

**Alabama Department of Economic and Community  
Affairs**

**Functional Analysis  
&  
Records Disposition Authority**

**Revision  
Presented to the  
State Records Commission  
August 3, 2005**

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# **Functional and Organizational Analysis of the Alabama Department of Economic and Community Affairs**

## **Sources of Information**

Representatives of Alabama Department of Economic and Community Affairs

Code of Alabama 1975, Sections 41-23-1 through 41-23-7; 32-4-1 through 32-4-7; 41-6A-1 through 41-6A-11; 41-8A-1 through 41-8A-4; 41-8A-8 through 41-8A-10; 41-8A-12 through 41-8A-13; 41-9-205 through 41-9-214; 41-16-120 through 41-16-125.

Alabama Administrative Code, Chapters 305-0-1 through 305-7-12.

Alabama Government Manual (2002), page 31

Department of Economic and Community Affairs Annual Reports

Government Records Division, State Agency Files (1985-ongoing)

Holdings of the Department of Archives and History for Alabama Department of Economic and Community Affairs

## **Agency Organization**

Created in 1983, Alabama Department of Economic and Community Affairs (hereafter referred to as ADECA) is headed by a director who is appointed by the governor and serves at the pleasure of the governor. The director, with the approval of the governor, establishes such divisions as are necessary and all division chiefs are merit system positions. Currently, ADECA is organized into nine divisions: Administrative Division; Communication and Information Division; Community Services Division; Director's Office; Law Enforcement and Traffic Safety Division; Office of Water Resources Division; Surplus Property Division; Science, Technology, and Energy Division; and Workforce Development Division.

## **Agency Function and Subfunctions**

The mandated function of ADECA is to provide the governor with a mechanism to “encourage comprehensive and coordinated planning and programming of economic and community affairs.” (Code of Alabama 1975, Section 41-23-4 [b]). It is one of the major state agencies responsible for performing the Economic Development function of Alabama government. In performance of its mandated function, ADECA may engage in the following subfunctions:

- **Planning and Programming..** This subfunction involves collection and analysis of data, projection of needs, and development of program plans. According to the Code of Alabama 1975, Section 41-23-1 et seq., ADECA provides the governor with a mechanism to encourage comprehensive and coordinated planning and programming of economic and community affairs in Alabama. ADECA serves as a catalyst in this process by helping fund various projects through federal and state grants to improve basic

services, law enforcement, job training, waste disposal, and energy conservation. In the process of requesting federal and state funds to sponsor various economic development and community improvement projects, each program division of ADECA is required to complete a comprehensive state plan for each individual grant project for approval by the granting institution. Those plans reflect a statewide strategy or approach to the problems addressed by the federal program whereby grants are made to assist state and local units.

- **Disseminating and Publicizing.** This subfunction includes all activities related to the agency's efforts in composing and disseminating news releases, brochures, publications, and all information concerning the programs and services available through ADECA to the public.
- **Applying and Disbursing.** This subfunction may involve applying for grants, and receiving and disbursing grant money. ADECA's grants are made available through a number of federal agencies such as the departments of Housing and Urban Development, Labor, Energy, and Health and Human Services. The agency's program division staff acts on behalf of the state in applying for available grants, and in turn awards grants to subgrantees that may use the money to improve economic or community affairs. In addition, ADECA receives appropriations out of the state's General Fund every year for special projects.
- **Monitoring and Reporting.** In carrying out its grant contracts with the federal government, ADECA is required to conduct regular evaluations of subgrantees to ensure compliance with federal grant regulations and guidelines. The agency also prepares regular financial reports and narrative progress reports to inform the granting bodies about the status of the projects.
- **Processing and Distributing.** This subfunction is performed mainly by the agency's Surplus Property Division, which maintains warehouses for storage of state and federal surplus property, and provides for property management, and for distribution and sale of surplus property to public agencies and nonprofit organizations.
- **Administering Internal Operations.** A significant portion of the agency's work includes general administrative, financial, and personnel activities performed to support the programmatic areas of the agency including:

**Managing the agency:** Activities include internal office management activities common to most government agencies such as corresponding and communicating; scheduling; meeting; documenting policy and procedures; reporting; litigating; drafting, promoting, or tracking legislation; publicizing and providing information; managing records; and managing information systems and technology.

**Managing Finances:** Activities include budgeting (preparing and reviewing budget package,

submitting the budget package to the Department of Finance, documenting amendments and performance of the budget); purchasing (requisitioning and purchasing supplies and equipment, receipting and invoicing for goods, and authorizing payment for products received); accounting for the expenditure, encumbrance, disbursement, and reconciliation of funds within the agency's budget through a uniform system of accounting and reporting; authorizing travel; contracting with companies or individuals; bidding for products and services; assisting in the audit process; investing; and issuing bonds.

**Managing Human Resources:** Activities involved in managing human resources may include the following: recruiting and hiring eligible individuals to fill vacant positions within the agency; providing compensation and benefits to employees; supervising employees (evaluating performance, disciplining, granting leave, and monitoring the accumulation of leave); and providing training and continuing education for employees.

**Managing Properties, Facilities, and Resources:** Activities involved in managing properties, facilities, and resources may include the following: inventorying and accounting for non-consumable property and reporting property information to the appropriate authority; constructing buildings and facilities; leasing and/or renting offices or facilities; providing for security and/or insurance for property; and assigning, inspecting, and maintaining agency property, including vehicles.

# **Analysis of Record Keeping System and Records Appraisal of the Alabama Department of Economic and Community Affairs**

## **Agency Record Keeping System**

ADECA's record keeping system relies on both paper and electronic records. The agency currently maintains an IBM AS400 which is at approximately 48 % of its capacity. Within the agency, there are about 350 PCS and 150 of them are connected to the AS400. The PCs are a mixture of IBMs, Dells, Gateways, and MacIntoshs. The agency has installed a fully functioning Local Area Network. All applications are backed up daily on cartridges and stored in the agency's fire-proof safe. Systems are backed up monthly and back-up cartridges are maintained by Records Retention, Inc. in Montgomery. Five full-time programmers are employed to maintain the agency's information system. The agency has no plans to utilize micrographic or digital imaging technology for its record keeping system.

## **Records Appraisal**

The following is a discussion of the two major categories of records created and/or maintained by ADECA: Temporary Records and Permanent Records.

**I. Temporary Records.** Temporary records should be held for what is considered to be their active life and disposed of once all fiscal, legal and administrative requirements have been met. Some of the temporary records created by the board are discussed below:

- **Grant Project Files.** Although the agency is organized into various program divisions for subgrant proposes, the types of records created by all of them are identical. Grant project files are created/maintained by all program divisions to assist the staff in administering various subgrant programs. Typical records found in these files include subgrant applications, resumes of subgrant administrators, subgrant award notices, contracts, periodic narrative and financial reports, newspaper clippings, and correspondence. Because of potential investigation and litigation involving these records, this series must be retained for at least six (6) years after the submission of the final expenditure reports before destruction.
- **Legal Case Files.** Most legal case files are considered as long-term records. The process of litigation and appeal requires the maintenance of these records for an extended period of time.
- **Surplus Property Transaction Records.** The purpose of these records are to assist the staff in receiving, processing, and distributing surplus property. Included in this group are eligibility applications, transfer of property forms, inventory records, invoices, property utilization compliance inspection files, and other related reports. They are kept for their

administrative and fiscal value.

- **Still Photographs.** These photographs are utilized by the agency staff in publishing pamphlets, brochures, posters, annual reports, newsletters, and other promotional or outreach materials. They do not possess any archival value on their own.

**II. Permanent Records.** The Government Records Division recommends the following records as permanent.

**Planning and Programming:**

- **Meeting Minutes.** These records are created to document proposed and executed proceedings of the agency's top management. The meeting minutes serve collectively as the core documentation of ADECA's major functions with regard to the policy and decision making process.
- **State Plans.** In the process of requesting federal grants for various programs administered by ADECA, each program unit is required to complete and submit a comprehensive state plan for consideration and approval by the federal government agency that has granting and monitoring authority. These plans reflect a statewide strategy or approach to the problems addressed by the federal program whereby grants are made to assist state and local government entities. Information available in these files includes nature and extent of the problem, areas of need, current efforts and available resources, strategy goals and objectives, major programs planned to implement the strategy, program descriptions, staffing, and evaluation plans. These plans document the efforts of the agency to promote the development of the state and to alleviate many of the problems within the state.

**Disseminating and Publicizing:**

- **Press Releases.** In order to keep the public informed and to promote various grant programs, ADECA frequently releases information to the news media. This series consists of statements or announcements concerning the availability of program funds or achievements of certain programs for distribution to the news media and the public.
- **Director's Speeches.** These speeches are prepared for delivery by the director of ADECA at meetings, interviews, conventions, or other public functions to promote the agency's services.
- **Informational and Promotional Publications.** These are brochures, pamphlets, guides, directories, monthly newsletters, and other informational packets designed and published by ADECA to advertise available funding programs for the business and industrial communities that operate in or may relocate to Alabama.

## **Monitoring and Reporting:**

- **Grant Project Annual Reports.** As a recipient of federal grants, the agency's program divisions must prepare and submit grant program annual reports to document progress and activities of programs funded by the federal government. Combined with the State Plans, these records constitute the official records of ADECA's performance of its functions and the state's achievements in utilizing resources to address critical needs of its communities.
  
- **ADECA Annual Reports.** These records provide a summary of the agency's financial conditions and program activities by divisions over the year.

# **Alabama Department of Economic and Community Affairs Records Disposition Authority**

This Records Disposition Authority (RDA) is issued by the State Records Commission under the authority granted by the Code of Alabama 1975, Sections 41-13-5 and 41-13-20 through 21. It was compiled by the Government Records Division, Alabama Department of Archives and History (ADAH), which serves as the commission's staff, in cooperation with representatives of the Alabama Department of Economic and Community Affairs. The RDA lists records created and maintained by the Alabama Department of Economic and Community Affairs in carrying out its mandated functions and activities. It establishes retention periods and disposition instructions for those records and provides the legal authority for the agency to implement records destruction.

Alabama law requires public officials to create and maintain records that document the business of their offices. These records must be protected from "mutilation, loss, or destruction," so that they may be transferred to an official's successor in office and made available to members of the public. Records must also be kept in accordance with auditing standards approved by the Examiners of Public Accounts (Code of Alabama 1975, Sections 36-12-2, 36-12-4, and 41-5-23). For assistance in implementing this RDA, or for advice on records disposition or other records management concerns, contact the ADAH Government Records Division at (334) 242-4452.

## **Explanation of Records Requirements**

- This RDA supersedes any previous records disposition schedules governing the retention of the Alabama Department of Economic and Community Affairs' records. Copies of superseded schedules are no longer valid and should be discarded.
- The RDA establishes retention and disposition instructions for record regardless of the medium on which those records may be kept. Electronic mail, for example, is a communications tool that may record permanent or temporary information. As for records in any other format, the retention periods for e-mail records are governed by the requirements of the subfunctions to which the records belong.
- Certain other record-like materials are not actually regarded as official records and may be disposed of under this RDA. Such materials include: (1) duplicate record copies that do not require official action, so long as the creating office maintains the original record for the period required; (2) catalogs, trade journals, and other publications received that require no action and do not document government activities; (3) stocks of blank stationery, blank forms, or other surplus materials that are not subject to audit and have become obsolete; (4) transitory records, which are temporary records created for short-term internal purposes that may include, but are not limited to: telephone call-back messages; drafts of ordinary documents not needed for their evidential value; copies of material sent for information purposes but not needed by the receiving office for future business; and internal

communications about social activities. They may be disposed of without documentation of destruction.

## **Records Disposition Requirements**

This section of the RDA is arranged by subfunctions of the Alabama Department of Economic and Community Affairs and lists the groups of records created and/or maintained by the agency as a result of activities and transactions performed in carrying out these subfunctions. The agency may submit requests to revise specific records disposition requirements to the State Records Commission for consideration at its regular quarterly meetings.

### **■ Planning and Programming**

TOP MANAGEMENT MEETING MINUTES  
Disposition: PERMANENT RECORD.

STATE PLANS  
Disposition: PERMANENT RECORD.

### **■ Disseminating and Publicizing**

PRESS RELEASES  
Disposition: PERMANENT RECORD.

DIRECTOR'S SPEECHES  
Disposition: PERMANENT RECORD.

INFORMATIONAL AND PROMOTIONAL PUBLICATIONS  
Disposition: PERMANENT RECORD.

### **■ Applying and Disbursing**

Grant Project Files (federally-funded)  
Disposition: Temporary Record. Retain 6 years following the date of submission of the final expenditure report.

Grant Project Files (state-funded)  
Disposition: Temporary Record. Retain 6 years following the date of submission of the final expenditure report..

Grant Project Property Inventory Files  
Disposition: Temporary Record. Retain 3 years after final disposition of property.

## ■ **Monitoring and Reporting**

GRANT PROJECT ANNUAL REPORTS  
Disposition: PERMANENT RECORD.

ADECA ANNUAL REPORTS  
Disposition: PERMANENT RECORD.

MEETING SUMMARIES AND RESOLUTIONS OF THE STATE SAFETY COORDINATING  
COMMITTEE  
Disposition: PERMANENT RECORD.

ANNUAL ALABAMA TRAFFIC SAFETY CONFERENCE FILES  
Disposition: PERMANENT RECORD.

Annual Alabama Traffic Safety Conference Supporting Documents (staging guides, registration records, conference site booking notices, and routine correspondence)  
Disposition: Temporary Record. Retain 10 years.

Weekly Highway and Traffic Safety Legislative Watch Lists  
Disposition: Temporary Record. Retain 5 years.

## ■ **Processing and Distributing**

Surplus Property Application and Eligibility Verification Files  
Disposition: Temporary Record. Retain 5 years after files become inactive.

Surplus Property Inventory and Transfer Records  
Disposition: Temporary Record. Retain 6 years after the end of the fiscal year in which the transaction occurred.

Invoices Sent  
Disposition: Temporary Record. Retain 6 years after the end of the fiscal year in which the transaction occurred.

Surplus Property Utilization Inspection Files  
Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the specified period of restriction expired.

Surplus Property Financial Management Reports  
Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

## ■ **Administering Internal Operations**

### **Managing the Agency:**

#### Legal Case Files

Disposition: Temporary Record. Retain 10 years after the case is closed.

#### Routine Correspondence

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

#### Administrative Reference Files

Disposition: Temporary Record. Retain for useful life.

#### Still Photographs

Disposition: Temporary Record. Retain for useful life.

#### Printing Service Records

Disposition: Printing Service Requests: Temporary Record. Retain until completion of one audit and the release of the audit report.

Camera-Readies, Negatives, and Plates: Temporary Record. Retain for useful life.

Records documenting the implementation of the agency's approved RDA (copies of transmittal forms to the Archives and the State Records Center, evidence of obsolete records destroyed, and annual reports to the State Records Commission)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

#### Copies of RDA

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the RDA is superseded.

#### Computer systems documentation (hardware/software manuals and diskettes, warranties)

Disposition: Temporary Record. Retain documentation of former system 3 years after the end of the fiscal year in which the former hardware and software no longer exists anywhere in the agency and all permanent records have been migrated to a new system.

### **Managing Finances:**

Records documenting the preparation of a budget package and reporting of the status of funds, requesting amendments of allotments, and reporting program performance

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting the requisitioning and purchasing of supplies and equipment, receipting and invoicing for goods, and authorizing payment for products

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records of original entry or routine accounting transactions, such as journals, registers, ledgers, and funds deposited outside the state treasury.

Disposition: Temporary Record. Retain 6 years after the end of the fiscal year in which the records were created.

Records documenting requests for authorization from supervisors to travel on official business either within or outside the state, and other related materials, such as travel reimbursement forms and itineraries

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting contracts for services or personal property

Disposition: Temporary Record. Retain 6 years after expiration of the contract.

Records documenting the bid process, including requests for proposals and unsuccessful responses

Disposition: Retain in office (Code of Alabama 1975, Section 41-16-24).

Audit Reports

Disposition: Temporary Record. Retain 6 years after the end of the fiscal year in which the records were created.

Attorney Billing Files

Disposition: Temporary Record. Retain 6 years after the end of the fiscal year in which the last transaction occurred.

### **Managing Human Resources:**

Position Classification Files

Disposition: Temporary Record. Retain 4 years after position is reclassified.

Application Materials

Disposition: Temporary Record. Retain 1 year.

Records documenting payroll (e.g. pre-payroll reports, payroll check registers)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting payroll deduction authorizations

Disposition: Temporary Record. Retain 6 years after separation of the employee from the agency.

Records documenting payroll deductions for tax purposes (including Form 941)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting an employee's work history - generally maintained as a case file  
Disposition: Temporary Record. Retain 6 years after separation of employee from the agency.

Records documenting employees' daily and weekly work schedules  
Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting employee disciplinary actions (reprimands, demotions, transfers, terminations, appeals, and administrative hearings)  
Disposition: Temporary Record. Retain 3 years following decision.

Records documenting an employee's hours worked, leave earned, and leave taken (including time sheets)  
Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting sick leave donations  
Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Employee Flexible Benefits Plan Files  
Disposition: Temporary Record. General information -- Retain until superseded.  
Other (applications, correspondence) -- Retain 6 years after termination of participation in program.

State Employee Injury Compensation Trust Fund Files  
Disposition: Temporary Record. Retain 6 years after separation of the employee from the agency.

Equal Employment Opportunity Commission Case Files  
Disposition: Temporary Record. Retain 3 years.

**Managing Properties, Facilities, and Resources:**

Semiannual Inventory Lists  
Disposition: Retain in office. (Code of Alabama 1975, Section 36-16-8 [1]).

Transfer of State Property Forms (SD-1) (Agency copies)  
Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Property Inventory Cards and/or Computer Files  
Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the items were removed from inventory.

Receipts of Responsibility for Property  
Disposition: Temporary Record. Retain until return of item to property manager.

Real Property Leasing/Renting Records

Disposition: Temporary Record. Retain 6 years after expiration of the lease.

Facilities/Building Security Records (including visitor logs)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Vehicle and Equipment Maintenance Files

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the property if sold or replaced.

Insurance Policies/Risk Management Records

Disposition: Temporary Record. Retain 6 years after termination of policy or membership.

Building Maintenance Work Orders

Disposition: Temporary Record. Retain 1 year.

## **Requirement and Recommendations for Implementing the Records Disposition Authority**

Under the Code of Alabama 1975, Section 41-13-21, “no state officer or agency head shall cause any state record to be destroyed or otherwise disposed of without first obtaining approval of the State Records Commission.” This Records Disposition Authority constitutes authorization by the State Records Commission for the disposition of the records of the the Alabama Department of Economic and Community Affairs (hereafter referred to as the agency) as stipulated in this document.

One condition of this authorization is that the agency submit an annual Records Disposition Authority (RDA) Implementation Report on agency records management activities, including documentation of records destruction, to the State Records Commission in January of each year. In addition, the agency should make every effort to establish and maintain a quality record-keeping program through the following activities:

- The agency should designate a records liaison, who is responsible for: ensuring the development of quality record keeping systems that meet the business and legal needs of the agency, coordinating the transfer and destruction of records, ensuring that permanent records held on alternative storage media (such as microforms and digital imaging systems) are maintained in compliance with national and state standards, and ensuring the regular implementation of the agency’s approved RDA.
- Permanent records in the agency’s custody should be maintained under proper intellectual control and in an environment that will ensure their physical order and preservation.
- Destruction of temporary records, as authorized in this RDA, should occur agency-wide on a regular basis--for example, after the successful completion of an audit, at the end of an

administration, or at the end of a fiscal year. Despite the RDA's provisions, no record should be destroyed that is necessary to comply with requirements of the state Sunset Act, audit requirements, or any legal notice or subpoena.

- The agency should maintain full documentation of any computerized record-keeping system it employs. It should develop procedures for: (1) backing up all permanent records held in electronic format; (2) storing a back-up copy off-site; and (3) migrating all permanent records when the system is upgraded or replaced. If the agency chooses to maintain permanent records solely in electronic format, it is committed to funding any system upgrades and migration strategies necessary to ensure the records' permanent preservation and accessibility.

The staff of the State Records Commission or the Examiners of Public Accounts may examine the condition of the permanent records maintained in the custody of the agency and inspect records destruction documentation. Government Records Division archivists are available to instruct the agency staff in RDA implementation and otherwise assist the agency in implementing its records management program.

The State Records Commission adopted this records disposition authority on August 3, 2005.

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Edwin C. Bridges, Chairman, by Tracey Berezansky  
State Records Commission

\_\_\_\_\_  
Date

Receipt Acknowledged:

\_\_\_\_\_  
Bill Johnson, Acting Director  
Alabama Department of Economic and Community Affairs

\_\_\_\_\_  
Date