

CITY of AUSTIN Administrative Bulletin

Title **Delegation of City Manager's Signature Authority**



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Prepared by Financial & Administrative Services

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Manager's Approval *Toley H. H. Futral*

PURPOSE

This administrative bulletin provides guidance on complying with delegation of signature authority by the City Manager to City employees. The guidance provided by this administrative bulletin with respect to a City employee's signature authority does not relieve a person from compliance with any other provision of law, including, without limitation, an employee's duty to obtain express delegated authority before signing a document on behalf of the City or the City Manager. This administrative bulletin does not authorize a City employee to execute a document without express authority.

POLICY

A City employee may not execute a document on behalf of the City Manager or the City that creates a duty for the City or requires performance by the City on behalf of another person or entity unless that employee has express authority to do so. A department director or other authorized City employee may delegate authority as authorized in this administrative bulletin. A City employee must comply with the requirements, procedures, and guidelines set out in this administrative bulletin.

DEFINITIONS

None.

ROLES AND RESPONSIBILITIES

Execution of certain documents is limited by law or requires specific delegation by the City Manager or Council. A City employee must comply with and apply the following requirements and guidelines before executing a document:

Guiding Principles:

- *Each agreement or document executed on behalf of the City is subject to this policy, even if it is not specifically listed. An employee should obtain written authorization from his or her supervisor before signing any document on behalf of the City.*
- *An authorized employee should obtain the written approval of his or her supervisor before executing a document that, due to its monetary value or the nature of its impact, presents a greater than usual risk to the City.*
- *An authorized employee should seek legal advice from the Law Department before executing a document if he or she has any questions about specific facts or consequences relating to the document.*
- *An authorized employee should review Sections 2-3-61 (Conducting Business Through Partnerships, Professional Corporations, and Other Entities), 2-3-62 (Standards of Conduct), 2-3-63 (Prohibition on Conflict of Interest), 2-3-64 (Disclosure of Conflict of Interest), and 2-3-65 (Substantial Interest of Relative) of the Code and should seek legal advice from the Law Department if the employee may have a conflict of interest with regard to a document.*

Specific Legal Requirements:

- *The City Charter requires that the City Manager appoint, by letter filed with the city clerk, a qualified officer of the City to perform his or her duties during temporary absences or disability.*
- *The City Charter requires all checks and warrants to be signed by the director of finance or his or her deputy and the City Manager.*
- *A number of actions under charter or state law must be approved by Council prior to any action by City staff, including an interlocal agreement, a contract for an amount in excess of the current City Manager's spending authority, a franchise, certain long-term license or use agreements relating to an interest in real property, a release or vacation of public right of way, and a fee waiver. Procedures adopted in the City Code may permit a department director to authorize certain action without specific Council action, for example, the short-term use of a City sidewalk for a sidewalk cafe. All transactions regarding real property or public right of way must comply with the provisions of the City Charter, Art.XI, §1 and Local Government Code, §253.001(a)-(c). A question about whether an action requires Council approval should be directed to the Law Department.*
- *Title companies require the City to file with the County Clerk a list of all employees authorized to sign legal documents related to real estate transactions.*

CORRESPONDING PROCEDURES AND POLICIES

- None.

PROCEDURE

The following procedures must be followed by each City employee:

- *When legally required, Council approval must be obtained before a City employee exercises signature authority approved under this policy.*
- *The City Manager may make a specific written delegation of signature authority to an Assistant City Manager, department director, or other City employee at the manager's discretion. A delegation under this section automatically expires on the reassignment or termination of a designated City employee, unless the delegation is expressly continued by the City Manager in writing.*
- *Each department director is required to annually delegate authority under this policy in writing. The department director shall file a copy of its written delegation with the Financial and Administrative Services Department. A delegation under this section automatically expires on the earlier of the reassignment or termination of a designated City employee, unless the delegation is expressly continued by the department director in writing, filed with the Financial and Administrative Services Department, or one year from the date of the director's annual delegation.*
- *Limits on delegation of signature authority are contained in Exhibits A (General Restrictions) and B (Transactions Delegated Only to Specific Departments) to this administrative bulletin.*
- *Donations of goods or services to the City must be reported in accordance with the gift and donation procedures implemented by the City Manager and Section 2-3-72(I) (Reports) of the City Code. No specific authority is required to accept donations to the City.*
- *A department director who serves as an officer of a City or City-related corporation or entity must obtain a written certificate of authority from the City Manager or management of the City-related corporation or entity before executing a document on behalf of the corporation or entity.*

FORMS

- Exhibit A, General Restrictions, attached.
- Exhibit B, Transactions Delegated Only to Specific Departments, attached.

Exhibit A - General Restrictions (Note 1)

Signature Authority Issue

(An "X" denotes eligibility to sign;
it does not denote a required signature.)

	City Manager	Deputy CM, ACM & Chief of Staff	Finance Director	Dept. Director or Officer	City Staff Authorized by Director (Note 3)
American Express Card issuance approval	X				
Compensation change for an executive position	X				
Employment offers for an executive position	X				
Contract or agreement (other than purchasing agreement) authorized by Code or ordinance	X	X	X	X	X
Checks and warrants (CM and FSD director only – Charter requirement)	X	X	X		
Development agreement (for major employers, land developers, and economic development initiatives) or, Smart Growth Incentive Agreement	X	X	X		
Employment offer, (non-executive), for positions <u>above</u> the pay zone within which individual qualifies for	X	X			
Employment offer, (non-executive), <u>within</u> the pay zone individual qualifies for. Can delegate to departmental manager or HR staff only.	X	X	X	X	X
Fee waivers (when authorized by Council)	X	X	X	X	X
Alternative pay employee compensation program	X				
Alternative pay employee compensation payout	X	X	X		
Grant application or acceptance (unless CM signature required)	X	X	X	X (Note 2)	
H-1B visa application for city employee	X	X	X		
Interdepartmental agreement (between City departments)	X	X	X	X	X
Interlocal agreement and memo of understanding with other governmental entities where Council approved negotiation and execution (i.e. further negotiation is required before agreement is finalized and executed)	X	X	X		
Interlocal agreement or memo of understanding with other governmental entity if Council action approved execution (i.e. no further negotiation is required before the contract is executed). Also includes renewal or extension of existing agreements as allowed by previous Council action.	X	X	X	X (Note 2)	
Payment document	X	X	X	X	X (Note 4)
Payment document data entry	X	X	X	X	X (Note 4)
Permit or license issuance	X	X	X	X	X
Petty cash approval – departmental manager or supervisor	X	X	X	X	X
Purchase requisition under \$5,000	X	X	X	X	X (Note 4)
Purchase requisition \$5,000 to City Manager administrative authority	X	X	X	X	Note 5
Purchasing card	X	X	X	X	X (Note 4)
Purchasing contract less than \$5,000 – departmental manager for purchasing or financial manager	X	X	X	X	X
RCA	X	X	X	X (Note 2)	
Short-term license or use agreement relating to an interest in real property	X	X	X	X (Note 2)	
Single or Sole source purchase over \$5,000	X	X			

Note 1: Certain transactions are restricted to signature by select departments only. See Exhibit B for these transactions or if a transaction you are concerned about is not listed here.

Note 2: Signature or approval of these documents **may not be delegated to staff** unless, a Director is absent due to illness or other approved reason. If a Director is absent and a critical deadline occurs, he or she may authorize a deputy director or executive staff to execute a listed document. ACM must be notified of such delegations.

Note 3: Staff authorized by the Director in writing.

Note 4: Financial Services procedures require a department director to annually delegate authority for these types of payments documents. These procedures will remain in effect.

Note 5: Delegation of approval for purchases of items between \$5,000 and the City Manager's administrative authority level may only be delegated to the Assistant Director level.

Exhibit B - Transactions Delegated Only to Specific Departments**Only specific directors and staff authorized by the director in writing may execute the following:**

Transaction	Department
Aviation lease or operating agreement	Aviation
Legal services agreement	City Attorney
Legal settlements and collections referred to Law Department	City Attorney
Campaign contract for Austin Fair Campaign Finance Fund	City Clerk
Health care service provider agreement for the City as the provider	Community Care or Health and Human Services
Austin Convention and Visitor Center Bureau agreement	Convention Center
Austin Convention Center Department facility agreement	Convention Center
Cultural arts contracts	EGRSO
Bond sale and issuance document	Financial Services
Franchise or license agreement	Financial Services
Investment transaction documents	Financial Services
Lease agreement not relating to real estate greater than \$2,500	Financial Services
Music loan guarantee	Financial Services
Purchasing contracts or agreements \$5,000 and over (including non-legal professional services)	Financial Services
Surplus goods/equipment sale agreement	Financial Services
Short-term lease agreement for RMMA (both internal and external)	Financial Services and Economic Development
Insurance policy application (including property and personal)	Human Resources
Real estate transaction document (including sale, purchase, lease, easement, etc.)	Public Works
Development agreement between TxDOT, developer and City (requires Council approval)	Public Works
Land development process documents (e.g. subdivision construction agreements, letter of credit draw, approved plat and extension letter, residential zoning review)	WPDRD
Maintenance agreement for creeks and ponds	WPDRD
Regional Stormwater Management Program participation agreement	WPDRD
Austin Energy director or staff authorized in accordance with the requirements of this policy may execute the following documents specifically related to utility services or operation:	
Agreement or document authorized by ordinance.	
Energy purchase and sale agreement in an amount less than the current CM administrative limit	
Lease agreement	
Real estate transaction documents related to utility property, including:	
1) Grantee document (e.g. quit claim deed) for transaction relating to real property.	
2) Purchase offer in an amount less than the current CM administrative limit for an interest in real property	
3) Agreement to sell, modify, amend, release, or exchange an easement	
4) Short-term license agreement	
Routine agreements and documents relating to utility operations, including but not limited to: electric service agreements, streetlighting and nightwatchman agreements, utility pole rental agreements, and agreements, filings and reports with the Electric Reliability Council of Texas (ERCOT), state or Federal agencies.	
Agreements for the sale of Austin Energy goods, products or services	
Short-term energy and/or fuel purchase and sale agreement authorized by Council	
Energy Risk Management program documents including all forms of hedging contracts, brokerage agreements and confirmations thereunder, ISDA master agreements and confirmations thereunder, related credit support, security and insurance agreements, and such other agreements as may be necessary to govern any transactions under the Austin Energy Policy for Energy Risk Management authorized by Council.	

Exhibit B - Transactions Delegated Only to Specific Departments - continued

Austin Housing Finance Corporation or staff authorized in accordance with the requirements of this policy may execute the following documents specifically related to AHFC operations:

Down payment assistance	Division Manager
Contracts less than \$250,000	Assistant Director or above
Contracts from \$250,000 to \$1,000,000	Director or Deputy Director
Contracts in excess of \$1,000,000	Chief of Staff or ACM