CONTRACT RENEWAL PACKET FOR FY15
CHECK LIST

Agency Gila County Community Services

Check that the following items are included with your renewal packet. The items listed below are to be addressed and included in the renewal proposal. Where indicated submit the required supporting documents.
Incomplete renewal applications will be returned for correction. This may delay the renewal of the contract.

__√___ Contract Operating Budget (Complete and submit)

__√___ Itemized Service Budget (Complete and submit. Not applicable to Rate Contracts. Required for Fixed Price with Price Adjustment Contracts only. See attached instructions and sample.)

__√___ Non-Federal and In-Kind Resources (Complete one page for each service and submit)

__√___ Cost Allocation Plan for FY15. (Complete and submit. Not applicable to Rate Contracts)

__√___ Scope of Work (Submit a copy of the Scope of Work as provided).

__√___ Program Administration – Annex A (Complete and submit)

__√___ Section 5.5 Staffing Sheet. (Complete and submit)

__√___ Section 5.6 Facility Location Sheet (Complete and submit)

__√___ Most Recent Audit Report or Single Audit Report OMB A-133 including management letter and auditor's opinion letters.

__√___ Inventory (Inventory Form: Only required for equipment purchased under PGCSC Contract)

__n/a__ Copy of current license(s) (as applicable).

__√___ Copy of current certificate of insurance listing appropriate additional insured. (Copy of minimum insurance requirements and sample insurance certificate are attached)

PROGRAM SPECIFIC INFORMATION THAT IS TO BE SUBMITTED WITH YOUR RENEWAL APPLICATION.

SENIOR CENTERS ONLY:

_____ Copy of proposed nutrition education programs for the first quarter for Congregate and Home Delivered Meals.

_____ Copy of proposed staff training activities for the year.

_____ Meals on Wheels Form (Complete form and submit if the Center is using volunteers for the delivery of home delivered meals)

HOME CARE PROVIDERS ONLY:

_____ For **Home Care*** providers only, submit on a single sheet of paper you procedure for handling staff shortages, and staff being unavailable for work due to illness, vacation, etc.

_____ For **Home Care** providers only, submit on a single sheet of paper the procedure that is you to schedule visits to the participant.

CASE MANAGEMENT ONLY:

_____ For **Case Manager** providers only, submit on a single sheet of paper the procedure that is used to prioritize service to new participants when there is a waiting list.

*Home Care is defined as providers of housekeeping, personal care and in-home respite services.

GILA COUNTY HOUSING SERVICES

PROPOSED BUDGET

Agency Name: Contract Number:		FOR PERIOD	Prepared by: Christine Lopez	Date: May 15, 2014
Gila County Community Services Division		From: July 1, 2014 To: June 30, 2015		

Services	Minor Home Repair							GRAND TOTAL
Totals	16,000	0	0	0	0	0	0	6,242
AREA AGENCY CEILING	6,242							6,242
TITLE V								0
U.S.D.A.								0
ALTCS								0
OTHER CEILING								0
OTHER CEILING								0
OTHER CEILING								0
REIMBURSEMENT CEILING	6,242	0	0	0	0	0	0	6,242
VOLUNTARY CONTRIBUTION								0
COST SHARE								
NON-FEDERAL INKIND								0
NON-FEDERAL CASH								0
OTHER NON-FEDERAL CASH								0
TITLE V								0
OTHER FEDERAL								0
Budget Categories				EXPENSES				
Personnel								0
ERE								0
Professional/Outside	6,000							6,000
Travel								0
Space								0
Equipment								0
Material/Supplies	242							242
Operating Svcs.								0
Allocated Indirect								
SUBTOTAL/Direct Svcs.								6,242
SUBTOTAL/Purchased Svs.	6,242	0	0	0	0	0	0	
SERVICE TOTAL	6,242	0	0	0	0	0	0	6,320
No. of Units Direct								
No. of Units Purchased	24							
Unit Rate/Direct	250.00							
Unit Rate/Purchased	260.0833333	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Unit Rate/Contract								

ITEMIZED SERVICE BUDGET

FOR CONTRACT SERVICE: Minor Home Repair
PROVIDER NAME: Gila County Division of Health and Community Services
Contract Period: 7/01/2014 to 6/30/2015

I. PERSONNEL

Number of Positions	FTE Level	Position Title	Salary for Contract Period	% Allocated to Service	Service Cost
1	1	Housing Services Manager	$-0-	$ 0	-0-
1	1	Davis Bacon Clerk	$-0-	$0	-0-
1	1	Admin. Assistant	$-0-	$0	-0-
1	1	Housing Rehab Spec.	$-0-	$0	-0-
		TOTAL PERSONNEL COST:			**$-0-**

II. EMPLOYEE RELATED EXPENSES

Item	Basis	Service Cost
	TOTAL EMPLOYEE RELATED EXPENSES	**$-0-**

III. PROFESSIONAL AND OUTSIDE SERVICES

Item	Basis	Service Cost
N/A		
	TOTAL PROFESSIONAL & OUTSIDE SERVICES	**-0-**

IV. TRAVEL

Item	Basis	Service Cost
	TOTAL TRAVEL:	**$-0-**

V. SPACE

Item	Basis	Service Cost
N/A		
	TOTAL SPACE EXPENSES	**-0-**

VI. EQUIPMENT

Item	Basis	Service Cost
N/A		
	TOTAL EQUIPMENT EXPENSES	**-0-**

VII. MATERIALS AND SUPPLIES

Item	Basis	Service Cost
General Office Supplies	$20.16/mo x 12 mo = $242.00	$ 242.00
Postage		
	TOTAL MATERIALS AND SUPPLIES:	**$ 242.00**

VIII. OPERATING SERVICES

Item	Basis	Service Cost
N/A		
	TOTAL OPERATING SERVICES	**-0-**

IX. INDIRECT COSTS

Item	Basis	Service Cost
	TOTAL INDIRECT COSTS	**$-0-**

X. DIRECT SERVICES

Item	Basis	Service Cost
Home Repair and Renovation	24 clients @ $250.00 each	$6,000.00
	TOTAL DIRECT SERVICES COSTS	**$6,000.00**

Fund Sources:

Pinal-Gila Council for Senior Citizens	$6,242.00

Prepared: 04-15-14

Non-Federal, In-Kind and Other Resources

Identify in the space provided the various Non-Federal and any other resources that will be reported as revenues for each service proposed.

SERVICE: Home Repair/Renovations

Non Federal Resources (identify by resource name, such as United Way, fund raiser, County, City, etc.)

Name	Cash	In-Kind	Amount
Utility Repair, Replacement & Deposit Assistance	X		$ 63,589.00
Southwest Gas Corp	X		$ 6,039.00
Arizona Public Service	X		$90,000.00
Freeport McMoRan Community Investment Fund	X		$10,000.00

Other Resources (identify by resource name, such as FIMA, Title V etc.)

Name	Cash	In-Kind	Amount

COST ALLOCATION PLAN
FY 2014-2014

Cost	Allocation
Minor Home Repair	24 clients assisted with $250 per unit x 100% charged to Pinal Gila Council for Senior Citizens funding.

22.0 HOME REPAIR AND RENOVATIONS

22.1 Purpose Statement

The service helps to assist older adults to obtain adequate housing, including residential repair and renovation projects designed to enable older adults to maintain their homes in conformity with minimal housing standards.

22.2 Service Description

22.2.1 Taxonomy Definition – A service that provides for safety and/or structural repairs to the home.

22.2.2 Home repair increases or maintains independence of eligible individuals.

22.2.3 Home repair increases the individual's mobility, safety, and access to and around the home.

22.2.4 For purposes of the Family Caregiver Support Program, this service is provided as a supplemental service, on a limited basis, to complement the care provided by the caregiver.

22.2.5 Eligibility Requirements - The Contractor shall provide services to individuals and caregivers that meet the eligibility requirements as described in Chapters 3100 and 3600 of the DAAS Policy and Procedure Manual, as may be amended.

22.3 Service Requirements – The Contractor shall:

22.3.1 Ensure that all subcontractors receive an orientation to the Contractor's agency and to the target group being served.

22.3.2 For purposes of the Family Caregiver Support Program, ensure that services are provided on a temporary and limited basis as defined in the DAAS Policy and Procedures Manual, Chapter 3600, as may be amended.

22.3.3 Examine and utilize all other available resources (e.g., funding) prior to providing the service.

22.3.4 Assess the adequacy of the individual or caregiver's residences in relation to his/her needs, desires and preferences, and specify/document the needed structural repairs or adaptations.

22.3.5 Adapt, repair or build structural items which increase the person's ability to perform activities of daily living independently or which eliminate unsafe conditions, such as, but not limited to:

1. Building of ramps.
2. Cooler and heater repair/maintenance.
3. Widening of doorways.
4. Installation of grab bars.
5. Screen repair.
6. Installation of safety mats.
7. Window repair.
8. Minor roof repair.
9. Door repair.
10. Floor repair.

22.3.6 Any adaptations to be done to rental property shall have prior signed consent of the owner/landlord.

22.4 Licensure/Certification Requirements – The Contractor shall:

22.4.1 Comply with all federal, state and local licensure/certification requirements.

22.4.2 Ensure that materials and work meet industry standards.

22.4.3 Ensure that all repairs and adaptations conform to state and local building codes.

22.5 Performance Measure

22.5.1 Number of clients that receive services annually.

22.6 Reporting Unit

22.6.1 One unit of service equals one repair or adaptation.

PROGRAM/ADMINISTRATION SECTION

1.0 Authorized Signatory for Contractor:

1.1 Gila County Community Services Division, FEI No. 86-6000444
PROVIDER AGENCY NAME — FEDERAL EMPLOYER IDENTIFICATION NUMBER

5515 S. Apache Ave., Suite 200, Globe, AZ 85501 — 928-425-7631
Address — Phone Number

1.2 Michael A. Pastor — Chairman, Gila Co. Board of Supervisors
Name of Principal Authorized Signatory — Title

To execute contracts and amendments and is responsible for the delivery of Contract Services during the term of this Contract.

1.3 In the absence of the principal authorized signatory named above, Malissa Buzan (Name) Director (Title) is authorized to sign this Contract and any amendments thereto on behalf of the Provider.

2.0 Notices:

2.1 The PGCSC AAA shall address all notices relative to this Contract to the attention of:

Malissa Buzan, Director, Gila County Community Services
Name and Title
5515 S. Apache Ave., Suite 200, Globe, Arizona 85501 — 928-425-7631, Ext. 8693
Address — Phone Number
FAX: 928-425-9468 — E-MAIL: mbuzan@gilacountyaz.gov

2.2 Daily contact regarding programmatic issues for this contract:

Malissa Buzan, Director, Gila County Community Services
Name and Title
5515 S. Apache Ave., Suite 200, Globe, Arizona 85501 — 928-425-7631, Ext. 8693
Address — Phone Number
FAX: 928-425-9468 — E-MAIL: mbuzan@gilacountyaz.gov

2.3 Financial contact for issues regarding to this contract:

Nick Montague, Fiscal Manager
Name and Title
5515 S. Apache Ave., Suite 200, Globe, Arizona 85501 — 928-425-7631, Ext. 8652
Address — Phone Number
FAX: 928-425-9468 — E-MAIL: nmontague@gilacountyaz.gov

2.4 The Provider shall address all notices relative to this Contract to the attention of:
2.5

Olivia B. Guerrero, President/CEO
Pinal-Gila Council for Senior Citizens
8969 W. McCartney Road
Casa Grande, AZ 85194-7432

Telephone Number: 520-836-2758
Fax: 520-421-2033
E-Mail: oliviag@pgcsc.org

3.0 Contract Term:

The term of this Contract shall begin on July 1, 2014
■ or the date of last signature, whichever is later, and shall terminate on June 30, 2015

4.0 Contract Purpose: The Contract Services to be provided during the term of this Contract shall address the problem(s) and need(s) and seek to achieve program goals described below.

The target populations and needs are identified and specified in the Area Agency on Aging Area Plan for Services and the Area Plan Amendments.

Contract Goal: To plan, coordinate and implement a comprehensive system of services for the elderly in accordance with the Older Americans Act of 1965 (42 U.S.C., and 3001, et. seq.); the OAA Regulations 45 CFR part 1321): DHHS Grant Administration Regulations (45 CFR part 74): and other applicable laws, rules and policies.

5.0 Contract Services and Service Delivery

5.1 Scopes of Work:

Each Contract Service to be provided during the term of this Contract shall be delivered in accordance with the requirements indicated in this contract.

5.2 Subcontractor

[ ] Any portion of the Contract Services to be provided under this contract by Subcontractors as identified in Section 5.6 of Annex A Section, the Contractor understands and warrants that no work shall be performed by a Subcontractor until the subcontract document has been reviewed by and approved in writing by the authorized PGCSC representative.

5.3 The Contract Services marked (x) below indicate the service(s) to be delivered during the term of this Contract to eligible persons are:

☒ Minor Home Repair/Renovation	_____ Congregate Meals	Home Care Cluster:
____ Respite (Group)	_____ Home Delivered Meals	_____ Home Health Aid
____ Respite (In-Home)	_____ Transportation	_____ Housekeeping
____ Case Management	_____ Legal	_____ Nursing
____ FCSP Case Management		_____ Personal Care

5.4 Eligibility Criteria, Intake Procedures and Case Records:

5.4.1 Eligibility Criteria

[x] A. Title III:

Aging Services Eligibility criteria is limited to the descriptions in 45 CFR Part IV. "Grants for State and Community Programs on Aging," and Title XVI of the Social Security Act, as amended, and as identified in Aging & Adult Administration's Policy and Procedure Manual – 2004 and PGCSC Policies and Procedures.

[ ] B. Supplemental Payment Program:

The Supplemental Payments Program (SPP) had been considered an entitlement program for some clients receiving Housekeeper, Home Health Aid and/or Visiting Nurse services until June 30, 1993. It is now a discretionary program, based upon funding availability. Individuals who were enrolled in the SPP Prior to 6/30/1993 were authorized to maintain monthly payments to purchases services as long a eligibility is maintained.

5.4.2 Intake Procedures

A. Providers will be required to adhere to PGCSC's Central Intake System for all client tracked (case managed) services.

B. As required for individual services per Aging & Adult Administration's Policy and Procedure Manual Chapter 3000, Section 3140 and PGCSC policies and procedures.

C. Providers will be required to adhere to Aging & Adult Administration's Policies with respect to entry of client data and service billing on the DAARS system.

5.4.3 Case Records

Case records shall be maintained as specified in the Aging & Adult Administrations Policy and Procedures 3000, Section 3140 and PGCSC policies and procedures.

5.5 Staffing:

Each Contract Service shall be provided by the following personnel positions:

Contract Service Name	Position Title	No. of FTEs	Ratio of Direct Care Staff to Clients
Home Repair/Renovations	Housing Administrator	1	n/a
	Housing Rehab Specialist	1	n/a
	Director	1	n/a
	Grants Administrator	1	n/a
	Fiscal Manager	1	n/a

Section 5.6

FACILITY LOCATION CHART

Contract Services may be delivered only at the facilities and locations specified below and will be available during the hours of operation indicated:

NAME OF FACILITY, ADDRESS, PHONE AND FAX NO. WHERE SERVICES(S) WILL BE PROVIDED.	CONTRACT SERVICE(S)	SUB	Days & Hours of Operation	Geographic Coverage
Gila County Community Services 5515 S. Apache Ave., Suite 200 Globe, Arizona 85501	Home Repair/Renovations		Monday – Friday 8:00am – 5:00pm	All of Gila County, including Globe, Miami, Claypool, Hayden, Winkelman, Roosevelt, Tonto Basin, Young, Gisela, Pine, Strawberry, Payson, Star Valley
Gila County Community Services 107 W. Frontier St, Bldg C Payson, Arizona 85541	Home Repair/Renovations		Monday – Friday 8:00am – 5:00pm	

The Contractor's Administrative office will not be open on those holidays marked below (darken box for applicable holidays):

☒ New Year's Day	☐ Good Friday	☐ Yon Kippur	(Other
☒ Martin Luther King, Jr.'s Birthday	☒ Memorial Day	☐ Columbus Day	☐ Floating Holiday
☐ Lincoln's Birthday	☒ Independence Day	☒ Veteran's Day	☐ _____
☐ Washington's Birthday	☒ Labor Day	☒ Thanksgiving Day	☐ _____
☒ Presidents' Day	☐ Rosh Hashanah	☒ Christmas Day	☐ _____

☐ The holidays indicated above apply only to the administrative office; services are provided 24 hours.

*Contractor may add/delete facility locations and/or subcontractors pursuant to 4.5.9 of the Scope of Work.

Pinal-Gila Council for Senior Citizens
Area Agency on Aging
8969 W. McCartney Road
Casa Grande, Arizona 85194-7432
(520) 836-2758 1-800-293-9393
Fax (520) 421-2033 E-mail: info@pgcsc.org

May 13, 2014

Ms. Malissa Buzan, Housing Services Manager
Gila County Division of Health and Community Services
Housing Division
5515 S. Apache Avenue, Ste. 200
Globe, AZ 85501

Dear Ms. Buzan:

The Pinal-Gila Council for Senior Citizens Board of Directors has authorized the renewal of the July 1, 2013 – June 30, 2014 contract with Gila County Division of Health and Community Services for home repair/renovation in Gila County for the period of July 1, 2014 – June 30, 2015. The contract is to be renewed as a fixed price with price adjustment with an AAA reimbursement ceiling of:

AAA Ceiling Amount	Service
• $ 6,242	(RPR) Home Repair/Renovation

Allocations are subject to change by Pinal-Gila Council for Senior Citizens, Inc., based on the funding available from the Older Americans Act, Social Services Block Grant, the State of Arizona Appropriations and other fund sources.

Enclosed with this letter is a renewal packet. The renewal packet contains all the forms that are to be used. Upon request these forms will be transmitted to you electronically for ease in completing. The "Check List" outlines the information that is required. Along with the checklist, all information is to be submitted in the order outlined on the list, the use of "on file" is not permitted.

Please forward your completed packet to my attention at the address noted above on or before **June 6, 2014**. Electronically transmitted or faxes will not be accepted. Failure to submit the renewal packet by the due date may result in the non-renewal of your contract and loss of funding.

Should you have any questions, please contact Olivia Guerrero, President/CEO or myself at 520-836-2758.

Sincerely,

Ana G. Medina

Ana G. Medina
Chief Operating Officer

Enclosure: Contract Renewal Packet

CC: File

GILA COUNTY, ARIZONA

SINGLE AUDIT

YEAR ENDED JUNE 30, 2012

GILA COUNTY, ARIZONA
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YEAR ENDED JUNE 30, 2012

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Report Issued Separately:
Annual Financial Report

CliftonLarsonAllen

CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Auditor General of the State of Arizona

Board of Supervisors of
Gila County
Globe, Arizona

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Gila County (the County), as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements and have issued our report thereon dated May 13, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

The County's management is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Gila County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of Gila County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Gila County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's basic financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2012-01 through 2012-12 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompany schedule of findings and questioned costs as item 2012-13 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Gila County's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

We also noted certain matters that we reported to management of Gila County in a separate letter dated May 13, 2013.

Gila County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Gila County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the members of the Arizona State Legislature, the Auditor General of the State of Arizona, management, the Board of Supervisors, others within the County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP
Phoenix, Arizona
May 13, 2013

CliftonLarsonAllen

CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Auditor General of the State of Arizona

Board of Supervisors of
Gila County
Globe, Arizona

Compliance

We have audited Gila County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Gila County's major federal programs for the year ended June 30, 2012. Gila County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on Gila County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Gila County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Gila County's compliance with those requirements.

In our opinion, Gila County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. The results of our auditing procedures also disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2012-14, through 2012-18.

The Auditor General of the State of Arizona
Board of Supervisors of
Gila County

Internal Control over Compliance

Management of Gila County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Gila County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Gila County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2012-14, 2012-15, 2012-16, 2012-19 and 2012-20 to be material weaknesses.

A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2012-17 and 2012-18 to be significant deficiencies.

Gila County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Gila County's responses and, accordingly, we express no opinion on the responses.

The Auditor General of the State of Arizona
Board of Supervisors of
Gila County

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Gila County as of and for the year ended June 30, 2012, and have issued our report thereon dated May 13, 2013, that contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is the responsibility of the County's management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the members of the Arizona State Legislator, the Auditor General of the State of Arizona, management, the Board of Supervisors, others within the County, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP
Phoenix, Arizona
May 13, 2013

GILA COUNTY, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number		Expenditures
U.S. Department of Agriculture				
Passed through the Arizona Department of Health Services				
Commodity Supplemental Food Program	10.555	HG861159-2, HG861159-1		$ 5,617
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	HG861141, HG861141-2		325,847
Secure Payments for States and Counties Containing Federal Lands	10.665	N/A - Direct		1,567,233
Passed through the U.S. Forest Service, Tonto National Forest				
Forest Service Pavement Maintenance Project	10.Unknown	None		72,114
Total U.S. Department of Agriculture				1,970,811
U.S. Department of Housing and Urban Development				
Section 8 Housing Choice Vouchers	14.871	N/A - Direct		312,513
Passed through the Arizona Department of Economic Security				
Emergency Shelter Grants Program	14.231	DE111073001		6,659
Passed through the Arizona Department of Housing				
Community Development Block Grant Cluster				
Community Development Block Grant	14.228	144-11	$ 46,643	
Community Development Block Grant	14.228	174-10	90,074	
ARRA - Community Development Block Grant	14.255	112-10R	86,224	
Passed through the City of Globe				
Community Development Block Grant	14.228	146.09	38,095	
Total Community Development Block Grant Cluster				261,036
Home Investment Partnership Program	14.239	308-11		35,553
ARRA - Homeless Prevention and Rapid Re-Housing Program	14.262	506-10		3,759
Total U.S. Department of Housing and Urban Development				619,520
U.S. Department of the Interior				
Johnson O'Malley	15.130	N/A - Direct		2,572
Payments in Lieu of Taxes	15.226	N/A - Direct		3,271,245
Passed through the Arizona State Treasurer				
Distribution of Receipts to State and Local Governments	15.227	None		4,430
Total U.S. Department of the Interior				3,278,247
U.S. Department of Justice				
Public Safety Partnership and Community Policing Grants	16.710	N/A Direct		74,266
Passed through the Arizona Criminal Justice Commission				
Crime Victim Compensation	16.576	VC-12-052		81,109
Justice Assistance Grant Program Cluster				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	DC12-027, DC-12-036	412,016	
ARRA Edward Byrne Memorial Justice Assistance Grant Program	16.804	2009-SB-B9-3318	47,583	
Total Justice Assistance Grant Program Cluster				459,599
Total U.S. Department of Justice				614,974
U.S. Department of Labor				
Passed through the Arizona Department of Economic Security				
Workforce Investment Act Cluster:				
WIA Adult Program	17.258	DE111006001, DE091206001 DE101045001	582,714	
WIA Youth Activities	17.259	DE111006001, DE091206001 DE101045001	443,492	
WIA Dislocated Workers	17.278	DE111006001, DE091206001 DE101045001	1,212,077	
Total Workforce Investment Act Cluster				2,238,283
Total U.S. Department of Labor				2,238,283

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

GILA COUNTY, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number		Expenditures
U.S. Department of Transportation				
Passed through the Arizona Department of Transportation				
Highway Planning and Construction	20.205	IGA/JPA 08-1321		$ 847,580
Federal Library Services Technology Act				
Passed through the Arizona State Library, Archives and Public Records				
Library Services and Technology Grant	45.310	LSTA 2011, SGIA 2012		47,300
U.S. Department of Energy				
Passed through the Arizona Department of Commerce				
Weatherization Cluster:				
Weatherization Assistance for Low Income Persons	81.042	EW-ESA-12-2182-02 LW-ESA-12-2182-02	$ 81,968	
ARRA - Weatherization Assistance for Low Income Persons	81.042	C037-09-02	440,645	
Total Weatherization Assistance Cluster				522,613
ARRA Energy Efficiency and Conservation Block Grant	81.128	R016-10-21		193,054
Total U.S. Department of Energy				715,667
U.S. Department of Education				
Impact Aid	84.041	N/A - Direct		94,104
Passed through the Arizona Governor's Office of Economic Recovery				
ARRA - Education Jobs Fund	84.410	ISA OER-11 ISA-EJ-001		435
Passed through the Arizona Department of Education				
Title I Cluster:				
Title I Grants to Local Educational Agencies	84.010	S010A110003	16,764	
Title I-A School Improvement Setaside Activities	84.010	S010A100003	201,189	
Passed through the Arizona Supreme Court				
Title I Grants to Local Educational Agencies	84.010	KR11-0111 & KR10-0018	32,453	
Total Title I Cluster				250,406
Passed through the Arizona Department of Education				
Adult Education–Basic Grants to States	84.002	V002A110003		72,900
Rural Education	84.358	S358B020003		3,812
Title III Consortium	84.365	T365A30003A		11,244
Mathematics and Science Partnerships	84.366	S366B080003, S366B090003		325,877
Special Education Cluster:				
Special Education - Grants to State	84.027	H027A100007	12,790	
Special Education - Grants to State	84.027	H027A050007	4,601	
Passed through the Arizona Supreme Court				
Special Education - Grants to State	84.027	KR11-0111	35,140	
Total Special Education Cluster				52,531
Passed through Pima County				
Enhancing Education Through Technology	84.318	S318X090005		62,799
Passed through the Arizona Supreme Court				
Improving Teacher Quality State Grants	84.367	KR11-0111	3,442	
Passed through the Arizona Department of Education				
Improving Teacher Quality State Grants	84.367	S281A030003	1,713	
Improving Teacher Quality State Grants	84.367	S367A000049	25,130	
Improving Teacher Quality State Grants	84.367	S367A110049	70,345	
Total Improving Teacher Quality State Grants				100,630
Total U.S. Department of Education				974,738
U.S. Department of Health and Human Services				
Passed through the Arizona Department of Health Services				
Public Health Preparedness & Response for Bioterrorism	93.069	HG754195		175,814
Immunization Grants	93.268	HG854284		25,000
HIV Prevention Activities -- Health Department Based	93.940	HG852277-0 & HG852277-1		3,956
Maternal and Child Health Services Block Grant, Special Needs	93.994	HG854246-2, HG854246-3, HP961245-003		80,313

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

GILA COUNTY, ARIZONA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Health and Human Services (Continued)			
Passed through the Arizona Department of Economic Security			
Temporary Assistance for Needy Families	93.558	DE111073001	$ 150,000
Child Support Enforcement	93.563	DES06726-1 & DE111165001	1,025,260
Low-Income Home Energy Assistance	93.568	DE111073001	289,299
Community Services Block Grant	93.569	DE111073001	214,258
Social Services Block Grant	93.667	DE111073001	8,352
HIV Care Formula Grants	93.917	HP652141-001-0	80,403
Total U.S. Department of Health and Human Services			2,052,655
U.S. Department of Homeland Security:			
Passed through the Arizona Department of Homeland Security			
Homeland Security Grant Program	97.067	777304-01	13,554
Passed through the Arizona Department of Emergency Services and Military Affairs			
Emergency Management Performance Grant	97.042	EMW-2001-EP-APP-00006	114,439
Repetitive Flood Claims	97.092	EMF-2011-RC-001	14,234
Total U.S. Department of Homeland Security			142,227
Total Expenditures of Federal Awards			$ 13,502,002

See accompanying notes to schedule of expenditures of federal awards.

GILA COUNTY, ARIZONA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012

NOTE 1 BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Gila County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

NOTE 2 THE REPORTING ENTITY

Gila County, Arizona, for purposes of the Schedule of Expenditures of Federal Awards, includes all the funds of the primary government as defined by Government Accounting Standards Board (GASB) Statement 14, *The Financial Reporting Entity.*

Gila County, Arizona, administers certain federal financial assistance programs through sub-recipients. Those sub-recipients are not considered part of the Gila County, reporting entity.

NOTE 3 SUBRECIPIENTS

From the federal expenditures presented in the schedule, the County awarded the following to subrecipients.

Program Title	Federal CFDA Number	Amount Paid to Subrecipient
Workforce Investment Act - Adult and Youth Programs	17.258 & 17.259	$ 918,604
Secure Payments for States and Counties Containing Federal Lands	10.665	1,517,233

NOTE 4 RECOVERY ACT

ARRA denotes the program has received funding provided by the American Recovery and Reinvestment Act of 2009.

GILA COUNTY, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued:	*Unqualified*			
Internal control over financial reporting:				
• Material weakness(es) identified?	X	yes	_____	no
• Significant deficiency(ies) identified?	X	yes	_____	none reported
Noncompliance material to financial statements noted?	_____	yes	X	no

Federal Awards

Internal control over major programs:				
• Material weakness(es) identified?	X	yes	_____	no
• Significant deficiency(ies) identified?	X	yes	_____	none reported
Type of auditor's report issued on compliance for major programs:	*Unqualified*			
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	X	yes	_____	no

SECTION I – SUMMARY OF AUDITORS' RESULTS (CONTINUED)

Federal Awards (Continued)

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
10.665	Secure Payments for States and Counties Containing Federal Lands
15.226	Payments in Lieu of Taxes
	Justice Assistance Grant Program Cluster:
16.738	Edward Byrne Memorial Justice Assistance Grant
16.804	ARRA Edward Byrne Memorial Justice Assistance Grant
17.258, 17.259 & 17.278	Workforce Investment Act Cluster
20.205	Highway Planning and Construction Cluster
81.042	ARRA Weatherization Assistance for Low-Income Persons
93.563	Child Support Enforcement

Dollar threshold used to distinguish between Type A and Type B programs: $405,060

Auditee qualified as low-risk auditee? _____ yes ___X___ no

Other Matters
Auditee Summary Schedule of Prior Audit Findings required to be reported in accordance with Circular A-133 (Section .315(b)) ___X___ yes _____ no

SECTION II – FINANCIAL STATEMENT FINDINGS

2012-01: Oversight of the Financial Reporting Process

Condition: The County does not have a system of internal controls that would enable management to conclude the financial statements and related disclosures are complete and presented in accordance with GAAP. As such, management contracted with the auditors to draft the financial statements and related disclosures.

The audit firm proposed entries to properly state cash, receivables, revenues and inter-fund activity at June 30, 2012. The audit firm also proposed the government-wide adjustments to convert the fund financial statements to the government-wide financial statements. These entries relate to internal controls over the year-end close-out process. The absence of a complete control procedure or process in this area is considered a material weakness because the potential exists that a material misstatement of the financial statements could occur and not be prevented or detected by the County's internal control processes.

Criteria: The County should have controls in place to prevent and detect a material misstatement in the financial statements, including adequately reviewing the year-end financial statements to ensure account balances are properly stated and for ensuring the financial statements include all required disclosures.

Effect: Significant audit adjustments were proposed and subsequently approved by management to properly state year-end balances in the fund and government-wide financial statements.

Cause: The County has not established controls to ensure accounts are adjusted to their appropriate year-end balances in accordance with GAAP. The County relies on contracted professionals to prepare the annual financial statements and related footnote disclosures. However, they have reviewed and approved the annual financial statements and related footnote disclosures.

Recommendation: We recommend the County continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure accounts are properly stated at year-end in accordance with GAAP. Additionally, we recommend that the County review these adjustments and modify year-end reconciling procedures in an effort to avoid similar adjustments next year.

Lastly, should the County elect to establish the "full oversight" of the financial statement preparation, we suggest management establish effective review policies and procedures, including, but not limited to, the following functions: reconciling general ledger amounts to the draft financial statements; review of all supporting documentation and explanations for journal entries proposed by us and approve the entries; review the adequacy of financial statement disclosures by completing a disclosure checklist; review and approve schedules and calculations supporting the amounts included in the notes to the financial statements; apply analytic procedures to the draft financial statements; and perform other procedures considered necessary by management, including a recalculation of major funds.

Corrective Action: The County concurs with this recommendation and will reconcile all year-end account balances in the future. The County will also consider the recommendation in order to take "full oversight" of the financial statement preparation and will consult with its auditors to remedy this finding.

Contact Person: Don McDaniel, County Manager

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2012-02: Accounts Payable and Receivable Ledgers

Condition: The accounts payable and receivable subsidiary ledgers were not reconciled to the general ledger.

Criteria: The County should have controls in place to reconcile general ledger activity to the subsidiary accounts payable and accounts receivable ledger to prevent and detect material misstatements in the financial statements in a timely manner. Management is responsible for the accuracy and completeness of all financial records and related information. Their responsibilities include adjusting the financial statements to correct material misstatements, including reconciling accounts payable and accounts receivable to the subsidiary ledger and investigating any variances from the general ledger.

Effect: Opportunity for errors in financial reporting.

Cause: The County has not established controls to reconcile the accounts payable and accounts receivable subsidiary ledgers to the general ledger.

Recommendation: We recommend the County continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure subsidiary ledgers are reconciled to the general ledger.

Corrective Action: The County concurs with this recommendation and will review its current procedures and will develop internal controls to ensure compliance in the upcoming fiscal year.

Contact Person: Don McDaniel, County Manager

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2012-03: Departmental Bank Accounts

Condition: County departments receiving checks have established separate checking accounts to be used as a clearing account. On a monthly basis, the cash from these checking accounts is deposited with the Treasurer's office. The June collections deposited in July were not always indicated as such and therefore not recorded in the proper fiscal year. Cash retained in the department bank accounts is tracked, however not reported as cash in the County's financial statements.

Criteria: The County's management is responsible for establishing and maintaining internal controls for the proper recording of all the County's accounting transactions. Departmental cash balances should be reported to finance at year end to ensure they are properly included in ending cash.

Effect: Opportunity for errors in financial reporting.

Cause: The County has operated in this manner for the past several years without changing its accounting practice.

Recommendation: We recommend County management and financial personnel continue to increase their awareness and knowledge of all procedures and processes involved in recording transactions and develop internal control policies to ensure all cash balances and transactions are included in the financial activity at the end of the year.

Corrective Action: The County concurs with this recommendation and will review its current procedures and will develop internal controls to ensure compliance in the upcoming fiscal year.

Contact Person: Don McDaniel, County Manager

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2012-04: Internal Controls over Credit Card Disbursements

Condition: County policy allows employees to utilize the county credit card to obtain a cash advance. It was noted that credit cards were used to obtain a cash advance in numerous instances. In one instance, the credit card was used to obtain a cash advance to pay two employees per diem for travel to New Orleans. The per diem provided to the employees were in excess of both the State of Arizona per diem rate and New Orleans rate. In addition, it was noted that two of forty credit card purchases tested, were not supported by a credit card receipt.

Criteria: The County's management is responsible for establishing and maintaining internal controls for the proper recording of all the County's accounting transactions.

Effect: Documentation was not available to determine designed controls were being performed by employees. Allowing cash advances increases the County's risk of loss due to unauthorized spending.

Cause: Unknown.

Recommendation: In order to strengthen internal controls, invoices should be obtained for all credit card purchases to ensure that purchases are allowable and reasonable. Credit card receipts should be reconciled to credit card statements and approved. In addition, we recommend the County modify the existing credit card policy to disallow the use of cash advances.

Corrective Action: The County concurs with this recommendation and will work with personnel to ensure credit card receipts are obtained and reconciled to credit card statements. The County credit card policy has been modified for fiscal year 2013.

Contact Person: Don McDaniel, County Manager

2012-05: County–Policies

Condition: The County does not have written journal entry policies or procedures.

Criteria: Internal control procedures would dictate that policies and procedures over journal entries are necessary to prevent and detect a material misstatement.

Effect: Policies and procedures provide a framework in which internal controls should be designed and implemented. The lack of such policies and procedures weakens internal controls over journal entries due to the County not addressing key controls over financial statement assertions.

Cause: The County was not aware of the necessity of written procedures to support a strong internal control environment.

Recommendation: We recommend that County management write a policies and procedures manual to cover journal entry functions.

Corrective Action: The County concurs with this recommendation and has developed policies and procedures over journal entries.

Contact Person: Don McDaniel, County Manager

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2012-06: County and Education Service Agency (ESA) – Journal Entries

Condition: The County was unable to provide evidence that journal entries were reviewed and approved by an employee independent of the journal entry preparation prior to system input for 1 of 6 County and 1 of 5 ESA journal entries tested.

Criteria: The duties of journal entry preparation and journal entry review and approval should be segregated.

Effect: Internal control weakness. Fraudulent or erroneous journal entries could be entered into the accounting system and go undetected and uncorrected.

Cause: Unknown.

Recommendation: We recommend that County management take the proper steps to ensure the duties of journal entry preparation and approval are segregated.

Corrective Action: The County concurs with this recommendation and will develop policies and procedures over the journal entry process.

Contact Person: Don McDaniel, County Manager

2012-07: Education Service Agency (ESA) – Policies

Condition: The ESA does not have written payroll and accounts payable disbursements policies or procedures. Personnel manuals and accounting manuals were not maintained.

Criteria: Internal control procedures would dictate that policies and procedures over payroll and general disbursements are necessary to prevent and detect a material misstatement.

Effect: Policies and procedures provide a framework in which internal controls should be designed and implemented. The lack of such policies and procedures weakens internal controls over payroll and accounts payable processing due to the County not addressing key controls over financial statement assertions.

Cause: The County was not aware of the necessity of written procedures to support a strong internal control environment.

Recommendation: We recommend that County management write a policies and procedures manual to cover payroll and accounting functions.

Corrective Action: The County concurs with this recommendation and will formalize an accounting policy that addresses key financial statement assertions. The ESA is in the process of drafting policies.

Contact Person: Don McDaniel, County Manager

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2012-08: Education Service Agency (ESA)– Internal Controls over Disbursements

Condition: The County was unable to provide documentation of management review and approval for 3 of 40 ESA purchase requisitions revisions tested.

Criteria: The County's management is responsible for establishing and maintaining internal controls to ensure all purchases are adequately reviewed and approved prior to purchase.

Effect: Documentation was not available to determine designed controls were being performed by management.

Cause: Unknown.

Recommendation: In order to strengthen internal controls, all requisitions should be reviewed and approved by management prior to purchasing goods and/or services.

Corrective Action: The County concurs with this recommendation and will review requisitions in order to strengthen internal controls.

Contact Person: Don McDaniel, County Manager

2012-09: Disaster Recovery Plan

Condition: The County does not have a written disaster recovery plan.

Criteria: Internal control frameworks recommend that organizations have plans and procedures in place to address information technology needs in the event of a disaster, including: location of, and access to, off-site data storage; a list of all data files that would have to be obtained from the off-site storage location; identification of a backup location (name and telephone number) with similar or compatible equipment for emergency processing, responsibilities of various personnel in an emergency, and priority of critical applications and reporting requirements during an emergency period.

Effect: In case of a disaster the County may be at an increased risk of losing critical financial data or other data critical to operations. The County may also have difficulty establishing minimum operations if a disaster were to occur.

Cause: The County was not aware of the necessity of written procedures to support a strong internal control environment.

Recommendation: We recommend the County update and expand its plans and procedures relating to business resumption in the event of a disaster.

Corrective Action: The County concurs with this recommendation and will review its current policy and develop a policy and action plan in the event of a disaster.

Contact Person: Don McDaniel, County Manager

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2012-10: Internal Controls over Revenues

Condition: The County does not have adequate controls over revenues to ensure that all material revenues are properly accrued in the financial statements.

Criteria: The County's management is responsible for establishing and maintaining internal controls for the proper recording of all the County's accounting transactions.

Effect: Significant audit adjustments were proposed and subsequently approved by management to properly state year-end balances in the fund and government-wide financial statements.

Cause: The County has not established controls to ensure accounts are adjusted to their appropriate year-end balances in accordance with GAAP.

Recommendation: We recommend the County review revenue cutoff procedures to ensure that revenues are recorded in the proper fiscal year.

Corrective Action: The County concurs with this recommendation and will review cutoff procedures and develop internal controls as appropriate.

Contact Person: Don McDaniel, County Manager

2012-11: County Cash Reconciliation

Condition: The County cash reconciliation between the treasurer's office and finance department was not prepared for October 2011 – June 2012.

Criteria: Cash reconciliations should be performed shortly after receiving the monthly treasurer cash balance report.

Effect: Errors, misstatements, or fraud may not be recognized in a timely manner.

Cause: Errors in posting revenues in October 2011 resulted in unreconciled cash balances.

Recommendation: We recommend that the County implement procedures to prepare cash reconciliations on a timely basis. Procedures should be implemented for immediate follow up on differences between departments on a fund by fund basis.

Corrective Action: The County concurs with this recommendation and will implement cash reconciliation procedures. Differences will be addressed timely.

Contact Person: Don McDaniel, County Manager

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2012-12: Internal Controls over Capital Assets

Condition: The County does not have adequate controls over capital assets to ensure capital assets are properly reconciled to the prior year audited financial statements. In addition, capital expenditures were not always capitalized.

Criteria: The County's management is responsible for establishing and maintaining internal controls for the proper recording of all the County's accounting transactions.

Effect: Significant audit adjustments were proposed and subsequently approved by management to properly state capital asset balances in the government-wide and proprietary fund financial statements.

Cause: The County has not established controls over capital assets to ensure the capital assets listing is updated for acquisitions and disposals at least annually.

Recommendation: We recommend the County review capital asset procedures to ensure that the capital assets listing is updated for acquisitions and disposals at least annually and reconciled to the prior year ending balances.

Corrective Action: The County concurs with this recommendation and will review the capital assets procedures and develop internal controls as appropriate.

Contact Person: Don McDaniel, County Manager

2012-13: Timely Tax Deposits

Condition: The April 17, 2012, April 30, 2012 and June 12, 2012 federal tax deposits were not made timely resulting in tax penalties.

Criteria: The County's management is responsible for establishing and maintaining internal controls for the proper recording of all the County's accounting transactions.

Effect: The untimely deposit resulted in a $39,327.99 tax penalty.

Cause: Management oversight.

Recommendation: We recommend the County review current payroll procedures and implement procedures to ensure timely federal tax deposits.

Corrective Action: The County concurs with this recommendation and will review the payroll procedures to ensure tax deposits are made timely and accurately to avoid penalties.

Contact Person: Don McDaniel, County Manager

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2012-14: Single Audit Act Reports

Condition: The financial and compliance audit was not completed within nine months of the end of the fiscal year.

Criteria: OMB Circular A-133 – Financial Reporting.

Effect: Noncompliance with OMB Circular A-133 – Financial Reporting.

Questioned Cost: None.

Cause: The County has not established controls to ensure the financial statement audit is completed within nine months of the fiscal year end. The County did not have completed cash reconciliations for the period October 2011 through June 2012 done until March 2013.

Recommendation: We recommend the County properly reconcile its records in a timely manner to allow sufficient time to complete the audit within nine months following the end of the fiscal year.

Corrective Action: The County concurs with this recommendation and has reconciled its cash through March 2013. The County will implement procedures in May 2013 to more timely close-out the year-end financial statements.

Contact Person: Don McDaniel, County Manager

2012-15: Internal Controls over Schedule of Expenditures of Federal Awards

Condition: The County does not have adequate controls over the preparation of the schedule of expenditures of federal awards.

Criteria: The County's management is responsible for establishing and maintaining internal controls for the proper recording and reporting of all the County's accounting transactions.

Effect: Significant audit adjustments were proposed and subsequently approved by management to properly state the schedule of expenditures of federal awards.

Questioned Cost: None.

Cause: The County has not established controls to ensure grant expenditures, pass through numbers and subrecipient balances are properly reported on the schedule of expenditures of federal awards.

Recommendation: We recommend the County review grant reporting procedures to ensure that the grant activity is properly reported in the schedule of expenditures of federal awards. The CFDA number and pass-through numbers should be verified against the grant agreements. Grant expenditures should be reconciled to the general ledger to ensure the schedule is complete.

Corrective Action: The County concurs with this recommendation and will review procedures and develop internal controls as appropriate. The County implemented a grant management system during the 2013 fiscal year that will allow for better tracking of federal grant expenditures, CFDA numbers and pass through numbers. The County will utilize this grant management system in June 2013 as part of its year-end close out and preparation of the schedule of federal expenditures.

Contact Person: Don McDaniel, County Manager

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

U.S. DEPARTMENT OF AGRICULTURE
SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LANDS
CFDA NO. 10.665
DIRECT GRANT
AWARD PERIOD: JULY 1, 2011 – JUNE 30, 2012

2012-16

Condition/Context: Grant expenditures recorded in the Public Works Fund were not tracked in order to ensure that the grant related expenditures met all requirements noted within the compliance supplement.

Criteria: The Code of Federal Regulations 45 CFR Section 92.20 requires grantees to maintain records that adequately identify the source and application of funds provided for financially assisted activities.

Effect: Unable to identify grant expenditures within the fund.

Questioned Cost: None.

Cause: Inadequate account code structure.

Recommendation: We recommend the County restructure its chart of accounts to better segregate and track expenditures reimbursed by a third party.

Corrective Action: The County concurs with this recommendation and will immediately review the account structure and modify the account structure, as necessary, to ensure compliance with the Code of Federal Regulations. The County will have its account code structure modified by the end of June 2013 to appropriately report grant expenditures for the fiscal year 2013 and future periods.

Contact Person: Don McDaniel, County Manager

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

U.S. DEPARTMENT OF JUSTICE
JUSTICE ASSISTANCE GRANT PROGRAM CLUSTER
CFDA NO. 16.738 & 16.804
PASSED THROUGH THE ARIZONA CRIMINAL JUSTICE COMMISSION
PASS THROUGH NUMBER DC 12-027, DC-12-036 & 2009-SB-B9-3318
AWARD PERIOD: JULY 1, 2011 – JUNE 30, 2012 & MARCH 1, 2009 – FEBRUARY 28, 2013

2012-17

Condition: Federal financial and performance reports were not submitted timely and were not reviewed by supervisory personnel prior to submission.

Context: For 3 of 4 Byrne Grant Cycle 23 reports tested for agreement DC-12-027 and 3 of 4 Byrne Grant Cycle 23 reports tested for agreement DC-12-036 were not submitted timely or reviewed by supervisory personnel prior to submission. Two quarterly SF-425 financial reports for agreement 2009-SB-B9-3318 were not maintained by the County. One of one quarterly SF-425 report for agreement 2009-SB-B9-3318 was not reviewed by supervisory personnel prior to submission.

Criteria: The grant agreement and entities receiving federal awards are required to establish and maintain internal controls designed to ensure compliance with federal laws, regulations, and program compliance.

Effect: Noncompliance with the grant agreement and as a result of a lack of review of financial and performance reports, there is an increased risk that financial and performance reports will be submitted to a third party with errors.

Questioned Cost: None.

Cause: Lack of County oversight.

Recommendation: We recommend the County establish and maintain internal controls over grant financial and performance reports. Reports submitted to a third party should be reviewed by supervisory personnel with knowledge of grant operations.

Corrective Action: The County concurs with this recommendation and will establish and maintain internal controls over grant reporting; those controls will be immediately implemented to ensure compliance for the fiscal year 2012-13.

Contact Person: Don McDaniel, County Manager

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

U.S. DEPARTMENT OF JUSTICE
JUSTICE ASSISTANCE GRANT PROGRAM CLUSTER
CFDA NO. 16.738 & 16.804
PASSED THROUGH THE ARIZONA CRIMINAL JUSTICE COMMISSION
PASS THROUGH NUMBER DC 12-027, DC-12-036 & 2009-SB-B9-3318
AWARD PERIOD: JULY 1, 2011 – JUNE 30, 2012 & MARCH 1, 2009 – FEBRUARY 28, 2013

U.S. DEPARTMENT OF ENERGY
WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS
CFDA NO. 81.042
PASSED THROUGH THE ARIZONA DEPARTMENT OF COMMERCE
PASS THROUGH NUMBER C037-09-02, EW-ESA-12-2182-02 AND LW-ESA-12-2182-02
AWARD PERIOD: JULY 1, 2011 – JUNE 30, 2012

2012-18

Condition: Cash management reports were not submitted timely and were not reviewed by supervisory personnel prior to submission.

Context: Cash management reports were not submitted timely for 1 of 12 cash management reports for the DC-12-027 and 1 of 12 cash management reports for the DC-12-036 Justice Assistance Grant Program Cluster. Cash management reports were not reviewed by supervisory personnel prior to submission for 7 of 12 cash management reports for the DC-12-027 Justice Assistance Grant Program Cluster, 2 of 12 cash management reports for the DC-12-036 Justice Assistance Grant Program Cluster, 1 of 1 cash management reports for the 2009-SB-B9-3318 Justice Assistance Grant Program Cluster, and 6 of 36 reimbursement requests tested for the Weatherization Assistance for Low-Income Persons grant.

Criteria: The grant agreement and entities receiving federal awards are required to establish and maintain internal controls designed to ensure compliance with federal laws, regulations and program compliance.

Effect: Noncompliance with the grant agreement and as a result of the lack of review of cash management reports and submission of those reports timely, there is an increased risk that reports could be submitted to a third party with errors or could be rejected as a result of reports not being submitted timely.

Questioned Cost: None.

Cause: The County does not have internal controls in place to ensure that cash management reports are completely accurately and submitted on a timely basis.

Recommendation: We recommend a reporting deadline monitoring system be considered in order to minimize the risk of missed deadlines and potential loss of funds. Cash management reports should be supported by accounting records and reviewed by supervisory personnel prior to submission to a third party.

Corrective Action: The County concurs with this recommendation and will immediately implement internal control procedures to ensure timely and accurate reporting to avoid similar findings in the 2012-13 fiscal year.

Contact Person: Don McDaniel, County Manager

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

U.S. DEPARTMENT OF LABOR
WORKFORCE INVESTMENT ACT CLUSTER
CFDA NO. 17.258, 17.259, & 17.278
PASSED THROUGH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY
PASS THROUGH NUMBER DE111006001, DE091206001 AND DE101045001
AWARD PERIOD: APRIL 1, 2010 –JUNE 30, 2013

2012-19

Condition/Context: Grant reimbursements were not reconciled to the expenditures. Expenditures were not accurately reported by CFDA number on the schedule of expenditures of federal awards.

Criteria: The County should maintain accounting records in sufficient detail to properly report expenditures by CFDA number on the schedule of expenditures of federal awards.

Effect: Internal control weakness, as well as significant audit adjustments necessary to correct the allocation of federal expenditures between CFDA numbers.

Questioned Cost: None.

Cause: Inconsistencies in account coding.

Recommendation: We recommend the County review the control procedures and processes involved in recording cash receipts and develop internal control policies to ensure proper recording. Reimbursements should be reconciled to grant expenditures to ensure completeness. In addition, the grant revenues and expenditures should be reconciled by CFDA number to ensure grants are properly reported on the schedule of federal expenditures by CFDA number.

Corrective Action: The County concurs with this recommendation and will immediately implement internal control procedures to ensure proper reconciling and accurate reporting of the schedule of federal expenditures for the fiscal year ended June 30, 2013.

Contact Person: Don McDaniel, County Manager

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
CHILD SUPPORT ENFORCEMENT
CFDA NO. 93.563
PASSED THROUGH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY
PASS THROUGH NUMBER DES06726-1 AND DE111165001
AWARD PERIOD: OCTOBER 1, 2010 – SEPTEMBER 30, 2015

2012-20

Condition/Context: Child Support Enforcement expenditures from the Court Clerk's office are unidentifiable within the County ledger system. The child support expenditures are commingled with other Court Clerk department expenditures.

Criteria: The Code of Federal Regulations 45 CFR Section 92.20 requires grantees to maintain records that adequately identify the source and application of funds provided for financially assisted activities.

Effect: An increased risk that transactions and account balances not related to the program are commingled with those of the program.

Questioned Cost: None.

Cause: Inadequate account code structure.

Recommendation: We recommend the County restructure its chart of accounts to better segregate and track expenditures reimbursed by a third party.

Corrective Action: The County concurs with this recommendation and will immediately review the account structure and modify the account structure, as necessary, to ensure compliance with the Code of Federal Regulations. The account structure modification was not completed by June 30, 2012. New account code structures have been established for the 2013 fiscal year.

Contact Person: Don McDaniel, County Manager

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

U.S. DEPARTMENT OF AGRICULTURE
SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LANDS
CFDA NO. 10.665
DIRECT GRANT AND PASSED THROUGH THE U.S. FOREST SERVICE, APACHE-SITEGREAVES NATIONAL FOREST
PASS THROUGH NUMBER 10-DG11030121018 AND 11-DG-11030121-005

U.S. DEPARTMENT OF TRANSPORTATION
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER
CFDA NO. 20.205
PASSED THROUGH THE ARIZONA DEPARTMENT OF TRANSPORTATION
PASS THROUGH NUMBER IGA/JPA 08-1321, IGA/JPA 10-161, IGA/JPA 09-128
PRIOR REFERENCE NUMBER: 2011-16

Condition: The County did not retain grant documentation to support compliance with provisions of the grant agreements; the County did not maintain documentation for procurement suspension and debarment or the provisions of the Davis Bacon-Act.

Status: Fully corrected during the current fiscal year.

U.S. DEPARTMENT OF JUSTICE
JUSTICE ASSISTANCE GRANT PROGRAM CLUSTER
CFDA NO. 16.738 & 16.803
PASSED THROUGH THE ARIZONA CRIMINAL JUSTICE COMMISSION
PASS THROUGH NUMBER DC 10-027, DC-10-036, AND VA-11-020

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
CHILD SUPPORT ENFORCEMENT
CFDA NO. 93.563
PASSED THROUGH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY
PASS THROUGH NUMBER DES06725-1, DE111165001 AND DES06726-1
PRIOR REFERENCE NUMBER: 2011-17, 2010-18

Condition: Federal financial and performance reports were not completed and submitted to the Arizona Criminal Justice Commission. Federal financial and performance reports were not reviewed by supervisory personnel prior to submission to the Arizona Department of Economic Security.

Status: Partially corrected during the current fiscal year. The Justice Assistance Grant Program Cluster had a similar condition and corrective action noted as item 2012-17. The Child Support Enforcement grant was fully corrected in the current year.

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)

U.S. DEPARTMENT OF JUSTICE
JUSTICE ASSISTANCE GRANT PROGRAM CLUSTER
CFDA NO. 16.738 & 16.803
PASSED THROUGH THE ARIZONA CRIMINAL JUSTICE COMMISSION
PASS THROUGH NUMBER DC 10-027, DC-10-036, AND VA-11-020

U.S. DEPARTMENT OF TRANSPORTATION
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER
CFDA NO. 20.205
PASSED THROUGH THE ARIZONA DEPARTMENT OF TRANSPORTATION
PASS THROUGH NUMBER IGA/JPA 08-1321, IGA/JPA 10-161, IGA/JPA 09-128

U.S. DEPARTMENT OF ENERGY
WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS
CFDA NO. 81.042
PASSED THROUGH THE ARIZONA DEPARTMENT OF COMMERCE
PASS THROUGH NUMBER C037-09-02, C052-09-02 AND G043-10-02
PRIOR REFERENCE NUMBER: 2011-18, 2010-20

Condition: Cash management reports were not submitted timely and were not reviewed by supervisory personnel prior to submission.

Status: Partially corrected. A similar condition and corrective action were noted as item 2012-18 for the Justice Assistance Grant Program Cluster and the Weatherization Assistance for Low-Income Persons. The Highway Planning and Construction Cluster was fully corrected in the current fiscal year.

U.S. DEPARTMENT OF LABOR
WORKFORCE INVESTMENT ACT CLUSTER
CFDA NO. 17.258, 17.259, & 17.260
PASSED THROUGH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY
PASS THROUGH NUMBER DE091206001, DE101045001 AND DE111006001
PRIOR REFERENCE NUMBER: 2011-19, 2010-21

Condition: Grant reimbursements were not reconciled to the expenditures. Expenditures were not accurately reported by CFDA number on the schedule of expenditures of federal awards.

Status: Not corrected. Similar condition and corrective action noted as item 2012-19.

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
CHILD SUPPORT ENFORCEMENT
CFDA NO. 93.563
PASSED THROUGH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY
PASS THROUGH NUMBER DES06725-1, DE111165001 AND DES06726-1
PRIOR REFERENCE NUMBER: 2011-20, 2010-23

Condition: The August 2010 through October 2010 Certified Public Expenditure Reports were filed with the Arizona Department of Economic Security using the prior year approved indirect cost rate (fiscal year 2009).

Status: Fully corrected during the current fiscal year. No similar instances were brought to our attention in the current fiscal year.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
CHILD SUPPORT ENFORCEMENT
CFDA NO. 93.563
PASSED THROUGH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY
PASS THROUGH NUMBER DES06725-1, DE111165001 AND DES06726-1
PRIOR REFERENCE NUMBER: 2011-21, 2010-24, 2009-16, 08-19, 07-21, 06-20, 05-21, 04-21, 03-101

Condition: Child Support Enforcement expenditures from the Court Clerk's office are unidentifiable within the County ledger system. The child support expenditures are commingled with other Court Clerk department expenditures.

Status: Not corrected. Similar condition and corrective action noted as item 2012-20.

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONCLUDED)

U.S. DEPARTMENT OF LABOR
ARRA WORKFORCE INVESTMENT ACT CLUSTER
CFDA NO. 17.258, 17.259, & 17.260
PASSED THROUGH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY
PASS THROUGH NUMBER DE091206001, DE101045001 AND DE111006001

U.S. DEPARTMENT OF ENERGY
WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS
CFDA NO. 81.042
PASSED THROUGH THE ARIZONA DEPARTMENT OF COMMERCE
PASS THROUGH NUMBER C037-09-02, C052-09-02 AND G043-10-02

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
CHILD SUPPORT ENFORCEMENT
CFDA NO. 93.563
PASSED THROUGH THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY
PASS THROUGH NUMBER DES06725-1, DE111165001 AND DES06726-1
PRIOR REFERENCE NUMBER: 2011-22

Condition: For 3 of 60 payroll disbursements tested for Gila County, determined employee timesheets were not properly reviewed and approved by management.

Status: Fully corrected during the current fiscal year.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
PUBLIC HEALTH EMERGENCY PREPAREDNESS
CFDA NO. 93.069
PASSED THROUGH THE ARIZONA DEPARTMENT OF HEALTH SERVICES
PRIOR REFERENCE NUMBER: 08-20, 07-22, 05-18, 04-18, 03-102

Condition: Eight out of nineteen expenditure reports were not submitted timely. The reports were 5 to 65 days late.

Status: Condition was not corrected in fiscal year 2012. Two of four reports tested were not submitted timely.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/21/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER 1-800-955-8700
Arthur J. Gallagher & Co. Insurance Brokers
of California, Inc.
15 Enterprise, Ste 200

Aliso Viejo, CA 92656

CONTACT NAME:
PHONE (A/C, No, Ext): 480-845-6209 FAX (A/C, No): 602-244-2242
E-MAIL ADDRESS: rose_unruh@ajg.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Arizona Counties Insurance Pool	
INSURER B: Arizona Counties Workers Comp Pool	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
Gila County
Attn: Birdie DeNero
1400 E. Ash Street

Globe, AZ 85501

COVERAGES **CERTIFICATE NUMBER:** 27768240 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY			ACIP070112	07/01/12	07/01/13	EACH OCCURRENCE	$ 1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
	CLAIMS-MADE X OCCUR						MED EXP (Any one person)	$
	X Public Officials' E&O						PERSONAL & ADV INJURY	$
	X Misc Medical Mal E&O						GENERAL AGGREGATE	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$
	X POLICY PRO-JECT LOC						Errors & Omissions	$ 1,000,000
A	AUTOMOBILE LIABILITY			ACIP070112	07/01/12	07/01/13	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS / X NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
							Comp Ded/Coll Ded:	$ 1,500/$1,500
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$
	DED / RETENTION $							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			CRLAZWC070112	07/01/12	07/01/13	X WC STATU-TORY LIMITS / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N N	N/A					E.L. EACH ACCIDENT	$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Certificate holder is Additional Insured solely as respects General Liability coverage regarding contract #2006-0444 with Gila County.

CERTIFICATE HOLDER

Pinal/Gila Council for Senior Citizens

Attn: Ana Medina
8969 W. McCartney Road

Casa Grande, AZ 85194-7432
USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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