



NORTHWEST FOUNDATION, INC.

NORTHWEST MISSOURI STATE UNIVERSITY

Policy Name:	Board Authorization for Execution of Contracts
Effective Date:	April 24, 2026
Foundation Board President Signature:	
Executive Director Signature:	

Board Authorization for Execution of Contracts Policy

1. Introduction

This policy details how the Board of Directors of Northwest Foundation, Inc. (Foundation) 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.

2. 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 mutual 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.

3. Delegated Authority

All contracts entered into on or after the effective date shall be reviewed by the Foundation Chief Financial Officer according to the following Levels:

- Level 1 – Contracts less than \$5,000, software licenses, leases on rental houses
 - The Board authorizes the Foundation Chief Financial 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 requires both the Foundation Executive Director and the Foundation Chief Financial Officer 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.

4. Review of Policy

The Governance Committee in conjunction with the Finance Committee and the Foundation Chief Financial Officer will review this policy every three years, or sooner if conditions warrant, and put forward any necessary changes for Board approval.