



Administrative Policy
CONTRACTS
Administration– A201

Approved by Council:

March 2011

Revised Date:

March 2011

CONTRACTS

Summary

Contracts are needed by various departments at various times to secure services. This policy establishes who can negotiate a contract, who reviews the contract, who signs the contract and when/if the contract needs to go before the Town Council for approval. It also establishes where the original contract resides.

Authority to Contract

1. Department Heads may contract for services as needed that are within their budget authority.
2. A Purchase Order will be created by the department and forwarded to Financial Services with a copy of the contract.
3. All funding for contracts must be approved by the Financial Services Department.
4. All contracts must be reviewed by the Legal Department for form and completeness. The Legal Department may create their own contract as feel necessary.

Signature Authority

1. Department Heads may sign contracts up to the cost of \$10,000.
2. The Town Manager signs contracts at a cost of \$10,001 to \$25,000.
 - a. Exception: The Town Manager can sign contracts, regardless of the value, for annual repair and maintenance and annual rental agreements per the annual budget adopted by the Town Council
3. The Mayor signs contracts at a cost above \$25,001.

Council Approval

1. Contracts for major projects, out of the ordinary items and non-budgeted items must be approved by the Town Council.
2. All contracts requiring Mayoral signature must be approved by the Town Council.



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Contract Distribution

1. All original contracts must be given to the Town Clerk Department for filing.
2. Copies of all contracts will be given to the Town Attorney's Office, the department involved in the contract and to Financial Services.