



501(c)(3)

Proposal to agInnovation 501(c)(3) Board of Directors

I respectfully submit for the Board's consideration, two proposed business practices establishing financial thresholds and corresponding levels of approval required to authorize expenditures. These practices aim to provide fiscal guidance for requesting parties (e.g., regional associations) utilizing the non-profit's resources. Finally, these suggestions are meant to ensure responsible stewardship of agInnovation's non-profit resources.

Levels of approval required for contract signing by agInnovation 501(c)(3):

- All contracts must be submitted to agInnovation non-profit no fewer than ten days prior to the intended signing date to allow for review and approval.
- If the contract obligates the contract signatory to \$5,000 or less, the requesting party (e.g. regional association) notifies the non-profit treasurer. The treasurer will sign the contract on behalf of the non-profit.
- If the contract obligates the contract signatory to expenses above \$5,000 and less than \$10,000, the agInnovation non-profit president will review the contract and sign on behalf of the non-profit.
- If the contract obligates the contract signatory to expenses above \$10,000 and less than \$50,000, the agInnovation non-profit Board of Directors will review the contract and make a recommendation to the president on signing on behalf of the non-profit.
- If the contract obligates the contract signatory to expenses above \$50,000, the agInnovation non-profit Board of Directors will review the contract and make a recommendation to agInnovation (the Section) on signing on behalf of the non-profit. Approval by agInnovation will be carried out electronically and shall pass by a simple majority.
- Regional association can use agInnovation non-profit credit card for contract expenses.
- Regional association repays agInnovation non-profit for expenses incurred by the region.

Levels of approval required for use of the agInnovation 501(c)(3) credit card

- Expenses of up to \$5,000 (single transaction), requesting party notifies agInnovation non-profit treasurer and requires no previous authorization.
- Expenses above \$5,000 (single transaction) and less than \$10,000 require prior approval by the agInnovation non-profit president.
- Expenses above \$10,000 (single transaction) and less than \$25,000 require prior approval by the agInnovation non-profit Board of Directors.

- Requesting party repays agInnovation non-profit for expenses incurred by the supported activity.

Submitted by Rick Rhodes, Treasurer; unanimously approved by electronic vote on June 16