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MEMORANDUM OF UNDERSTANDING/CONTRACT
FOR HELP AMERICA VOTE ACT (HAVA) 2005 MAY 31 PM 2:46

This Agreement is made this 24th day of May, 2005, between the State of Arizona by and through the Secretary of State and Gila County, a political subdivision of the State of Arizona.

I. Recitals

1. The Help America Vote Act (HAVA) is a federal and state effort to improve the voting process in America and Arizona. The HAVA project is made up of sub-projects that include:

- Adios Chad - A sub-project to facilitate the replacement of punch card voting systems in the ten Arizona counties where punch card voting systems were used in the 2000 General Election.
- Accessible Voting Systems - A sub-project to purchase and place one accessible voting system in each precinct in all fifteen counties.
- Language Accessibility - An effort to ensure that language accessibility is addressed in the electoral process.
- Physical Accessibility - A sub-project to improve the physical accessibility to polling places.
- Provisional Balloting - A sub-project to allow voters to determine the status of their provisional ballot free of charge.
- Voter Education - a sub-project to educate the public on new laws, procedures, and practices concerning HAVA.
- Voter Registration Arizona (VRZ) - A sub-project to establish a statewide voter registration system that will comply with HAVA Title III. The statewide voter registration system is intended to protect the integrity of the electoral process by ensuring the maintenance of an accurate and current voter registration list through common systems, procedures, and training.
- Grievance System - A sub-project to provide a toll free number and call tracking system for voters to get assistance with their reporting of an official grievance.
- Poll Worker Training - A sub-project to ensure that poll workers are trained properly on the new voting equipment, new voting laws, and other election processes and procedures related to HAVA.
- Election Official Training - A sub-project to ensure that election officials are trained properly on new voting technologies, new voting laws, and other election processes and procedures related to HAVA.
- Telecommunications - A sub-project to ensure that the telecommunications infrastructure is properly addressed to handle the new requirements of HAVA.
- Military and Overseas - A sub-project to enhance the voting process for military and overseas voters.

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2. The State of Arizona is a leader in the country in the implementation of HAVA.
3. The State of Arizona by and through the Secretary of State wishes to increase the commonality among voting equipment, voter registration systems, and voting processes and procedures in Arizona counties to facilitate and increase compliance with election standards, gain economies of scale, and increase cooperation between counties.
4. The Secretary of State's Office will act as a contract administrator for statewide contracts (if applicable) for voting machines, voter registration systems, and related election system products to maximize the purchasing power of the State and the counties. The County will own and operate the new voting systems. The County will be responsible for the maintenance of new voting related systems.
5. It is the intention of Secretary of State and the County that the procurement of the accessible voting devices (touch screen voting devices) will be accomplished and the equipment installed by the County in time for the elections in 2006 or when the Secretary of State makes funds available.
6. It is the intention of the Secretary of State and the County that an acceptable solution for VRAZ Phases II and III, as set forth in the Arizona HAVA State Plan, is in place by the summer of 2006.
7. If all requirements of HAVA are met and some HAVA monies remain, the Secretary of State will apply some or all of the monies towards maintenance items in a fair and equitable manner to all counties.

II. Agreement

1. The County Board of Supervisors and County Recorder will be responsible for the County's compliance with this Agreement and the County reporting requirements outlined in the State Plan attached hereto and incorporated as apart hereof, in return for which the County will receive HAVA funds for its purchase of qualifying voting systems, equipment, external labor or other HAVA qualified items.
2. The County will use State of Arizona contracts, if applicable, for voting equipment and voter registration systems or other HAVA qualified items, if utilizing HAVA funds.
3. The County will follow the funding process described in section III.
4. Reimbursement for HAVA expenses, where the county plans to use HAVA funds, need to have prior approval from the Secretary of State.
5. The County will follow all federal reporting and audit requirements related to receiving federal monies.

6. The Secretary of State will be solely responsible for the distribution of HAVA funds. Funds will be distributed by the Secretary of State based on the priorities established in the state plan and the availability of funds from the Federal Government. The Secretary of State and the State of Arizona shall have no liability under this Agreement except to distribute HAVA funds in accordance with the State Plan.
7. The County must also submit a copy of its budget that contains the 2000 election cycle spending amounts to establish baseline amounts for the efforts already in practice. It is incumbent upon the County to maintain the baseline budget for its elections. HAVA funding may not be used to replace any current or future spending by the County for elections.
8. The County shall use established accounting and project management practices for all aspects of the project and shall retain all data, books, and other records related to this Agreement for a period of five years after completion of the project. All records shall be subject to inspection and audit by the Secretary of State, or designee, at reasonable times.
9. As part of the consideration for HAVA funding the County will provide the Secretary of State with reports, as requested from time to time, concerning the status of the County's progress on HAVA, explaining any schedule variances.
10. The County is responsible for additional funding which may be required for specific implementation for any items that are not reimbursable according to the state plan and this Agreement.
11. The County and the Secretary of State's Office will perform a post implementation evaluation of the project or sub-projects.
12. Upon completion of any of the sub projects, the County will approve and accept the project as complete. The County will be responsible for ongoing maintenance and operational costs of all equipment and software after HAVA funds are depleted.
13. Compliance with the terms of this Agreement and with the project management and time schedules will establish County eligibility to receive payments from the state election fund. Any portions not in compliance, or not completed on the time schedule will delay payments until such time the County has complied with the necessary requirements. Failure to comply with this Agreement for more than six months may release the state election fund from commitment to provide such funds.
14. This agreement shall be in effect through the Federal fiscal year 2007.
15. To provide uniformity within this agreement, the counties and the State shall enter into a "user group" which will help facilitate modifications and enhancements to the HAVA project.

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III. Funding Process

1. The County will submit a detailed request for voting equipment, systems, external labor, or other HAVA qualified item it plans to purchase to the Secretary of State's Office.
2. The Secretary of State's Office will review and approve/disapprove requests. If approved, the Secretary of State may also adjust the reimbursement amount to the County based on the availability of funds and the priorities established in the state plan.
3. If funding request is approved, the County will generate a purchase order for the voting equipment, voting systems, external labor, or other HAVA qualified item and submit the purchase order to the Secretary of State for approval prior to actually ordering the equipment, systems, external labor, or other HAVA qualified item.
4. Upon approval of the purchase order, the Secretary of State's Office will cause the approved amount to be transferred to the County within 30 days.
5. The County will purchase the voting equipment, systems, external labor, or other HAVA qualified item through statewide contracts, if applicable, and take appropriate steps to accept or reject delivery of the items purchased and be responsible for the maintenance of the purchased items.
6. The County will send the Secretary of State's office copies of the final receipts or delivery invoices that show the exact amount of goods received and amounts paid within two weeks of payment.

IV. Miscellaneous

1. In the event the Secretary of State determines as a result of an audit conducted pursuant to this Agreement that County is not in compliance with each of the requirements of this Agreement and the plan submitted by the County or an excess payment has been made to the County under this Agreement, the County shall repay to the Secretary of State a portion of the funds provided which reflects the proportion of the requirements with which County is not in compliance, or the extent of the excess payment.

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2. This Agreement shall be governed by the laws of the State of Arizona

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Secretary of State
State Of Arizona

Gila County Board of Supervisors
County of Gila

By: *Janice K. Brown*
Print: _____

By: *José M. Sanchez*
Print: José M. Sanchez

Title _____

Title: Chairman

Gila County Recorder

By: *Linda Haught Ortega*

Print: Linda Haught Ortega

Title: Recorder

Approved as to form:

Gila County Attorney

By: *Bryan Chambers*

Print: Bryan Chambers

Title: 2nd Chief Deputy

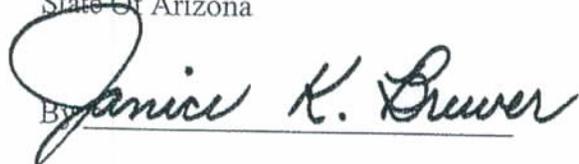
**MEMORANDUM OF UNDERSTANDING/CONTRACT
FOR HELP AMERICA VOTE ACT (HAVA)
AMENDMENT NO. 1**

The Memorandum of Understanding/Contract for Help America Vote Act ("Agreement") between the same parties listed below and dated the 24th day of May, 2005, is hereby amended by this Amendment No. 1. as follows:

Delete the termination date of the Agreement stated in Section II, Paragraph 14 as the "end of the Federal Fiscal Year 2007", and insert the new termination date of the "end of the Federal Fiscal Year 2010."

All other terms of the Agreement not specifically addressed by this Amendment No. 1 shall remain the same.

Secretary of State
State Of Arizona

By: 

Print: Janice K. Brewer

Title: Secretary of State

Date: April 2, 2007

Gila County Board of Supervisors
County of Gila

By: 

Print: José M. Sanchez

Title: Chairman

Date: March 27, 2007

Gila County Attorney

By: 

Print: Bryan Chambers

Title: Chief Deputy County Attorney

Date: March 27, 2007

Gila County Recorder

By: 

Print: Linda Haught Ortega

Title: Gila County Recorder

Date: March 27, 2007