

May 17, 2004

To Arizona Superintendents:

The past several months have presented many challenges for Mohave's members, Mohave and its staff. Despite all the challenges, Mohave contracts remain a very viable and valid resource for your school district. I would like to point out that the Attorney General and the Auditor General have not told you that you cannot use Mohave contracts. In fact, our contracts are among the very best professional procurement contracts available.

It is my hope that you will share this letter with your business office and support the use of Mohave contracts where they benefit your school district. Mohave contracts save school districts millions of dollars annually, as demonstrated by our Savings Surveys noted on our website at www.mesc.org.

Mohave has enjoyed a long partnership with our school members. We trust that our members will make informed independent decisions whether to use Mohave contracts. When making those decisions, please consider the following:

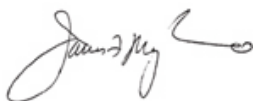
- The Auditor General's office reviewed old contracts that have expired and are no longer in use.
- The contracting deficiencies noted in the report do not automatically invalidate MESC contracts.
- All contracting deficiencies in the report were corrected in 2000.
- The CPA review referenced in the Auditor General's email is not imminent. Mohave has agreed to a review, but has not been provided with parameters for the review.
- The requirement for due diligence reviews of contracts is not limited to Mohave. It applies to any contract.
- The factors applied to review of Mohave contracts apply to all contracts subject to the procurement rules, including your own bids and proposals during your next audit.
- MESC's current contracts comply with the procurement rules.
- Mohave's legal counsel has issued an opinion that MESC contracts are valid options for members. Reviews by others have resulted in the same determination.
- Mohave contracts are viable for all requirements, and need not be limited to urgent needs, times when no other reasonable alternative exists, or times when the district does not have the time or resources to conduct the required competition. The urgency of the procurement has no bearing on sufficiency of a contract. A contract suitable for an urgent need is sufficient for a routine requirement.

I believe it important to inform you that many school districts throughout the state have continued to use Mohave contracts and are complying with the Auditor General's request to do due diligence and have the proper documentation available for any audit. If you or your staff needs any assistance in doing your due diligence, support is available on our website and from our staff.

Mohave is committed to resolving all issues resulting from the Auditor General's report, and to continually improve our procurement practices. We continue to work with members and other groups and individuals to answer all questions regarding Mohave contracts and to ensure that our contracts and services meet our members' needs.

Thank you for your consideration. Please feel free to contact me if there are any questions.

Sincerely,



Jim Migliorino
Executive Director