

**CITY OF BEAUMONT  
AUTHORIZED SIGNATURE AUTHORITY**

Policy Number: 7.16

Subject: Signature Authority

Effective Date: April 4, 2023

Approved by: Kenneth R. Williams  
City Manager

I. PURPOSE

The purpose of this policy is to define who has the authority to sign documents that bind the City contractually and/or financially.

- A. The policy of the City of Beaumont is that the appropriate internal controls and accepted best practices be utilized in the approval of Contracts and Agreements that bind the City.
- B. Entering into Contracts or Agreements can create legally binding obligations and affect the City's financial control environment. The purpose of this policy is to promote the City's internal control environment through specifying any person who is Authorized to: (1) legally commit the City to a Contract or Agreement; (2) delegate Signature Authority, and (3) for defining the limitations on Signature Authority.

II. OBJECTIVES

The policies and procedures are to assist City personnel by defining general and specific rules and guidelines as included in, but not limited to the following:

- 1. to define signature authority, and procedures;
- 2. to clarify delegated signature responsibilities;
- 3. to develop and improve the policy and procedures through ongoing review and updates;
- 4. to ensure that proper procedure is being followed before the execution of a Contract or Agreement by signature;
- 5. to standardize and communicate approved practices;
- 6. to maintain efficient and timely practices in Contract and Agreement review and execution.

III. DEFINITIONS

- A. Signature Authority - means the authority to approve a Contract or Agreement, including sending any written communication or signing any document, instrument, or agreement relating to such Contracts or Agreements that may be binding to the City.
- B. Authorized - means with respect to a Contract or Agreement, a person has been granted the authority in accordance with this policy and City Ordinance to approve such

Contract (and sign the related documents, instruments or agreements, where applicable) and bind the City to terms and conditions that may or may not have financial obligations.

- C. Delegation Authority - means the authority to grant Signature Authority to another person.
- D. Commitment Authorization - refers to those individuals who have been delegated the authority from the City Manager to commit the City for materials, equipment, supplies, and services.

#### IV. SCOPE OF THIS POLICY

This policy applies to any City employee who seeks to approve a Contract or Agreement by signature.

- A. Only the City Manager has Signature Authority as provided in City Ordinance and only the City Manager may delegate Signature Authority to designated City staff.
- B. All existing delegations of Signature Authority are revoked as of the effective date of this policy. Any prior action taken under a previous delegation of Signature Authority, either granted in writing or verbally, will not be invalidated after the issuance of this policy. All delegations of Signature Authority and Delegation Authority made on or after the effective date of this policy must be made in accordance with this policy.

#### V. APPROVAL PROCESSES AND ENFORCEMENT

- A. Only Authorized City Employees who have been given Signature Authority by the City Manager may sign a Contract or Agreement binding the City.
- B. Each employee is responsible for ensuring that he or she has the appropriate Authority to approve a Contract or Agreement, and that such approval, including the Contract or Agreement itself, complies with other policies of the City. The applicable City policy will govern to the extent there is any inconsistency between such policy and the signed agreement.
- C. Each Authorized person approving a Contract or Agreement must affix his or her own signature (physical or electronic, as permitted) to any document that is required to be signed. Signing or affixing someone else's name is STRICTLY prohibited. Any case where it is found that the signature of an Authorized person has been affixed by another party to any document may result in disciplinary action, up to and including termination. Additionally, the signature authority of an Authorized person may be revoked by the City Manager and could result in disciplinary action if it is determined that the Authorized person directed another party to violate this policy by affixing an Authorized person's signature to a document.

Any City employee that binds the City to a Contract or Agreement without Commitment Authorization may be held responsible for any funds that were obligated under said Contract or Agreement.

D. Before any Contracts or Agreements, which include any terms and conditions other than those created by the City and approved by the City's Legal Department, may be signed, they should first be presented to the Legal Department for review and approval. The Contract or Agreement must be paired with an approval email or signed memo indicating such approval beginning at the Department Director or Division Head level. All Contracts or Agreements should be forwarded to the appropriate Assistant City Manager for their review prior to submitting to the City Manager, unless otherwise noted. Any and all Contracts or Agreements that are forwarded to the Assistant City Managers and the City Manager for signature MUST be accompanied by a signed memo showing approval by the City's Legal Department, or an email approval by City's Legal Department.

VI. MASTER LIST OF SIGNATURE AUTHORITY

The office of the City Manager shall maintain and make available a Master List of any employee who has been granted Signature Authority by the City Manager, which will also show what monetary level an employee is authorized to bind the City and which type of Contracts or Agreements the Signature Authority applies to, as listed below. It is the responsibility of any City employee who intends to sign any Contract or Agreement binding the City to the purchase of a good or service to verify if they are indeed on the current Master List.

VII. TYPES OF CONTRACTS AND AGREEMENTS REQUIRING SIGNATURE AUTHORITY

EVENTS FACILITIES AND RENTAL AGREEMENTS OF SHOW PROMOTIONS

ENGINEERING CONTRACTS OR AGREEMENTS

LEASING OR RENTAL AGREEMENTS FOR CITY PROPERTY

EQUIPMENT RENTAL

ADVERTISEMENT AGREEMENTS OR SPONSORSHIPS FOR CVB

CONSTRUCTION CONTRACTS OR AGREEMENTS

FINANCIAL CONTRACTS OR AGREEMENTS

GRANT CONTRACTS OR AGREEMENTS

MULTIAGENCY AGREEMENTS FOR POLICE OR FIRE DEPARTMENTS

CONTRACTS OR AGREEMENTS RELATED TO PUBLIC HEALTH

LEASE OR PURCHASE AGREEMENTS FOR FLEET VEHICLES

REPORTING INFORMATION FOR STATE OR FEDERAL AGENCIES SUCH AS TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ), DEPARTMENT OF STATE HEALTH SERVICES (DSHS), ETC.

Any other Contracts or Agreements that bind the City contractually or financially, and which may not be listed above, does not waive the requirement of the City Manager's Signature and Commitment Authority for the employee. Please ensure appropriate authorization in advance for all signatures on Contracts and Agreements, or any other legally binding document, in accordance with this policy.

By signing below, you attest to having received this policy and agree to its contents:

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_