



July 30, 2003

To: All State Agencies and ALP Buyers

From: Brenda Willard, Acquisitions Manager

Subject: Requirements for Signing Documents and Cancelling Contracts

It is important that all ALP certified buyers be aware that agencies are required to use approved state forms for entering into agreements with vendors (see ALP Manual paragraph 2.46). Signing a non-State document could: commit the State to something which is not allowed by law, expose the State to unnecessary or unintended liability, and/or commit the State to something not intended by the signer.

When a vendor presents you with its documents to sign, you should try to get them to accept and sign the appropriate State documents instead. If, after negotiation, the vendor will not sign or accept the approved State forms or documents and insists on the use of its forms, you must have the vendor's proposed forms reviewed either by the Materials Management Division who will consult with the Attorney General, or the AG representative assigned to your department. Once the forms have been reviewed and revised as necessary, they must be submitted to the vendor for its review and signature. The vendor may request modifications which will then again have to be reviewed by MMD or the AG prior to being signed.

For purchasing activities, only those who have been granted a delegation of authority from the commissioner of Administration can sign contracts but only up to the limit of his/her delegated authority.

In addition to other requirements, the ALP buyer must insure that all contracts:

- Will be for a term of 24 months or less.
- Will not exceed his/her delegated ALP authority for the total amount over the entire term of the contract.
- Use state approved forms or an AG approved equivalent.
- Have all signatures required by law before authorizing work or ordering.

Contracts create an obligation on both parties to fulfill the contract duties under specified terms and conditions. ALP certified buyers must seek the MMD's or the AG's written approval before cancelling any contract.