

RESOLUTION 072

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CRESTLINE SANITATION DISTRICT ADOPTING AN ELECTRONIC
SIGNATURE USE POLICY.**

WHEREAS, as a result of the COVID-19 restrictions it has become difficult to safely obtain in person signatures on official paperwork related to regular District business; and

WHEREAS, the District has already taken efforts to reduce paper copies of files in compliance with the record retention requirements; and

WHEREAS, the use of electronic signatures will add to the efficiency of District Staff both during and after the COVID-19 pandemic restrictions; and

WHEREAS, the use of electronic signatures is allowed for use as governed by federal and state law. (See 15 U.S.C. §§ 7001, et seq. [U.S. Federal Electronic Signatures in Global and National Commerce Act]; California Government Code §16.5; California Civil Code §§ 1633.1, et seq.

WHEREAS, the District wishes to establish and adopt an Electronic Signature Use policy.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Crestline Sanitation District, that the policy entitled, "Electronic Signature Use Policy", attached hereto as Exhibit "A" and incorporated by this reference, is hereby adopted.

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the Crestline Sanitation District, that the policy entitled, "Electronic Signature Use Policy", attached hereto as Exhibit "A" and incorporated by this reference, is hereby adopted

PASSED AND ADOPTED at the regular meeting of the Board of Directors of Crestline Sanitation District held August 13, 2020.

AYES:

NOES:

ABSENT:

ABSTAIN:

Matthew Philippe, Chairman

Ken Nelsen, Director

**CRESTLINE SANITATION DISTRICT
ELECTRONIC SIGNATURE USE POLICY
EXHIBIT "A"**

A. Purpose

This eSignature Policy shall be used by the Crestline Sanitation District ("District") to increase productivity and ensure convenient, timely, and appropriate access to District information by using electronic signature technology to collect and preserve signatures on documents quickly, securely, and efficiently.

This Policy establishes when electronic signature technology may replace a handwritten signature, with the goal of encouraging the use of paperless, electronic documents whenever appropriate and allowed by law. This Policy applies to all signatures used in processing various District documents and assumes the District signer has been given the authority to sign as determined by the District's business process.

While the use of electronic signatures is suggested and encouraged, this Policy does not require the use electronic signatures, nor can the District mandate that any third party signing a document use electronic signatures.

B. Background/Discussion

Electronic Signature is the broad umbrella category under which all electronic signatures fall. The legality and use of Electronic Signatures are governed by federal and state law. (See 15 U.S.C. §§ 7001, et seq. [U.S. Federal Electronic Signatures in Global and National Commerce Act]; California Government Code §16.5; California Civil Code §§ 1633.1, et seq.

C. Intended Goals for eSignature

- **Security and legal compliance:** The use of electronic forms and eSignatures provides a secure method of signing and transferring documents electronically. A document cannot be altered after the signer has completed the eSignature. Additionally, a history of any changes made to the document prior to the signature is kept with the document and cannot be changed or deleted. When electronic signatures are used, they will be stamped, received with date, to verify the authenticity of a document during any transfer for added security.
- **Simplified workflow:** eSignatures eliminate resource-intensive processes that require agencies, the public, and staff to manually sign documents. Features of the eSignature process include automation of simple forms, ability to track and review changes, vary the recipient roles, tag signatures, etc.

D. Policy

This Policy applies to documents requiring a signature of any person where the signature is intended to show authorship, approval, authorization, or certification, as allowed by law. It is the policy of the District to encourage the use of electronic signatures in all internal and external activities, documents, and transactions where it is operationally feasible to do so, where existing technology permits, and where it is otherwise appropriate based on District preferences. In such situations, affixing an electronic signature to a document in a manner consistent with this Policy shall satisfy the District's requirements for signing a document. As used in this Policy, the term "signature" includes using initials on a document instead of a signature.

E. Requirements of eSignature

The use of electronic signatures is permitted and shall have the same force and effect as the use of a “wet” or manual signature if all the following criteria are met:

1. The electronic signature is unique to the person using it.
2. The electronic signature is capable of verification.
3. The electronic signature is under the sole control of the person using it.
 - a. Email notifications requesting electronic signatures must not be forwarded.
 - b. These requirements prohibit the use of proxy signatures.
4. The electronic signature is linked to the data in such a manner that if the data is changed after the electronic signature is affixed, the electronic signature is invalidated.

F. Common Types of Documents

This Policy is intended to broadly permit the use of electronic signatures. Examples of common types of documents are listed in the following table, with notes on each type of document. The General Manager should work with Legal Counsel to determine where applicable laws permit an electronic signature to be used.

Document Type Examples	Is Use of an Electronic Signature Acceptable?	Notes
Memos, Forms, Board Letters, Correspondence, Meeting Minutes, Administrative Policies, Internal Approvals	Yes	eSignature is recommended.
Contracts/Service Agreements and Amendments, Leases* Purchase Orders, Letters of Agreement	Yes	eSignature is recommended. *Leases that will not be recorded are recommended for eSignature.
Certificates, Permits	Yes, if allowed by law	General Manager should work with Legal Counsel to determine where applicable laws permit an eSignature to be used.
Transactions involving Real Property (e.g. deeds, transfers of title)	No	
Documents Requiring Notarization*	No	*Leases that will not be recorded are recommended for eSignature.
Documents Requiring the Board President’s Signature	Yes*	* Leases and other contracts that will not be recorded are recommended for eSignature. A “wet” or manual signature should be obtained for District Resolutions.

G. Documents Involving Other Parties

In the case of contracts or transactions which must be signed by outside parties, each party to the agreement must agree in advance to the use of an electronic signature. No party to a contract or other document may be forced to accept an electronic signature; they must be permitted to decide either way. Such consent may be withdrawn by the other party at any time such that future documents must be signed in hardcopy format.

When a document is electronically signed by all parties, the District will provide a copy of the electronically signed document to the other parties in an electronic format that is capable of being retained and printed by the other parties.

H. Setup & Use

The General Manager will be authorized to send out documents for eSignature and will determine whether other employees should also be authorized to send out documents for eSignature.

All District users of electronic signature technology shall conform to the rules set forth in this Policy, as may be amended from time to time.

I. Storage and Archiving of Electronically Signed Documents

If a document exists only electronically, steps should be taken to ensure that a fixed version of the final document is stored, so long as it does so in a manner consistent with any applicable District document retention or destruction policies and any applicable laws.

J. Conclusion

The use of eSignatures is intended to make District business practices more efficient. For authorized documents under this Policy where state or federal laws, regulations, or rules require a handwritten signature, that requirement is met if the document contains an Electronic Signature, unless otherwise prohibited by such policies, laws, regulations, or rules.

K. Definitions

Application Program Interface (API) is a set of clearly defined methods of communication between various software components. APIs allow applications to interact with each other, allowing integration of one system with another.

Digital Signature is a specific signature technology implementation of electronic signature that uses cryptography to provide additional proof of the identity of a signer and integrity of a document. This cryptography uses Public Key Infrastructure (PKI) technology to issue digital certificates. PKI technology is accepted by the California Secretary of State for digital signatures created by a public entity.

Electronic relates to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

Electronic Record is a record created, generated, sent, communicated, received, or stored by electronic means.

Electronic Signature, or **eSignature**, means an electronic identifier, created by computer, attached or affixed to or logically associated with an electronic record, executed or adopted by a person with the intention of using it to have the same force and effect as the use of a manual signature.

Electronic Transaction is a transaction conducted or performed, in whole or in part, by electronic means or electronic records.

eSignature Product means a software or service that provides a means of affixing an Electronic Signature to an electronic record.

Proxy Signatures are when Person-A authorizes Person-B to sign Person-A's signature on his/her behalf. (This is prohibited for eSignatures by this Policy.)

Record is information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form. Documents or forms are records.