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January 9, 2024

ADMINISTRATIVE REGULATION NUMBER 014 **OPR: LEGAL**

CONTRACTS, AGREEMENTS, AND LEASES

I. GENERAL

This Alabama Department of Corrections (ADOC) Administrative Regulation (AR) establishes the policies, procedures, and responsibilities for the preparation and execution of contracts, agreements, and leases on behalf of the ADOC.

II. POLICY

It is the policy of the ADOC to prepare and execute contracts, agreements, and leases in accordance with applicable Federal and State laws.

III. DEFINITIONS AND ACRONYMS

A. **Agreement**: A written mutual understanding between two or more parties or governmental entities about the parties' rights and duties regarding past or future performances, such as a memorandum of understanding (MOU).

B. **Contract**: A written agreement between two or more parties that creates, modifies, or destroys obligations that are enforceable or otherwise recognizable at law.

C. **Lease**: A contract that grants the right to use or occupy real or personal property for a specified period of time in exchange for consideration.

IV. RESPONSIBILITIES

A. The Commissioner is responsible for making the final determination for approval or denial of all contracts, agreements, and leases on behalf of ADOC.

B. The Legal Division is responsible for:

1. Advising the ADOC, subject to the General Counsel's appropriate judgment and discretion, on legal issues relating to contracts, agreements, and leases.

2. Compiling and submitting the final draft documents with appropriate recommendations to the Commissioner.

3. Serving as the ADOC's final repository for all executed contracts, agreements, and leases.

C. The Warden/Division Director/Deputy Commissioner is responsible for reviewing and making appropriate comments, suggestions, or revisions to the draft documents.

D. ADOC employees who originate a contract, agreement, or lease are responsible for ensuring that the document is processed in accordance with this AR.

V. PROCEDURES

A. ADOC employees who have justifiable needs for contracts, agreements, or leases on behalf of the ADOC shall:

1. Electronically prepare the initial, double-spaced draft of the proposed document in Microsoft Word (or other available word-processing software).

2. Electronically prepare a Staff Action Summary (SAS) form for the draft document to include review by any Deputy Commissioner whose divisions are likely impacted by or related to the draft document.

3. Electronically and physically circulate the initial draft document and SAS form through the employee's appropriate supervisory channels, including Warden/Division Director/Deputy Commissioner, the Chief Financial Officer if the contract, MOU, or other agreement involves money for review.

4. For any contracts, agreements, or ADOC leases funded with state funds, provide documentation that the Chief Financial Officer has agreed that funding for this contract, agreement, or lease is available.

B. Upon receipt and review, the Warden/Division Director/Deputy Commissioner, Chief Financial Officer shall make any appropriate comments, suggestions, or revisions to the initial draft document and then electronically and psychically forward the draft document, with any comments, suggestions or revisions, and SAS form to the Legal Division for review.

C. Upon receipt and review, the Legal Division shall make any additional appropriate comments, suggestions, or revisions to the initial draft document and then return the draft document, with any comments, suggestions, or revisions, to the ADOC employee who originated the document for revisions.

D. Upon receipt and review, the ADOC employee who originated the document shall make any necessary revisions to the draft document and then forward the revised draft document to the Legal Division for review.

E. Upon receipt and review, the Legal Division shall make an appropriate recommendation for approving, denying, or further revising the revised draft document:

1. If the Legal Division recommends approving the revised draft document, then the Legal Division shall return the draft document to the ADOC employee who originated the document to obtain vendor signatures and any requested additional information.

2. If the Legal Division recommends denying the revised draft document, then the Legal Division shall return the draft document and the reason for denial to the ADOC employee who originated the document.

3. If the Legal Division recommends further revising the revised draft document, then:

   a. The Legal Division shall act in accordance with Section V.C. above.

   b. The ADOC employee who originated the document shall then act in accordance with Section V.D. above.

   c. The Legal Division shall then act in accordance with this Section.

F. Upon receipt of the vendor signatures and any requested additional information, the ADOC employee who originated the document shall forward all documentation to the Legal Division for review.

G. Upon receipt and review, the Legal Division shall compile the final draft document and make an appropriate recommendation for approving or denying the draft document:

1. If the Legal Division recommends approving the final draft document, then the Legal Division shall circulate the document and SAS form to each appropriate Deputy Commissioner for review.

2. If the Legal Division recommends denying the final draft document, then the Legal Division shall return the draft document and the reason for denial to the ADOC employee who originated the document.

H. Upon receipt and review, each Deputy Commissioner shall make an appropriate recommendation for approving, denying, or further revising the final draft document:

1. If the Deputy Commissioner recommends approving the final draft document, then the Deputy Commissioner shall return the draft document and executed SAS form to the Legal Division for review.

2. If the Deputy Commissioner recommends denying the final draft document, then the Deputy Commissioner shall return the draft document, the reason for denial, and the executed SAS form to the Legal Division.

3. If the Deputy Commissioner recommends further revising the final draft document, then the Deputy Commissioner shall return the draft document, with any comments, suggestions, and revisions, and executed SAS form to the Legal Division for further revisions in accordance with Section V.E. above.

I. Upon receipt and review, the Legal Division shall finalize the final draft document and make an appropriate recommendation for approving or denying the draft document:

1. If the Legal Division recommends approving the final draft document, then the Legal Division shall forward the document and fully executed SAS form to the Chief Deputy Commissioner for review.

2. If the Legal Division recommends denying the final draft document, then the Legal Division shall return the draft document, the reason for denial, and the fully executed SAS form to the ADOC employee who originated the document.

J. Upon receipt and review, the Chief Deputy Commissioner shall make an appropriate recommendation for approving, denying, or further revising the final draft document:

1. If the Chief Deputy Commissioner recommends approving the final draft document, then the Chief Deputy Commissioner shall forward the document and fully executed SAS form to the Commissioner for review and final determination.

2. If the Chief Deputy Commissioner recommends denying the final draft document, then the Chief Deputy Commissioner shall return the draft

document, the reason for denial, and the executed SAS form to the ADOC employee who originated the document.

3. If the Chief Deputy Commissioner recommends further revising the final draft document, then the Chief Deputy Commissioner shall return the draft document, with any comments, suggestions, and revisions, and executed SAS form to the Legal Division for further revisions in accordance with Section V.E. above.

K. Upon receipt and review of the recommendation of the Chief Deputy Commissioner to approve the final draft document, the Commissioner shall make the final determination for approving, denying, or further revising the final draft document:

1. If the Commissioner approves the final draft document, then the Commissioner shall execute both the final document and SAS form and return them to the ADOC employee who originated the document.

2. If the Commissioner denies the final draft document, then the Commissioner shall return the draft document, the reason for denial, and the fully executed SAS form to the ADOC employee who originated the document.

3. If the Commissioner further revises the final draft document, then the Commissioner shall return the draft document, with any comments, suggestions, and revisions, and fully executed SAS form to the ADOC employee who originated the document for further revisions in accordance with Section V.D. above.

L. Upon receipt and review of the executed final document, the ADOC employee who originated the document shall provide an original copy of the document to:

1. The Legal Division for addition to the ADOC's repository

2. The Fiscal Office if such document requires payment to or from the ADOC.

3. Each Deputy Commissioner included on the SAS form.

VI. DISPOSITION

Any forms used will be disposed of and retained according to the Departmental Records Disposition Authority (RDA).

VII. FORMS

There are no forms prescribed in this AR.

VIII. SUPERSEDES

This Administrative Regulation supersedes AR 014, *Public Contracts and Leases,* dated February 4, 2005, and any related changes.

IX. PERFORMANCE

Code of Alabama 1975 §§ 14-1-1.1 *et seq.*, 41-16-1 *et seq.*, 14-16A-1 *et seq.*

John Q. Hamm
Commissioner