

XIV. ARS §41-2701 ET SEQ, GRANT STATUTE

41-2701. Definitions

In this chapter, unless the context otherwise requires:

1. "Grant" means the furnishing of financial or other assistance, including state funds or federal grant funds, by any state governmental unit to any person for the purpose of supporting or stimulating educational, cultural, social or economic quality of life.
2. "Person" means any corporation, business, individual, committee, club or other organization or group of individuals.
3. "State governmental unit" means any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of this state.

41-2702. Solicitation and award of grant applications

A. State governmental units shall award any grant in accordance with the competitive grant solicitation requirements of this chapter.

B. A state governmental unit shall prepare and issue a Request for Grant Applications that includes at least the following information:

1. A description of the nature of the grant project, including the scope of the work to be performed by an awardee.
2. An identification of the funding source and the total amount of available funds.
3. Whether a single award or multiple awards may be made.
4. Encouragement of collaboration by entities for community partnerships, if appropriate.
5. Any additional information required by the applications.
6. The criteria or factors under which applications will be evaluated for award and the relative importance of each criteria or factor.
7. The due date for submittal of applications and the anticipated time the awards may be made.

C. Adequate public notice of the Request for Grant Applications shall be given at least six weeks before the due date for the submittal of applications. Adequate notification of the Request for Grant Applications shall also be provided to the central state permitting program pursuant to section 41-1505.08.

D. A preapplication conference may be conducted before the due date for the submittal of applications to explain the grant application requirements. If a preapplication conference is held, it shall be held at

least twenty-one days before the due date. Statements made at a preapplication conference are not amendments to the Request for Grant Applications unless a written amendment is issued.

E. Grant applications shall be publicly received at the time and place designated in the Request for Grant Applications. The name of each Applicant shall be publicly read and recorded. All other information in the grant application is confidential during the process of evaluation. All applications shall be open for public inspection after grants are awarded. To the extent the Applicant designates and the state concurs, trade secrets and other proprietary information contained in the application shall remain confidential.

F. Applications shall be evaluated by at least three evaluators who are peers or other qualified individuals. The evaluators may allow Applicants to make oral or written presentations regarding the scope of work, terms and conditions of the grant, budget and other relevant matters set forth in the Request for Grant Applications. Applicants shall be accorded fair treatment with respect to any opportunity for oral or written presentations. The evaluators may require an Applicant to revise its application to reflect information provided in an oral or written presentation. Any person who has information contained in the application of competing applications shall not disclose that information.

G. The evaluators shall review each application based solely on the evaluation criteria or factors set forth in the Request for Grant Applications. The evaluators shall maintain a written record of the assessment of each application, which shall include comments regarding compliance with each evaluation criteria or factor, the citation of a specific criteria or factor as the basis of each stated strength or weakness and a clear differentiation between comments based on facts presented in the application and comments based on professional judgment. Evaluator assessments shall be made available for public inspection no later than thirty days after a formal award is made.

H. The evaluators shall make award recommendations to the head of the state governmental unit based on the evaluators' reviews of each application. The evaluators' recommendations may include the adjustment of the budgets of the Applicants individually or collectively.

I. The head of the state governmental unit may affirm, modify or reject the evaluators' recommendations in whole or in part. Modification of the evaluators' recommendations may include the adjustment of the budget on any proposed award individually or on all awards by an amount or percentage. If the head of the state governmental unit does not affirm the recommendations, the head of the state governmental unit shall document in writing the specific justifications for the action taken. The specific justifications shall be made available for public inspection no later than thirty days after the action is taken.

J. The head of a state governmental unit may enter into agreements with other state governmental units to furnish assistance in conducting the solicitation of grant applications.

41-2703. Waiver of solicitation and award procedures

A. Notwithstanding any other provision of this chapter, the director of the department of administration or the director's designee may waive the solicitation and award procedures if a situation exists that makes compliance with section 41-2702 impracticable, unnecessary or contrary to the public interest, except that the grant solicitation and award shall be made with competition that is practicable under the circumstances.

B. A state governmental unit seeking a waiver of solicitation and award procedures shall prepare a written request documenting and explaining the situation justifying the waiver. The request shall be submitted to the director of the department of administration or the director's designee, who shall

determine in writing whether to grant the request. If the request is granted, the determination shall state the manner in which the grant is to be solicited and awarded and the limits of the determination.

C. A copy of each request and determination shall be kept on file in the office of the state governmental unit requesting the waiver and the office of the director of the department of administration or the office of the director's designee.

41-2704. Remedies

The head of the state governmental unit may resolve protests of the award or proposed award of a grant. An appeal from a decision of the head of a state governmental unit may be made to the director of the department of administration. A protest of an award or proposed award of a grant and any appeal shall be resolved in accordance with the rules of procedure adopted by the director pursuant to section 41-2611.

41-2705. Violation; classification; liability; enforcement authority

A. A person who violates this chapter is personally liable for the recovery of all public monies paid plus twenty per cent of the amount and legal interest from the date of payment and all costs and damages arising out of the violation.

B. A person who intentionally or knowingly participates in the award of a grant pursuant to a scheme or artifice to avoid the requirements of this chapter is guilty of a class 4 felony.

C. A person who serves as an evaluator of grant applications pursuant to this chapter shall sign a statement before reviewing applications that the person has no interest in any application other than that disclosed and shall not have contact with any representative of an Applicant during the evaluation of applications, except those contacts specifically authorized by this chapter. The person shall disclose on the statement any contact unrelated to the review of the grant applications that the person may need to have with a representative of an Applicant and any contact with a representative of an Applicant during evaluation of applications except those specifically authorized by this chapter. A person who serves as an evaluator and who fails to disclose contact with a representative of an Applicant or who fails to provide accurate information on the statement is subject to a civil penalty of at least one thousand dollars but no more than ten thousand dollars.

D. The attorney general on behalf of this state shall enforce the provisions of this chapter.

41-2706. Applicability of chapter

A. This chapter applies to the solicitation of grants initiated after August 6, 1999.

B. This chapter does not apply to:

1. Any grant program that was exempt from chapter 23, article 3 of this title and for which administrative rules establishing grant solicitation procedures were adopted pursuant to chapter 6 of this title before August 6, 1999.

2. The Arizona board of regents and schools, colleges, institutions and universities under its control if the Arizona board of regents adopts rules or policies governing the award of grants that encourage as much competition as practicable.

3. Grants made by the cotton research and protection council for research programs related to cotton production or protection.
4. Grants made by the Arizona iceberg lettuce research council for research programs under section 3-526.02, subsection C, paragraph 3 or 5.
5. Grants made by the Arizona citrus research council for research programs under section 3-468.02, subsection C, paragraph 3 or 5.
6. Grants made by the Arizona grain research and promotion council for research projects and programs under section 3-584, subsection C, paragraph 5.
7. Grants made under section 3-268, subsection C.
8. Grants made by the Arizona commerce authority from the Arizona competes fund pursuant to chapter 10, article 5 of this title. With respect to other grants, the authority shall adopt policies, procedures and practices, in consultation with the department of administration, that are similar to and based on the policies and procedures prescribed by this chapter for the purpose of increased public confidence, fair and equitable treatment of all persons engaged in the process and fostering broad competition while accomplishing flexibility to achieve the authority's statutory requirements. The authority shall make its policies, procedures and practices available to the public.
9. Grants of less than five thousand dollars from the veterans' donations fund if the department of veterans' services adopts rules or policies governing these grants that encourage as much competition as practicable.