HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY

3269 Stockton Hill Road

Kingman, Arizona 86409

AGENDA (SEPTEMBER 8, 2026)

The Governing Board of Hospital District Number One of Mohave County (Hospital District Board) will meet in Regular Session on Tuesday, September 8, 2026 at 4:00 p.m. The meeting will be held at the Kingman Regional Medical Center Mohave A Conference Room at 3269 Stockton Hill Road, Kingman, Arizona. The Hospital District Board may vote to go into Executive Session pursuant to A.R.S. § 38-431.03 (A)(3) for legal advice and A.R.S. § 38-431.03 (A)(4) for discussion or consultation with attorneys. The following topics and any variables thereto will be subject to Hospital District Board consideration, discussion, approval, or other action. All items are set for possible action.

I. CALL TO ORDER

II. ROLL CALL OF THE HOSPITAL DISTRICT BOARD MEMBERS

III. CONSIDERATION AND APPROVAL OF MINUTES

A. Discussion and possible action regarding the approval of Minutes of Regular Board Meeting of September 1, 2026.

IV. FINANCES

A. Informational update regarding payment of budgeted legal invoices to District Attorney Thomas Price pursuant to previously authorized District procedures. No action requested.

B. Discussion and possible action regarding acceptance of a bona fide donation from the hospital to the District, including a vote by the Board.

C. Informational update regarding the final supplemental payment to former Chairperson Katie Tacheron. The payment was previously authorized by the Board and was within the adopted District budget. No action requested.

V. NEW BUSINESS

A. Discussion regarding future review and modernization of the Hospital District bylaws after completion of the current lease and adoption of priority District policies and procedures. No action requested.

B. Discussion regarding development of a comprehensive Hospital District Policies and Procedures Manual, including the proposed scope, structure, and areas of District operations to be addressed. No action requested.

C. Discussion and possible action regarding approval of the Mohave County Elections Services Intergovernmental Agreement for future District election services. Mohave County Elections has confirmed that the 2026 Hospital District election has been canceled and the remaining Board seat will remain vacant. District counsel has advised that the IGA should still be approved for future election needs.

VI. NEXT MEETING

VII. CALL TO THE PUBLIC

A. Consideration and discussion of comments from the public. Those wishing to address the Hospital District Board need not request permission in advance. Each member of the public will be limited to three (3) minutes of speaking time. The Hospital District Board is not permitted to discuss or take action on any item raised in the call to the public. However, individual Hospital District Board members may be permitted to respond to criticism directed to them after the call to the public. Otherwise, the Hospital District Board may direct that staff review the matter or that the matter be placed on a future agenda. The Hospital District Board cannot discuss or take legal action on any issue raised during the Call to the Public due to restrictions of the Open Meeting Laws.

VIII. ADJOURNMENT

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the attached notice will be duly sent to the Mohave County Board of Supervisors no later than September 7th, 2026 by 4:00 p.m. for posting on their public information board. Also, notice will be posted at 3269 Stockton Hill Road (Main Entrance to KRMC) in Kingman, Arizona, and on the webpage of the Hospital District Board, no later than September 7th, 2026, 4:00 p.m. in accordance with the statement filed by the Hospital District Number One of Mohave County. Dated this 3rd day of September 2026.

Posted by Billy Neal

Billy Neal on behalf of:

Logan Marsh

Chairperson of Hospital District Number One of Mohave County

Additional Meeting Resources:

Microsoft Teams meeting

Join: https://teams.microsoft.com/meet/237738069483401?p=XPsy9mLo463bKdPNPD

Meeting ID: 237 738 069 483 401

Passcode: Xo6bj3g8

HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY

3269 Stockton Hill Road – Kingman, AZ 86409

MEETING MINUTES – SEPTEMBER 1, 2026

The Governing Body of Hospital District Number One of Mohave County (Hospital District Board) met in Regular Session on Tuesday, September 1, 2026, at 4:00 p.m. The meeting was held at Kingman Regional Medical Center in Mohave A Conference Room located at 3269 Stockton Hill Road, Kingman, Arizona.

I. CALL TO ORDER

The Regular Session Board Meeting of Hospital District Number One of Mohave County was called to order by Chairman Logan Marsh at 4:00 p.m. A quorum was identified.

II. ROLL CALL OF THE HOSPITAL DISTRICT BOARD MEMBERS

Board Members Present:

Logan Marsh, Chairman

Leanne Smith, Vice Chair

Dr. Carol Newmyer

Board Positions Vacant:

One term expiring November 2028
One term expiring November 2026

Members of the Public Present:

Jacob Marsh
Thomas Price

KRMC Representatives Present:

Heath Evans
Josh Hoffman
Chris Bennett
Candice McDaniel
Emmanuel Buabeng
Allen Poston
Billy Neal

III. CONSIDERATION AND APPROVAL OF MINUTES

Discussion ensued regarding the minutes from the August 13, 2026 Regular Board Meeting. Board Members indicated there were no concerns or requested revisions. Board Member Smith commented that she appreciated the format of these minutes as they were easier to read.

ACTION: MOTION MADE BY BOARD MEMBER NEWMYER AND SECONDED BY BOARD MEMBER SMITH TO ACCEPT THE AUGUST 13, 2026 MINUTES AS WRITTEN. VOTE 3/0.

IV. NEW BUSINESS

A. Intergovernmental Agreement (IGA)

Discussion ensued regarding the proposed Intergovernmental Agreement and the need for legal consultation with Board Attorney Thomas Price.

ACTION: MOTION MADE BY BOARD MEMBER SMITH AND SECONDED BY BOARD MEMBER NEWMYER TO ENTER EXECUTIVE SESSION FOR LEGAL ADVICE REGARDING THE PROPOSED INTERGOVERNMENTAL AGREEMENT. VOTE 3/0.

The Board entered Executive Session at 4:03 p.m.

The Board exited Executive Session at 4:18 p.m.

ACTION: MOTION MADE BY BOARD MEMBER NEWMYER AND SECONDED BY BOARD MEMBER SMITH TO RECONVENE IN REGULAR SESSION. VOTE 3/0.

The Board reconvened in Regular Session at 4:20 p.m.

Following Executive Session, discussion continued regarding the terms of the Intergovernmental Agreement and the Board's desire to move forward with execution of the agreement.

ACTION: MOTION MADE BY BOARD MEMBER SMITH AND SECONDED BY BOARD MEMBER NEWMYER TO APPROVE AND AUTHORIZE EXECUTION OF THE INTERGOVERNMENTAL AGREEMENT. VOTE 3/0.

V. NEXT MEETING

Chairman Marsh informed attendees that the next meeting of the Hospital District Board would be held on September 8, 2026, at 4:00 p.m.

VI. ADJOURNMENT

ACTION: WITH NO FURTHER BUSINESS TO DISCUSS, A MOTION WAS MADE BY CHAIRMAN MARSH AND SECONDED BY BOARD MEMBER NEWMYER TO ADJOURN THE MEETING AT 4:22PM. VOTE 3/0.

Respectfully submitted by

Billy Neal On behalf of:

Logan Marsh
Chairperson Hospital District Number One of Mohave County

LAW OFFICE OF THOMAS E. PRICE, P.C.
501 E. Oak St.
Kingman, AZ 86401-5930

Invoice
submitted to:

Hospital District Number One of Mohave County
Attn: Catherine Furtado
cfhd1board@gmail.com
3269 N. Stockton Hill Rd.
Kingman, AZ 86409

September 1, 2026

In Reference To: Miscellaneous

Professional Services

		Hrs/Rate	Amount
8/5/2026	Received the resignations of Katie Tacheron, Teresa Boegler and Catherine Furtado; forwarded same to the other board members; drafted cover letters to the Arizona Secretary of State Adrian Fontes.	0.50 380.00/hr	190.00
	Teleconference with Cheryl Porter; teleconferences with Logan Marsh; worked on answering Logan Marsh's questions in regards to the next steps; teleconference with Katie Tacheron in regards to the status of the Google account and the cell phone account.	0.70 380.00/hr	266.00
	Drafted the agenda for the next meeting	1.00 380.00/hr	380.00
8/6/2026	Reviewed and replied to Logan's August 5thin regards to the agenda	0.20 380.00/hr	76.00
	Exchanged text messages related to the proposed agenda; teleconference with Billy Neal in regards to his role prior to the next meeting; emailed proposed email to board members.; Teleconference with Heath Evans and Billy Neal in regards to the next steps.Teleconferences with Billy Neal; reviewed and responded to Billy Neal's emails.	1.60 380.00/hr	608.00
8/7/2026	Prepared letter to Secretary of State regarding board member resignations	0.10 380.00/hr	38.00

		Hrs/Rate	Amount
8/12/2026	Reviewed and responded to Logan Marsh's email related to redacting Teresa Boegler's signature on her resignation. Teleconference with Logan Marsh in regards to tomorrow's agenda.	0.90 380.00/hr	342.00
8/13/2026	Reviewed statutory law in regards to obtaining a new office for district.Travel to and from board meeting; attended district board meeting.	2.30 380.00/hr	874.00
8/14/2026	Received and reviewed Logan Marsh's text in regards to Dr. Carol Newmyer's district cell number. Reviewed David Strahl's August 14thand Logan Marsh's response to same; forwarded a copy to the other board members and Billy Neal; teleconference with Logan Marsh in regards to same and records request.	0.40 380.00/hr	152.00
8/18/2026	Reviewed and responded to Logan Marsh's correspondence related to research student's request for records. Teleconferences with Logan in regards to the budget, GME contracts and call from Dan Valentine.	1.00 380.00/hr	380.00
8/19/2026	Reviewed Logan's voicemail; teleconference with Logan regarding same.Teleconferences with Logan Marsh and Billy Neal in regards to a policy in respect to communicating with the public.	0.40 380.00/hr	152.00
8/20/2026	Teleconference with Katie Tacheron in regards to the submission of the District's budget to the County and additional credit card charges; received and reviewed a request for information addressed to KRMC; left message for Billy Neal.	0.40 380.00/hr	152.00
8/21/2026	Reviewed emails from Catherine Furtado and Logan Marsh in regards to a records request from Oshea Smith; left a message for Logan Marsh.	0.20 380.00/hr	76.00
8/23/2026	Teleconferences with Logan Marsh in regards to the district's tax id number; left a message for Logan Marsh regarding same	0.10 380.00/hr	38.00
8/27/2026	Teleconference with Logan Marsh in regards request for public records; reviewed and responded to his response to Oshea Smith.	0.50 380.00/hr	190.00
8/28/2026	Teleconference with Billy Neal and Logan Marsh in regards to the September 1stand packet.	0.40 380.00/hr	152.00
	Reviewed Intergovernmental Agreement between Arizona Health Care Cost Containment System and the hospital district and related state statutes and administrative code, and federal law.	2.00 380.00/hr	760.00
8/31/2026	Met with Heath Evans in regards to monies transferred to district. Teleconference with Logan Marsh in regards to upcoming election.	0.40 380.00/hr	152.00

		Hours	Amount
	For professional services rendered	13.10	$4,978.00
	Previous balance		$1,254.00
	Accounts receivable transactions		
8/6/2026	Payment - thank you		($1,254.00)
	Total payments and adjustments		($1,254.00)
	Balance due		$4,978.00

The balance is due upon receipt of this statement. Unless other arrangments have been made.

We appreciate your business. Thank you!

We accept VISA, Mastercard, American Express, and Discover.

If you have any questions regarding this billing statement, please contact our staff at (928) 753-1112.

INTERGOVERNMENTAL AGREEMENT
(Agreement #____________)

This Intergovernmental Agreement ("Agreement") is entered into by and between the **Arizona Health Care Cost Containment System ("AHCCCS")**, the agency of the State of Arizona authorized to administer the Medicaid and behavioral health systems in the State of Arizona, and the **Hospital District No. One of Mohave County**, a political subdivision, tribal government, or public university.

Project Title: Supplemental Payments for Graduate Medical Education Programs

WHEREAS, A.R.S. § 36-2903.01(G)(9)(f), permits the Public Entity, as a political subdivision of the State of Arizona, a tribal government, or university under the jurisdiction of the Arizona Board of Regents, to contribute public funds to be used as the Non-Federal Share of supplemental Medicaid payments to hospitals with Graduate Medical Education ("GME") programs, contingent upon the approval by AHCCCS and the Centers for Medicare and Medicaid Services; and,

WHEREAS, the Public Entity, is authorized to enter into this agreement under A.R.S.§ 48-1907 et seq. and A.R.S.§ 36-2903.01(G)(9)(f) and the laws 2010, Ch. 86 § Si and

WHEREAS, AHCCCS is authorized to make supplemental payments for GME under A.R.S. § 36-2903.01(G)(9); and

WHEREAS, AHCCCS and the Public Entity are authorized by A.R.S. § 11-952, as well as A.R.S. § 36-2903.01(G)(9), to enter into Intergovernmental Agreements to jointly exercise powers common to the parties or for cooperative action pertaining to reimbursement or advancements of public funds for services performed; and

WHEREAS the Public Entity and AHCCCS wish to enter into this Agreement in order to permit the Public Entity to provide the Non-Federal Share of GME payments.

NOW, THEREFORE, the Public Entity and AHCCCS (collectively, the "Parties"), pursuant to the above and in consideration of the matters hereinafter set forth, do mutually agree as follows:

HOSPITAL DISTRICT NO. ONE OF MOHAVE COUNTY		**AHCCCS**	
Signature	Date	Signature	Date
Printed Name		**Meggan LaPorte, CPPO, MSW** Printed Name	
Title		**Chief Procurement Officer** Title	

This Agreement has been reviewed by the undersigned attorney who has determined that this Agreement is in the appropriate form and is within the power and authority of the Public Entity.

Signature Date

Printed Name

Title

In accordance with A.R.S. § 11-952, this Agreement has been reviewed by the undersigned General Counsel of the agency, who has determined that the Agreement is in the proper form and is within the powers granted under the laws of the State of Arizona to AHCCCS.

Signature Date

Printed Name

AHCCCS Deputy General Counsel

Title

TERMS AND CONDITIONS

1. **Definitions.** Unless otherwise defined in this Agreement, all terms have the same meaning as set forth in Title 36 of the Arizona Revised Statutes or Title 9, Chapter 22, of the Arizona Administrative Code (A.A.C.) as appropriate.

1.1. Agreement: This document, together with any and all attachments, appendices, exhibits, schedules, and future amendments as agreed to by the Parties. The term "Agreement" is synonymous with "Intergovernmental Agreement."

1.2. AHCCCS: Arizona Health Care Cost Containment System, an agency of the State, which administers the Medicaid program under Title XIX of the Social Security Act and the Children's Health Insurance Program (CHIP) under Title XXI of the Social Security Act in Arizona.

1.3. C.F.R.: Code of Federal Regulations – the official compilation of federal rules and requirements.

1.4. Public Entity: [insert name of political subdivision of the State of Arizona, tribal government, or university under the jurisdiction of the Arizona Board of Regents].

1.5. CMS: The Centers for Medicare and Medicaid Services, a federal agency within the U.S. Department of Health and Human Services.

1.6. Day: A calendar day, unless specified otherwise.

1.7. Data: means recorded information, regardless of form or the media on which it may be recorded. The term may include technical data and computer software. The term does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information.

1.8. Eligible Hospital(s): Hospitals that AHCCCS has determined meet the requirements of Arizona Administrative Code, R9-22-712.05 for an "eligible health care facility" and that are listed in Attachment A to this Agreement.

1.9. FFP or Federal Financial Participation: the federal monies that AHCCCS claims from CMS for the Federal share of AHCCCS expenditures for the administration of and services paid for through the Medicaid

Program, Title XIX of the Social Security Act.

1.10. GME Payments: a supplemental payment to an Eligible Hospital for Graduate Medical Education costs described in Arizona Administrative Code, R9-22-712.05 made by AHCCCS pursuant to the State Plan.

1.11. Service Year: the period from July 1, 2025 through June 30, 2026.

1.12. State: The State of Arizona.

1.13. State Plan: The agreement between the State and CMS for the administration of the Medicaid program in Arizona as described in 42 C.F.R. 430.10.

1.14. Non-Federal Share: The portion of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act, that are not FFP, and which meet the requirements of 42 C.F.R. Part 433, Subpart B and any other federal law or regulation applicable to the permissibility of funding sources.

2. **Purpose.** The purpose of this Agreement is to set forth the procedures under which the Public Entity will, at its discretion and contingent upon AHCCCS and CMS approval, transfer public funds for use as the Non-Federal Share of GME Payments under this Agreement for Graduate Medical Education costs during the Service Year. It is the intent of the parties that the procedures herein fully comply with Federal and State laws, rules, and regulations.

3. **Eligibility Requirements.** Monies transferred by the Public Entity and claimed by AHCCCS as the Non-Federal Share of Medicaid expenditures under this Agreement may only be used for permissible GME Payments and distributed to Eligible Hospitals. AHCCCS will determine which Eligible Hospitals are eligible for GME Payments for GME costs during the Service Year and the amount of any distribution. Eligibility and distribution amount determinations for GME Payments will be consistent with applicable Federal and State statutes, regulations, rules, and the terms of the State Plan.

4. **AHCCCS Rights and Obligations.**

4.1. Receipt and Distribution of Funds. Consistent with the State Plan, and State and Federal laws and regulations, AHCCCS will use the funds transferred by the Public Entity to claim FFP and distribute an amount equal to the sum of the Non-Federal Share transferred by the Public Entity under this Agreement and the corresponding FFP to Eligible Hospitals as GME Payments for hospital services provided during the Service Year in the amounts shown on Attachment A to this Agreement. Both the Non-Federal Share and the FFP under this Agreement may only be used for GME payments to Eligible Hospitals.

4.2. AHCCCS Payment Recoupment from Eligible Hospital. AHCCCS, upon prior written notice to the Eligible Hospitals, will require Eligible Hospitals receiving GME payments as a result of this Agreement, to reimburse AHCCCS upon demand and, if not reimbursed upon demand, AHCCCS will deduct from any future payments from AHCCCS otherwise due to the Eligible Hospital(s) any amount:

4.2.1 Received by the Eligible Hospital from AHCCCS as GME Payments that were based on inaccurate information provided by the Public Entity or the Eligible Hospital, that are found to be for an excluded expense, or that otherwise result in an inaccurate payment;

4.2.2 Paid by AHCCCS for which an Eligible Hospital's books, records, and other documents are not sufficient to clearly confirm that the Eligible Hospital was entitled to the GME payments;

4.2.3 Paid by AHCCCS for which the Public Entity's books, records, and other documents are not sufficient to clearly confirm that the funds transferred to AHCCCS are public funds which meet the requirements of 42 C.F.R. Part 433, Subpart B and any other federal law or regulation applicable to the permissibility of funding sources;

4.2.4 Identified as a payment that may not be claimed for FFP as the result of a CMS financial management review, deferral, disallowance, or audit.

4.3. AHCCCS is responsible for satisfying CMS requirements regarding reporting, adjusting claims for or reimbursing FFP, as necessitated by a recoupment as noted in Section 4.2 of this Agreement, or applicable Federal laws, rules, and regulations. This provision does not relieve the Public Entity or an Eligible Hospital from their obligations under Section 4.2 or the obligations under Section 6 of this Agreement.

4.4. In the event AHCCCS recoups GME payments from an Eligible Hospital and subject to the Public Entity's obligations in Section 5.4, AHCCCS will promptly return to the Public Entity, without demand, that portion of the recoupment representing the Non-Federal Share contributed by the Public Entity under this Agreement. To the extent AHCCCS is obligated to reimburse CMS for FFP for GME payments (including any interest incurred as a result of an appeal of the disallowance), no portion of any amounts recouped from an Eligible Hospital will be returned to the Public Entity until CMS has been reimbursed for any amounts due to CMS for FFP for GME payments.

4.5. As a condition of making GME payments, Eligible Hospitals will be required to enter into a separate written agreement (Attachment B, the Agreement to Reimburse Impermissible Graduate Medical Education payments) requiring the hospital refund GME payments in the event of a disallowance based on the impermissibility of the transferred funds.

5. **The Public Entity's Rights and Obligations.**

5.1. No later than June 1st of the year following the Service Year, the Public Entity shall transfer to AHCCCS the amount identified in Attachment A to this Agreement, which amount shall be used pursuant to Section 4.1 above. The Public Entity warrants that the Non-Federal Share transferred by the Public Entity to AHCCCS is derived from the public sources identified in Attachment A to this Agreement.

5.2. After receiving the funds transferred by the Public Entity under this Agreement, AHCCCS will make GME Payments to the Eligible Hospitals in the amounts shown on Attachment A to this Agreement pursuant to Section 4.1 hereof without any deductions or set offs. Payments will not be made after the time limits for AHCCCS to file claims for FFP set forth in 45 C.F.R. Part 95, Subpart A as interpreted by the United States Department of Health and Human Services Departmental Appeals Board. In the event AHCCCS cannot make GME Payments to an Eligible Hospital due to the time limit for claiming FFP, AHCCCS will promptly return to the Public Entity, without demand, the unexpended portion of the Non-Federal Share contributed by the Public Entity under this Agreement.

5.3. Within fifteen (15) days after the date of distribution of the GME payments to the Eligible Hospitals, AHCCCS will provide the Public Entity with a report showing the actual distribution of funds to the Eligible Hospitals.

5.4. In the event of a disallowance based on the impermissibility of the transferred funds and the failure of the Eligible Hospital to refund GME payments as required by Attachment B, AHCCCS shall make diligent efforts to recover the amounts due under Section 4.2 and Attachment B. If AHCCCS is unable to recover the total computable amount associated with such disallowance from the Eligible Hospital within twelve months of AHCCCS's demand for a refund (unless stayed as part of an administrative appeal related to such disallowance), the Public Entity shall, within 30 days of written demand from AHCCCS, make a payment to AHCCCS equal to any difference between the amount not collected from the Eligible Hospital and the amount due to CMS as the result of the disallowance, including any interest incurred as a result of an appeal of the disallowance.

6. **Compliance with Administrative Requirements for State Financial Participation.**

6.1. Public Entity warrants that, consistent with 42 C.F.R. Part 433, Subpart B and any other federal law or regulation applicable to the permissibility of funding sources, no portion of the funds transferred to AHCCCS are derived from (1) direct or indirect provider-related donations (in cash or in kind), other than bona fide provider-related donations or (2) health care-related taxes, other than as permitted in Subpart B and any other federal law or regulation applicable to the permissibility of funding sources.

6.2. Public Entity certifies that, consistent with 42 C.F.R. § 433.51(c) and any other federal law or regulation applicable to the permissibility of funding sources, the funds transferred to AHCCCS under this Agreement are not federal funds or are federal funds authorized by federal law to be used to match other federal funds.

6.3. Public Entity agrees to provide AHCCCS with supporting documentation of the sources of the funds transferred pursuant to this agreement and of the bases for the Public Entity's assurance that the funds transferred comply with Sections 6.1 and 6.2.

6.4. If Public Entity fails to provide supporting documentation required in Section 6.3 of this Agreement such that CMS adjusts future grant awards to AHCCCS or defers or disallows any expenditures claimed by AHCCCS, then Public Entity agrees to reimburse AHCCCS immediately, upon demand by AHCCCS, in the amount of the adjustment or disallowance that is attributable to sources that do not comply with Sections 6.1 or 6.2 of this agreement.

6.5. If any funds transferred by Public Entity are determined to be derived from provider-related donations or health care-related taxes, federal funds, or funds that otherwise do not meet the requirements of 42 C.F.R. Part 433, Subpart B or any other federal law or regulation applicable to the permissibility of funding sources, the Public Entity is responsible for making payment to AHCCCS under the terms of Section 5.4.

6.6. Reimbursement or payment by the Public Entity under Sections 6.4 or 6.5 does not relieve AHCCCS of its obligation under Section 4.2 of this Agreement to pursue recoupment from the Eligible Hospitals or its obligation under Section 4.4 to return to the Public Entity the Non-Federal portion of amounts recouped from the Eligible Hospitals.

6.7. Public Entity certifies that the funds transferred to AHCCCS as described in this Agreement are made voluntarily and that neither the State nor AHCCCS has through statute, rule, or otherwise required the Public Entity to provide the funding.

7. **General Provisions.**

7.1. Entire Agreement. This document, its attachments, and appendices, including any approved subcontracts, amendments and modifications made thereto, shall constitute the entire Agreement between the Parties, and supersedes all other understandings, oral or written.

7.2. Exercise of Rights. Failure to exercise any right, power or privilege under this Agreement will not operate as a waiver thereof, nor will a single or partial exercise thereof preclude any other or further exercise of that or any other right, power, or privilege.

7.3. Contract Term. Notwithstanding the facts that certain AHCCCS or Public Entity obligations under this Agreement occur after the Term hereof, the parties agree that the Term of this Agreement commences when signed by both parties and continues through the conclusion of: (1) any payment reconciliations required by Federal or State law, or the State Plan applicable to GME Payments or (2) audits of GME payments as required by State or Federal law.

7.4. Compliance with Laws, Rules, and Regulations. AHCCCS, the Public Entity, Eligible Hospitals, and their subcontractors must comply with all applicable Federal and State laws, rules, regulations, standards, and Executive Orders, without limitation to those designated within this Agreement.

7.4.1. Non-Discrimination. The parties shall not discriminate against any employee, client, or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability, or national origin in the course of carrying out their duties pursuant to this Agreement. The Parties shall comply with the provisions of Arizona Executive Order 2023-01, incorporated into this Agreement by reference, as if set forth in full herein.

7.4.2. ADA. The parties shall comply with all applicable provisions of the Americans with Disabilities Act of 1990, as amended by the ADA Amendments Act of 2008 (together, "the Acts"), 42 U.S.C. 12101-12213, and all applicable federal regulations under the Acts, including 28 C.F.R. Parts 35 and 36.

7.5. Choice of Law. The laws and regulations of the State of Arizona govern the rights of the Parties, the performance of this Agreement, and any disputes arising from the Agreement.

7.6. Compulsory Arbitration. Any action relating to this Agreement must be brought by arbitration to the extent required by A.R.S. § 12-1518 or in an appropriate court. Any arbitration award will be enforced in an appropriate court.

7.7. Amendments. This Agreement, including its term, may be modified only through a duly authorized written amendment, executed with the same formality as the Agreement.

7.8. Notice. Any notice required by the terms of the Agreement and any questions regarding the duties and obligations of this contract shall be directed to:

7.8.1 For AHCCCS:

Meggan LaPorte, Chief Procurement Officer
PROCUREMENT@azahcccs.gov

7.8.2 For the Public Entity:

Logan Marsh, Board Chair
logan@hd1mc.org

7.8.3 AHCCCS and the Public Entity will give notice by regular mail, or any other means reasonably anticipated to provide actual notice to the other party of any change of the address, telephone number, name of the authorized signatory or designee; or name and/or address of the person to whom notices are to be sent.

7.9 Termination. Pursuant to A.R.S. § 38-511, either party to this Agreement may terminate this Agreement without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement is or becomes at any time while the Agreement or an extension of the Agreement is in effect an employee of, agent of, or a consultant to any other party to this Agreement with respect to the subject matter of the Agreement. The cancellation will be effective when AHCCCS or the Public Entity receives written notice of the cancellation unless the notice specifies a later time.

7.10 Records. The Parties, including Eligible Hospitals, agree to retain all financial books, records, and other documents and will contractually require each subcontractor to retain all data and other records relating to the acquisition and performance of the Agreement for a period of five (5) years after the completion of the Agreement. All records are subject to inspection and audit by the Parties at reasonable times. Upon request, the Parties will produce a legible copy of any or all such records.

7.11 Severability. The provisions of this Agreement are severable. If any provision of this Agreement is held by a court to be invalid or unenforceable, the remaining provisions continue to be valid and enforceable to the full extent permitted by law.

7.12 Indemnification. Each party (as Indemnitor) agrees to indemnify, defend and hold harmless the other party (as Indemnitee) from and against any and all claims, losses, liability, costs or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the Indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

7.13 No Third-Party Beneficiaries. Nothing in the provisions of this Agreement is intended to (1) create duties or obligations to or rights in Eligible Hospitals or any other persons or entities not parties to this Agreement or (2) effect the legal liability of either party to the Agreement with respect to Eligible Hospitals or any other persons or entities not parties to this Agreement.

7.14 No Joint Venture. Nothing in this Agreement is intended to create a joint venture between or among the Parties, including the Eligible Hospitals, and it will not be so construed. Neither AHCCCS's nor the Public Entity's employees will be considered officers, agents, or employees of the other or be entitled to receive any employment related fringe benefits from the other.

7.15 Offshore Performance of Work involving Data is Prohibited. Any Services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to Data shall be performed within the defined territories of the United States.

7.16 Protection of State Cybersecurity Interests. The Public Entity shall comply with State Executive Order No. 2023-10, which includes, but is not limited to, a prohibition against (a) downloading and installing of TikTok on all State-owned and State-leased information technology; and (b) accessing TikTok through State information technology.

7.17 Certifications Required by State Law.

- 7.17.1 If Public Entity is a Company as defined in A.R.S. § 35-393, the Public Entity certifies that it is not currently engaged in a boycott of Israel as described in A.R.S. §§ 35-393 *et seq*. and will refrain from any such boycott for the duration of this Contract.
- 7.17.2 Public Entity further certifies that it shall comply with A.R.S. § 35-394, regarding use of the forced labor of ethnic Uyghurs, as applicable.

7.18 Availability of Funds for the Next State Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current State Fiscal Year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current State Fiscal Year until funds are made available for performance of this Contract.

7.19 Availability of Funds for the Current State Fiscal Year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these Materials or Services are not funded, the State may take any of the following actions:

7.19.1 Accept a decrease in price offered by the Public Entity.
7.19.2 Cancel the Contract.

7.20 Performance in Public Health Emergency. Public Entity warrants that it will:

7.20.1 Have in effect, promptly after commencement, a plan for continuing performance in the event of a declared public health emergency that addresses, at a minimum:

7.20.1.1 Identification of response personnel by name;
7.20.1.2 Key succession and performance responses in the event of sudden and significant decrease in workforce; and
7.20.1.3 Alternative avenues to keep sufficient product on hand or in the supply chain.

7.20.2 Provide a copy of its current plan to State within three (3) business days after State's written request. If Public Entity claims relief under paragraph 6.4 [Force Majeure] for an occurrence of force majeure that is a declared public health emergency, then that relief will be conditioned on the Public Entity having first implemented its plan and exhausted all reasonable opportunity for that plan implementation to overcome the effects of that occurrence, or mitigate those effects to the extent that overcoming entirely is not practicable.

7.20.3 A request from the State related to this paragraph 7.10 does not necessarily indicate that there has been an occurrence of force majeure, and the Public Entity will not be entitled to any additional compensation or extension of time by virtue of having to implement a plan.

7.20.4 Failure to have or implement an appropriate plan will be a material breach of contract.

7.21 Lobbying

7.21.1 Prohibition. Public Entity warrants that it will not engage in lobbying activities, as defined in 40 Code of Federal Regulations (CFR) part 34 and A.R.S. § 41-1231, *et seq*., using monies awarded under the Contract, provided that, the foregoing does not intend to constrain Public Entity's use of its own monies or property, including without limitation any net proceeds duly realized under the Contract or any value thereafter derived from those proceeds; and upon award of the Contract, it will disclose all lobbying activities to State to the extent they are an actual or potential conflict of interest or where such activities could create an appearance of impropriety. The Public Entity shall implement and maintain adequate controls to assure compliance with above. The Public Entity shall obtain an equivalent warranty from all Subcontractors and shall include an equivalent no-lobbying provision in all Subcontracts.

7.21.2 Exception. This paragraph 7.21.1 does not apply to the extent that the Services are defined in the Contract as being lobbying for State's benefit or on State's behalf.

ATTACHMENT A

To The Intergovernmental Agreement between AHCCCS **[The Arizona Health Care Cost Containment System Administration]** and Hospital District No. One of Mohave County **[Public Entity]**.

Pursuant to the Agreement: (1) the Public Entity has designated the hospitals listed below as Eligible Hospitals, (2) the Public Entity has agreed to transfer public funds in the amount specified below as the Non-Federal Share of GME Payments to each Eligible Hospital; and AHCCCS has agreed to use the transferred funds to make the GME Payments specified below:

Eligible Hospital	**Non-Federal Share**	**GME Payment**
Kingman Healthcare Inc., Dba Kingman Regional Medical Center	$2,060,764.51	$5,832,489.95
Totals:	$2,060,764.51	$5,832,489.95

Pursuant to the Agreement, the Public Entity warrants that the amounts transferred under the Agreement are derived from the following sources meeting the requirements of 42 C.F.R. Part 433, Subpart B and any other federal law or regulation applicable to the permissibility of funding sources:

Source	**Amount**
Hospital District No. One of Mohave County	$2,060,764.51
Total:	$2,060,764.51

ATTACHMENT B

AGREEMENT TO REIMBURSE IMPERMISSIBLE GRADUATE MEDICAL EDUCATION PAYMENTS

As a condition of receiving Graduate Medical Education (GME) Payments from AHCCCS under A.R.S. § 36-2903.01(G)(9)(f), the undersigned Hospital agrees that in the event CMS issues a disallowance of FFP based on a determination that the source of the funds transferred by any Governmental Entity in support of GME payments to the Hospital are either federal funds, provider-related donations, or health care-related taxes that are not permissible under 42 C.F.R. Part 433, Subpart B or any other federal law or regulation applicable to the permissibility of funding sources, the Hospital will, upon final exhaustion of any administrative appeal related to such disallowance:

(1) refund to AHCCCS within 30 days of written demand an amount of the GME payments made to the Hospital equal to the total computable amount associated with such disallowance, including any interest incurred as a result of an appeal; and/or

(2) permit AHCCCS to offset the amount referenced in (1), to the extent it is not refunded, from any amounts otherwise due to the Hospital.

DEFINITIONS. As used in this Agreement to Reimburse Impermissible Graduate Medical Education Payments (“Agreement”), the following terms have the following meanings:

AHCCCS: Arizona Health Care Cost Containment System, an agency of the State, which administers the Medicaid program under Title XIX of the Social Security Act and the Children’s Health Insurance Program (CHIP) under Title XXI of the Social Security Act in Arizona.

CMS: The Centers for Medicare and Medicaid Services, a federal agency within the U.S. Department of Health and Human Services.

FFP or Federal Financial Participation: the federal monies that AHCCCS claims from CMS for the Federal share of AHCCCS expenditures for the administration of and services paid for through the Medicaid Program, Title XIX of the Social Security Act.

Governmental Entity: local, county, or tribal governments, or universities under the jurisdiction of the Arizona board of regents or other governmental entities that are legally qualified to participate in funding program expenditures pursuant to A.R.S. § 36-2903.01(G)(9)(f) and that have transferred funds to AHCCCS under that authority.

Hospital: the undersigned Hospital, including the hospital and its employed physicians.

Agreed to this _____ day of ___________, 2026_ by:

Name: JOSHUA HOFFMAN

Title: CFO

On behalf of: Kingman Healthcare Inc.

Signed:

KATHRYN E TACHERON
Closing Date 08/12/26

Customer Care & Billing Inquiries	1-888-258-3741
International Collect	1-336-393-1111
Cash Advance at ATMs Inquiries	1-800-CASH NOW
Large Print & Braille Statements	1-888-258-3741

Hearing Impaired
Online chat at **americanexpress.com** or use **Relay dial 711** and **1-888-258-3741**

Website: americanexpress.com

Customer Care & Billing Inquiries
P.O. BOX 981535
EL PASO, TX
79998-1535

Payments
PO BOX 60189
CITY OF INDUSTRY
CA
91716-0189

Payments and Credits

Summary

	Total
Payments	[redacted]
Credits	$0.00
Total Payments and Credits	[redacted]

Detail *Indicates posting date

		Amount
Payments		
07/31/26*	PAYMENT RECEIVED - THANK YOU	[redacted]

New Charges

Summary

	Total
Total New Charges	[redacted]

Detail

KATHRYN E TACHERON
Card Ending 5-12006

				Amount
9/26	BASHA'S 480-895-9350	KINGMAN	AZ	[redacted]
1/26	S[redacted] 800-898-4027	KINGMAN	AZ	[redacted]
1/26	GOOGLE*WORKSPACE_HD1MC.ORG 123123123 / helppay@googl	MOUNTAIN VIEW	CA	$171.23
2/26	[redacted] 480-895-9350	KINGMAN	AZ	[redacted]
3/26	GOOGLE *FI 2DZM5Z TELECOM SERVICE	G.CO/HELPPAY#	CA	$79.84
4/26	[redacted] 480-895-9350	KINGMAN	AZ	[redacted]
5/26	[redacted] 800-898-4027	KINGMAN	AZ	[redacted]
5/26	[redacted] 800-898-4027	KINGMAN	AZ	[redacted]
6/26	[redacted] 480-895-9350	KINGMAN	AZ	[redacted]
9/26	[redacted] 480-895-9350	KINGMAN	AZ	[redacted]

End of Important Notices.

Continued on reverse

BYLAWS OF

HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY

Article I

The District

The District was established by an Order of the Board of Supervisors of Mohave County, Arizona, December 20, 1982. The District was established in accordance with the provisions of Arizona Revised Statutes 48-1907.

Article II

Directors

Section 1. Powers. The management and control of the District is vested in the Board of Directors. The Board shall serve without compensation except that the members may receive reimbursement for the necessary and actual expenses incurred while on District business as approved by the Board, and a statutory per diem when away from the District on business of the District. The Board may employ personnel necessary to conduct affairs of the District.

The Board of Directors may purchase real property, and erect or rent and equip buildings or rooms necessary for the hospital. The Board of Directors shall lease the hospital as provided per statute 48-1907 provided that, when any bonded indebtedness of the District has been paid, the Board of Directors may lease the hospital and its equipment to any person or corporation for the purpose of conducting a health care facility upon such terms and conditions as the Board of Directors of the District deems to be beneficial to the District and honors the lease.

Section 2. Number and Qualifications. The number of directors shall be five. Each director must be a qualified elector (Arizona Code Title 16 Article 1) and a resident real property owner within the District prior to assuming the office; and, must not be an elected or appointed state, county or city official. All Board Members are required to have a clear understanding and knowledge of the Arizona Open Meeting Laws, Attorney General’s Chapter 7, and A.R.S. Title 48-1901 to 48-1919.

Section 3. Term and Election.

a. Term. Directors shall serve a four-year term beginning on the first day of the month immediately following declaration of election to office. Removed “or until a successor has been qualified.”

b. Biennial Elections. Biennial elections and/or appointments of the Board of Directors shall be as follows:

1. Elected, Board of Director elections shall occur during the general election cycle in even numbered years.

2. Appointed, In the event there is a vacancy, the current Board of Directors shall appoint a qualified successor, as defined in these bylaws Article II Section 2, and shall serve the remaining term of the vacancy they are fulfilling.

If only one person files a nominating petition for an election to fill a position on the Board for which the term of office is to expire, the Board may cancel the election for that position and appoint the person who filed a nominating petition to fill the position.

Section 4. Vacancies. If at any time, by reason of death or resignation or failing to possess the qualifications of a director or other cause, there shall be a vacancy on the Board, a majority of the remaining directors may appoint a qualified person to fill the vacancy for the balance of the term. The individual(s) to be considered for the appointed position(s) on the Board must submit a letter of intent to the current Board of Directors. The vacant position(s) must be advertised on the Hospital District website.

Article III

Meetings

Section 1. Place of Meetings. Meetings of the Board of Directors shall be held at such places within the District as may be designated from time to time by the Board of Directors.

Section 2. Open Meeting. The Board of Directors is a public body subject to the provisions of the Arizona Open Meeting laws A.R.S. §38-431, et. seq. All official meetings at which any legal action is taken by the Board shall be public meetings, and all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings.

Section 3. Notice of Meetings. The Board of Directors shall give public notice of all regular meetings by annually filing with the Clerk of the Board of Supervisors of Mohave County a statement stating where all notices of its meetings will be posted and shall give such additional public notice as is reasonable and practicable as to the time and place of all public meetings. These notices shall be posted within the boundaries of the District and on the District's website.

Section 4. Executive Sessions. An executive session of the Board of Directors may be held pursuant to the provisions of A.RS. §38-431.03 and upon a majority vote of the members consisting of a quorum for the purpose set forth therein.

No executive session may be held for the purpose of taking any legal action involving a final vote or decision.

Minutes of executive sessions shall be kept confidential except from members of the Board of Directors or employees who are the subject of discussion or consideration at the session or as otherwise provided by law.

If an executive session is to be held, any notice of that meeting shall be given to the members of the Board and to the general public stating the specific provision of law authorizing such a session.

Section 5. Special Meetings. Meetings other than regularly scheduled meetings shall not be held without at least twenty-four hours' notice to the members of the governing body and the general public. In case of an actual emergency, a meeting may be held upon such notice as is appropriate to the circumstances.

Section 6. Quorum. A majority of the sitting Board of Directors shall constitute a quorum for the transaction of business.

Section 7. Waiver of Notice. Attendance of a Director at any meeting shall constitute a waiver of notice of that meeting, except when the Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any Director can waive notice of a meeting by signing a written waiver or consent. All such waivers or consents shall be filed with the District records.

Section 8. Agenda Authority Clarification. All meetings shall be conducted with an agenda, properly noticed as required by the Arizona Open Meeting Laws. The agenda shall list the specific matters to be discussed, considered or decided at the meeting. The public body may discuss, consider or make decisions only on matters listed on the agenda and other matters related thereto. The procedure submitting items for the agenda shall be as follows:

1. Except as outlined herein, only elected officials and county employees (through their department supervisors) may submit items for consideration on the Board's agenda. All items, regular and consent, to be included on the agenda at regular board meeting, shall be filed in the Clerk of the Board of Supervisors office at least ten (10) days prior to the meeting. Items submitted after the ten (10) day deadline may be rejected for addition to the upcoming agenda in the sole discretion of the Chairperson. Citizens wishing to submit agenda requests must submit them through their respective Board members. Board members have the sole discretion whether to submit or deny submission of a citizen's agenda request.

2. For special meetings, only elected officials and county employees (through their department supervisors) may submit items for consideration on the Board's agenda, and such items shall be submitted no later than forty-eight (48) hours prior to the special meeting.

Article IV

Officers

Section 1. Officers. The officers of the District shall consist of a Chairman and a Vice-Chairman, who shall each serve in such a capacity for 2 years. Not later than sixty (60) days at the end of each officer's 2-year term, which shall occur at the first meeting of the new year, the Board shall meet and elect, from its membership, a chairman and vice chairman.

Section 2. Removal. All officers (Removed “agents and employees”) of Hospital District Number One of Mohave County are at will, subject to removal at any time by the affirmative vote of a majority of the Board of Directors.

Section 3. Chairman. The Chairman may consult legal counsel. The Chairman shall preside at all meetings for the directors. He or she may sign and execute all authorized contracts, agreements, documents legal consultation or other instruments or applications in the name of the District. Subject to the direction of the Board of Directors, he or she shall have general charge of the business and affairs of the District. The Chairman shall do and perform such other duties and have such other power as from time to time may be assigned by the Board of Directors.

Section 4. Vice-Chairman. The Vice-Chairman shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of the Chairman and shall perform such other duties as the Board of Directors shall prescribe.

Article V

Ancillary Positions

Section 1. Secretary/Custodian of Records. The Secretary shall keep minutes of all Board meetings, which shall be open to public inspection three (3) working days after the meeting except as otherwise specifically provided by law. The Secretary shall attend to the giving and service of all notices of the District. The Secretary shall attest all contracts authorized by the Board of Directors and shall perform specific Board-related secretarial duties and powers as may be assigned from time to time by the Board of Directors. The Secretary may be a member of the Board of Directors. However, the Board may appoint a Secretary who shall not be a member of the board but may be paid a salary fixed by the board. The Secretary is the custodian of all District related emails.

Section 2. Treasurer. The treasurer of Mohave County shall, by virtue of that office, be the treasurer of the District and a non-voting member of the Board. The Treasurer shall keep all monies of the District in a separate fund, or upon direction of the Directors, in more than one separate fund, as provided by statute, and shall pay from such fund or funds on warrants drawn on the fund or funds. All monies collected on behalf of the District shall be remitted promptly to the Mohave County Treasurer for the account of the District.

Article VI

General Provisions

Section 1. Conflict of Interest. The Board of Directors, officers and employees of the District shall be subject to the Arizona Conflict of Interest Statutes, A.R.S. §38-501, et. seq.

No contract or other transactions between the District and its directors or officers or any other corporation, firm, association or entity in which its directors or officers are members, trustees or officers or are financially interested is either void or avoidable because of the relationship or interest or because the director or officer is present at the meeting of the Board of Directors which authorizes, approves or ratifies such contract or transaction or because his or her votes are counted for such purpose, if any of the following apply:

(a) The fact of such relationship or interest is disclosed or known to the Board of Directors which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of those interested Directors.

(b) The fact of such relationship is disclosed or known to the members entitled to vote on the matter, and they authorize, approve or ratify the contract or transaction by vote or written consent.

(c) The contract or transaction is fair and reasonable to the corporation at the time the contract or transaction is authorized, approved or ratified in the light of circumstances known to those entitled to vote on the matter at that time.

(d) Interested directors or officers may be counted in determining the presence of a quorum at a meeting of the Board of Directors, or a committee of directors or members, which authorized, approved or ratified the contract or transaction.

Section 2. Books and Records. The District shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors. Books, records and minutes shall be in written form or in any other form capable of being converted into written form within five (5) business days.

Section 3. Budget Report. Not later than July 10 of each year the Board of Directors shall furnish to the Mohave County Board of Supervisors a report of the operation of the District for the past year, together with an estimate in writing of the amount of money needed to be raised by taxation for all purposes required or authorized by law during the next fiscal year.

Section 4. Annual Report. The secretary or other officer of the District Board shall submit an annual report within two hundred forty days (240) of the close of the District's fiscal year to the clerk of the Board of Supervisors in which the District is located.

In addition, the Board of Directors shall cause to be timely filed with required officials such annual reports, budgets and audits as are required by state statute.

Section 5. Warrants, Contracts and Instruments. All warrants, contracts and instruments involving the payment of money, by or creating any obligation binding upon the District shall be signed by at least two members of the Board.

Section 6. Bonds. Bonds may be issued by the District to provide for the carrying out of any of the powers or purposes granted the District by law. The District shall not incur a bonded indebtedness exceeding ten percent of the assessed value of all taxable property in the District as shown by the latest assessment roll of Mohave County.

Article VII

Indemnification

Section 1. Indemnification in Actions by Third Parties. The District shall indemnify and hold harmless any director, officer, or employee of the District who was or is a party or is threatened to be made a party to any claims, cause of action, suit or proceeding, other than an action by or in the right of the District, by reason of the fact that he or she is or was a director, officer or employee of the District. This indemnification applies to all costs including attorneys' fees, and judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding. No indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for willful and wanton or gross negligence or misconduct in the performance of his or her duty to the District, unless and only to the extent that the court in which such action or suit was brought shall determine that such person is fairly and reasonably entitled to indemnity. The court in which any such action or suit was brought may determine that, in view of all circumstances of the case, indemnity for the amounts so paid in settlement is proper and may order indemnity for amounts so paid in settlement and for the expenses, including attorneys' fees, actually and reasonably paid in connection with such application.

Section 2. Indemnification Against Expenses. To the extent that a director, officer or employee of the District has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 of Article VI of these bylaws, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses, including costs, and attorneys' fees, incurred by him or her in connection therewith.

Section 3. Required Determinations. Any indemnification under Section 1 or 2 of Article VII of these bylaws, unless ordered by a court, shall be made by the District only as authorized in the specific case upon a determination that indemnification of a director, officer or employee is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 and 2 of Article VII of these bylaws. Such determination shall be made by any of the following:

(a) By the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding.

(b) If such quorum is not obtainable, then in a written opinion of independent legal counsel appointed by a majority of the disinterested directors for that purpose.

(c) If there are no disinterested directors, by the court or other body before which the action, suit or proceeding was brought or any court of competent jurisdiction upon the approval of an application by any person seeking indemnification, in which case indemnification may include the expenses, including costs and attorneys' fees, paid in connection with such application.

(d) By the registered voters of the District.

Section 4. Advance of Expenses. Expenses, including attorneys' fees, incurred in defending a civil or criminal action, suit or proceeding may be paid by the District in advance of the final disposition of the action, suit or proceeding as authorized in the manner provided in Section 3 of Article VII of these bylaws.

Section 5. Other Indemnification. The intent of these bylaws is to provide the maximum indemnification to an officer and director or employee of the District as is possible. The indemnification provided in Article VII of these bylaws is not exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of members or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer or employee and shall inure to the benefit of the heirs, executors, and administrators of such person. It is not the intent of these bylaws to limit the scope or applicability of the provisions of ARS 48-187, which provides immunity from civil liability to a person who, serves on the governing body of this District.

Section 6. Insurance. The District shall have power to purchase and maintain insurance on behalf of any person who is or was director, officer or employee of the District against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under Article VII of these bylaws.

Article VIII

Dissolution

The District may be dissolved by the majority vote of all district taxpaying electors voting on the question of dissolution at a special election called to vote on the question. The election shall be called by the Mohave County Board of Supervisors upon application of the Board of Directors of the District or upon the filing of a petition signed by twenty-five percent of the electors of the District. If a district is dissolved, all property, buildings, equipment and other items owned by the district shall thereupon become the property of Mohave County.

Article IX

Gift Policy

No elected and/or appointed member of the District Board shall accept any gift or remuneration of any type, from any party, other than meals served as part of their official duties or logo marketing items from Kingman Regional Medical Center. Nothing herein, however, shall preclude Board members from attending parties, picnics or similar occasions sponsored by Kingman Regional Medical Center or its employees, in recognition of the importance of a close and congenial working relationship between Kingman Healthcare, Inc/Kingman Regional Medical Center.

Article X

Amendment

These bylaws may be altered, amended or repealed by an affirmative vote of three-fifths (3/5) of the Directors then in office, as long as any such amendment would conform to the laws of the State of Arizona. Review and/or revision of these bylaws shall occur biennially.

APPENDIX A – DEFINITIONS

The following definitions, as they relate to real property of the Hospital District Board, apply specifically to Assessor Parcel Number 320-11-063, consisting of approximately 26.14 acres, together with all buildings, improvements, and fixtures located thereon, excluding certain medical equipment affixed to the building solely for safety or operational purposes.

Notification of Warning

Date of Corrective Action: ____________________________________

Date Voted off the Board: _____________________________________

Board Members/Agent/Employees Name: __________________________

Title: ____

Reason for Corrective Action:

Documentation/Details/Dates:

The following steps need to be taken to correct deficiencies:

Consequences of further behavior/performance:

Board Member/Agent/Employees Comments:

Signature: ________________________ Date: __________________

Chairman Name: ____________________ Date: __________________

Chairman Signature: ____

Signature of Board Member, Agent and/or employee signifies that the warning has been read and does not necessarily indicate agreement with its contents. Comments may be continued on the reverse side of on an additional piece of paper.

CERTIFICATE OF SECRETARY REGARDING BYLAWS

The undersigned hereby certifies that he or she is the duly appointed and acting secretary of Hospital District Number One of Mohave, and that the foregoing bylaws, consisting of eight (8) pages (exclusive of cover sheet, table of contents and this certification) were duly reviewed as of January 23, 2026 and that they constitute the bylaws of said District in effect as of this date.

Dated this _____________ day of _________________________ , _________________ .

Secretary Hospital District Number One of Mohave County

****ANY NEW CHANGES TO THESE BYLAWS MUST BE UPDATED WITH QUOTATIONS AND/OR SECTION REFERENCES FOR ANY NEW AMENDMENTS EXPLAINING WHEN, AND HOW THE BYLAW CHANGED****

Previously reviewed and/revised: April 2026; February 2026; July 2012; May, 2011; May, 2008; July 2007, July, 2006, May 3, 2005, March 2, 2004.

HOSPITAL DISTRICT NUMBER ONE
OF MOHAVE COUNTY

Policies and Procedures Manual

Substantive First Draft for Board Review and Redlining

Draft 1.2 | September 3, 2026

NOT ADOPTED

This working draft is intended for Board discussion. It does not replace Arizona law, the District's bylaws, the hospital lease, any adopted resolution or policy, or advice from District counsel.

Draft Status and Use

> **DRAFT STATUS:** Every provision remains open for revision. Bracketed decisions and counsel-review flags identify issues the Board should resolve before adoption.
>
> **BYLAW ALIGNMENT:** Draft 1.2 has been conformed to the Current Bylaws as of April 14, 2026 supplied for this review. The bylaws control if an unintended inconsistency remains.

This manual is designed as an operating system for a small public hospital district whose Board retains public-law, financial, and strategic responsibility while delegating defined routine tasks. It is intentionally more detailed than a policy outline so the Board can test actual workflows, assign ownership, and identify where historical practices need to change.

The manual is not a substitute for legal advice. Where Arizona law, the District's bylaws, the hospital lease, an IGA, a bond document, or another binding instrument controls, that authority prevails. District counsel should review the full manual before adoption, with particular attention to Section 17.

The financial controls use the $2,500 unbudgeted, $5,000 capital, and $25,000 contract thresholds from the supplied draft Spending Authority and Budget Control Policy as internal processing and procurement thresholds. They do not authorize an administrator to sign a contract, warrant, or other instrument that binds the District. Article VI, Section 5 of the current bylaws requires every warrant, contract, and instrument involving payment or creating a binding District obligation to be signed by at least two Board members. Budget capacity is not automatic spending authority.

> **COUNSEL REVIEW REQUIRED:** Counsel should confirm the precise form of two-director signatures for a warrant register, electronic payment, reimbursement, emergency transaction, and any credit card program under Article VI, Section 5 of the bylaws and A.R.S. § 48-1915.

Document Control

Field	Draft Entry
Manual owner	Board of Directors
Administrative custodian	Secretary/Custodian of Records, with Board-assigned administrative assistance
Draft version	1.2, conformed to Current Bylaws as of April 14, 2026
Draft date	September 3, 2026
Adoption	Not adopted
Proposed review cycle	Annual high-risk review; complete manual review at least every three years
Supersedes	None. Existing adopted policies remain in effect unless expressly superseded by Board

How to Read This Manual

- Policy states the required result or governing rule.
- Procedure identifies who acts, what records are created, and how review occurs.

- Board decision flags identify proposed operating choices that the Board may change.
- Counsel review required flags identify provisions that should not be treated as settled law.
- Required documentation is retained in the District's ordinary email, agenda, accounting, contract, records, asset, and technology systems.

Contents

1. Purpose, Scope, Authority, and Definitions

1.1 Purpose

The purposes of this manual are to establish consistent, transparent, and auditable procedures; preserve the Board's control of public money and strategic decisions; define routine administrative authority; protect District records and assets; and support lawful hospital, healthcare education, GME, AHCCCS, and community-health activities.

1.2 Scope

This manual applies to each director, officer, employee, contractor, volunteer, committee member, and other person who handles District business, money, records, technology, property, or confidential information. Contract personnel and personnel supplied by another entity are covered only to the extent stated in their contract, IGA, lease, assignment, or written authorization.

1.3 Governing Hierarchy

1. Federal and Arizona constitutions, statutes, regulations, court orders, and binding governmental requirements.
2. District bylaws.
3. Valid bond documents, leases, IGAs, contracts, and other binding instruments, each read consistently with law and the bylaws.
4. Board resolutions and adopted motions.
5. Adopted policies and this manual.
6. Administrative procedures, digital system settings, and desk guides.

If authorities conflict, the higher authority controls. The Administrator shall stop the affected action when practical, preserve the issue in writing, and refer it to the Chair and District counsel. Only the Board may waive or amend an adopted policy unless that policy expressly delegates a limited exception.

1.4 Core Definitions

Administrator. The employee or contractor whom the Board has authorized in writing to coordinate the District's day-to-day administrative and financial work. The title does not itself create authority to submit an agenda item, sign a warrant or contract, or otherwise bind the District contrary to the bylaws.

Board. The five-member Board of Directors of Hospital District Number One of Mohave County, acting collectively at a lawfully noticed meeting.

Board-reserved matter. A matter that requires Board approval regardless of whether funds are budgeted.

Commitment. An order, promise, contract, instruction, or other action that may obligate District money, property, personnel, or legal rights.

District. Hospital District Number One of Mohave County.

Emergency. An unforeseen circumstance requiring immediate action to avoid serious operational, safety, property, legal, or public consequences. Convenience, delay, and poor planning are not emergencies.

IGA. An intergovernmental agreement or contract with another public agency, including an agreement involving AHCCCS.

Public record. A record reasonably necessary or appropriate to maintain an accurate knowledge of official District activities, regardless of format, location, account, or device, subject to applicable law.

Routine budgeted operating expense. A customary operating cost within an adopted budget category that does not create a new Board-reserved obligation and is consistent with an existing agreement or established service.

Strategic program expenditure. Any GME, AHCCCS, healthcare education, workforce, grant, community-health, hospital-support, or similar program commitment, payment, or transfer.

Total potential contract value. The maximum amount the District could pay during the initial term and all renewal, extension, option, change-order, and contingent periods that can reasonably be valued.

Warrant. The authorized order or process by which the Board approves payment from District money through the County Treasurer, including an approved warrant register if counsel confirms that process is lawful.

2. Governance and Board Roles

2.1 The Board Acts as a Body

The Board exercises District authority collectively. No individual director, including the Chair, may bind the District, direct personnel, authorize a payment, waive a requirement, speak for the Board, or promise Board action unless the Board or a specific adopted policy has granted that authority.

The Board consists of five directors. Under the current bylaws, each director serves a four-year term and, before assuming office, must be a qualified elector, a resident real-property owner within the District, and not an elected or appointed state, county, or city official. The Board retains responsibility for policy, bylaws, budget adoption and amendment, warrants, leases, real property, banking relationships, multi-year agreements, Board-reserved expenditures, strategic programs, appointment and oversight of the Administrator and counsel, litigation direction, insurance strategy, and disposition of material District property.

2.2 Chair

The Chair is elected from the Board for a two-year officer term at the first meeting of the new year and within sixty days after an election, consistent with the officer-election timing in the bylaws and A.R.S. § 48-1908. The Chair presides at meetings, may consult District counsel, coordinates agenda development, and, subject to Board direction, has general charge of the District's business and affairs. The Chair may sign documents the Board has authorized, but every warrant, contract, or instrument involving payment or creating a binding District obligation must also bear the signature of at least one additional Board member. The Chair performs other duties assigned by law, the bylaws, or Board action.

- The Chair should work through the Administrator for routine requests.
- The Chair may not promise an agenda outcome or count votes outside a public meeting.
- The Chair may not approve an invoice payable to the Chair or resolve the Chair's own conflict matter.
- Signature confirms prior authorization. It does not create authorization or eliminate the bylaws' two-director-signature requirement.

The Chair is an at-will officer and may be removed from that office by the affirmative vote of a majority of the Board. Removal from an officer position does not itself remove the person from the elected or appointed director position.

2.3 Vice-Chair

The Vice-Chair is elected from the Board for a two-year officer term on the same schedule as the Chair. In the Chair's absence or disability, the Vice-Chair performs the Chair's duties and exercises the Chair's powers, together with other duties prescribed by the Board. Acting as Chair does not expand the powers of the office. The Vice-Chair is an at-will officer removable from that office by the affirmative vote of a majority of the Board.

2.4 Secretary, Records Custody, and County Treasurer

Article V, Section 1 of the current bylaws states that the Secretary may be a director or a non-member appointed by the Board at a salary fixed by the Board. Current A.R.S. § 48-1908 states that an appointed Secretary shall not be a Board member. Because statute controls, the Board should use a non-member Secretary unless counsel advises otherwise and should consider conforming the bylaws. The Secretary keeps Board minutes, gives and serves District notices, attests contracts authorized by the Board, performs other assigned Board secretarial duties, and is custodian of all District-related emails. Administrative assistance and backup custody may be assigned in writing, but the assignment shall not displace the Secretary's bylaw duties unless the bylaws are amended.

The Mohave County Treasurer is, by virtue of office, the District Treasurer and a non-voting member of the Board. District money shall be maintained and disbursed through the County Treasurer as provided by law and the bylaws, and all money collected for the District shall be remitted promptly to the County Treasurer for the District's account.

2.5 Individual Directors

- Prepare for meetings and ask questions in a manner consistent with Open Meeting Law.
- Disclose conflicts promptly and refrain from participation when required.
- Preserve District records created or received on personal accounts or devices.
- Refer operational requests and vendor directions through the Administrator.
- Do not disclose executive-session, attorney-client, security, personnel, or other protected information.
- Return District property and records promptly at the end of service.

2.6 Committees and Working Groups

A committee, subcommittee, or advisory group shall be created only by Board action or authority expressly granted by law, the bylaws, or a Board-approved delegation. Any such group may itself be a public body subject to Open Meeting Law. Before forming a group, the proposed charter shall identify its purpose, membership, authority, reporting method, duration, records custodian, and meeting requirements.

> **COUNSEL REVIEW REQUIRED:** Counsel should determine whether each proposed committee or working group is a public body and whether informal fact-gathering arrangements create Open Meeting Law risk.

2.7 Ethics and Conflicts of Interest

A director, officer, or employee who has, or whose relative has, a substantial interest in a District contract, purchase, service, or decision shall disclose the interest in the District's official records and shall not vote or otherwise participate as required by A.R.S. § 38-503. The disclosure and nonparticipation shall be reflected in the minutes. Article VI, Section 1 of the bylaws is expressly subject to Arizona conflict-of-interest statutes; counting an interested director for quorum purposes does not authorize participation or a vote prohibited by statute.

- Potential conflicts shall be reported to the Administrator, Chair, and counsel before the matter is discussed with other directors.
- The affected person shall leave any nonpublic discussion unless counsel advises otherwise and shall not influence staff, vendors, or other directors.
- The District shall maintain conflict disclosures in the official records, and recusals shall be reflected in the meeting minutes.
- No public resource may be used for personal, political, or private benefit except as specifically authorized by law.
- A director shall not accept a gift or remuneration except for the limited meals, Kingman Regional Medical Center logo items, and sponsored social occasions described in Article IX of the current bylaws. Any uncertain item shall be declined pending counsel review.

> **COUNSEL REVIEW REQUIRED:** Transactions that benefit a private party, including grants, hospital support, educational payments, or use of District property, require a documented public purpose and legally sufficient consideration under applicable law, including the Arizona Constitution's Gift Clause.

2.8 Orientation and Continuing Education

Within thirty days after taking office, each director should receive the bylaws, lease, current budget, latest audit, this manual, Open Meeting Law materials, conflict-of-interest materials, key contracts and IGAs, insurance summary, records-retention information, and current strategic-program commitments. The District should fund reasonable training relevant to public governance, finance, records, and hospital-district responsibilities, subject to budget and approval rules.

3. Agenda, Meeting, and Open Meeting Law Procedures

3.1 Annual Meeting Calendar

The Board should adopt or acknowledge a regular meeting calendar each year. Meetings shall be held at places within the District designated by the Board, and a majority of the sitting directors constitutes a quorum. A standing calendar does not replace the notice and agenda required for each meeting. The Administrator shall maintain a deadline calendar for posting, packet preparation, personnel notices, statutory filings, contract deadlines, budget deadlines, and election matters.

3.2 Agenda Requests

Only an elected official or a county employee acting through the employee's department supervisor may submit an item for the Board's agenda under Article III, Section 8 of the current bylaws. A citizen must submit a request through the citizen's respective Board member, who has sole discretion whether to sponsor or deny it. The Administrator and District counsel may prepare supporting material for an eligible submitter but may not independently place an item on the agenda unless they separately qualify under the bylaws.

An eligible requester may submit a proposed agenda item by email directly to the Chair or the recording Secretary. A citizen request must come through the citizen's respective Board member as stated above. The email should identify the proposed subject, whether the item is informational only, discussion only, or discussion and possible action, any action requested, known fiscal effect, and supporting material. The recipient shall retain the email as a District record and coordinate the filing required by the bylaws.

For a regular meeting, every regular or consent item shall be filed with the Clerk of the Mohave County Board of Supervisors at least ten days before the meeting. The request must therefore be emailed early enough to permit that filing. The Chair may reject a late item in the Chair's sole discretion. For a special meeting, an eligible submitter must email the proposed item no later than forty-eight hours before the meeting.

> **COUNSEL REVIEW REQUIRED:** Counsel should confirm the filing mechanics with the Clerk of the Board of Supervisors, how recurring reports and actual emergencies are handled, and whether any statutory change supersedes the bylaw procedure.

3.3 Agenda Drafting

- State the specific matter to be discussed, considered, or decided.
- Use 'informational only' when no deliberation or action is expected and 'discussion only' when deliberation may occur but no action is requested.
- Use 'discussion and possible action' only when action is genuinely within the noticed scope.
- Name the agreement, counterparty, amount, program, property, office, or other subject when disclosure will not defeat a lawful executive-session purpose.

- List the correct statutory citation and a sufficient general description for each executive-session item.
- Do not use vague labels such as 'new business,' 'legal update,' or 'IGA' by themselves.

3.4 Notice and Posting

The District shall annually file with the Clerk of the Mohave County Board of Supervisors a disclosure statement identifying where meeting notices will be posted. Notice shall be posted at the identified physical location within the District and on the District website. Meeting notice and agenda shall be posted at least twenty-four hours before the meeting, subject to the exact computation rules and exceptions in A.R.S. § 38-431.02. The Secretary, with administrative assistance as assigned, shall preserve the ordinary digital evidence of posting, including the date, time, locations, website status, and identity of the person who posted.

A director's attendance or written waiver may waive that director's personal notice as stated in the bylaws, but it does not waive public notice, agenda, access, or other Open Meeting Law requirements. Every written director waiver shall be filed with District records.

> **COUNSEL REVIEW REQUIRED:** Counsel should confirm the District's disclosure statement, physical posting location, website procedure, computation of the twenty-four-hour period, and any accommodation for special or emergency meetings.

3.5 Meeting Packets

The goal is to distribute a complete packet to directors at least three business days before a regular meeting. Late material shall be clearly marked and distributed consistently with Open Meeting Law. A decision item packet should contain:

- An agenda cover memorandum explaining the requested action and background.
- A clear proposed motion or decision options.
- The full contract, policy, resolution, IGA, or other document to be approved.
- A fiscal impact statement identifying budget category, available balance, total potential value, and future-year effects.
- Counsel review or a statement that review remains pending.
- Conflict disclosures, procurement record, and supporting analysis when applicable.

Packet material is a public record unless an applicable law permits withholding. Confidential material shall be segregated, labeled, transmitted securely, and not placed in the public packet.

3.6 Communications Outside Meetings

Directors shall not use email, text, telephone, social media, intermediaries, or serial communications to discuss, deliberate, or propose legal action with a quorum outside a properly noticed meeting. Staff distributions to the Board should be one-way, administrative, and should not invite replies to the group. Directors should reply only to the sender unless counsel has approved another method.

- Do not use reply-all on Board business.
- Do not forward another director's comments to directors in a way that creates a serial discussion.
- Do not poll directors or ask how they intend to vote.
- Calendar scheduling, receipt acknowledgments, and purely administrative notices should avoid substantive discussion.

> **COUNSEL REVIEW REQUIRED:** When there is doubt whether a communication proposes legal action or contributes to deliberation, stop and obtain advice before sending it to multiple directors.

3.7 Conduct of Meetings

1. Call the meeting to order and state the time.
2. Take attendance, identify remote participants, and establish a quorum.
3. Address conflicts and required recusals before the affected item.
4. Follow the agenda order unless a lawful change is made. Do not expand discussion beyond the noticed subject and matters reasonably related to it.
5. State motions clearly and record the maker, second if used, discussion, amendments, vote, and result.
6. Use a roll-call vote for remote meetings and whenever clarity is needed.
7. State the adjournment time.

3.8 Remote Participation

Remote participation may be used if permitted by the bylaws and applicable law. The public must be able to attend and listen as required, each participating director must be able to hear the proceedings, and the minutes shall identify the method of participation. If a connection failure destroys the quorum or prevents meaningful public access, the Chair shall pause the meeting and, if the problem cannot be corrected, recess or adjourn.

3.9 Call to the Public

A call to the public is optional unless otherwise required. If included, the Chair shall apply reasonable time, place, and manner rules consistently. At the close of the call, directors may respond to criticism, ask staff to review a matter, or ask that it be placed on a future agenda subject to the bylaw submission and filing procedure, but shall not deliberate or take action on an unlisted matter.

3.10 Executive Sessions

An executive session may be held only after a public majority vote of the members constituting a quorum and only for a purpose authorized by A.R.S. § 38-431.03. The agenda shall contain the applicable citation and a sufficient general description. The Board shall not take a final vote in executive session.

Participants shall be instructed on confidentiality, and attendance shall be limited to persons whose presence is reasonably necessary.

- Provide the separate written notice required for personnel matters when applicable.
- Keep executive-session minutes and materials in a restricted repository.
- Do not disclose executive-session information after leaving office.
- Return to public session before any binding vote, except for lawful instructions expressly allowed by statute.

3.11 Minutes and Recordings

The Secretary shall prepare or cause preparation of written minutes or a recording that satisfies A.R.S. § 38-431.01. Public minutes or the recording shall be available for inspection within three working days after the meeting as required by law and Article V, Section 1 of the bylaws. Draft minutes shall be labeled as proposed until approved. Corrections shall preserve the original draft and document the approved change.

Minutes shall include the date, time, place, attendance, matters considered, accurate description of legal actions proposed, discussed, or taken, how each director voted, motion makers, and speakers or presenters as required. The District shall retain agendas, packets, posting records, recordings, minutes, and resolutions under the applicable retention schedule.

3.12 Emergency Meetings

Emergency procedures may be used only for an actual emergency requiring immediate action to avoid a serious consequence that cannot wait for ordinary notice. The Chair, Administrator, and counsel should confer if time permits. The reason, notice given, public announcement, and minutes shall satisfy A.R.S. § 38-431.02. An urgent preference or missed deadline is not an emergency.

4. Chain of Command and Administrative Authority

4.1 Basic Structure

The Administrator is accountable to the Board as a body. Consistent with Article IV, Section 3 of the bylaws, the Chair has general charge of the District's business and affairs subject to Board direction and is the usual coordination point between meetings. The Chair ordinarily carries out that role through Board-approved policy and the Administrator rather than by changing collective Board direction. Individual directors shall route operational requests through the Administrator and shall not directly manage contractors, staff, accountants, records personnel, or vendors without Board authority.

4.2 Board Direction

Board direction shall be captured in minutes, resolutions, approved contracts, or the District's existing digital task system. When follow-up is assigned, the responsible person, due date, status, and completion should be recorded in that system or in the related digital file. If a request appears inconsistent with prior Board direction, law, budget, contract, lease, or this manual, the Administrator shall identify the conflict before proceeding.

4.3 Administrative Authority

Within adopted policy and budget limits, the Administrator may coordinate routine operations, obtain quotes, communicate with vendors and agencies, prepare agenda material for an eligible bylaw submitter, assemble packets, assist the Secretary with records, review invoices, prepare payments for Board warrant approval, administer existing contracts, respond to routine correspondence, and protect District systems and property.

Administrative approval means internal approval to process or recommend a transaction. It does not authorize the Administrator to sign a warrant, contract, or instrument involving payment or creating a binding District obligation. Those instruments require signatures from at least two Board members under the bylaws.

The Administrator may not adopt policy; amend the budget; approve Board-reserved matters; settle claims; open or close banking relationships; bind future Boards through multi-year obligations; commit strategic program funds; waive a material contract right; dispose of real property; or direct the hospital lessee outside the District's contractual rights.

4.4 District Counsel

District counsel represents the District as an entity and reports to the Board. The Chair may consult counsel under the bylaws. The Administrator may contact counsel only within authority established by the Board, the Chair, or counsel's Board-approved engagement. Material legal strategy, litigation instructions, conflicts among officials, and matters likely to create significant cost or policy consequences shall be brought to the Board in a manner consistent with Open Meeting Law and privilege.

4.5 Relationship With Hospital Lessee and Affiliated Personnel

The hospital lessee, its executives, and its personnel are not District staff and may not exercise District authority unless a lease, contract, IGA, or written Board action specifically assigns that function. District and lessee records, money, property, email, procurement, and approvals shall not be commingled. Requests affecting hospital operations shall proceed through the lease's communication and enforcement structure.

> **COUNSEL REVIEW REQUIRED:** The chain of command must be conformed to the final hospital lease, including notice, reporting, inspection, default, property, insurance, audit, and records provisions.

4.6 Urgent Operational Matters

When delay could materially harm District operations, records, property, security, or legal rights, the Administrator may take reasonable protective action within existing authority. The Administrator shall notify the Chair promptly, preserve supporting records, avoid creating a payment that cannot lawfully be processed, and arrange a special meeting when Board action is required.

5. Financial Management and Budget Controls

5.1 Financial Principles

- Public money shall be used only for a lawful District purpose.
- Budget capacity is not automatic spending authority.
- No person may approve payment to themselves.
- Commitment, receipt, invoice approval, warrant approval, and accounting should be separated as far as staffing permits.
- Every transaction shall be documented sufficiently for a director, auditor, records custodian, and member of the public to understand its authority, purpose, amount, and recipient, subject to lawful confidentiality.

5.2 Budget Calendar and Adoption

Target period	Work product	Responsible role
February to March	Assumptions, revenue outlook, contract obligations, program requests, capital needs	Administrator and advisors
April	Department or program proposals; legal and lease review of unusual items	Administrator, counsel, program sponsor
May	Working draft, cash forecast, reserves, and budget-to-actual analysis	Administrator and accountant
June	Public Board review, revisions, and authorization of final filing	Board
No later than July 10	Prior-year operating report and written estimate; the bylaw deadline is five days earlier than the July 15 statutory deadline	Board and Administrator
Within 240 days after fiscal year close	Annual report to the Clerk of the Mohave County Board of Supervisors	Secretary or other Board officer
Monthly	Budget-to-actual monitoring and corrective action	Administrator and Board

The budget file shall include the adopted version, resolutions, schedules, assumptions, supporting worksheets, County submissions, proof of delivery, and any amendments. A proposed program allocation shall state whether it is a planning reserve, maximum authority, matching-fund estimate, or committed expenditure.

5.3 Budget Amendments and Transfers

A budget amendment requires Board approval and any filing, notice, hearing, or County process required by law. Until the Board adopts a separate transfer rule reviewed by counsel, no administrative transfer between budget categories is permitted. The Administrator may reclassify an accounting error without changing the substance of the budget, provided the correction is documented and reported.

COUNSEL REVIEW REQUIRED: Counsel and the District's financial advisors should determine the lawful process and timing for amending an estimate or budget submitted under A.R.S. § 48-1914, including County notification and expenditure-limit requirements.

5.4 Spending and Commitment Authority

The following structure uses the thresholds proposed in the supplied Spending Authority and Budget Control Policy as internal processing, competition, and escalation thresholds. It does not delegate signature authority prohibited by the current bylaws. All thresholds are per transaction or related series of transactions and use total potential contract value. Splitting is prohibited.

Transaction type	Administrative role	Board action and signature
Routine budgeted operating expense	Confirm need, budget, receipt, and invoice; process under an existing Board-approved arrangement	Board-approved warrant signed by at least two directors
Recurring expense under Board-approved agreement	Administer within the approved agreement and budget	Two-director-signed warrant; Board approval and signatures for amendment or renewal
Unbudgeted item	Up to $2,500 may be internally approved if absorbable without an unlawful transfer	Any binding instrument and every warrant signed by at least two directors; Board approval above $2,500
Capital purchase	Up to $5,000 may be procured and recommended if budgeted or within the $2,500 unbudgeted limit	Any binding instrument and every warrant signed by at least two directors; Board approval above $5,000
Contract or professional service	Up to $25,000 may be procured, negotiated, and recommended; no administrative signature	Board authorization and at least two director signatures on every contract; Board approval above $25,000 and for multi-year terms
GME, AHCCCS, IGA, grant, healthcare education, community-health, or hospital-support program	Prepare recommendation only; no commitment authority	Always required; binding agreement and warrants signed by at least two directors
Real estate, lease, banking, debt, settlement, strategic initiative, or related-party matter	Prepare recommendation only	Always required; binding instrument signed by at least two directors

BOARD DECISION: The Board should debate the $2,500, $5,000, and $25,000 thresholds, the treatment of very large routine invoices under existing agreements, and whether lower internal notice thresholds are needed.

COUNSEL REVIEW REQUIRED: Article VI, Section 5 of the current bylaws controls signatures unless amended. Counsel should confirm which non-instrument administrative decisions may be delegated and how the two-director-signature requirement interacts with A.R.S. § 48-1915, the lease, procurement duties, and County Treasurer procedures.

Bond issuance is Board-reserved and requires all elections, County approvals, debt limits, and other procedures imposed by law. Bonded indebtedness shall not exceed the ten-percent assessed-value limit stated in Article VI, Section 6 of the bylaws and A.R.S. § 48-1913.

5.5 Segregation of Duties

At minimum, the requester or recipient shall confirm the need or receipt; the Administrator or designee shall review authority and coding; the Board shall approve the warrant; at least two directors shall sign it; and the Mohave County Treasurer shall disburse. If one person performs more than one administrative role, a second independent review shall be documented before the warrant reaches the Board.

5.6 Monthly Financial Report

The monthly packet should include the following, with explanations for material variances and unusual transactions:

- County Treasurer and other lawful account balances, reconciled to the general ledger.
- Budget-to-actual results by major category and fiscal-year forecast.
- Warrant register, ACH activity, voids, credits, and outstanding items.
- Accounts payable aging and known commitments not yet invoiced.
- Contract and IGA obligations, including future-year commitments.
- Strategic program activity, deliverables, and remaining Board-authorized balances.
- Exceptions, missing documents, fraud concerns, claims, and corrective actions.

5.7 Reconciliations and Close

All money collected on behalf of the District shall be remitted promptly to the Mohave County Treasurer for the District's account. County Treasurer, credit-card, receivable, payable, and material subsidiary records shall be reconciled monthly by a person who did not originate the transactions when staffing permits. Reconciliations shall identify preparer, reviewer, date, outstanding items, and resolution. The year-end file shall include trial balance, ledgers, confirmations, schedules, warrant records, contracts, capital assets, program obligations, and audit support.

5.8 Reimbursements and Travel

Directors serve without compensation except for necessary and actual District-business expenses approved by the Board and any statutory per diem when away from the District on District business. Reimbursement requires a documented District purpose, itemized receipt, date, participants when relevant, budget code, and approval by someone other than the claimant. Personal expenses, undocumented expenses, alcohol, traffic or parking violations, and expenses prohibited by law are not reimbursable. Director travel and incidental expenses shall comply with the bylaws, A.R.S. § 48-1909, and any Board-adopted travel schedule.

5.9 Fraud, Error, and Whistleblower Response

Suspected theft, falsification, unauthorized spending, conflict, cybersecurity fraud, or material accounting error shall be reported immediately to the Chair, Vice-Chair if the Chair is implicated, counsel, and the insurer as appropriate. Records and system logs shall be preserved. No person may retaliate against a good-faith reporter. The Board shall determine investigation and corrective action while protecting due process and confidentiality.

6. Purchasing, Contracts, and IGAs

6.1 Procurement Standard

Purchasing shall be fair, documented, proportionate to the value and risk, and designed to obtain reasonable value for a lawful District purpose. The District's ordinary email, quote, contract, agenda, minutes, and accounting records shall collectively show the need, price, authority, approval, receipt, and payment for each purchase.

6.2 Standard Workflow

1. Define the need, deliverable, and District purpose.
2. Confirm budget, cash, authority, and whether the matter is Board-reserved.
3. Check conflicts and vendor eligibility.
4. Obtain competition or prepare an exception justification.
5. Evaluate total potential value, not merely an annual or monthly price.
6. Complete counsel, insurance, data-security, and lease review as applicable.
7. Obtain approval before ordering, signing, or allowing work to begin. Any purchase order, acceptance, account agreement, or other instrument that binds the District requires at least two Board-member signatures.
8. Verify receipt and performance before invoice approval.
9. Retain the complete procurement and contract file.

6.3 Proposed Competition Tiers

Value or circumstance	Proposed minimum record
Routine item under $2,500	Document price reasonableness when practical; recurring utility and regulated charges may rely on tariff or invoice.
$2,500 to under $5,000	At least two written prices or a written explanation why competition is not useful.
$5,000 to $25,000	At least three written quotes or a documented request process; capital items above $5,000 still require Board approval.
Above $25,000 or high risk	Board-approved competitive process appropriate to the purchase, unless a documented exception applies.
Professional, legal, audit, specialized, emergency, or sole-source service	Qualifications, scope, rates, conflict check, and written exception or selection basis.

> **BOARD DECISION:** These competition tiers are policy proposals, not a claim that they are statutory thresholds. The Board may adopt different tiers after counsel and operational review.

6.4 Exceptions

A sole-source, emergency, cooperative, compatibility, or continuity exception shall be documented before commitment when practical. The record shall identify the exception, alternatives considered, price reasonableness, duration, approving authority, and why the exception serves the District. An exception to competition is not an exception to budget, Board, contract, warrant, conflict, or records requirements.

6.5 Contract Standards

Contracts shall be written and fully executed before work begins. Under Article VI, Section 5 of the bylaws, every contract or other instrument involving payment or creating a binding District obligation shall be signed by at least two Board members. The Secretary shall attest every Board-authorized contract under Article V, Section 1. Each contract file should address scope, deliverables, schedule, total value, invoices, performance acceptance, term, renewal, termination, ownership, confidentiality, public-records obligations, audit access, insurance, indemnity, data security, breach notice, records retention, dispute process, governing law, venue, conflicts, assignment, amendment, and signatures.

- Automatic renewals shall be calendared at least ninety days before the notice deadline.
- Change orders and amendments are aggregated with the original value for authority purposes.
- The Administrator may negotiate or prepare a contract but shall not sign it on behalf of the District. At least two directors shall sign after Board authorization, and the Secretary shall attest it.
- Verbal direction shall not expand scope. Any urgent direction shall be memorialized immediately.

6.6 Intergovernmental Agreements

Every IGA shall be approved by the Board, signed by at least two directors, attested by the Secretary, and submitted to the attorney for each Arizona public agency before execution as required by A.R.S. § 11-952, unless counsel identifies an applicable exception. The file shall contain the agreement's duration, purpose, financing, budget, termination method, property disposition, required attorney determinations, Board authorization, signed agreement, filing or effective-date proof, and performance records. No payment shall be made under an unapproved IGA.

6.7 Leases and Real Property

The Board retains authority over every lease, lease amendment, real-property transaction, material easement, and property encumbrance. Each binding instrument shall be signed by at least two directors and attested by the Secretary. The file shall include statutory authority, appraisal or valuation when appropriate, due diligence, title and environmental review, insurance, public process, Board findings, counsel approval, signatures, and continuing-obligation calendar.

> **COUNSEL REVIEW REQUIRED:** Hospital leasing is specifically governed by Title 48, Chapter 13. The final lease and any property transaction should be reviewed independently from this manual.

6.8 Vendor Setup and Changes

Before first payment, obtain a W-9 or appropriate tax record, legal name, address, contact, remittance information, contract or authorization, and conflict check. Any request to change payment instructions shall be verified through a known telephone number or independent contact method, not the contact information in the change request. The verifier and date shall be recorded.

7. Invoice, Warrant, and Disbursement Procedures

7.1 Invoice Intake

All invoices shall be sent to a designated District address or email, and the received date shall be retained in the digital record. The Administrator shall screen for duplicate invoice number, mathematical error, sales tax issue, changed remittance instructions, prior payment, conflict, and missing contract or authorization.

7.2 Three-Part Review

1. Authority review: identify budget category, contract, Board action, delegated authority, and procurement record.
2. Performance review: obtain confirmation that goods or services were received and are acceptable.
3. Payment review: verify payee, amount, due date, coding, credits, payment method, and supporting documents.

Approval shall be recorded in the District's accounting workflow or by retained approval email. An invoice payable to the Administrator, Chair, or reviewer shall be assigned to another authorized reviewer.

7.3 Warrant Register

The Administrator shall prepare a warrant register for Board approval. Each line shall show warrant or transaction number, payee, amount, invoice date and number, brief public purpose, budget category, contract or Board authorization, payment method, and any exception. Confidential details shall be segregated without making the public description misleading.

The Board may approve a register by a clear motion that identifies the register date and total. A director may request that an item be pulled for separate consideration. A conflicted director shall not participate in the affected item. After approval, the warrant or warrant register shall be signed by at least two Board members. Approved, pulled, and rejected items shall be marked, and the signed register or resolution shall be retained.

7.4 Payment Through County Treasurer

The Mohave County Treasurer is the District Treasurer and a non-voting Board member under the bylaws. District money shall be deposited with and paid through the County Treasurer as required by the bylaws and A.R.S. § 48-1915, unless counsel confirms a different lawful treatment for a specific fund or transaction. After Board approval and two-director signature of the warrant, the Administrator shall submit the approved record to the County Treasurer, record the disbursement, and retain proof of payment.

> **COUNSEL REVIEW REQUIRED:** Confirm whether the Board may approve a consolidated warrant register, how the bylaws' two-director signatures must appear, whether approval must precede every ACH and card settlement, how electronic signatures may be used, and how rejected or corrected warrants are handled.

7.5 ACH, Wire, and Fraud Controls

- Use ACH or wire only when the contract and payment authority permit it.
- Verify new or changed instructions independently and document the verification.
- Use multifactor authentication and dual release when the platform permits.
- Never act solely on an emailed request to accelerate payment or redirect funds.
- Report suspected fraud immediately and contact the financial institution through a known channel.

7.6 Voids, Credits, Refunds, and Stale Items

Voids, stop payments, returned payments, refunds, credits, stale warrants, and reissues shall be recorded in the accounting system and reported on the next warrant or financial report. A reissue shall reference the original approval and shall not result in double payment. Unapplied credits and refunds shall be followed to resolution.

7.7 Emergency Commitments and Payments

The Administrator may take nonbinding protective steps in an emergency within authority already adopted by the Board and may administer an existing Board-approved emergency arrangement. The Administrator shall not sign a new binding instrument for the District. The Administrator shall use the least action reasonably necessary, document the facts and price, notify the Chair and counsel, and arrange Board action promptly. Any new binding instrument and every warrant require at least two Board-member signatures under the bylaws.

> **COUNSEL REVIEW REQUIRED:** The supplied spending policy permits emergency expenditures, but the bylaws require two Board-member signatures on binding instruments and warrants, and A.R.S. § 48-1915 requires Board-approved warrants. Counsel should approve a specific emergency workflow, potentially including special meetings and preapproved limited arrangements.

8. Credit Card and Purchasing Card Controls

8.1 Activation Condition

No District credit card, purchasing card, store account, or online payment card shall be opened, activated, or used until the Board approves the program, at least two directors sign the account agreement or other binding instrument, and counsel and the County Treasurer confirm in writing how card commitments, statement liability, and warrant approval comply with the bylaws and A.R.S. § 48-1915.

8.2 Issuance

Cards shall be issued to a named individual, not a department. The Board or its adopted policy shall establish the cardholder, single-purchase limit, monthly limit, merchant restrictions, custody, and approving reviewer. The issuer or account-administration record shall identify the assigned cardholder and approved limits.

8.3 Permitted and Prohibited Use

A card may be used only for an approved District purpose within budget, procurement, and spending limits. It shall not be used for personal purchases, cash advances, gift cards or cash equivalents, alcohol, fines, recurring contracts not separately approved, split purchases, political activity, or any item otherwise prohibited.

8.4 Receipts and Reconciliation

1. The cardholder submits an itemized receipt, business purpose, participants if relevant, authorization, and budget code within three business days.
2. A reviewer other than the cardholder reconciles every transaction to the statement.
3. The Administrator investigates missing receipts, disputes, credits, and personal charges immediately.
4. The issuer statement, receipts, transaction details, and retained digital approvals are included in the warrant process before payment, unless counsel has approved another lawful timing method.
5. The complete statement file is retained as a public financial record, with lawful redactions for account-security information.

8.5 Misuse, Loss, and Separation

Loss, theft, compromise, or personal use shall be reported immediately. The District shall freeze the account, preserve records, dispute charges, seek repayment, and terminate access by the user's final day.

9. Records, Public Records, Retention, and Digitization

9.1 Records Governance

The Secretary is the custodian of all District-related emails and is responsible for the Board minutes, notices, and contract attestations assigned by the bylaws. The Board shall designate at least one administrative backup and may assign records work without displacing the Secretary's bylaw responsibility. The Secretary and assigned staff shall use the District's existing digital systems to track the records inventory, repositories, retention schedules, public-records requests, legal holds, destruction actions, and access permissions. District records remain District property regardless of who created them or where they are stored.

9.2 Official Repositories

Official records shall be stored in Board-approved repositories using consistent folders, access controls, file names, and backups. Every book, record, and minute shall be in written form or capable of conversion to written form within five business days as required by Article VI, Section 2 of the bylaws. A working file on a personal device, private email, text thread, lessee system, vendor portal, or removable drive shall be transferred to the official repository promptly if it documents District activity. Convenience copies should not become uncontrolled archives.

9.3 Email, Text, and Messaging

District business should be conducted through District-managed accounts. If a personal account or device is used, the person shall preserve the record and forward or export it to the District repository. Deleting a message from a phone does not eliminate the District's record obligation. Directors and staff shall not use disappearing-message settings for District business.

9.4 Public Records Request Workflow

1. Preserve the original request, attachments, and received date in the official digital repository.
2. Acknowledge promptly and identify a District contact.
3. Clarify scope when needed without delaying reasonable search efforts.
4. Identify custodians, repositories, date ranges, search terms, and responsive formats.
5. Preserve responsive material and suspend routine destruction if necessary.
6. Review for confidentiality, privilege, privacy, security, and other lawful withholding; consult counsel for disputed or sensitive material.
7. Produce records promptly in an existing practical format, with an explanatory letter and redaction or withholding basis when applicable.
8. Retain the request, search record, correspondence, produced set, withheld set, fee record, and closure date.

The District shall not state that a record does not exist until reasonable custodians and repositories have been checked, including records held for the District by the County, lessee, accountant, attorney, contractor, or service provider. A request for a report that the District does not maintain shall be distinguished from a request for underlying existing records.

> **COUNSEL REVIEW REQUIRED:** Counsel should review withholding, privilege, privacy balancing, commercial-purpose fees, burdensome requests, metadata requests, and any proposed statement that the District is not required to create or compile a new record.

9.5 Retention and Destruction

The District shall follow Arizona State Library, Archives and Public Records schedules applicable to special districts and any approved custom schedule. No record may be destroyed because storage is inconvenient or because a person leaves office. Records subject to audit, request, investigation, claim, litigation hold, or continuing contract need shall be retained until released, even if the ordinary retention period has expired.

Disposition shall be authorized, documented, secure, and consistent across paper and electronic copies. The records custodian shall file the records-destruction report required by A.R.S. § 41-151.19 at least annually and retain proof of destruction.

9.6 Digitization

1. Inventory and prioritize permanent, financial, meeting, lease, property, personnel, and contract records.
2. Scan at a legible resolution using stable formats; apply optical character recognition when useful.
3. Capture source, date, title, responsible office, retention class, confidentiality, and related transaction metadata.
4. Perform page-count, orientation, legibility, and completeness quality control before accepting a scan.
5. Store the master in the official repository with backup and access controls.
6. Destroy an original only when the retention schedule, legal requirements, historical value, audit needs, and counsel advice permit it.

9.7 Legal Holds and Investigations

Upon notice of a claim, subpoena, audit, investigation, anticipated litigation, or relevant public-records dispute, counsel or the records custodian shall issue a written hold. The hold identifies custodians, subjects, date ranges, systems, and suspension requirements. Release shall be written. Destruction while a hold is active is prohibited.

10. Technology, Email, Devices, and Security

10.1 Technology Ownership and Administration

District accounts, domains, devices, numbers, software, files, configuration, and data are District property. The Board shall designate an accountable technology administrator and a backup. Vendors shall not be the sole owners of credentials, domains, encryption keys, backup accounts, or billing relationships.

10.2 Minimum Security Controls

- Unique accounts for each user; no routine shared credentials.
- Multifactor authentication for email, cloud storage, finance, domain, and administrative accounts.
- A Board-approved password manager and strong unique passwords.
- Automatic screen lock, supported operating systems, security updates, encryption, and remote-wipe capability for District devices.
- Least-privilege access and quarterly review of users, groups, forwarding rules, integrations, and administrators.
- Backups separated from ordinary user access, with at least annual restore testing.
- Documented vendor, software, license, data, and device inventories.

10.3 Email and Open Meeting Law

Board email shall be configured and used to reduce quorum communications. Administrative distributions should normally be sent individually or by blind copy and should instruct directors not to reply to the group. A Board distribution list shall not be used for substantive discussion or proposed legal action. Automatic forwarding to personal accounts should be disabled unless the technology administrator and records custodian approve a preservation method.

10.4 Acceptable Use

District technology shall be used for District business and incidental personal use, if allowed, shall be minimal, lawful, secure, and cost-free. Users shall not install unapproved software, disable security controls, share confidential records through personal file-sharing services, connect unknown media, or use District systems for political campaigns, harassment, unlawful activity, or private business.

10.5 Artificial Intelligence and External Tools

No user shall submit executive-session information, attorney-client material, passwords, protected personal information, security details, nonpublic financial instructions, or confidential contract information to a public artificial-intelligence or external processing service unless the District has approved the service, data terms, retention, security, and records procedure. Material used for Board action shall be independently verified and retained with the decision record when relevant.

10.6 Security Incident Response

1. Report suspected phishing, account takeover, lost device, misdirected record, malware, or financial fraud immediately.
2. Preserve evidence and isolate the affected account or device without destroying logs.
3. Notify the Chair, Administrator, technology provider, counsel, insurer, and financial institution as appropriate.
4. Assess access, containment, legal notice, public records, business continuity, and law-enforcement needs.
5. Document actions, recovery, lessons learned, and control improvements.

The District should use the NIST Cybersecurity Framework 2.0 as a scalable reference for governing, identifying, protecting, detecting, responding to, and recovering from cybersecurity risk.

10.7 Website and Public Communications

The District website shall have named content and technical owners, current notice locations, accessible meeting materials, contact information, public-records instructions, and a documented update and backup process. Only authorized speakers may issue statements on behalf of the District. Personal views shall not be presented as Board positions.

11. Administrative Operations

11.1 Annual Administrative Calendar

The Administrator shall maintain a master calendar for Board meetings, budget and County deadlines, audit, tax and financial filings, insurance renewals, contract expirations, IGA deadlines, public notices, officer reorganization, elections, records-destruction reports, inventory, technology access reviews, and policy reviews.

11.2 Correspondence and Signature

Incoming mail and service shall be date-stamped or preserved with its digital received date, scanned when necessary, delivered to the responsible person, and retained in the official repository when material. Outgoing correspondence shall identify the authority and responsible official. The Chair or another director may sign only within Board or policy authority. Every warrant, contract, or instrument involving payment or creating a binding District obligation shall bear at least two Board-member signatures, and the Secretary shall attest Board-authorized contracts. Electronic signatures shall be controlled and may not be applied by another person without specific written authorization and an audit trail.

11.3 Administrative Files

- Board governance and officer records.
- Meetings, agendas, packets, minutes, and posting proof.
- Budget, accounting, warrants, audits, and tax records.
- Contracts, IGAs, leases, procurement, and vendor files.
- Programs, grants, GME, AHCCCS, performance, and closeout records.
- Public records, litigation, claims, insurance, and legal holds.
- Property, devices, accounts, access, security, and inventories.
- Personnel or contractor administration and transition files.

11.4 Complaints and Service Requests

The District shall retain material complaints in the official repository, identify whether they concern District governance or hospital operations, acknowledge receipt, deliver them to the responsible entity, and preserve the response and closure status in the existing digital record. Complaints involving legal, safety, fraud, discrimination, retaliation, or patient information shall be escalated promptly. The District shall not investigate hospital clinical matters outside its legal and contractual role.

11.5 Employees, Contractors, and Volunteers

Before assigning work, the District shall document status, scope, supervisor, pay or rate, budget, insurance, confidentiality, records, technology, conflicts, and termination. Contractor labels shall not be used to avoid legal employment obligations. Personnel decisions shall follow applicable law, Board authority, due process, and executive-session requirements.

> **COUNSEL REVIEW REQUIRED:** If the District employs staff, counsel should create or review separate personnel policies covering wage and hour, leave, accommodation, discrimination, discipline, records, safety, workers' compensation, and benefits.

11.6 Business Continuity

The District shall maintain current emergency contacts, backups for essential roles, duplicate access to official systems, off-site or separated backups, alternate meeting and posting arrangements, and procedures for loss of facilities, technology, key personnel, or financial access. Continuity arrangements shall preserve Open Meeting Law, records, procurement, and warrant requirements.

12. GME, AHCCCS, Healthcare Education, and Community-Health Programs

12.1 Board Control and Program Classification

Every strategic program expenditure requires specific Board approval. The existence of a broad budget category, reserve, or maximum allocation does not authorize a payment, transfer, grant, award, IGA, or contract. The proposal shall be classified by its legal and economic substance, such as purchase of services, IGA transfer, matching contribution, grant, capital support, education agreement, or other program. The District should avoid the generic term 'community donation' unless counsel concludes that it is accurate and lawful.

12.2 Required Proposal Record

Before Board action, the sponsor shall provide the following information by email or in the Board packet:

- The need, population served, District benefit, geographic connection, and public purpose.
- The proposed recipient, partners, conflicts, qualifications, and financial condition.
- Legal authority and counsel's analysis, including Gift Clause and Title 48 considerations.
- Program scope, deliverables, measurable outcomes, reporting, audit access, and closeout.
- Amount, source of funds, budget category, cash timing, future-year exposure, and administrative cost.
- Selection method and why the arrangement provides fair and enforceable value to the District.
- Written agreement, payment conditions, unused-fund return, clawback, termination, records, insurance, and compliance terms.

12.3 GME and AHCCCS IGA Controls

An AHCCCS GME proposal shall identify the service year, eligible hospital or program, District non-federal share, estimated federal match and total payment, payment schedule, source-of-funds certification, AHCCCS and CMS approvals or contingencies, reimbursement or clawback risk, responsible parties, hospital benefit, residency positions, rural or local workforce effect, and records period.

- The Board motion shall state the exact IGA and maximum District amount.
- Counsel shall determine that the IGA is in proper form and within District authority before execution.
- The District shall independently verify that the money source satisfies the IGA and applicable federal and state restrictions.
- The agreement and recipient records shall allow the District to monitor funded positions, services, payment receipt, audit findings, and repayment exposure.
- The District shall calendar transfer deadlines, approvals, service period, reporting, and closeout.

> **COUNSEL REVIEW REQUIRED:** Local, county, and tribal governments may provide money for certain GME matching arrangements under A.R.S. § 36-2903.01, but counsel must confirm that this Hospital District qualifies for the proposed role, that Title 48 authorizes the expenditure, and that the source and structure satisfy the current AHCCCS IGA and federal rules.

12.4 Healthcare Education and Workforce Programs

Education and workforce proposals may include residency development, clinical rotations, nursing or allied-health training, faculty support, equipment, simulation, recruitment, retention, scholarships, or community-health workforce initiatives. Each proposal shall tie the activity to a lawful District purpose and use enforceable deliverables rather than an unrestricted transfer.

- Scholarships or individual benefits require objective eligibility, selection, service or repayment terms where lawful, nondiscrimination, tax review, and conflict controls.
- Equipment funded for another entity shall have ownership, use, maintenance, insurance, access, and disposition terms.
- A hospital-affiliated recipient shall not select itself without an independently documented Board process and conflict review.

12.5 Community-Health Programs

A community-health initiative shall be based on documented needs and measurable District outcomes, such as access, prevention, maternal health, behavioral health, rural service capacity, workforce, emergency care, or health education. The agreement shall define the target population, location, services, reporting, budget, unused funds, and audit rights. General charitable worthiness is not enough by itself.

12.6 Monitoring, Payment, and Closeout

1. Assign a District program owner who is independent of the recipient when practical.
2. Use milestone, reimbursement, or other payment conditions proportionate to risk.
3. Require at least quarterly reporting for material programs unless the Board approves another schedule.
4. Compare deliverables, spending, and outcomes to the agreement before each payment.
5. Escalate nonperformance, questioned cost, conflict, or audit concern before further payment.
6. At closeout, document results, final accounting, asset status, unused funds, records custody, and any continuing obligations.

13. Insurance and Risk Management

13.1 Annual Risk Review

At least annually, the Board shall review material risks, claims, leases, property, programs, technology, financial controls, contracts, and coverage. The review should consider public-officials or directors-and-officers liability, general liability, property, cyber, crime and fidelity, employment practices, workers' compensation when applicable, automobile or non-owned auto, professional liability where relevant, and umbrella coverage.

13.2 Insurance Administration

- Maintain policies, endorsements, applications, schedules, certificates, claims instructions, broker correspondence, and renewal analysis.
- Calendar notice, cancellation, renewal, audit, and reporting deadlines.
- Confirm that applications and renewals are accurate and approved by an authorized signer.
- Compare lease and contract insurance duties to actual coverage and certificates.
- Report material changes in programs, property, staffing, technology, or contracts to the broker or carrier.

13.3 Incident and Claim Reporting

Any director, staff member, or contractor who learns of an injury, demand, subpoena, threat, cyber event, property loss, suspected crime, or circumstance reasonably likely to create a claim shall report it promptly. No person shall admit liability, promise payment, or destroy records. The Administrator shall notify counsel and the insurer as required, issue a hold, and maintain an incident file.

13.4 Contract Risk Transfer

Before execution, material contracts shall be reviewed for indemnity, defense, insurance, limitation of liability, waiver, data breach, professional responsibility, and sovereign or statutory protections. Certificates alone do not amend a deficient contract. The District shall not accept another party's risk allocation merely because it appears in a standard form.

13.5 Bylaw Indemnification

Indemnification, advancement of defense expenses, and insurance for a current or former director, officer, or employee shall be handled under Article VII of the bylaws and applicable law. No administrator may promise indemnification, admit coverage, settle a claim, or advance expenses without the case-specific determination and authorization required by the bylaws, together with counsel and insurer review.

14. Property, Assets, and Inventory

14.1 Asset Records

The District shall maintain an asset register for capital assets and controlled property. Controlled property includes laptops, tablets, phones, storage media, keys, access tokens, payment devices, records equipment, and any item whose loss creates security or operational risk regardless of cost.

The register shall include asset tag, description, serial number, acquisition date and cost, funding source, location, custodian, condition, warranty, lease or restriction, depreciation class if used, inventory date, and disposition. For Assessor Parcel Number 320-11-063 and the associated buildings, improvements, fixtures, and excluded medical equipment, the property definition in Appendix A to the current bylaws controls.

14.2 Receipt, Assignment, and Custody

The District's digital asset inventory shall identify the person receiving each item, the issue date, applicable accessories or credentials, and the return or disposition status. The recipient is responsible for reasonable care, security, and prompt loss reporting. District property shall not be permanently stored at a private location without documented need and approval. Records and security settings shall be configured before a device is issued.

14.3 Physical Inventory

At least annually, a person independent of day-to-day custody when practical shall verify each material and controlled asset, location, custodian, condition, and records. Differences shall be investigated and reported to the Board. Lease-related property shall be inventoried separately to distinguish District property from lessee property.

14.4 Loss, Damage, and Security

Loss, theft, damage, or unauthorized use shall be reported immediately. The District shall protect accounts and data, preserve evidence, notify law enforcement and insurance when appropriate, and determine repair, replacement, recovery, or corrective action. Personal reimbursement shall be determined only after factual and legal review.

14.5 Disposal

Disposal shall be authorized, documented, and conducted in a manner that protects value and public confidence. Records shall show the reason, condition, valuation or sales method, recipient or purchaser, proceeds, Board action when required, and data sanitization. No director, employee, contractor, or related party may receive surplus property through a preferential process. If the District is dissolved, District property shall transfer to Mohave County as provided in Article VIII of the bylaws and applicable law.

COUNSEL REVIEW REQUIRED: Counsel should confirm the method, notice, valuation, and approval required for disposal or transfer of District real property, lease assets, equipment, and property provided to a private party.

15. Transition Procedures for Directors, Staff, and Contractors

15.1 Transition Principle

District office and work belong to the public institution, not the individual. A departure shall not interrupt access to money, records, meetings, contracts, legal matters, technology, property, or statutory deadlines. Records may not be deleted, withheld, transferred to a successor outside the official repository, or used as leverage in a transition.

15.2 Planned Departure

When notice is available, the departing person and Administrator shall prepare a transition memorandum in the District's digital repository before the final service date. It shall list pending Board directives, deadlines, contacts, contracts, claims, public-records requests, legal holds, financial items, program obligations, credentials held, physical records, and property.

15.3 Access and Property Cutoff

- Disable or change access no later than the effective end of service, with earlier action when risk warrants.
- Preserve and transfer the mailbox, cloud files, texts, calendars, and device data before wiping or reassignment.
- Recover devices, cards, tokens, keys, seals, records, and other property.
- Remove forwarding rules, delegated access, payment authority, vendor portals, and administrator privileges.
- Update the website, public contacts, insurers, County Treasurer, County officials, banks, vendors, and agencies after required Board action.

15.4 Board Officer and Vacancy Transition

After an election, appointment, resignation, vacancy, or officer change, the District shall document the effective date, oath or qualification, Board organization, signature authority, statutory and County filings, access changes, and public notice. For a vacancy, the Board shall advertise the position on the District website, require each candidate to submit a letter of intent, and may appoint a qualified successor by a majority of the remaining directors to serve the balance of the term if the remaining directors constitute a quorum. If they do not, the Mohave County Board of Supervisors makes the appointment under A.R.S. § 48-1908. Vacancy and election questions shall be coordinated with Mohave County and District counsel under the bylaws and applicable election law.

15.5 Incoming Orientation

The incoming person shall receive only the access needed for the role; complete security, records, Open Meeting Law, conflict, and financial-control orientation; and review pending matters. Completion may be noted in the ordinary account-provisioning, training, or Board records. No shared password shall be passed from the departing person when an individual account can be issued.

15.6 Unplanned or Adverse Departure

For an abrupt, disputed, or high-risk departure, the Chair or Vice-Chair, Administrator, counsel, and technology administrator shall immediately preserve records, secure systems and premises, recover property, notify insurers and financial institutions when needed, and identify a temporary custodian for essential functions. Personnel confidentiality and due process shall be maintained.

16. Policy Adoption, Amendment, Exceptions, and Review

16.1 Adoption

A new or materially revised policy shall be placed on a sufficiently specific agenda with the full text or a clear public means of access. The packet should identify the owner, purpose, changes, fiscal effect, operational effect, legal review, affected prior policies, implementation date, and training. The Board action shall identify the version and effective date.

16.2 Numbering and Version Control

Each policy shall have a unique number, title, owner, adoption date, effective date, revision history, review date, and superseded authority. The records custodian shall maintain one controlled current set and a complete archive of prior versions. Drafts shall be visibly labeled and shall not be placed in the adopted-policy folder.

16.3 Administrative Implementation

The Administrator may update a file path, contact, system setting, or other administrative detail that does not change authority, thresholds, legal rights, required records, or control objectives. Material changes require Board approval. Digital system changes that affect recordkeeping or approvals shall be documented through the system's configuration history or other ordinary audit trail.

16.4 Exceptions

A policy exception requires written authority from the Board unless the policy expressly delegates a narrow exception. The exception record shall state the policy, facts, duration, risk, conditions, and approving authority. No exception may waive law, conflict requirements, Board-reserved authority, or public-record obligations.

16.5 Review Cycle

High-risk subjects, including Open Meeting Law, finance, warrants, procurement, records, technology, GME and AHCCCS, insurance, lease administration, and transitions, should be reviewed at least annually. The full manual should be reviewed at least every three years and after a material legal, organizational, audit, lease, or operational change. The bylaws are controlled separately: Article X requires biennial review and an affirmative vote of three-fifths of the directors then in office to alter, amend, or repeal them, subject to Arizona law.

17. Counsel Review Before Adoption

The Board should ask District counsel to review the complete manual before adoption. The following subjects remain expressly reserved for legal review and should not be treated as settled merely because they appear in this draft:

- Bylaw and statutory alignment, including agenda submitters and deadlines, officer timing, Secretary eligibility, vacancies, notice methods, conflicts, and the relationship between the bylaws and later changes in law.
- Alignment with the final hospital lease, including chain of command, lessee communications, inspection, audit, notice, property, records, insurance, defaults, and program obligations.
- The legal scope of spending delegation and the proposed $2,500, $5,000, and $25,000 internal thresholds, particularly in light of the two-director-signature requirement in Article VI, Section 5 of the bylaws.
- The exact warrant and County Treasurer process, including consolidated warrant registers, two-director signatures, electronic signatures, ACH, reimbursements, emergencies, corrections, and any credit card program under A.R.S. § 48-1915.
- The lawful process for budget amendments or transfers after submission under A.R.S. § 48-1914 and applicable expenditure-limit requirements.
- Any statutory, grant, lease, federal, or local procurement requirements that supplement the proposed competition tiers.
- IGA approval, attorney review, execution, effectiveness, amendment, filing, and payment requirements under A.R.S. § 11-952.
- Authority and legal structure for GME, AHCCCS, healthcare education, community-health, hospital-support, or other private-party transactions, including public purpose, Gift Clause consideration, funding eligibility, and repayment risk.
- Open Meeting Law implementation, public-records disclosure and withholding, retention, destruction, executive-session custody, digitization, and records held by contractors or other entities.
- Cybersecurity, breach notice, incident records, third-party account control, personnel administration, contractor classification, insurance, indemnification, property disposition, and transition obligations.

18. Primary Authorities and Drafting Sources

This is a practical source list, not a complete legal memorandum. Statutes and agency guidance should be checked again immediately before adoption.

- A.R.S. § 48-1907, Powers of hospital district
- A.R.S. § 48-1908, Board composition, terms, vacancies, officers, and secretary
- A.R.S. § 48-1909, Director compensation and expenses
- A.R.S. § 48-1910, Board powers concerning hospital property
- A.R.S. § 48-1913, Limit of bonded indebtedness
- A.R.S. § 48-1914, Budget
- A.R.S. § 48-1915, Deposit and payment of District money
- A.R.S. § 11-952, Intergovernmental agreements and contracts
- A.R.S. §§ 38-431 through 38-431.09, Open Meeting Law
- Arizona Attorney General, Open Meeting Law resources and Agency Handbook Chapter 7
- A.R.S. § 38-503, Conflicts of interest
- A.R.S. §§ 39-121 and 39-121.01, Public records
- A.R.S. § 41-151.19, Records value and disposition
- Arizona State Library, Archives and Public Records, retention schedules
- Arizona Constitution, Article IX, § 7, Gift Clause
- A.R.S. § 36-2903.01, AHCCCS powers and GME
- AHCCCS, hospital reimbursement and Graduate Medical Education payments
- NIST Cybersecurity Framework 2.0

District source: Current Bylaws as of April 14, 2026 supplied with this review. Draft 1.2 is conformed to those bylaws, subject to counsel review of statutory validity and any later amendment.

District source: HD1MC Spending Authority Policy Proposal supplied with this project. The proposal is treated as a drafting source, not as proof of adoption, and its thresholds are subordinate to the bylaws' two-director-signature requirement.

Operational context used in this draft includes current work on the FY27 budget, the statutory warrant process, AHCCCS GME IGAs, records digitization, public-records requests, Board-issued devices, the hospital lease, and leadership transition.

INTERGOVERNMENTAL AGREEMENT FOR ELECTIONS SERVICES

THIS INTERGOVERNMENTAL AGREEMENT FOR ELECTION SERVICES (the "Agreement") is entered into between the MOHAVE COUNTY BOARD OF SUPERVISORS, the MOHAVE COUNTY RECORDER, MOHAVE COUNTY ELECTIONS DEPARTMENT (collectively the "COUNTY") AND ______________________________________, (the "Jurisdiction"). The County and the Jurisdiction may each be referred to individually as a "Party" or "party" and collectively as the "Parties" or "parties."

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

WHEREAS, pursuant to A.R.S. §§11-952, 15-302(A)(7) and (A)(8), 16-205(C), 16-225, or 16-408(D), the governing body of any election district authorized to conduct an election may enter into an agreement with a County Board of Supervisors, County Election Department an d County Recorder for election services with the contracted cost of such election to be a charge ag ainst the election district; and

WHEREAS, the County and Jurisdiction have determined that the use of certain services of the Mohave County Elections Department and the Mohave County Recorder's Office is in the public interest; and

WHEREAS, the Jurisdiction wishes to enter into an agreement with the County for the provision of election services subject to the terms and conditions set forth herein,

1. **Provision of Election Services.** The County hereby agrees to provide election services to the Jurisdiction for all consolidated election dates set forth by A.R.S. §16-204 during the effective term of the Agreement. This Agreement shall apply to all categories of elections including but not limited to, primary, general, special and recall elections. Services to be provided by the County, and those that remain the responsibility of the Jurisdiction, are set forth in Section 2 of this Agreement.

2. **Parties' Responsibilities.**

   a. **The services provided by the Mohave County Election Department are:**

      (** indicates that responsibility rests with the Election Department only if the Elections Department is acting as the filing officer and is required by Arizona Revised Statutes Titles 11, 15, 16 or 19):

1. Prepare ballot formats to be approved by the Jurisdiction.

2. Provide sample ballots with the District measures and offices according to precincts within the boundaries of a District.

3. Provide sample ballots, if required, for public distribution and issue them through the District.

4. Provide ballots to be used in each precinct.

5. Conduct logic and accuracy testing required by state law and publishing all legal notices required therewith.

6. **Provide nominating petitions and other necessary information to prospective candidates for board positions if acting as the filing officer pursuant to Arizona Revised Statutes.

7. **Accept candidates' nomination documents for filing if acting as filing officer pursuant to Arizona Revised Statutes.

8. **Accept candidates' financial disclosure statements if acting as filing officer pursuant to Arizona Revised Statutes.

9. **Accept all campaign statements and expenditure reports from candidates and/or candidates' campaign committees if acting as filing officer pursuant to Arizona Revised Statutes.

10. **Prepare and issue certificates of election to candidates declared to be elected.

11. Tally official results of the election(s), utilizing paper ballots and electronic ballot counting equipment.

12. Cause the precinct election boards to utilize manual or electronic copies of precinct registers, prepared from the records of the County Recorder, for the purpose of identifying the elector qualified to vote in the current election.

13. Hire and train poll workers.

14. Administer hand count audit as required by A.R.S. § 16-602.

15. Administer post-election logic and accuracy testing.

16. The filing officer shall canvass the results of the election pursuant to Arizona Law.

b. **The services provided by the County Recorder are:**

1. Provide copies of precinct registers of qualified electors for precincts contained partially or wholly within the District limits. Said registers shall be prepared from the voter registration records of the County Recorder.

2. The Jurisdiction authorizes Mohave County to handle all early voting functions.

3. Perform signature verification on ballot affidavits and provisional ballots.

c. **Obligation of the Jurisdiction. The Jurisdiction agrees to:**

1. Provide the County Elections Department with a certification of the measures to appear on the official ballot for the Special/Regular election.

2. Notify the Elections Department at least 180 days before the election called by the Jurisdiction, whether the current election will be in person or vote by mail. Fees will be charged pursuant to the current Elections Department Fee Schedule. Failure to respond by the date that is 180 days before the election will have the effect of placing the Jurisdiction's election on the next consolidated election date pursuant to A.R.S. 16-204.

3. Provide a certified list of measures and the order of appearance of the measures to the County Elections Department 120 days prior to the election.

4. Provide nomination petitions and other necessary information to prospective candidates for board or council positions.

5. Publish all legal notices in connection with jurisdictional election with the exception of the logic and accuracy test notification as described in Section 2(a)(5) of this Agreement.

6. Pay to County, on a reimbursable basis, all costs of personnel, election material, and supplies extended by county pursuant to this Agreement. The Jurisdiction will make said payment to County within ninety (90) days after presentation by county of demand for said payment.
7. Agree to be point of contact in investigating conditional provisional ballots including extended hours to cure such ballots.
8. Assist the County Recorder with conditional provisional ballots as requested.

3. **Limitation on Eligible Elections.** The County may, in its sole discretion, decline to provide services for any election that it concludes is not required to be conducted in person.

4. **Cancellation of Certain Elections.** As provided in A.R.S. §16-410, if the number of candidates is less than or equal to the number to be elected, the Mohave County Board of Supervisors, may cancel the election no earlier than one hundred five (105) days before the election and appoint the person(s) who filed the nomination petition/paper to fill the position(s). The Elections Department will notify the jurisdictions of the cancellation and shall place all such races on a Mohave County Board of Supervisors agenda for approval unless written notice from the Jurisdiction requesting not to cancel the election is received by the County Officer in Charge of Elections one week after notification from the Elections Department.

5. **Compensation.**

   a. **Fees.** The Jurisdiction shall compensate the County for election services provided pursuant to the Agreement in accordance with the fees set forth in the most current fiscal year Election/Voter Registration section of the Mohave County Election/Early Voting Fee Schedule. Any additional services required by the Jurisdiction will result in additional charges. Additional services include, but are not limited to, the following: court preparation, court appearances, supplemental mailings, recounts, or any service which will cause the County to incur increased costs or expenses. In the event that additional services are requested, the Jurisdiction should refer to unit hourly pricing information set forth on the fee schedule. The County reserves the right to adjust election service fees annually or otherwise at any time during the effective term of this Agreement notice of which will be posted on the County's website. Revised fee schedules will supersede prior fee schedule and be incorporated in this Agreement at the time of revision.

   b. **Late Fees.** Payment in full for all costs associated with the provision of services pursuant to this Agreement shall be made no later than ninety (90) days following the date of the election. In the event that the required payment is not made by the due date deadline specified herein, the County reserves the right to impose a late charge of 2% of the unpaid balance for each 30-day period or portion thereof following the specified deadline for which any portion of the required payment, including unpaid late charges, remains unpaid.

   c. **Termination.** Failure to make payments as required by this Section shall be deemed a material breach of this Agreement and shall be grounds for termination of this Agreement pursuant to Section 8 of this Agreement.

6. **Conduct of Elections.** While the County will use its best efforts to provide election services pursuant to the Agreement in a capable and competent manner, it shall ultimately be the responsibility of the Jurisdiction to confirm that all legal requirements have been met and that all other activities related to a given election are carried out as required. Upon request, the County will provide to the Jurisdiction, in advance, all forms, schedules, documents, and other information pertaining to each election conducted pursuant to this Agreement for the Jurisdiction's review and approval. The Jurisdiction may provide to the County all informational materials or other election-related documents generated by the Jurisdiction for review by the County prior to the distribution of such materials or documents.

7. **Term of Agreement.** This Agreement shall become effective on the next day after the last party has signed the agreement and shall expire on December 31, 2028. But may be extended for an indefinite four-year term upon mutual agreement of the parties.

8. **Termination.**

   a. **Unilateral Termination.** This Agreement may be terminated by either party upon thirty (30) days written notice to the other Party of intent to terminate and specify the termination date, provided, however, that this Agreement may not be unilaterally terminated by either party within one hundred eighty (180) days of the date of the election for which the County would otherwise be providing services pursuant to this Agreement. Any termination of this Agreement shall not relieve the Jurisdiction of its responsibility for costs incurred prior to the effective date of the termination.

   b. **Termination by Mutual Agreement.** This Agreement may be terminated at any time by mutual agreement of the parties.

   c. **Termination for Breach.** In the event of a breach of any term or condition of this agreement, the Party claiming breach shall provide written notice to the other Party specifying the factual basis for the claim that a breach has occurred. If the breach is not remedied within fifteen (15) days after notice is mailed to the Breaching Party at the address provided herein, the Non-breaching Party may terminate this Agreement without further notice.

9. **Conflict of Interest.** This Agreement is subject to the cancellation provisions of A.R.S. § 38-511, the pertinent provisions of which are incorporated into this Agreement by reference.

10. **Non-appropriation of Funds.** The parties recognize that the County and Jurisdiction are governmental entities and this Agreement's validity is based upon the availability of public funding. In the event public funds are not appropriated for the performance of either or both parties' obligations under this Agreement, then the County or Jurisdiction, as appropriate, shall notify the other party in writing of any such non-allocation of funds at the earliest possible date, and this Agreement shall automatically expire without penalty to either party. If the County's or Jurisdiction's allocation of funds are reduced, then the scope of this Agreement may be reduced, if appropriate, or this Agreement may be cancelled without further duty or obligation of either party.

11. **Non-Discrimination.** The Parties shall comply with the Office of the Arizona Governor Executive Order 2009-09, which mandates that all persons, regardless of race, color, religion, sex, age, nation origin or political affiliation, shall have equal access to employment opportunities, and all other applicable State and Federal employment laws, rules and regulations, including the American's With Disabilities Act (ADA).

12. **E-Verify; Governmental Procurement**. The parties hereby warrant that they will, at all times during the term of this Agreement, comply with all federal immigration laws applicable to the employment of their respective employees and with the requirements of

A.R.S. §23-214 and 41-4401 (together the "state and federal immigration laws"). A breach of the foregoing warranty shall be deemed a material breach of this Agreement and the party who breaches may be subject to penalties up to and including termination of the Agreement.

The Parties further agree to ensure that each subcontractor that performs any work under this Agreement, likewise complies with the state and federal immigration laws at all times during the term of this Agreement.

The Parties retain legal right to inspect the papers of any contractor or subcontractor in order to verify such party's compliance with the state and federal immigration laws.

13. **Indemnification.** To the fullest extent permitted by law, each Party (as "indemnitor") agrees to indemnify, defend and hold harmless the other Party, its departments, officers, officials, agents and employees (collectively "Indemnitee") without limitation from and against any and all claims, damages, losses, liabilities, fees, fines, costs, or expenses (including, but not limited to attorney fees, court costs, and cost of appellate proceedings) relating to, arising from, resulting from or alleged to have arisen from or resulted from this Agreement. Indemnitor's duty to defend, indemnify and hold harmless Indemnitee shall arise in connection with any and all claims, damages, losses, liabilities, fees, fines or expenses, that are attributable to bodily injury, personal injury, sickness, disease, death, or damage to, or destruction of tangible or intangible property including the loss of therefrom caused in whole or in party by any act, error, mistake or omission of Indemnitor, its departments, officers, officials, employees, agents, vendors, subcontractors or anyone for whose acts Indemnitor may be liable. Indemnitor agrees to waive all rights of subrogation against Indemnitee. The obligations under this Paragraph shall survive the termination of this Agreement.

14. **Property Disposition.** The parties do not anticipate the joint acquisition of property attributable to the exercise of each party's duties and obligations pursuant to this Agreement. Any property acquired during the term of this Agreement shall be returned to the purchasing party no more than thirty (30) calendar days from the effective date of termination of this Agreement.

15. **Governing Law.** This Agreement and any and all exhibits, attachments, amendments and addendums shall be construed under the laws of the State of Arizona and by applicable federal statute. Any changes in governing laws, rules and regulations that do not materially affect this Agreement will apply during the term of this Agreement and will not require an amendment.

16. **Material Change in Law, Rule or Regulation.** In the event of adoption of legislation, regulations, or instruction or the initiation of an enforcement action by a governmental agency, any of which materially affects the legality of this Agreement or the relationship among parties hereto, either party may propose amendments to this Agreement to bring this Agreement into conformity with such laws. If the parties are unable to reach agreement on the renegotiation of this Agreement within thirty (30) days of the initiation of negotiations, then either party may terminate this Agreement upon written notice to the other party.

17. **Compliance with Law.** The parties shall comply with all applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities in performing this Agreement, including

environmental laws. Non-compliance with any election law shall be deemed a material breach of this Agreement and the party who breaches may be subject to penalties up to and including termination of this Agreement.

18. **Severability.** In the event that any portion of this Agreement or application thereof to the County, District, person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Agreement, which can be given effect, without the invalid provision or application and to the end of the provision declared severable.

19. **Waiver.** A party's failure or neglect to enforce any term, covenant, condition, right or duty in this Agreement does not constitute a waiver of any term, covenant, condition, right or duty nor is deemed to be a waiver of that party's rights or remedies under this Agreement. A waiver or extension is only effective if it is in writing and signed by the party granting it. NO single or partial exercise of any right or remedy will preclude any other or further exercise of any right or remedy. One or more waivers by a party of any term, covenant, condition, right or duty in this Agreement shall not be construed as a waiver of a subsequent default or breach of the same covenant, term, condition, right or duty.

20. **Alternate Dispute Resolution**. Pursuant to A.R.S. § 12-1518, disputes under this Agreement may be resolved through the use of arbitration.

21. **Waiver of Jury Trial**. The parties hereby waive their respective rights to trial by jury in any action or proceeding arising out of this Agreement.

22. **Notices.** All notices required by this Agreement, such as notice of termination, shall be sent by U.S. certified mail, return receipt requested, or delivered by hand to the party at the address indicated or such other address requested by notice to the other party. A notice shall be considered given when received. All communications regarding services provided pursuant to this Agreement shall be directed to the following:

COUNTY RECORDER:	JURISDICTION:
Lydia Henry County Recorder 700 W. Beale St. Kingman, AZ 86402 (928) 753-0701 HenryL@mohave.gov	Contact:________________________________ Title:__________________________________ Mailing Address:__________________________ ______________________________________ Phone:_________________________________ E-Mail:_________________________________
COUNTY ELECTIONS DEPARTMENT Karina Sumner Elections Director 700 W. Beale St. Kingman, AZ 86402 (928) 753-0733 SumneK@mohave.gov	**Intentionally Left Blank**

23. **Implied Contract Terms.** Each provision of law and any terms required by law to be in this Agreement are part of this Agreement as if fully set forth herein.

24. **Relationship of Parties.** Nothing contained in this Agreement shall be deemed or construed as creating a joint venture, partnership, agency, employment or fiduciary relationship between the parties. The Parties' employees shall not be considered employees of the other Party, and neither Party's personnel will, by virtue of this Agreement, be entitled or eligible, by reason of this Agreement, to participate in any benefits or privileges given or extended by the other Party to its employees.

25. **Third Parties**. Nothing contained in this Agreement shall create a contractual relationship with or cause of action in favor of a third party against the County or the Jurisdiction. This Agreement is not intended to benefit any third party.

26. 26. **Assignment.** No party to this Agreement may assign any of its rights or responsibilities under this Agreement, either voluntarily or involuntarily, whether by merger, consolidation, dissolution, operation of law, or any other manner, except with the prior written consent of the other parties. No party may delegate any performance under this Agreement, except with the prior written consent of the other parties. Any purported assignment of rights or delegation of performance in violation of this paragraph is void.

27. **Parol Evidence.** This Agreement is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this Agreement.

28. **Waiver.** A party's failure or neglect to enforce any term, covenant, condition, right or duty in this Agreement does not constitute a waiver of any term, covenant, condition, right or duty, or is it deemed to be a waiver of that party's rights or remedies under this Agreement.

    1. A waiver or extension is only effective if it is in writing and signed by the party granting it. No single or partial exercise of any right or remedy will preclude any other of further exercise of any right or remedy. One or more waivers by a party of any term, covenant, condition, right, or duty in this Agreement shall not be construed as a waiver of a subsequent default or breach of the same covenant, term, condition, right or duty.

29. **Execution of Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon, provided such signature page is attached to any other counterpart identical thereto. Each of the Parties may sign any number of copies of this Agreement. Each signed copy shall be deemed an original, but all of them together shall represent one and the same agreement.

30. **Entire Agreement.** This Agreement contains the entire, integrated agreement of the parties and there are no oral agreements, understandings or representations relied upon by the parties. This Agreement supersedes all prior negotiations, representations or agreements, whether written or oral. Any modifications or amendments to this Agreement must be in writing and signed by all parties.

31. **Legal Agreement.** This Agreement is a binding legal document, and each Party warrants that it has had an opportunity to consult with an attorney about the terms set forth herein. By signing this Agreement, each person signing this Agreement represents and warrants that he or she is duly authorized and has the legal capacity to execute this Agreement and understands the meaning of all terms contained herein and agrees to their application and enforceability.

32. **Binding Effect.** This agreement shall not be legally binding upon either party until signed by the Mohave County Recorder, Mohave County Chair of the Board of Supervisors, and the Jurisdiction.

33. **Superseding Effect:** This agreement supersedes and replaces any existing agreement between Mohave County and the Jurisdiction. Execution of this agreement shall serve as a mutual release from the terms and conditions of any previous agreement for Election Services unless otherwise noted in this agreement.

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

APPROVALS:

COUNTY:

____ ________________
Mohave County Chairman of the Board of Supervisors Date

____ ________________
Mohave County Recorder Date

ATTEST:

____ ________________
Clerk of the Board of Supervisors Date

APPROVED AS TO FORM:

____ ________________
Deputy County Attorney Date

JURISDICTION:

____ ________________
Signature Date

____ Printed
Name and Title