	POLICY PROCEDURE GUIDELINES	POLICY NUMBER: 03.10.00.	PAGE NUMBER: 1 of 12
		SUBJECT: Contract Signature Authorization Policy	Adopted: 12/8/2015 Effective: 04/15/2016 Latest Revision: 08/17/2016 Next Review:

03.10.00. POLICY STATEMENT

The Forest Preserve District of Cook County (the “District”) hereby establishes a policy that identifies those individuals who are authorized to execute certain contracts on its behalf. In certain instances, per the authority granted by the Board of Commissioners, the General Superintendent is authorized to execute certain contracts. The procedures in this policy should be followed with respect to contracts that are to be executed by the General Superintendent.

03.10.01. PURPOSE

The purpose of this policy is to memorialize the policies and procedures associated with execution of contracts by the General Superintendent.

03.10.02. REFERENCES

- Illinois General Assembly
Cook County Forest Preserve District Act (70 ILCS 810/14, 17, 20)
- Forest Preserve District of Cook County, Contracts & Purchases, 1-8-2 (B & C)
- Forest Preserve District of Cook County, Code of Ethical Conduct, 1-13-1, *et seq.*

03.10.03. DEFINITIONS

Department Head: An employee of the District responsible for general oversight of a District Department, and/or direct reports to the General Superintendent and/or the Deputy General Superintendent.

Signature Authority: As used in this policy, “Signature Authority” is the permission to execute transactions up to limits established by the District Code.

Stringing: Stringing is dividing or planning any procurement program, activity, transaction, invoice, purchase order or agreement involving the District or any of its operational elements (including offices, departments, bureaus, programs, units) to avoid any of the competitive procurement processes and/or the limitations on delegated authority set forth in this Policy. ***Stringing is prohibited.***

03.10.04. SCOPE

This Policy applies to all District employees.

03.10.05. **RESPONSIBILITY**

Department Heads: Department Heads shall:

- (1) Sign contracts \$25,000 or less for office supplies, materials, and/or other equipment related purchases (i) needed in the day-to-day operations of the District, (ii) covered in the District's Annual Appropriations Ordinance, and (iii) from a vendor approved by the Purchasing Agent. For more information please refer to ***Appendix A: Signature Process Flow Chart.***
 - A. Department Heads may not authorize contracts to a single vendor worth over \$25,000 within a twelve-month (12) period.
 - B. Department Heads are prohibited from delegating this authority. Exceptions to this rule may apply when a Department Head is on approved time-off or administrative leave, and only on such an occasion may a Deputy Department Head authorize such contracts.
- (2) Train all preparers of contracts, under their supervision, on this policy;
- (3) Consult with, and receive approval from, the Legal Department and the Finance & Administration Department, ***before submitting any contract*** to the General Superintendent for signature/approval;
- (4) Submit the General Superintendent Contract Signature Authorization Request Form, as shown in ***Appendix B***, for all contracts forwarded to the General Superintendent for review and authorization;
- (5) Comply with the regular Procurement-to-Payment Process Guidelines, as shown in ***Appendix C***;
- (6) Submit the original, or at least one copy, of the fully executed contract to the Legal Department for storage; and,
- (7) Comply with this policy.

Finance & Administration Department: The Finance & Administration Department shall:

- (1) Review and when appropriate approve all contracts meriting the General Superintendent's authorization;
- (2) Submit "Monthly Purchase Order Report" for purchases \$25,000.00 or less to the General Superintendent;
- (3) Conduct internal audit and accounting review activities when/where appropriate to ensure compliance with this policy, flagging any issue for the General Superintendent's review, and ensure that stringing is not occurring; and,
- (4) Prepare a monthly report of all new District contracts signed by Department Heads.

Legal Department: The Legal Department shall review, modify (if necessary or advisable), and approve (as to legal form) contracts that may be executed by the General Superintendent.

Office of the General Superintendent: The Office of the General Superintendent shall review, and when appropriate, approve contracts.

District Employees: All District employees are required to comply with this policy. Employee violations of this policy may be subject to investigation, and disciplinary action up to termination of employment.

03.10.06. PROCEDURE

A. **Signature Thresholds:**

District contracts may be executed by the General Superintendent, the President, and/or such other officer as designated by the Board consistent with the District Code. In certain instances (as specified below), Department Heads may execute District contracts.

This Contract Signature Authorization Policy applies to contracts \$150,000.00 or less, for which any applicable Board approval was not required. For more information please refer to ***Appendix A***.

(1) ***Signatures Required on Contracts Over \$150,000, and/or over one (1) year:*** All contracts for supplies, material or work, over one hundred fifty thousand dollars (\$150,000.00), and/or over one (1) year, shall be signed by the President of the Board of Commissioners and/or by any such other officer as the Board in its discretion may designate.

(2) ***Signatures Required on Contracts Over \$25,000 up to \$150,000:*** All contracts for supplies, material or work that are between twenty-five thousand dollars (\$25,000.00) and one hundred fifty thousand dollars (\$150,000.00), may be signed by the General Superintendent if such contracts do not require board approval and/or do not specifically require the signature of the President of the Board of the Forest Preserve District Commissioners under the District's Code.

(3) ***Signatures Required on Contracts Between \$750 and \$25,000:*** All contracts for supplies, material or work that are between seven-hundred and fifty dollars (\$750.00) and twenty-five thousand dollars (\$25,000.00) may be signed by the Department Head as described in Section 03.10.05(1) of this Policy or the General Superintendent, if such contracts do not require board approval and/or do not specifically require the signature of the President of the Board of the Forest Preserve District Commissioners under the District's Code.

B. Signature Authorities: Before the General Superintendent reviews and/or signs any Contract for up to \$150,000.00, the following documents must be completed:

The General Superintendent Contract Signature Authorization Request Form:

(1) Including the Signature Authorization by the Department Head that originated the Contract must first be completed;

(2) Including the Signature Authorization from the Chief Financial Officer and/or his/her designee must then be completed; and,

(3) Including the Signature Authorization from the Chief Attorney and/or his/her designee must also be completed.

C. Statement on Conflict of Interests: In the event of a possible Conflict of Interest, or the appearance of a Conflict of Interest, the Department Head shall assign the matter to another District Department Head who has no conflict.

D. Procurement-to-Payment Processes Guidelines: The Procurement-to-Payment Processes Guidelines is put in place to assist departments with procurement related matters and is a guideline to help with some of the basic procurement needs, and adhere to the bidding process.

03.10.07. TRAINING REQUIREMENTS

1. All District employees that will seek the execution of Contracts should be trained on this policy.

03.10.08. ACTION PLAN TO COMMUNICATE/DISSEMINATE

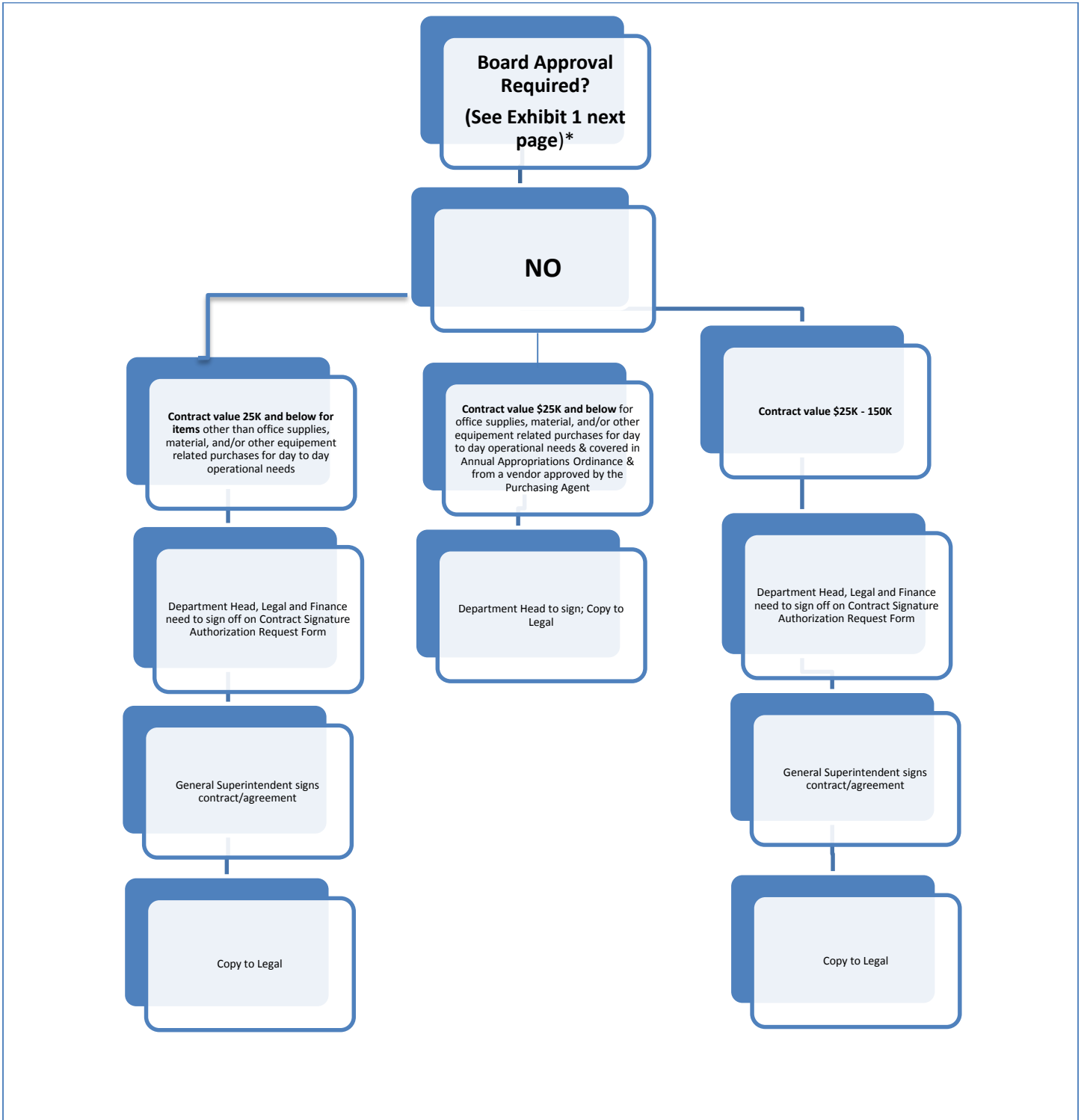
1. This policy should be distributed to District employees that seek the execution of Contracts.
2. This policy should be added to the District shared drive, intranet, and website.
3. Department Heads should work to ensure that their staff are knowledgeable about this policy.

If you have questions, comments, or suggestions concerning District policies, please contact:

Forest Preserve District of Cook County
Office of the General Superintendent
Attn: Anthony D. Tindall, Policy Director
69 W. Washington St., Suite 2040, Chicago, IL 60602
Office: (312) 603-8351; Email: Anthony.Tindall@cookcountyil.gov



APPENDIX A: Signature Process Flow Chart



**APPENDIX A:
Signature Process Flow Chart Continued**

EXHIBIT 1
BOARD APPROVAL/PRESIDENT SIGNATURE IS REQUIRED

- Contract for supplies, materials or work (**exceeding \$150K**)¹
- Contracts exceeding **1 year**²
- Intergovernmental Agreements³
- Debt Agreements⁴
- Contract Amendments:
 - Amendment to Contract to increase the amount of the contract by more than five thousand dollars (\$5,000.00) or ten (10) percent of the contract amount, whichever is greater.⁵
 - Amendment to Contract to increase the contract amount or the total expenditures associated with such contract to equal or exceed one hundred fifty thousand dollars (\$150,000.00) during the term of the contract, as amended.⁶
 - Amendment to Contract to extend a contract for more than sixty (60) days.⁷
- Licenses⁸
- Advertisement teaming opportunities (**exceeding \$25K**)⁹
- Land Acquisition¹⁰
- Leases – Occupancy of District Land¹¹
- Sale of Surplus Land¹²
- Sale of Resources from Land¹³
- Other contracts/agreements required by the Forest Preserve’s Code of Ordinances to be approved by the Board of Commissioners and/or signed by the President

¹ 1-8-2 (B) - Contracts and Purchases, Signatures Required on Contracts & Cook County Forest Preserve Act, 70 ILCS 810/14

² 1-8-2(L) – Contracts and Purchases, Contracts for a Period Exceeding One Year

³ Illinois Constitution, Article 7, Section 10

⁴ 1-8-2(K)- Contracts and Purchases, *No Delegation of Power to Act for Expenditure Exceeding \$150,000.00*

⁵ 1-8-2(K)- Contracts and Purchases, *No Delegation of Power to Act for Expenditure Exceeding \$150,000.00*

⁶ 1-8-2(K)- Contracts and Purchases, *No Delegation of Power to Act for Expenditure Exceeding \$150,000.00*

⁷ 1-8-2(L) – Contracts and Purchases, Contracts for a Period Exceeding One Year

⁸ Title 5 Public Utilities & 6-1-1 Application for Permits

⁹ 3-3-8 Advertisements

¹⁰ Title 1, Chapter 9 – Land Acquisitions and Dedications

¹¹ Title 1, Chapter 9 – Land Acquisitions and Dedications

¹² Title 2, Chapter 5 – Authorized Conveyance of Property

¹³ 70 ILCS 810/8 (Cook County Forest Preserve Act) –“The board of any forest preserve district is authorized to sell at fair market price, gravel, sand, earth and any other material obtained from the lands and waters owned by the district.”



**APPENDIX B:
General Superintendent Contract Signature Authorization Request Form**

General Superintendent Contract Signature Authorization Request Form

** Required for any contract to be signed by the General Superintendent.*

Contract Title:	
Requestion Number:	
Brief Description of Contract:	

To Be Completed By: Contract Preparer/Contract Requestor

Pursuant to Cook County Ethics Guidelines, I hereby state that I or a member of my immediate family do not have: **(1)** A current or potential involvement in a financial or other relationship that directly and significantly affects, or potentially could affect my independent, unbiased judgment in my duty to the District; **(2)** Possession of a significant ownership interest or management functions in an organization conducting business with the District; and/or **(3)** Potential for material, financial, or other benefit.

To Be Completed By: Department Head/Senior Staff Member

Name:	
Title:	
Department:	
Signature:	
Date Approved:	

To Be Completed By: Finance & Administration Department

Approved (Explain if Necessary):	
Not Approved (Explain):	
Date:	
CFO/Designee Name:	
Finance Designee Title:	
CFO/Designee Signature:	

To Be Completed By: Legal Department

Approved (Explain if Necessary):	
Not Approved (Explain):	
Date:	
Chief Attorney/Designee Name:	
Legal Designee Title:	
Chief Attorney/Designee Signature:	



APPENDIX C: Procurement-to-Payment Processes Guidelines

I. Initiating all Request for Purchases

The Purchasing policy for the District is put in place to assist departments with procurements. Although we are not able to cover every scenario on paper, the Purchasing policy is a guideline to help with some of the basic procurement needs, and adhere to the bidding process: Lowest responsible bidder meeting specifications. **Please Note:** Stringing is not allowed and purchases will be turned down if this is determined.

Informal Bids \$0-\$749.99

Informal bids are initiated by the using department requesting goods or services. The requesting department makes a request for a commodity as needed. This may be completed in the following way:

The Purchasing Department will make allowances for items to be purchased less than \$750.00 that are needed immediately or are one time purchases.

Item less than \$750.00 can be purchased without obtaining three quotes. However, these purchases must be kept to a minimum per vendor.

Informal Bids \$750.00 - \$24,999.99

Purchases equal to or greater than \$750.00 should use the online bidding process. There are exceptions, but as much as possible consider using the online bidding process for transparency. The online bidding process is as follows. The requesting department shall put together specifications for goods/services to be procured including any written information, drawings and /or maps and should be submitted to the Purchasing Department electronically along with request for quote form that is generated in the system and approved by the department head or his/her designee. The Purchasing Department will review the specifications and upload it to the system and post on our website for a minimum of three (3) days. All vendors that have registered on line with the District will receive an email notification with a submittal date and time. The bids will be opened, reviewed and tallied by the Purchasing Department. The user department will receive copies of the bids and determine which vendor will be awarded a purchase order, according to the lowest responsible bidder meeting specifications.

If a department is unable to use the online purchasing process due to time constraints then the using department must submit detailed specs to the Purchasing Department along with a short list of vendors that can provide the goods/services. The Purchasing Department will then forward the request to the suggested vendors and perhaps add to the pool of vendors and instruct them to forward there response directly to purchasing, either through email, fax or hand deliver.

Formal Bid Process equal to or greater than \$25,000.00

The process for purchases equal to or greater than \$25,000 which is considered a formal contract is as follows:

- 1) The user department is required to submit to purchasing a completed Bid proposal electronically. Purchasing will then review and upload the Bid to be distributed to all registered vendors and posted on the Districts web site.
- 2) Formal Bids are received currently at the Cook County Office of the Chief Procurement Officer, 118 N. Clark Street room 1018, Chicago, IL 60602 and, opened by the Clerk of The Board of Cook County and publicly read at a formal Bid Opening.
- 3) Bids are then analyzed and tabulated by the Purchasing Agent, Contract Compliance Administrator and respective Department.
 - A. Contracts equal to or greater than \$25,000 but less than \$150,000 require a completed contract certification section signed by the appropriate parties.
 - B. Contracts equal to or greater than \$150,000 require a completed contract certification section signed by the appropriate parties and require District Board approval.
- 4) Vehicle Purchases: all vehicles specifications must be reviewed and approved by the District Vehicle Steering Committee prior to being purchased.

Request for Proposal (RFP) / Request for Qualifications (RFQ)

In order to issue an RFP or RFQ, the Using department must notify the Purchasing Agent in writing that it intends to issue a RFP or RFQ. Prior to issuance, RFPs and RFQs shall be submitted to the Office of the Purchasing Agent, Contract Compliance Administrator and Legal for review. All RFPs and RFQs shall be posted on the Districts web-site.

Criteria for Submitting RFP's / RFQ's

RFP's and RFQ's can be submitted when services require a high degree of professionalism. Contracts equal to or greater than \$25,000.00 not adaptable to competitive bidding shall be solicited through the issuance of requests for proposals (RFP) or requests for qualifications (RFQ) otherwise approved by the District Board.

RFP's and RFQ's shall include forms and provisions. These forms shall include but are not limited to: Instructions to Propose: General Conditions: The District's Certification and Execution Forms and all additional documents as required. The Using Department is responsible for developing appropriate special conditions.

Sole Source Procurements

Sole source is defined as a procurement that is limited by availability, location or time. Sole source purchases limited by availability or locations must be certified by the company (manufacturer / distributor) on their letterhead and submitted with the requisition. It is the responsibility of the department head / designee to obtain the certification and verify.

Emergency Purchases

Occasionally, emergencies arise that may affect public safety and / or public health. When this occurs and purchases for goods or services must be made immediately, please do so by informing the Purchasing Agent. If an emergency occurs after hours, or on the weekend please leave a voice mail for Thomas J. Conlon, Purchasing Agent at 312-603-8968 or Sherma Anderson, Assistant to the Purchasing Agent at 312 603 8953. All emergencies should be followed up with a requisition/purchase order. Attach a brief summary of the situation and how it impacted the District.

Emergencies that occur and are not a public safety or public health issues (example: Injured wildlife that may need care, and require medical attention, should follow up with a requisition / purchase order.

If an emergency arises over equal to or greater than \$25,000, “when there exists a threat to public health or public safety or when immediate expenditure is necessary for repairs to District property in order to protect against further loss or damage to District property, to prevent, or minimize serious disruption in District services, or to ensure the integrity of District records”.

A written description of the basis for the emergency and reasons for the selection of the particular contractor shall be included in the contract file. Also Emergency purchases greater than \$25,000 shall be communicated to the Board from the Purchasing Agent within five (5) business days of selecting and awarding a purchase order.

II. Initiating Payment for all Invoices for Approved Purchases

The invoice for the service/item is sent to the accounts payable billing email site by the vendor or the department (if additional approval is needed). AP then partially enters the invoice with the following information: 1) Vendor Number 2) Invoice Number 3) Invoice Date 4) Due Date 5) Amount.

The invoice is attached and sent electronically to the department for review. The department approves the invoice and releases the amount to pay from the purchase order which is sent electronically to AP. AP finishes the invoice entry and a pre-check batch report is created. The pre-check batch is sent to the Comptroller or CFO for approval. After the pre-check batch is approved, a check batch is printed and sent to mail process. A Positive Pay file is created and sent to the bank.

The Check Register, Distribution Journal, General Ledger Report and hard copies of the invoices are filed with AP. A second copy of all reports is given to Accounting for further verification and reconciliation.

Accounts Payable identifies fixed assets during payment review. Accounts Payable inputs all assets over \$5,000 in the Fixed Asset Module using the following procedure:

- A) Asset #
- B) Location
- C) Department
- D) Account Type (land, Building, Land Improvement, Equipment, etc...)
- E) Class (Sub of account type)
- F) Purchase Date
- G) Useable life of asset in months
- H) Original Cost
- I) Description

A. Expenditures for Construction:

Construction in Progress is also calculated by tracking on-going projects that have not been completed. After a project is completed, it is transferred from CIP and added as fixed asset.

Key controls:

- Expenditures are compared to budget and prior periods at an appropriate level of detail (by the respective department). The system will not allow a P.O. if it exceeds the budgeted account remaining balance.
- System rejects duplicate entry of an invoice from a vendor.
- Management tracks capital asset acquisitions and remaining costs and compares to capital budgets.
- The entity has a capitalization and useful life policy, and the policy has been formally reviewed and approved by management and communicated to departments that request capital asset purchases.
- Capital assets are located in an appropriately secured area, where access is restricted to authorized personnel.
- Individuals (The respective departments) are designated with responsibility for assuring compliance with the terms and conditions of all grants, restricted contributions, exchange contracts, etc., that relate to capital assets.
- Individuals (The department) are designated with responsibility for monitoring all significant construction projects.
- Individuals who initiate the purchase of capital assets cannot:
 - Authorize purchases of capital assets.
 - Record capital asset transactions.
 - Initiate the disposal of capital assets.
 - Reconcile the capital assets subledger to the general ledger.
 - Maintain access to and custody of capital assets.
 - Investigate discrepancies or issues related to capital assets, investments, borrowings, derivatives, or cash.
 - Edit the capital asset master file.
 - Maintain the chart of accounts.
- Individuals who record capital asset transactions cannot:
 - Reconcile the accounts payable subledger to the general ledger.
 - Initiate the disposal of capital assets.
 - Reconcile the capital assets subledger to the general ledger.
 - Maintain access to and custody of capital assets.
 - Investigate discrepancies or issues related to capital assets.
 - Edit the capital asset master file.
- Capital asset depreciation charges are calculated correctly by the automated system and are reviewed for reasonableness by management.

- The automated system generates the depreciation journal entry, which is manually entered into the general ledger by accounting personnel and reviewed by management.
- All journal entries, including nonstandard/non-routine entries, have adequate supporting documentation and are reviewed and approved independently prior to posting.
- Disposals of capital assets are reviewed by management and entered into the capital assets subledger by accounting personnel in a timely fashion.
- Based on disposal information entered, the capital assets subledger automatically calculates any gain or loss on the disposal.
- Accounting personnel create a journal entry to record the disposal and any gain or loss on the disposal, which is reviewed and approved by management.
- Management and those charged with governance are briefed by financial reporting personnel on a regular basis and at each period end for which financial statements are released to the public. Such briefing includes a discussion of significant non-routine events and transactions, selection and application of critical accounting policies, areas with unusual fluctuations, and other relevant significant issues.

B. Expenditures for Goods and Services:

The respective department initiates the request for purchase. The request for purchase is sent to Purchasing. If over \$25,000 a formal bid is required. After vendor is selected and price is established the requesting department generates a pre-numbered requisition slip. The slip is forwarded to Purchasing for review and Purchasing generates a purchase order.

Key controls:

- Expenditures are compared to budget and prior periods at an appropriate level of detail (by the respective department). The system will not allow a P.O. if it exceeds the budgeted account remaining balance.
- System rejects duplicate entry of an invoice from a vendor.
- The department head has procedures for the budgeted line items coding of expenditures in compliance with funding and organization accounting requirements.
- Management reviews supporting documentation before approving payments.
- Individuals, who review, authorize, or sign checks cannot:
 - Initiate checks for expenditures.
 - Prepare checks.
 - Mail checks.
 - Edit the vendor master file.
 - Investigate discrepancies or issues involving expenditures.
 - Open the mail or copy checks received.
 - Reconcile bank accounts
 - Checks are pre-signed.