

 <p>ARIZONA DEPARTMENT OF CORRECTIONS</p> <p>DEPARTMENT ORDER MANUAL</p>	<p>CHAPTER: 100</p> <p>AGENCY ADMINISTRATION/ MANAGEMENT</p>	<p>OPR:</p> <p>DIR</p>
	<p>DEPARTMENT ORDER: 115</p> <p><b><i>AUTHORITY/RESPONSIBILITY DELEGATED TO ACI</i></b></p>	<p>SUPERSEDES:</p> <p>DO 115 (06/02/09)</p>
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## TABLE OF CONTENTS

	PURPOSE	PAGE
	PROCEDURES	
115.01	COMPLIANCE WITH DEPARTMENT WRITTEN INSTRUCTION .....	1
115.02	AUTHORITY OF THE DIRECTOR.....	1
115.03	AUTHORITY OF THE ACI GENERAL MANAGER .....	1
115.04	AUTHORITY OF ACI FINANCE AND ACCOUNTING BUREAU .....	2
115.05	THE ACI BOARD OF DIRECTORS .....	2
	IMPLEMENTATION .....	2
	DEFINITIONS .....	3
	AUTHORITY .....	3

## PURPOSE

This Department Order specifies the authority and responsibility for certain business and management-related decisions and activities of the Arizona Correctional Industries.

## PROCEDURES

### 115.01 COMPLIANCE WITH DEPARTMENT WRITTEN INSTRUCTION

1.1 Arizona Correctional Industries (ACI) shall comply with all Department Orders, Director's Instructions, and applicable Technical Manuals, unless an exception is required for valid business purposes.

1.1.1 All ACI personnel actions shall be approved by the appropriate Department of Administration authority and the Division Director for Inmate Programs and Reentry.

1.2 The ACI General Manager shall request a waiver in accordance with Department Order #101, System of Written Instructions, for any exceptions to written instructions. When a waiver is granted, the ACI General Manager shall ensure the information is forwarded to the:

1.2.1 Policy Unit for inclusion into the appropriate Department Order.

1.2.2 Division Director for Inmate Programs and Reentry, if the waiver affects any Inmate Programs and Reentry written instruction.

1.2.3 Inspections Unit prior to the next scheduled inspection of an institution in which ACI conducts operations.

### 115.02 AUTHORITY OF THE DIRECTOR - The Director or designee shall retain authority for:

1.1 Purchases of equipment which cost more than \$10,000.

1.2 Joint venture contracts with private sector companies.

1.3 Construction or lease of State buildings on prison grounds by private sector companies, for the employment of inmates.

1.4 Inmate wages scale.

1.5 Review and approval of the ACI Annual Report before its release.

1.6 Acceptance and expenditure of private grants of money.

1.7 Contracts with outside service consultants which cost more than \$10,000.

1.8 Sale of assets or surplus property with a book value over \$5,000.

### 115.03 AUTHORITY OF THE ACI GENERAL MANAGER - Authority shall be delegated to the ACI General Manager for:

1.1 Approval of requests for purchase of raw materials, supplies, and equipment which cost less than \$10,000, prior to submission to the Administrative Services Division.

- 1.2 Negotiation and approval of labor contracts with private sector companies.
- 1.3 Signature authority on the ACI checking account for amounts less than \$500.
- 1.4 Day-to-day management of ACI operations, to include financial, accounting, sales, marketing and production activities.
- 1.5 All other authority which is delegated by the Director or by written instruction.

#### **115.04 AUTHORITY OF ACI FINANCE AND ACCOUNTING BUREAU**

- 1.1 In accordance with A.R.S. 41-1622, ACI is exempt from requirements of the State Procurement Code for purchases of raw materials, components and supplies which are used in the manufacture of production of goods or services for sale. References to purchases in this Department Order pertain only to those procurements. Purchases for all other goods and services, including inmate work contracts, shall be made through the Procurement Services Bureau, in accordance with Department Order #302, Contracts/Procurement System.
- 1.2 The Finance and Accounting Bureau shall:
  - 1.2.1 Perform all procurement actions upon receipt of an approved request for purchase from the ACI Regional Manager(s) or designee, in those cases where such approval is required by written instruction.
  - 1.2.2 Have signatory authority on all ACI checking accounts.
    - 1.2.2.1 Such checks shall first be signed by the ACI General Manager, or designee.
    - 1.2.2.2 ACI shall submit copies of purchase orders, invoices and signed receiving reports as supporting documentation when checks and warrants are presented to the Finance and Accounting Bureau for signature.
    - 1.2.2.3 The Director shall approve purchases over \$10,000.

#### **115.05 THE ACI BOARD OF DIRECTORS**

- 1.1 The ACI Board of Directors shall meet bi-annually.
- 1.2 The ACI General Manager and the appropriate ACI managers shall provide a written report and verbal presentation on business operations, short-term business plans, strategic plans and financial reports of ACI, at each bi-annual meeting of the ACI Board of Directors.
- 1.3 After each bi-annual meeting, the ACI Board of Directors shall make appropriate recommendations to the Director.

## **IMPLEMENTATION**

The ACI General Manager shall update and maintain the Technical Manuals necessary for the efficient and effective control of ACI business operations and industrial activities.

## DEFINITIONS

**ACI BOARD OF DIRECTORS** – An advisory board which consists of the Director or designee, as Chairman of the Board; and board members consisting of the Deputy Director, the Division Director for Offender Operations, the Division Director for Inmate Programs and Reentry, a representative from the legislative and a minimum of one prominent representative of the private sector business community. The Advisory Board shall meet bi-annually, or as otherwise required for the purpose of reviewing the business and financial operations of ACI.

{Original Signature on File}

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Charles L. Ryan  
Director

## AUTHORITY

A.R.S. 31-254 Compensation for labor performed  
A.R.S. 41-2501 Applicability  
A.R.S. 41-1622 Arizona correctional industries; establishment; purpose  
A.R.S. 41-1624 Arizona correctional industries revolving fund; definitions