INTERAGENCY SERVICES AGREEMENT

THIS INTERAGENCY SERVICES AGREEMENT ("the Agreement"), is made this 26th day of [February] 2008, between the State of Arizona, Arizona Department of Housing ("the Department"), and Arizona Department of Health Services.

RECITALS

1. The Arizona Department of Housing, a constituent department of the State of Arizona ("ADOH"), has been authorized by the Legislature to facilitate the development of housing for low and moderate income Arizonans.

2. The Arizona Department of Health Services, also a constituent department of the State of Arizona ("ADHS"), has been authorized by the Legislature to provide for medically dependent citizens of the State including persons with severe mental illness.

3. ADOH has set aside $2 million of State Housing Trust Funds ("program funds") for the purpose of facilitating development of housing for individuals suffering from severe mental illness.

4. The ADHS will identify projects for which the funds identified in Recital paragraph 3 can be put to immediate use.

AGREEMENT

Wherefore, as authorized by A.R.S. § 35-148, the ADOH and ADHS mutually agree as follows:

1. The recital paragraphs are incorporated into this Agreement.

2. This Agreement shall terminate by no later than June 30, 2009 unless extended by agreement of the parties in writing.

3. The ADOH shall provide $2 million in State Housing Trust Funds ("Program Funds") to ADHS for the purpose of facilitating development of housing for severely mentally ill persons.

4. ADHS agrees to submit applications for expenditures of Program Funds for review by ADOH under the terms of that certain Interagency Services Agreement, Contract No. HS332319, effective March 1, 2003, as amended.

5. Based on its review, ADOH will recommend to ADHS whether the proposed project is financially feasible, and ADHS retains final authority on how to use the Program Funds.

6. ADHS acknowledges that ADOH is providing the Program Funds to ADHS to assist ADHS to comply and ADHS agrees to use the funds in compliance with the requirements and obligations of the Joint Stipulation on Exit Criteria and Disengagement Exit Stipulation, dated November 13, 1995, and filed with the court in Arnold v. Arizona Department of Health Services, Maricopa Co. Sup. Court, No. C-432355.
7. ADOH acknowledges that providing Program Funds to ADHS will facilitate development of affordable housing for individuals with severe mental illness.

8. ADHS agrees to provide ADOH with quarterly reports explaining how the Program Funds have been used until the Program Funds are exhausted. After the Program Funds are exhausted ADHS shall provide a final quarterly report to ADOH.

9. Any Program Funds retained by ADHS as of the termination date of this Agreement shall be returned to ADOH.

10. Every payment obligation of ADOH under this Agreement is conditioned upon the availability of funds allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by ADOH or any other agency of the State of Arizona at the end of the period for which funds are available. No liability shall accrue to ADOH or any other agency of the State of Arizona in the event this provision is exercised, and neither ADOH nor any other agency of the State of Arizona shall be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

11. Pursuant to A.R.S. §§ 35-214 and 35-215, ADHS shall retain all data, books and other records ("records") relating to this Agreement for a period of five years after completion of the Agreement. All records shall be subject to inspection and audit by the State of Arizona at reasonable times. Upon request, the ADHS shall produce the original of any or all such records.

12. This Agreement shall be governed and interpreted by the laws of the State of Arizona.

13. The parties may execute this Agreement in two or more counterparts, each of which shall be deemed an original and together which shall constitute one and the same document.

14. Modification. No modification of this Agreement shall be binding unless evidenced by an agreement in writing and signed by all parties.

15. Partial Invalidity. If any provision of this Agreement is held to be invalid or unenforceable, all the remaining provisions shall nevertheless continue in full force and effect.

Signatures on following page.
ADOH-ADHS Interagency Services Agreement for Housing Trust Funds

By the State of Arizona, Arizona Department of Housing:

By: [Signature]

Name: Fred G. Karnas, Jr., Director

By Arizona Department of Health Services:

By: Ann M. Froio

Name: Ann M. Froio

Title: Procurement Administrator
# PURCHASE REQUISITION

**ARIZONA DEPARTMENT OF HEALTH SERVICES**  
1740 WEST ADAMS STREET • PHOENIX, ARIZONA 85007

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**REQUESTING PROGRAM MUST COMPLETE INFORMATION BELOW**

<table>
<thead>
<tr>
<th>LINE NO.</th>
<th>QTY</th>
<th>UNIT</th>
<th>COMMODITY NUMBER</th>
<th>DESCRIPTION</th>
<th>UNIT PRICE</th>
<th>EXTENDED PRICE</th>
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<td>ISA W/Dept of Housing &quot;Revenue for</td>
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<td>2/26/08 – 6/30/09</td>
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</table>

**HS832423**  
Comment: Signature by CFO Staff is to accommodate Procurement activities to meet contract requirements. Actual approval effective 2/26/08 and for the contract.

"NO PO necessary"

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**INDEX** | **PCA** | **AY** | **OBJ** | **AMOUNT** | **%AGE** | **SUB TOTAL** | **TAX%** | **FREIGHT** | **TOTAL** | **USE TAX % - $**
---|---|---|---|---|---|---|---|---|---|---|
97891 | 83000 | 08 | 4901 | 2,000,000 | | | |

**DATE REQUIRED:** 2/26/08  
**TOTAL:** 2,000,000  
**USE TAX % - $**

**DELIVER TO:** ADHS/BHS/080  
**NAME:** 150 N 18th Ave Ste 780 Phx 85020  
**LOCATION:**

**SUGGESTED VENDOR(S):**

**SERVICE/OFFICE/PROGRAM TITLE**
ADHS/BHS/080

**INITIATED BY (NAME AND TITLE):**
Debbie Gann, Grants Ofc.

**AUTHORIZED SIGNATURE (PROGRAM):**
Kimberly Keen, Finance

**AUTHORIZED SIGNATURE (BUSINESS OFFICE):**
Paul Moore

**AUTHORIZED SIGNATURE (BUDGET):**

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**FOR USE BY PROCUREMENT OFFICE ONLY**

**P.O. NO.** | **CONT. NO.** | **DELIVERY TERMS** | **PAYMENT TERMS** | **ASSIGNMENT** | **MANAGER**
---|---|---|---|---|---

**VENDOR NAME AND NUMBER:**

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ADHS/PROCUREMENT 1 (7/2000)  
SEND WHITE, CANARY AND PINK COPIES TO PROCUREMENT AND RETAIN GOLDENROD COPY FOR YOUR RECORD.
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Name: Fred G. Karnas, Jr., Director

By Arizona Department of Health Services:

By: [Signature]

Name: Ann M. Freio

Title: Procurement Administrator