Contract Signing Authority Policy

Document No.: POL-01-002 Effective Date: 05/2026

Legal Authority

Pursuant to the Washington Nonprofit Corporation Act, the Board of Directors is responsible for the management and affairs of the Association, including approval of contractual obligations.

No contract, agreement, lease, memorandum of understanding, grant agreement, or financial obligation shall be valid unless executed in compliance with this policy.

Board Oversight and Approval

The Board of Directors retains exclusive authority to:

- Approve contracts exceeding delegated limits
- Approve multi-year agreements
- Approve real property leases or facility use agreements
- Approve debt instruments, loans, or lines of credit
- Approve contracts involving indemnification provisions
- Approve contracts involving compensation to officers or directors
- Ratify emergency actions taken under Emergency Authority

All approvals shall be documented in the official minutes of the general meeting.

Delegated Authority

Delegated authority must be formally approved by Board resolution and recorded in the minutes.

President

The President may execute contracts that:

- Are within the approved annual budget;
- Do not extend beyond one fiscal year; and
- Do not contain indemnification, harmless, or unusual liability provisions.

Treasurer

The Treasurer may execute routine banking, investment, and financial institution documents consistent with Board resolutions and approved financial policies.

No Implied Authority

No officer, director, committee chair, volunteer, or staff member has authority to bind the Association absent express Board delegation.

Financial Control Safeguards

To maintain fiduciary compliance and reduce risk:

- Contracts exceeding $500 require prior Board vote.
- Contracts exceeding $600 require Board vote and two authorized signatures.
- All contracts shall be reviewed for insurance, liability, and indemnification language when applicable.

- No blank or incomplete contracts may be signed.

Conflict of Interest Compliance

Any contract involving a director, officer, or related party must comply with the Association's Conflict of Interest Policy and applicable provisions of the Washington Nonprofit Corporation Act.

Disclosure and Board approval are required prior to execution.

Record Retention

Executed contracts shall be:

- Signed by authorized individuals
- Dated
- Maintained in the Association's permanent records per policy
- Provided to the Treasurer for financial tracking

Electronic signatures are permissible where legally valid.

Emergency Authority

In circumstances where delay would materially harm the Association, the President may execute a contract within a reasonable financial threshold not exceeding $1000, provided:

- Immediate Board notification occurs within 24 hours; and
- The action is ratified at the next Board meeting.

Annual Review

This policy shall be reviewed annually by the Board to ensure continued compliance with Washington nonprofit governance standards.