed costs and the actual allowable costs of providing the services, as defined by OMB Circular A-87, will be made in accordance with procedures agreed to between the State/locality and the Cognizant Agency.

E. USE BY OTHER FEDERAL AGENCIES: This Agreement was executed in accordance with the authority in OMB Circular A-87, and should be applied to grants, contracts and other agreements covered by that Circular, subject to any limitations in Paragraph A above. The State/locality may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

BY THE STATE/LOCALITY:

STATE OF ARIZONA

(STATE/LOCALITY)

*D. Clark Partridge*

(SIGNATURE)

*D. Clark Partridge*

(NAME)

*State Comptroller*

(TITLE)

*4-30-15*

(DATE)

BY THE COGNIZANT AGENCY

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

*Arif M. Karim - S*

(SIGNATURE)

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

April 24, 2015

(DATE)

HHS Representative: Karen Wong

Telephone: (415) 437-7820

Digitally signed by Arif M. Karim - S  
DN: cn=US, o=U.S. Government, ou=HHS, ou=PSC, ou=People, cn=Arif M. Karim - S,  
c=US, email=10013-2000212895  
Date: 2015.04.30 09:21:02 -0500

**STATE OF ARIZONA STATEWIDE COST ALLOCATION PLAN  
SUMMARY OF ALLOCATED CENTRAL SERVICE COSTS FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

TOTAL ALLOCATED COSTS	DEPARTMENT OF ADMINISTRATION				DEPT OF LAW	TREASURER	SECRETARY OF STATE	GOVERNOR'S OFFICE		ADOA	
	GENERAL ACCOUNTING OFFICE	STATE PROCUREMENT SERVICE	RISK MANAGEMENT DIVISION	MAIL ROOM	ATTORNEY GENERAL	STATE TREASURER	PUBLIC RECORDS	OSPB	EQUAL OPPORTUNITY	OCCUPANCY	
<b>GENERAL GOVERNMENT</b>											
Attorney General	2,072,680	147,301	16,246	4,117	(22)	(25,210)	4,744	12,377	5,873	2,752	1,904,482
Arizona Commerce Authority	(288,083)	(16,708)	(24,056)	239	(2,258)	(2,389)	(494)	(473)	(3,819)	(364)	(237,762)
Department of Housing	171,725	58,456	(89)	107	(57)	(3,828)	1,877	856	789	(32)	113,647
Office of the Governor	480,167	33,465	21,044	453	1,572	(21,526)	1,214	(958)	498	281	444,124
Library, Archives & Public Records	(614,541)	-	(3,176)	(201)	(2,067)	(186)	-	(1,032)	-	-	(607,878)
Homeland Security	107,976	13,194	698	94	842	(573)	435	-	892	63	92,333
Secretary of State	4,231,217	37,620	9,445	1,287	9,572	(60,542)	1,798	1,644	(1,961)	528	4,231,827
Government Information Technology Agency	(84,626)	(2,072)	(338)	(27)	(40)	-	(105)	(6)	(11,000)	(127)	(70,911)
Capital Postconviction Public Defender	3,214	(389)	68	13	(30)	-	(31)	-	3,553	29	-
Supreme Court	2,902,656	108,932	2,323	406	8	(90,738)	6,518	(1,739)	25,942	692	2,850,312
<b>HEALTH AND WELFARE</b>											
Health Care Cost Containment System	395,807	252,366	46,579	1,482	-	(1,200)	7,371	(11,625)	69,731	20,748	10,355
Department of Economic Security	5,095,583	1,302,972	81,349	29,776	2,557	-	99,954	(4,553)	93,558	32,050	3,457,920
Department of Environmental Quality	2,575,630	257,552	(4,489)	411	145	(1,986)	3,731	(1,892)	40,393	1,913	2,279,852
Department of Health Services	4,361,053	392,013	25,604	6,133	4,047	(14,918)	14,150	(2,579)	79,539	7,337	3,849,728
Comm for the Deaf & the Hard of Hearing	302,029	4,642	11,689	23	1,623	-	192	-	721	61	283,077
Water Infrastructure Finance Authority	95,301	6,471	7,229	(14)	177	-	243	-	2,931	72	78,192
Veterans' Services	57,526	44,261	8,568	3,021	-	(247)	3,317	(315)	(3,923)	2,843	-
<b>INSPECTION AND REGULATION</b>											
Department of Agriculture	954,255	35,808	14,734	1,072	12,806	(987)	1,850	117	5,866	549	882,441
Dept of Building & Fire Safety	156,915	5,775	456	94	108	(2,564)	329	(499)	16,167	192	136,856
Corporation Commission	1,010,789	32,792	1,985	112	590	(2,115)	2,346	(37,376)	4,638	1,262	1,006,555
Industrial Commission	90,952	42,001	37,661	678	(230)	(30)	2,377	(488)	7,842	1,142	-
State Mine Inspector	59,293	4,678	(2,651)	412	792	(1,675)	243	5	(1,478)	57	58,911
Radiation Regulatory Agency	52,763	9,701	36,686	19	-	(1,166)	419	(110)	7,077	136	-
Board of Nursing	38,803	18,974	8,344	62	1,522	(1,337)	699	1,305	9,069	165	-
Structural Pest Control Commission	185,272	2,629	144	44	10,334	(3,156)	333	-	3,092	68	171,784
Department of Liquor Licenses and Control	64,343	7,279	1,583	98	13,955	-	431	(1)	17,015	202	23,782
Department of Insurance	677,416	37,316	2,210	72	30,219	-	1,718	-	16,769	870	588,242
State Board of Pharmacy	133,992	10,991	(603)	51	10,883	(125)	341	-	446	74	111,934
<b>EDUCATION</b>											
AZ Commission on the Arts	52,278	2,320	(1,146)	35	-	(319)	182	-	1,648	(52)	49,609
Bd of Dir for Community Colleges	24,966	-	-	-	-	-	-	(2,329)	27,295	-	-
School for the Deaf and the Blind	174,212	47,466	93,546	2,015	-	(3,327)	6,123	-	26,046	2,342	-
Department of Education	1,026,214	198,909	78,774	1,508	(1)	(207,101)	7,735	(2,017)	56,635	788	890,983
Board of Regents	11,342	1,143	251	(5)	-	-	36	124	9,687	106	-
Arizona State University	140,469	744	61,609	55,861	-	(1,724)	10	(681)	24,649	-	-
Northern Arizona University	46,940	403	22,070	17,655	-	-	10	(128)	6,930	-	-
University of Arizona	163,697	1,050	71,382	78,340	-	(1,724)	13	-	14,636	-	-
School Facilities Board	87,402	2,928	2,454	22	10	-	199	819	9,754	70	71,145
Arizona Historical Society	163,777	10,793	(1,372)	486	(117)	-	400	-	2,335	266	150,987
Early Childhood Development and Health Board	79,785	51,526	23,034	428	1,805	-	1,996	-	996	-	-
Commission for Postsecondary Education	9,886	7,949	49	26	833	-	229	-	10,213	20	(9,433)
<b>PROTECTION AND SAFETY</b>											
Department of Corrections	2,223,662	651,854	103,126	34,382	2,513	(62,752)	63,375	(8,059)	67,366	40,998	1,330,860
AZ Criminal Justice Commission	125,637	9,151	6,767	49	243	(27)	617	(53)	(1,532)	33	110,388
Dept of Emergency Svcs & Military Affairs	94,652	78,501	4,895	2,565	-	(5,036)	4,903	3	8,638	184	-
Department of Public Safety	314,039	175,012	22,856	29,520	-	(3,050)	15,172	(1,126)	66,931	8,724	-
Governor's Office of Highway Safety	7,201	7,505	(2,472)	-	-	-	471	-	1,657	40	-
Juvenile Corrections	(10,682)	25,366	7,881	1,706	(887)	(4,162)	3,842	(4,568)	(31,423)	3,562	(11,999)
Auto Theft Authority	39,120	2,386	4,645	15	484	(11)	79	-	(1,152)	25	32,650
<b>TRANSPORTATION</b>											
Department of Transportation	2,167,833	1,783,343	106,587	101,983	-	(2,062)	77,690	(24,933)	6,485	18,617	100,123
<b>NATURAL RESOURCES</b>											
Game and Fish Department	289,180	258,763	3,144	5,198	-	(2,127)	6,348	484	16,250	1,120	-
Arizona Geological Survey	399,394	16,284	505	84	330	(175)	666	-	19,200	42	362,457
State Land Department	546,927	19,141	6,599	8,496	(0)	(133,715)	943	361	14,704	626	629,773
State Parks Board	361,301	52,510	7,218	1,678	706	(21,025)	2,246	(635)	36,343	951	281,309
Arizona State Forestry Division	132,167	39,668	6,085	340	-	-	1,264	(35)	14,673	213	69,959
Department of Water Resources	(223,321)	23,469	8,927	384	-	-	955	(875)	(2,138)	848	(254,890)
<b>OTHERS</b>											
	8,136,695	415,918	901,480	17,280	183,918	(1,703,929)	24,916	61,411	526,742	10,598	7,698,362
<b>CENTRAL SERVICE</b>	7,566,679	2,088,205	100,748	8,929	36,260	(44,256)	15,451	(4,157)	94,682	1,377	5,269,442
<b>TOTAL</b>	49,441,538	8,820,327	1,938,882	419,013	323,145	(2,433,024)	391,875	(33,738)	1,418,471	165,058	38,431,528