

Category: 100

Number: 121

Subject: APPROVAL OF CONTRACTS

Purpose: The purpose of this policy is to ensure the legal requirements of the Board of Commissioners are met in the area of contract approval and to communicate to County Elected Officials, Department Heads and Employees the necessity of obtaining approval prior to encumbering the County by contract.

Authority: St. Clair County Board of Commissioners

Application: This policy applies to all County Elected Officials, Department Heads and Employees.

Responsibility: The Administrator/Controller shall be responsible for the implementation and administration of this policy.

Policy: General

The general policy is that all contracts, which are executed, must be within budgetary limits after following appropriate purchasing policy and procedures and signed by the Chairperson of the Board of Commissioners, Department Head or appointed board, or an appropriate elected official based on statutory or case law authority, within the guidelines as outlined below. Non-elected department heads and appointed boards do not have the authority to sign or bind St. Clair County outside of the guidelines of this policy. Only the St. Clair County Board of Commissioners can authorize contracts that are a total cost of \$10,000 or more.

Single-year or Multi-year Contract \$10,000 or Below

Any single or multi-year contract totaling up to \$10,000, which binds the County to a set of terms and conditions, shall be approved and signed by the Department Head or departmental appointed board and must be forwarded to the Administrator/Controller or Deputy Controller for approval and signature – dual signatures are required.

Single-year or Multi-year Contract over \$10,000

Any single or multi-year contract over \$10,000, which binds the County to a set of terms and conditions, shall be approved by the Board of Commissioners in a public meeting and signed by the Chairperson of the Board of Commissioners or designee.

Amendments to Contract

Amendments to contracts up to \$5,000, or less than ten percent of the original contract price must be approved and signed by the Department Head and Administrator/Controller or the Deputy Controller– dual signatures are required.

Amendments to contracts over \$5,000, or more than ten percent of the original contract price must be approved by the Board of Commissioners in a public meeting and signed by the Chairperson of the Board of Commissioners or designee.

Contract Renewals and First Time Contracts

Contract Renewals – If the Board of Commissioners has previously approved a contract and the total renewed contract amount does not exceed the Consumer Price Index for all Urban Consumers (CPI-U) for all items unadjusted 12 months ending in December, it can be placed on the consent agenda for information only for the Board of Commissioners. The Administrator/Controller and the Deputy Controller are authorized to execute the contracts and authorize payments. All contracts shall be signed by the Department Head and the Administrator/Controller or Deputy Controller – dual signatures are required. However the contract language must be reviewed and approved by Corporation Counsel and the Purchasing Division as outlined in this policy and/or any other pertinent policy of the County Board of Commissioners.

All first time contracts that exceed \$10,000 and previously approved contracts that exceed the CPI-U, as outlined above, must be approved by the Board of Commissioners in a public meeting and signed by the Chairperson of the Board of Commissioners or designee.

Exemptions

The following types of contracts are used in standard operations of the identified departments. The nature of operations indicate that as contracts are deemed routine in nature, they be exempted, subject to the Board of Commissioners annually setting fees, from being presented to the Board of Commissioners for approval. (Addendum approved 01-18-06).

Department Name	Contract Type
Airport	Hangar Lease Agreements
Landfill	Monumentation Services Agreements
Landfill	Landfill Disposal Services Agreements

In addition, all software renewals shall be exempt from the policy. Information Technology shall review the necessity of the software and compatibility with our systems. Purchasing shall negotiate contract language and pricing. The renewals shall be put on the Regular Board of Commissioners agenda as a consent item.

Review Process for Contracts

All contracts over \$10,000 must be approved by the County Corporation Counsel as to legal content and by the Administrator/Controller with respect to substance and the availability of funds.

The Purchasing Division will review all contracts over \$5,000 for reasonableness to verify that all pertinent information is included. Software Maintenance Agreements that are proprietary in nature are exempt from this paragraph.

All contracts over \$5,000, upon execution, will be forwarded to the Administrator/Controllers department for filing in the central contract file.

Violations

If any Elected Official, Department Head, appointed Board, or other County employee or agent signs a contract which is contrary to public policy, forbidden by statute or otherwise disallowed, the County Board of Commissioners reserves the right to set aside such contract and appropriately discipline the person signing such contract accordingly, if appropriate. Furthermore, said person shall be individually responsible for any damages to the County as a result of the unauthorized signature. Non-compliance with this policy shall subject the signatory of a contract to any appropriate discipline.

Administrative

Procedures: Any County Elected Official, Department Head or Employee who wishes to contractually bind the County for any type of goods or services over \$5,000 will forward the proposed contract to the Administrator/Controller for review.

If applicable, the Administrator/Controller will place the proposed contract on the agenda of the next available Committee meeting for discussion and recommendation to the Board of Commissioners. The Department Head requesting the contract be approved may be asked to attend the Committee.

No payment(s) shall be made on any contract concerning which the procedures set forth in the policy have not been followed.

Periodic

Review: The Administrator/Controller shall review this policy and make recommendations for changes as needed.

Originally Adopted: December 14, 2005

Revisions Adopted: January 18, 2006

March 21, 2007

July 18, 2007

February 17, 2010