

Board vs. Executive Director Policy Approval Guide

This guide clarifies which organizational policies typically require Board of Directors approval and which may be enacted or updated by the Executive Director (ED). It is intended to support clear governance and management boundaries.

Rule of Thumb

- If it affects the organization's legal standing, mission, or fiduciary obligations → **Board approval required.**
- If it governs day-to-day operations, staffing, or internal management → **ED may enact.**
- If it involves significant financial or reputational risk → **Board review recommended.**

Policy Area	Typically Requires Board Approval	Typically Enacted by Executive Director
Governance & Structure	Bylaws, amendments, board composition policies, conflict of interest, whistleblower, document retention, code of ethics, ED review, strategic direction changes.	Internal governance procedures, meeting logistics, committee operating guidelines.
Finance & Risk Management	Annual budget, investment policy, reserve policy, audit policy, executive compensation, insurance and risk management, gift acceptance.	Expense reimbursement procedures, purchasing thresholds, payroll and accounting processes, vendor and contract management within approved budgets.
Human Resources	ED compensation and employment terms, organization-wide compensation structure, harassment and discrimination policy.	Hiring, benefits, supervision, performance reviews, leave policies, professional development, D.E.I. practices, internal staff handbook updates.
Programs & Operations	Major program direction or mission changes, policies required by funders or regulators (e.g., nondiscrimination, lobbying, data privacy).	Program design and delivery, communications and social media, evaluation, client confidentiality, grant management and reporting procedures.

This table provides general guidance. Specific requirements may vary based on bylaws, state/provincial law, or funder compliance obligations.