

The Board will instruct the Administrator through written policies which prescribe the organizational ends to be achieved and describe organizational situations and actions to be avoided, allowing the Administrator to use any reasonable interpretation of these policies.

Accordingly:

1. The Board will develop policies instructing the Administrator to achieve certain results for certain recipients at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called *Ends* policies.
2. The Board will develop policies which limit the latitude the Administrator may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called *Executive Limitations* policies.
3. As long as the Administrator uses any reasonable interpretation of the Board's *Ends* and *Executive Limitations* policies, the Administrator is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities.
4. The Board may change its *Ends* and *Executive Limitations* policies, thereby shifting the boundary between Board and Administrator domains. By doing so, the Board changes the latitude of choice given to the Administrator. However, as long as any specified delegation of authority is in place, the Board will respect and support any reasonable interpretation of its policies.