To sign or to esign, that is the question

Does your agency use electronic signatures? Did you know that electronic signatures have been permitted by law for agency use in Minnesota for almost 20 years? Minnesota Statutes Chapter 325L, the Uniform Electronic Transactions Act (UETA) was passed in 2000.

UETA defines an electronic signature as an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. The UETA requires each state agency to have an agency specific policy regarding its use of electronic signatures. This allows the agency to decide how to best meet its needs.

Are there certain documents you don’t want to allow electronic signatures for? Do you want to allow electronic notarization? These are just a few of the questions your agency should consider when developing a policy.

When using electronic signatures, it is important to remember that all policies and procedures relating to signing documents including authorization, approval, and record retention should remain the same as they are for wet signatures. For example, if your agency required legal approval of a document before it was signed by hand, it still should require legal approval before it is electronically signed. Also, the Minnesota Historical Society has established Electronic Records Management Guidelines to help agencies determine how to best implement a policy and use electronic signatures.

Electronic signatures can provide a more efficient way for agencies to get work done. With the proper internal controls in place, they can also be more trustworthy than a written signature and less likely to be misplaced or damaged.

The state has a contract with a specific vendor to use its services for electronic signatures. Contact your agency MN.IT Chief Business Technology Officer (CBTO) for more information.

Here are some tips from agencies that have started using electronic signatures:

- Make sure the project has a green light from agency leadership.
- Consider starting small if electronic signatures are new to your agency. You can gradually expand the use as you work out any potential issues that come up during implementation.
- Determine what business functions will use electronic signatures and why. The UETA does specifically exclude some types of business transactions, so be sure you are familiar with those.
- Keep your policy brief and general. Because electronic signatures may be broadly applied, it is easier to define in policy what electronic signatures cannot be used for, rather than what they can.
- Make sure you consult your agency attorney in this process and keep them involved in implementation.

Questions?
Contact Josh Botnen, Internal Control Specialist