

COST ALLOCATION AGREEMENT  
STATE AND LOCAL GOVERNMENTS

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

DATE: November 15, 2010  
FILING REF.: The preceding agreement was dated:

09/08/09

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, 2010 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.

STATE/LOCALITY: State of Arizona

AGREEMENT DATE: November 15, 2010

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)

12-14-10 DEC 15 2010  
 (DATE)

BY THE COGNIZANT AGENCY  
 ON BEHALF OF THE FEDERAL GOVERNMENT  
 DEPARTMENT OF HEALTH AND HUMAN SERVICES  
 (AGENCY)

*Wallace Chan*  
 (SIGNATURE)

Wallace Chan  
 (NAME)

Director, Division of Cost Allocation  
 (TITLE)

November 15, 2010  
 (DATE)

HHS Representative Karen Wong  
 Telephone (415) 437-7820

**STATE OF ARIZONA STATEWIDE COST ALLOCATION PLAN**  
**SUMMARY OF ALLOCATED CENTRAL SERVICE COSTS FOR THE FISCAL YEAR ENDING JUNE 30, 2010**

	DEPARTMENT OF ADMINISTRATION				DEPT OF LAW	TREASURER	LEGISLATURE	GOVERNOR'S OFFICE		ADDA	
	TOTAL ALLOCATED COSTS	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	3,321,316	48,314	6,151	870	-	327,896	2,235	123,439	54,322	3,839	2,754,250
Department of Commerce	578,154	28,371	(11,232)	98	5,603	52,597	887	1,023	15,882	550	484,365
Department of Housing	445,077	25,841	(2,693)	73	(127)	(2,429)	1,221	5,854	10,738	98	406,704
Office of the Governor	824,314	15,177	37,820	146	1,438	(1,044)	580	4,457	2,197	764	762,779
Library, Archives & Public Records	1,228,396	11,092	(5,234)	138	4,393	(572)	420	737	3,531	660	1,213,232
Homeland Security	286,479	5,627	-	13	-	29,402	236	-	29,311	-	220,889
Secretary of the State	1,037,991	8,476	1,193	152	10,017	582,566	302	7,877	5,297	631	421,680
Supreme Court	5,310,966	94,427	4,793	2,399	-	218,152	3,367	46,573	20,129	2,533	4,918,683
<b>HEALTH AND WELFARE</b>											
Health Care Cost Containment-System	503,125	135,533	38,448	2,407	-	(487)	6,498	105,915	171,495	10,855	29,461
Department of Economic Security	3,643,463	715,654	213,181	19,451	(52)	(11,382)	20,871	115,028	132,426	27,522	2,410,763
Department of Environmental Quality	2,886,626	404,197	(18,682)	1,187	(16)	(167,301)	9,827	10,052	12,800	3,361	2,641,301
Department of Health Services	4,573,861	236,128	162,638	5,977	8,656	(12,318)	12,246	34,336	25,543	11,435	4,089,219
Cont'n for the Deaf & the Hard of Hearing	81,440	3,304	787	27	2,185	(49)	157	-	644	110	74,294
Veterans' Services	257,272	30,687	54,853	487	(1)	123,509	664	389	43,740	2,944	-
<b>INSPECTION AND REGULATION</b>											
Department of Agriculture	866,754	21,336	(6,839)	399	10,621	12,720	853	306	21,755	1,712	803,891
Dept of Building & Fire Safety	229,322	-	604	53	-	(1,363)	67	5,501	1,366	378	218,739
Corporation Commission	1,399,561	24,455	(2,168)	(52)	(388)	153,842	461	50,566	(26,292)	2,137	1,196,001
Industrial Commission	51,709	38,693	9,500	365	(420)	-	719	3,934	-	1,963	-
State Mine Inspector	92,445	1,422	(2,402)	(362)	1,051	6,933	63	-	18,481	110	67,169
Radiation Regulatory Agency	16,218	3,903	(7,333)	38	-	9,597	164	777	8,805	268	-
Board of Nursing	23,130	11,611	(699)	52	-	(1,210)	307	3,367	9,429	273	-
Structural Pest Control Commission	73,321	1,236	(7,413)	31	-	5,285	(2)	-	(451)	305	74,320
State Board of Pharmacy	220,788	7,023	445	38	14,265	318	250	-	6,357	235	191,858
<b>EDUCATION</b>											
AZ Commission on the Arts	52,598	1,394	(3,561)	22	-	(1,035)	79	-	4,689	74	50,937
Bd of Dir for Community Colleges	12,138	-	-	-	-	-	-	837	11,301	-	-
School for the Deaf and the Blind	36,419	31,073	11,169	947	8	(13,408)	592	-	2,237	3,802	-
Department of Education	2,113,178	108,203	21,788	(124)	-	856,356	5,002	13,312	(65,950)	1,966	1,172,626
Board of Regents	22,694	664	284	126	-	12,035	9	96	9,300	160	-
Arizona State University	118,039	407	92,545	26,544	-	(1,169)	20	7,092	(7,400)	-	-
Northern Arizona University	34,152	146	23,517	7,002	-	-	8	2,286	1,193	-	-
University of Arizona	103,837	650	72,025	30,342	-	(2,763)	33	-	3,551	-	-
Commission for Postsecondary Education	57,553	4,072	247	21	-	10,166	145	197	14,832	131	27,742
<b>PROTECTION AND SAFETY</b>											
Department of Corrections	2,049,130	262,722	153,957	11,939	5,421	64,233	6,833	144,817	148,237	62,985	1,197,985
AZ Criminal Justice Commission	204,176	8,825	9,413	35	378	(123)	207	-	2,013	58	183,370
Dept of Emergency Svcs & Military Affairs	33,986	29,618	(23,587)	1,443	-	(2,525)	1,303	-	27,075	619	-
Department of Public Safety	315,563	161,849	38,763	13,222	-	65,419	3,250	24,262	(6,010)	15,017	-
Juvenile Corrections	754,930	55,039	38,918	2,512	2,928	24,073	2,738	11,760	16,214	7,535	593,213
Auto Theft Authority	57,634	2,635	148	20	4	-	94	-	883	78	53,772
<b>TRANSPORTATION</b>											
Department of Transportation	2,025,889	1,401,108	75,232	43,305	2,733	317,572	26,872	80,618	25,373	31,344	21,732
<b>NATURAL RESOURCES</b>											
Game and Fish Department	349,817	320,608	495	3,435	-	218	5,617	2,755	14,711	1,778	-
Arizona Geological Survey	89,479	8,764	125	16	-	238	272	-	25,662	80	54,322
State Land Department	654,764	35,867	11,762	2,248	(5)	(238,400)	1,586	2,837	18,686	1,656	818,525
State Parks Board	383,722	50,481	(3,024)	1,405	-	89,450	1,570	2,853	13,032	1,615	226,341
Department of Water Resources	435,233	25,478	19,011	53	(127)	127	765	13,732	11,524	1,718	382,951
<b>OTHERS</b>	6,776,823	1,161,033	99,491	11,769	139,158	44,853	1,518	306,951	351,786	22,382	4,637,884
<b>CENTRAL SERVICE</b>	6,602,469	1,387,345	867,809	6,916	11,438	(41,095)	70,482	62,992	9,175	6,562	4,240,845
<b>TOTAL</b>	<b>51,245,633</b>	<b>6,918,089</b>	<b>1,972,253</b>	<b>197,093</b>	<b>219,140</b>	<b>2,608,894</b>	<b>191,389</b>	<b>1,197,329</b>	<b>1,197,363</b>	<b>232,258</b>	<b>36,611,845</b>