



POLICY & PROCEDURE

Subject:
ELECTRONIC SIGNATURES AND THE
EXECUTION AND RETENTION OF
CONTRACTS

Index: FINANCE
Number: 250-01

Effective Date: 7/13/2018	Supersedes: N/A	Page: 1 of 3	Staff Contact: Jan Hawn	Approved By: 
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1.0 PURPOSE:

Historically, City contracts were signed with hand written (wet) signatures and original paper copies with wet signatures were retained by the City Clerk pursuant to RMC 3-4-5.C.2. As technology has advanced, contracts are often executed remotely with electronic signatures or contracts with wet signatures are transmitted with a facsimile signature.

The intent of this policy is to allow for the acceptance and submission of faxed, emailed, or scanned electronic and digital signatures on certain contracts by means that are practical, secure, and balance risk and cost. It is not the intent of this policy to eliminate all risk but rather to provide a process that gives parties assurance that appropriate analysis was completed prior to the acceptance or submission of faxed, emailed, or scanned electronic or digital signatures, and that the level of user authentication used is reasonable for the type of transaction conducted.

2.0 ORGANIZATIONS AFFECTED:

All departments/divisions.

3.0 REFERENCES:

RCW 19.360
RMC 3-4-5.C.2
Policy 250-02
Policy 800-12

4.0 POLICY:

- 4.1 All City contracts shall be reduced to writing and signed by authorized representatives of the parties to the contract. Reference Policies 250-02 and 800-12 regarding City Officials with signing authority.
- 4.2 The Mayor or Administrators may authorize the use or acceptance of facsimile or electronic signatures in lieu of original (wet) signatures on contracts, unless an original hand written signature is required by law or separate policy.
- 4.3 Electronic signatures should not be required to participate in City programs if such requirement unreasonably prevents those with limited access to technology from accessing City programs.
- 4.4 Pursuant to RMC 3-4-5.C.2, all executed contracts shall be routed to and retained by the City Clerk or otherwise retained according to directions of the City Clerk.

5.0 DEFINITIONS:

- 5.1 **Electronic Signature (e-Signature)** – An electronic sound, symbol, or process attached to or logically associated with a contract and executed or adopted by a person with the intent to sign the record.
- 5.2 **Facsimile Signature** – A handwritten signature that is copied or scanned from a document bearing an authorized original signature. A facsimile signature can be created when a document is copied on a copy machine, when it is scanned, or when it is transmitted via email or a facsimile (fax) machine.

6.0 PROCEDURES:

- 6.1 Authorization to use or accept facsimile or electronic signatures should be limited to instances where the authenticity of the signatures are deemed reliable.
- 6.2 In order to accept facsimile, emailed, or scanned electronic or digital signatures in lieu of an original written signature, the authenticity of the facsimile, emailed, or scanned electronic or digital signature must be verified by the receiving party. Such means of verification may include:
 - a) The receipt of a faxed signature from a facsimile number verified as belonging to or traceable to the party that did so sign and transmit the document.

- b) The receipt of an emailed signature from an email address verified as belonging to the party that did so sign and transmit the document.
 - c) The receipt of electronic signature from a verifiable system as belonging to the party that did so sign the document.
- 6.3 Information that is necessary to verify the authenticity of an electronic or facsimile signature should be retained and transmitted to the City Clerk with the contract. This retained information may include, but is not limited to, an electronic file with metadata saved from commercial e-signature software, an email to which a facsimile signature was attached, or a fax coversheet or other record verifying who sent the record.