

Greetings from Terry Doolittle, County Manager. I am requesting supervisors print this email and provide a copy to employees within their department who may not have an email account.

As you are aware, I have provided the employees of Pinal County with periodic updates regarding the investigation of former Pinal County Manager, Stanley D. Griffis.

Communication of specific information has been restricted due to the legal proceedings involved with the investigation. Today, Special Prosecutor and former Maricopa County Attorney Richard Romley held a press conference to announce that Mr. Griffis had entered into a Pre-Charging Plea Agreement with the State of Arizona. Pursuant to the terms of this agreement, Mr. Griffis pled guilty to six felony offenses that were committed while he served as Pinal County Manager. The following is a list of the specific crimes for which Mr. Griffis plead guilty:

Count 1 and 3: Fraud Schemes and Artifices, Class 2 Felonies.

Count 2: Theft, a Class 2 Felony.

Count 4: Fraud Schemes and Artifices, a Class 5 Felony.

Count 5: Fraudulent Preparation of Tax Returns, a Class 5 Felony.

Count 6: Theft, a Class 3 Felony.

By accepting the plea agreement Mr. Griffis formally waived his right to trial and admitted committing these crimes before Maricopa County Superior Court Judge Thomas O'Toole. Judge O'Toole and Mr. Romley were asked to handle this matter to avoid any appearance of a conflict of interest on the part of Pinal County officials. Under the terms of the plea agreement, Mr. Griffis is required to make restitution to Pinal County in the

amount of \$661,991.00 this includes reimbursement for investigation costs of \$171,944.00. The Judge has the discretion to impose any sentence he deems appropriate, including incarceration.

In the coming weeks, Mr. Griffis will be required to submit to the same conditions and process as any other defendant awaiting sentencing. His sentencing has been set for May 10, 2007, and there may be a hearing prior to actual sentencing imposed by the Court. There is a distinct possibility that current and former county officials and employees may be required to testify in these proceedings. I will keep you advised as this matter advances through the criminal justice system.

During the course of the investigation, several recommendations for strengthening internal controls have been approved by the Board of Supervisors. The specific items include:

1. Recruitment of an internal auditor that will report to the Board of Supervisors.
2. Credit Card Policy- This policy was developed to provide additional control of credit card expenditures.
3. Cash Receipts Policy- This policy places additional controls on cash receipts within County offices.
4. Signature Authorization Policy- This policy adds an additional control on authorizing employees who can approve expenses.
5. Weapons Policy- This policy places additional controls over the purchase and inventory of weapons.

6. The Pinal County Procurement Code- This policy updates the existing code to current statutes in procurement and purchasing in order to strengthen internal controls on all procurement activities.
7. Travel Policy- This policy specifically designates what is appropriate travel for County business.
8. Guideline for Food Purchases- This policy places an additional control on expenditures for food.
9. Bank Accounts- This policy requires justification to and approval from the Board of Supervisors to establish a bank account.
10. Time Sheet Policy- This policy states that all departmental directors time sheets must be signed by an immediate supervisor.

An Administrative Report will be issued by Mr. Romley after the sentencing hearing. As such, Pinal County will continue to review internal policies and procedures to ensure safeguards are established or maintained to protect our assets.

Over the past year, Pinal County has made tremendous strides in providing service to the citizens of Pinal County. As we move forward through this difficult time, service to the public continues to be our priority. Attached is the Statement from Pinal County released earlier today to the media.

On behalf of the Board of Supervisor, thank you for your service to the public.