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TO: Department Directors  
Agency Accounting Contacts

FROM: Kathleen D. Baxter  
State Comptroller

SUBJECT: DAG Letters/Professional Services Contracts

Please forward the following information to all employees involved with procuring attorney related services for your agency.

Attached are the new policies and procedures for handling contracts related to litigation and the payment of the related fees and disbursements. These new procedures will go into effect January 1, 2018. This should give your staff enough time to transition to this change. Beginning January 1, 2018, all payments for these services must be paid referencing an encumbrance (DOP1) in STAARS.

If you have any questions, please call or email Pam Harris at [pam.harris@comptroller.alabama.gov](mailto:pam.harris@comptroller.alabama.gov) 334-242-4225, or Randy Head at [randy.head@comptroller.alabama.gov](mailto:randy.head@comptroller.alabama.gov) 334-353-9275.

KDB/ph

# **Guidelines for Attorneys Appointed for Litigation by the Attorney General**

**Effective January 1, 2018**

## **Existing DAG Appointments**

- Existing DAG appointments that have not been subject to review by the Legislative Contract Review Committee since January 1, 2016 are now subject to reappointment by the Attorney General. If the Attorney General reappoints these DAGs, such DAG reappointments shall be subject to the same legislative review requirements as new DAG appointments. These reappointments must be processed as a permanent contract within 60 days of the reappointment.
- Existing DAG appointments that are less than two years old and have been properly reviewed by the Legislative Contract Review Committee should be set-up in STAARS with estimated amounts. All paperwork that was sent to the Legislative Oversight Committee and is part of the original appointment should be attached to the MAP1 in STAARS.

## **New DAG Appointments**

- The initial 60-day appointment period will serve as an emergency appointment.
- Before expiration of the 60-day emergency period, the DAG appointment must be properly submitted for review by the Legislative Contract Review Committee. In addition to the initial two-year period, such DAG appointment will include a two-year renewal option that may be invoked only upon review of the DAG letter, subject to all appropriate documentation being filed with the Committee to extend any time or payment limitations, by the Legislative Contract Review Committee.
- The Attorney General will ensure DAG appointments include all necessary clauses per statutory requirements and require the contract beginning date, ending date, and contractual total be identified on the Legislative Contract Review Cover Sheet. The beginning date, ending date, and contractual amount for the initial two-year period as listed on the Legislative Contract Review Cover Sheet will be deemed part of such contract. Any subsequent two-year renewal will be subject to the beginning date, ending date, and contractual total submitted with such renewal request.
- Any increase in the contractual amount within either the initial contractual period or the subsequent two-year renewal period shall be resubmitted to the Legislative Contract Review Committee for review.
- The DAG appointments will be treated as two separate contracts: an emergency contract for the initial 60-day period and a permanent contract, which shall not exceed two years, unless properly renewed.
- Emergency contracts (i.e., the initial 60-day appointments) for DAG appointments will be set-up in STAARS using procurement type 15. The DAG letter and a FRMS-50 Contract

Cover Sheet with an estimated amount (unless specified in the DAG) will be required to be attached to the MAP1.

- After the DAG appointment is reviewed by the Legislative Contract Review Committee as a permanent contract, it will be set-up in STAARS using procurement type 8. All supporting documentation must be included with the DAG appointment and attached in STAARS. This documentation, as applicable, includes, but is not necessarily limited to the following: disclosure statement, E-verify MOU, Beason-Hammon Certificate of Compliance, Comptroller's Contract Cover Sheet, Legislative Contract Cover Sheet, W-9, and any other documents that may be either statutorily required or procedurally required per the Fiscal Policy and Procedures manual as it pertains to professional services.

#### **Additional Information for both instances stated above**

- The case number should always be included in the document description of all MAP1, DOP1 and the PRC documents.
- All MAP1s and DOP1s will be set-up under the firm name and paid as directed in the DAG appointment. Therefore, it is imperative that a W-9 accompany each MAP1 as an attachment in STAARS.

#### **Special Issues and Exclusions**

It is the agencies' responsibility to ensure all DAG reappointments and new appointments for litigation covered by the General Liability Trust Fund administered by the Department of Finance's Division of Risk Management are properly reviewed by the Legislative Contract Review Committee. These reappointments and appointments are subject to all of the above requirements.

The Department of Human Resources utilizes the services of a large number of "approved attorneys" generally appointed by the Attorney General with the approval of the Governor. These attorneys provide day-to-day legal services to the County Offices handling cases involving child welfare, adult protective services, etc. and appear in court daily, often on short notice. Special procedures pertaining only to these attorneys' handling of these kinds of cases are exempt from the above requirements for DAG reappointments and are addressed separately.

These guidelines do not apply to counsel representing the Alabama Department of Transportation in condemnation matters.