COST ALLOCATION AGREEMENT
STATE AND LOCAL GOVERNMENTS
STATE OF ARIZONA
100 N. 15th Avenue, Rm. 302
PHOENIX, AZ  85007

DATE: May 23, 2019
FILING REF.: The preceding agreement was dated:
06/20/16   G16358

SECTION I: ALLOCATED COSTS

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, 2017 for further allocation to Federal grants, contracts and other agreements performed at those departments and agencies.

SECTION II: BILLED COSTS

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.

A. Department of Administration and Information
   1) Arizona Strategic Enterprise Technology Division
      - Automation Service
      - Telecommunication Service
      - Strategic Transformation and Innovation
   2) General Services Division
      - Motor Pool
      - Special Services (Reproduction, Mail and messenger, Central Supplies)
   3) Human Resources Division
      - Personnel Fund
      - Health Insurance Trust Fund
   4) Risk Management Division
      - Risk Management Fund
      - Unemployment Compensation

B. Department of Law - Interagency Services Agreement
C. Office of the Auditor General - Audit Services
D. Retirement Fund - ASRS

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.
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 Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200). (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 2 CFR 200, 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 2 CFR 200, and should be applied to grants, contracts and other agreements covered by 2 CFR 200, 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)

6-4-19

(DATE)

BY THE COGNIZANT AGENCY
ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Arif M. Karim - S

(SIGNATURE)

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

May 23, 2019

(DATE)

HHS Representative: Karen Wong

Telephone: (415) 437-7820
<table>
<thead>
<tr>
<th>DEPARTMENT OF ADMINISTRATION</th>
<th>TREASURY</th>
<th>SECRETARY OF STATE</th>
<th>GOVERNOR'S OFFICE</th>
<th>ADOA</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL ALLOCATED COSTS</td>
<td>GENERAL ACCOUNTING OFFICE</td>
<td>STATE PROCUREMENT SERVICE</td>
<td>RISK MANAGEMENT DIVISION</td>
<td>MAIL ROOM</td>
</tr>
<tr>
<td>Attorney General</td>
<td>2,105,798</td>
<td>77,227</td>
<td>19,997</td>
<td>1,022</td>
</tr>
<tr>
<td>Arizona Commerce Authority</td>
<td>8,057</td>
<td>600</td>
<td>332</td>
<td>-</td>
</tr>
<tr>
<td>Department of Housing</td>
<td>301,361</td>
<td>24,695</td>
<td>8</td>
<td>106</td>
</tr>
<tr>
<td>Office of the Governor</td>
<td>636,103</td>
<td>6,634</td>
<td>19,844</td>
<td>369</td>
</tr>
<tr>
<td>Homeland Security</td>
<td>111,494</td>
<td>(2,550)</td>
<td>346</td>
<td>69</td>
</tr>
<tr>
<td>Secretary of State</td>
<td>2,333,681</td>
<td>4,649</td>
<td>11,192</td>
<td>33</td>
</tr>
<tr>
<td>Capital Postconviction Public Defender</td>
<td>(5,427)</td>
<td>(57)</td>
<td>(82)</td>
<td>(7)</td>
</tr>
<tr>
<td>Supreme Court</td>
<td>2,712,246</td>
<td>55,831</td>
<td>200</td>
<td>1,268</td>
</tr>
</tbody>
</table>

**HEALTH AND WELFARE**

- Health Care Cost Containment System: 209,399
- Department of Economic Security: 5,460,318
- Department of Child Safety: 394,438
- Department of Environmental Quality: 2,050,506
- Department of Health Services: 4,151,347
- Comrn. for the Blind & the Handicapped: 110,643
- Water Infrastructure Finance Authority: 57,572
- Veterans' Services: 130,606
- Inspection and Regulation:
  - Department of Agriculture: 759,993
  - Department of Building & Fire Safety: 126,649
  - Corporation Commission: 1,005,401
  - Industrial Commission: 34,571
  - State Mine Inspector: 77,999
  - Railroad Regulatory Agency: 1,221
  - Board of Nursing: 21,251
  - Structural Pest Control Commission: 11,147
  - Department of Liquor Licensing and Control: 51,431
  - Department of Insurance: 377,051
  - State Board of Pharmacy: 118,368
- Education:
  - AZ Commission on the Arts: 42,292
  - School for the Deaf and the Blind: 38,437
  - Department of Education: 926,197
  - Board of Regents: 5,864
  - Arizona State University: 89,323
  - Northern Arizona University: 34,022
  - University of Arizona: 81,749
  - School Facilities Board: 156,942
  - Arizona Historical Society: 198,517
  - Early Childhood Development and Health Board: 97,128
  - Commission for Postsecondary Education: (2,009)
- Protection and Safety:
  - Department of Corrections: 1,022,886
  - AZ Criminal Justice Commission: 106,053
  - Dept of Emergency Svcs & Military Affairs: 151,018
  - Department of Public Safety: 201,791
  - Governor's Office of Public Safety: 5,565
  - Juvenile Courts: 355,049
  - Auto Theft Authority: 31,449
- Transportation:
  - Department of Transportation: 1,360,936
- Natural Resources:
  - Game and Fish Department: 144,867
  - Arizona Geological Survey: 150,114
  - State Land Department: 646,553
  - State Parks Board: 434,079
  - Arizona State Forestry Division: 88,850
  - Department of Water Resources: 54,648
- Others:
  - 8,144,779
  - 5,524,074
- Total: 44,735,070

**Summary of Allocated Central Service Costs for the Fiscal Year Ending June 30, 2017**

- General Accounting Office: 277,427
- State Procurement Service: 121,805
- Risk Management Division: 72,043
- Mail Room: 10,394
- State Treasurer: 955
- Public Records: 23,677
- CPS: 27,541
- Equal Opportunity: 30,086
- Occupancy: 3,305

- Total Allocated Costs: 44,735,070
- General Administration: 4,375,167
- Total State: 4,375,167