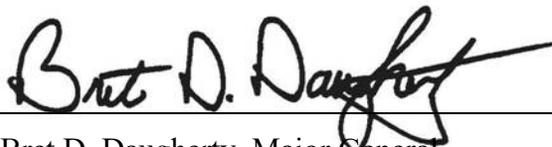




Department Policy No. FIN-119-20

Title:	Use of Electronic Signatures
Former Number:	N/A
Authorizing Source:	Federal law – Federal Electronic Signatures in Global and National Commerce Act (E-Sign) Uniform Electronic Transactions Act, Laws of Washington 2020, Ch. 57
References:	Electronic Signature Guidance – Office of the Chief Information Officer (OCIO)
Information Contact:	Regan Hesse, Chief Financial Officer Building 1, (253) 512-8115
Effective Date:	June 11, 2020
Mandatory Review Date:	June 11, 2024
Revised:	N/A
Approved By:	 Bret D. Daugherty, Major General The Adjutant General Washington Military Department Director

Purpose

Establish the guidelines for the use of electronic signatures in place of a handwritten signature for official Washington Military Department (WMD) duties and:

- A. Provide reasonable assurance for the integrity, authenticity, and legal sufficiency of electronic documents when electronic signatures and submissions are used and accepted.
- B. Promote the use of electronic signatures and submissions across the agency.

Scope

This policy applies to all documents used in official state WMD business that require a legal signature.

Definitions

Approved Electronic Signature Method is an electronic signature method that has been approved by the Chief Financial Officer, in accordance with this policy and all applicable state and federal laws, and which specifies the form of the electronic signature, the systems and procedures used with the electronic signature, and the significance of the use of the electronic signature.

Electronic Signature is an electronic sound, symbol, or process, attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign a record.

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

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

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. Financial and other documents or forms are records.

Person is an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, governmental agency, public corporation, or any other legal or commercial entity.

Policy

The use of electronic records and electronic signatures can significantly reduce costs, simplify transactions, and speed up transaction time. The legislature has given statutory authorization for state agencies to utilize electronic signatures in the conduct of government affairs.

- A. The use and acceptance of electronic signatures and electronic submissions/records will be consistent with the guidance provided by the State Office of the Chief Information Officer (OCIO).
- B. If a transaction is governed by a law or regulation that requires the presence of an actual signature on a hard copy document before it will be considered legally effective, then the signature must be a handwritten signature. During a presidentially declared disaster or Governor's emergency proclamation, if a handwritten signature cannot be obtained, an electronic signature shall be deemed to have the same legal effect as a handwritten signature until such time as the signature can be replaced with a handwritten signature if mutually agreed to by all parties.
- C. Unless otherwise prohibited by law, a signed copy of a contract, agreement, memoranda, approval, or any other agency document transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy for all purposes.

D. Use of an Electronic Signature

1. Signature Required by Agency Policy

Where agency policy requires that a record have the signature of a person, that requirement is met when the electronic record has an electronic signature using an approved electronic signature method.

2. Signature Required by Law

Where there is a legal requirement, beyond agency policy, that a record have the signature of a person, that requirement is met when the electronic record has an electronic signature using an approved electronic signature method which complies with applicable state and federal laws and/or regulations.

3. Authority to Sign

The execution of a document, through an electronic method, does not indicate that the individual who completed this process possesses the proper level of signing authority. Appropriate procedures must be used to confirm that the person signing the record has the appropriate delegated authority.

E. Electronic Signature Methods

1. Electronic signature methods include, but are not limited to, the following in order of increased level of cost, integrity, authenticity, security, and non-repudiation:

- a. Click Through or Click Wrap: A person affirms their intent or agreement by clicking a button. This approach is commonly used for low-risk, low-value consumer transactions.
- b. Typed name or initials: A person affirms their concurrence to an action by typing their name or initials onto a document. This approach is used to document the internal “routing” or staffing completed prior to a final decision.
- c. Personal Identification Number (PIN) or password: When using a PIN or password for an e-signature, a person enters identifying information, which may include an identification number, the person’s name and a “shared secret” such as a PIN and/or password. The system checks that the PIN and/or password is associated with the person accessing the system and “authenticates” the person.
- d. Digitized Signature: This is a graphical image of a handwritten signature. This approach may use specialized hardware or software for additional security.
- e. Digital Signatures: This is created when the person uses a private signing key to create a unique mark (called a “signed hash”) on an electronic document. The recipient of the document uses the person’s public key to validate the authenticity of the private key and to verify that the document was not altered after signing.

- f. Hybrid Approaches: These are available by combining techniques from various approaches to provide increased security, authentication, record integrity, and non-repudiation.
 2. The Chief Financial Officer (CFO) has final approval of any electronic signature method and associated use. Specific digital signature solutions must be approved in advance by the CIO in accordance with this policy.
 3. With prior approval from the CFO and CIO, a program may pilot the use of a solution for a specific process. Information learned during the pilot project should be documented and, where appropriate, used to improve upon this policy.
- F. Written signatures remain an option except when an electronic signature is required by law.
- G. Any individual or party that makes inappropriate or illegal use of electronic signatures and/or records is subject to sanctions up to and including dismissal, suspension, and criminal prosecution as specified in published agency and state laws, whether or not they are referenced in this policy.

Responsibilities

- A. The CFO, or delegate, is responsible to:
 1. Identify specific transactions that the agency can and cannot not conduct by electronic means.
 2. Identify electronic signature methods appropriate for use in transactions the agency has identified it is willing to conduct by electronic means.
 3. Consolidate, maintain, and publish a list of types of transactions and allowable methods of signature for each as designated by responsible directorates.
- B. The CIO, or delegate, is responsible to:
 1. Identify specific digital signature solutions and technologies that the WMD may use.
 2. Develop procedures for handling evaluation and approval of new use cases and digital signature methods.
 3. Specify the following, if a law or a rule requires that the electronic records must be signed by digital signature:
 - a. Specific digital signature solution(s) that may be used;

- b. The manner and format in which the digital signature must be affixed to the electronic record; and
 - c. The identity of, or criteria that must be met, by any third party used by a person filing a document to facilitate the process.
4. Specify the manner and formation in which electronic records must be created, generated, sent, communicated, received, and stored, and the systems established for those purposes.
5. Specify control processes and procedures as appropriate to ensure adequate preservation, disposition, integrity, security, confidentiality, and auditability of electronic records.
6. Identify any other required attributes for electronic records that are specified for corresponding non-electronic records or that are reasonably necessary under the circumstances.