



## Contract Policy

### 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 and filing all contracts once executed. In addition, this policy outlines the Administrative Review process required prior to negotiating a contract.

### RELATED POLICIES

Purchasing Policy

Procedures to Implement the Purchasing Policy

### APPLICATION

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

### POLICY & PROCEDURE

#### Policy, Authority, and Signatory

All contracts must be within budgetary limits and follow the Purchasing Policy and Procedures. All contracts shall be signed by the Chairperson of the Board of Commissioners, Administrator, Department Head, appointed board, or the appropriate elected official based on statute, case law authority, or according to the authority and purchasing thresholds in the Purchasing Policy and Procedures. The Administrator shall sign all contracts in addition to the other authorized County signature(s) after all signatures are obtained to ensure proper filing of the contract.

Department Heads may execute contracts valued under \$5,000. The County Administrator may execute contracts valued between \$5,000 and \$24,999 and may, at his or her discretion, also request Board of Commissioners approval. Only the Grand Traverse County Board of Commissioners may authorize contracts valued at \$25,000 or more. These values may change if the Purchasing Policy changes.

County officials shall sign contracts after the other party, with the Administrator last to sign. All contracts shall be forwarded to the Administrator for their signature and filing.

Contracts, contract renewals, and contract amendments will follow the purchasing process and be approved by the appropriate person or entity as outlined in the Purchasing Policy. Renewals or amendments to contracts originally approved by the Board of Commissioners will be presented to the Board of Commissioners for approval.

If the Board of Commissioners has previously approved a contract, it may be requested to be placed on the consent calendar. Administration and the Board of Commissioners Chairperson have final say on whether a contract is placed on the consent calendar or elsewhere on the agenda. The requesting Department Head should plan to attend the Board of Commissioners meeting to provide a presentation on the contract if necessary, or answer County Commissioners' questions.

## **Insurance**

All contracts, as applicable, shall contain a copy of the contractor's insurance certificate showing the contractor has the minimum insurance coverages as recommended by the County's current insurance carrier. Department Heads, Elected Officials, and Employees shall refer to the latest edition of the County's Insurance Carrier's risk transfer manual or similar document.

## **Legal Review**

Contracts must be reviewed and approved by Civil Counsel. Civil Counsel shall review each contract as to form, legal sufficiency, and assess any liability concerns. Civil Counsel, at his or her discretion, may waive review of routine contracts previously reviewed and approved by Civil Counsel as long as the contract template has not been altered.

## **Filing**

All contracts, upon execution, will be forwarded to the County Clerk's Office for filing in the central contract file. Contracts will be accompanied by a completed Contract Routing Cover Sheet form and/or any required documentation as determined by the County Clerk.

All contracts will be presented by the department to Administration along with a completed Contract Routing Cover Sheet. Once signed by the Administrator, as the last contract signatory, a copy of the contract will be filed with the County Clerk.

## **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. 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, up to and including dismissal.

If the procedures set forth in the policy have not been followed, Grand Traverse County, in its sole discretion, may refuse to make payment on the contract.

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

## **Review**

The Board of Commissioners shall review this policy every three years.

**Approved: June 24, 2020**