

Board Authorization for Execution of Contracts

Introduction

This policy details how the Board of Directors of Northwest Foundation, Inc. authorizes Foundation staff to execute contracts on behalf of the corporation under Article VII, Section 1 of the Bylaws. Delegation of authority for loans and financial instruments under Sections 2 and 3 of Article VII are subject to separate resolutions. The purpose of this policy is to establish sound internal controls by which only authorized individuals are able to execute Foundation contracts and to ensure that all Foundation contracts receive proper review and approval before they are executed.

Definition of a Foundation Contract

For the purposes of this policy, a "Foundation contract" is defined as an agreement between two (2) or more parties, one of which is the Foundation, intended to have legal effect. There must be a common understanding among the parties as to the essential terms, there must be mutual obligations, and there must be "legal considerations," meaning that something of value is exchanged.

Delegated Authority

All contracts shall be reviewed by the Foundation Finance Officer

- Level 1 – Contracts less than \$5,000, software licenses, leases on rental houses
 - The board authorizes the Foundation Finance Officer to sign on behalf of the corporation.
- Level 2 – Contracts and multi-year contracts that aggregate to greater than or equal to \$5,000 and less than \$25,000
 - The board authorizes the Foundation Executive Director to sign on behalf of the corporation.
- Level 3 – Contracts and multi-year contracts that aggregate to greater than or equal to \$25,000, and all property matters other than leases on rental houses
 - The board requires both the Foundation Board President and Foundation Executive Director to sign on behalf of the corporation.

Adopted by the Northwest Foundation board

Oct 22 - 2015
Date


President