

**GOVERNANCE AND MANAGEMENT  
FRAMEWORK**  
**Applying “Good Governance” at**



***Version: update 2022***

**Adopted by General Assembly,  
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## 1 General

This document describes how KNCV Tuberculosis Foundation (KNCV) has structured its governance and management. It refers to legal documents (i.e., articles of association), bylaws (i.e., rules and regulations), and KNCV adopted policies and practices. The document describes the framework and interlinkages for the various layers of governance and management of the association and internal organization.

Governance at KNCV Tuberculosis Foundation adheres to the guiding principles of the Good Governance Code of Charitable Organizations in the Netherlands<sup>1</sup> laid down in the [Erkenningsregeling Goede Doelen](#). This overarching quality standard issued by Goede Doelen Nederland (Association of Fundraising Institutions) sets one agreed standard for the sector of charitable organizations.

KNCV adheres to and reports annually in respect of fundraising standards to the Centraal Bureau Fondsenwerving (CBF) and complies with sector standards of Goede Doelen Nederland. KNCV Tuberculosis Foundation is assessed annually by the CBF as part of the 'Erkenningsregeling Goede Doelen'.

Reader's guide:

Chapter 1 is introductory.

Chapter 2 Administrative Structure - describes the division of roles and responsibilities within governance and management.

Chapter 3 describes the planning and control cycle, policies, and internal controls.

Chapter 4 describes public accountability, evaluation, as well as transparency and communication to stakeholders.

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<sup>1</sup> Code Goed Bestuur van Goede Doelen Nederland

## 1.1 Mission of KNCV Tuberculosis Foundation

Under its Articles of Association, KNCV Tuberculosis Foundation has as its statutory objective:

- “The promotion of the national and international control of Tuberculosis by, amongst others:
- a. Creating and maintaining links between the various institutions and people in the Netherlands and elsewhere in the world who are working to control tuberculosis.
  - b. Generating and sustaining a lively interest in controlling tuberculosis through the provision of written and verbal information, holding courses and by promoting scientific research relating to tuberculosis and the control of it.
  - c. Performing research in relation to controlling tuberculosis.
  - d. Providing advice on controlling tuberculosis, and
  - e. All other means which could be beneficial to the objective.

As a subsidiary activity, it may develop and support similar work in other fields of public health.”

Within the scope of its statutory objective KNCV has defined its mission to be:

**Mission:** The global elimination of tuberculosis through the development and implementation of effective, efficient and sustainable tuberculosis control strategies

## 1.2 Legal form

KNCV Tuberculosis Foundation is an association of members.

## 1.3 Articles of Association, Bylaws, and Rules and Regulations

The Articles of Association are contained in Annex 1.

The following bylaws, rules and regulations have also been adopted in the formal administrative framework of the Articles of Association:

- The Association’s Bylaws (Annex 2)
- Rules and Regulations for the Board of Trustees (Annex 3a)
- Rotation schedule Members of Board of Trustees (Annex 3b)
- Rules and Regulations for the Audit Committee (Annex 4)
- Rules and Regulations for the Remuneration and Assessment Committee (Annex 5)
- Rules and Regulations for the Executive Director (Annex 6)
- Job description of the Executive Director (Annex 7) and job description Deputy Director (Annex 8)
- Rules and Regulations for the Management Team (Annex 9)
- Organigram (Annex 10)
- Rules and Regulations of the Works Council (Annexes 11a and 11b)

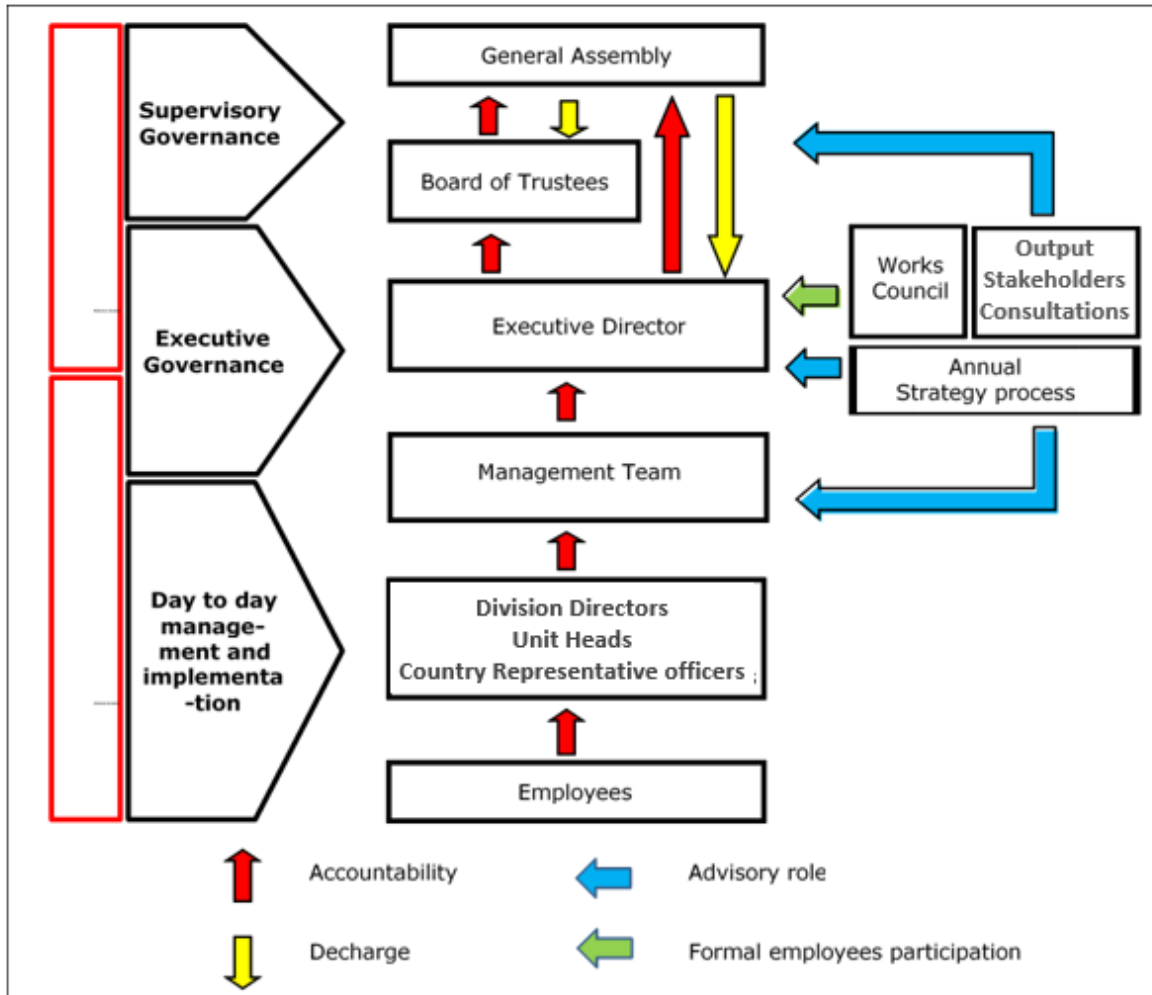
The following procedures and policies have been adopted as part of the internal administrative framework and are also included as Annexes to this document:

- Investment Policy (Annex 12)
- Code of Conduct (Annex 13)
- Whistle-blower Procedure (Annex 14)
- External Complaints Procedure (Annex 15)
- KNCV Policy on Fraud, Money laundering and Counter Terrorism (Annex 16)
- Partner Policy (Annex 17).

### 1.4 Model for management and governance

The association has a two-tiered supervisory governance model: the Board of Trustees has direct oversight on the Executive Director and management of the organization. The Board of Trustees and Executive Director are accountable to the General Assembly. The diagram below reflects the overall governance structure and the internal management structure.

**Diagram 1: KNCV Governance Structure**



## 2 Administrative structure

Chapter two describes the objectives, composition, roles, and responsibilities of the governance and administrative bodies of KNCV, KNCV Global (the organization in The Hague) and the KNCV Network Organization which is comprised of:

- KNCV branch offices, an integral part (financially and legally) of KNCV.
- Local entities, often carrying KNCV in their name, and with whom partnership agreements are signed, but are legally and financially independent entities, separately incorporated locally.

### 2.1 General Assembly

- a. Objective  
The objective of the General Assembly is to ensure that the efforts of the foundation make an optimum contribution to the statutory mission. The General Assembly also has an advisory role in this respect.
- b. Composition  
Members of KNCV Tuberculosis Foundation (the Association, henceforth referred to as "KNCV") are associations and foundations which have TB control as their mission or area of work. KNCV also allows extraordinary membership to individuals interested in supporting the aims of TB control. These are non-voting members and have no formal powers or authorities in the General Assembly.
- c. Responsibilities  
The primary responsibility of the General Assembly is supervisory governance, in accordance with the Dutch Good Governance Code. Several administrative powers are reserved for the General Assembly under the Articles of Association and Bylaws (see paragraph d. below).
- d. Powers  
The General Assembly is authorized to:
  - Approve the annual accounts.
  - Grant annual discharge from liability to the Executive Director for the executive governance, management, and policy pursued.
  - Grant annual discharge from liability to the Board of Trustees for its supervisory governance.
  - Appoint, suspend, and dismiss the Board of Trustees and its members.
  - Appoint the external auditor.
  - Approve any changes to the Articles of Association.
  - Dissolve KNCV.
- e. General Assembly Bylaws  
The KNCV Articles of Association and Bylaws lay down the relationships between the General Assembly and the Board of Trustees, and the General Assembly and the Executive Director (Annex 2).

### 2.2 Board of Trustees

- a. Objective,  
The objective of the Board of Trustees is supervisory governance, including approval and oversight on the overall strategy and direction of KNCV.
- b. Composition  
The Board of Trustees comprises of 5 to 7 members, representing a set of competencies, which is reviewed periodically.
- c. Appointment and Resignation  
The members of the Board of Trustees are appointed for a 4-year term; members may be reappointed once (statutorily, a second reappointment is possible, if needed to ensure continuity). Appointment and dismissal are specified in the Articles of Association. When a vacancy arises, the Board of Trustees nominates a candidate for appointment by the General Assembly.
- d. Responsibilities  
The responsibilities of the Board of Trustees are described in the Articles of Association and detailed in the Rules and Regulations for the Board of Trustees.
- e. Powers  
The powers of the Board of Trustees are described in the Articles of Association and detailed in Rules and Regulations.

- f. Rules and Regulations for the Board of Trustees  
These rules and regulations aim to promote good teamwork within the Board of Trustees, between the Board of Trustees and the Executive Director, and the General Assembly, respectively.
- g. Consultation  
There are four forms of consultation:
- Meetings of the Board of Trustees.
  - Agenda consultations.
  - Consultations of permanent and temporary committees of the Board of Trustees.
  - Annual Strategic retreat with the Executive Director, Management Team, and a broader delegation of staff.
- h. Permanent and Temporary Committees of the Board of Trustees  
The Board of Trustees may decide to set up permanent or temporary committees to carry out a delineated task and issue advice to the Board of Trustees. The permanent committees' mandate, composition, and working methods are outlined in rules and regulations. Committees provide integrated feedback to the Board of Trustees on their deliberations and advice/recommendations to the BoT.
- a) **Agenda Committee**  
This committee, consisting of the Chair and Vice-chair, is responsible for:
- Setting the agenda for the Board of Trustees meetings and monitoring the annual agenda.
  - Fulfilling a bridging function between the Board of Trustees and the Executive Director.
  - Further provisions regarding the Agenda Committee are included in the Rules and Regulations for the Board of Trustees.
- b) **Audit Committee**  
This committee, to which at least two members of the Board of Trustees with financial expertise are appointed, provides support in the supervisory governance of financial management, control, administrative processes, and external audit. It also maintains a relationship with the external auditor on behalf of the Board of Trustees. Rules and regulations have been set for the audit committee and are included in the annexes  
The audit committee also acts as an **investment committee** responsible for monitoring the implementation of the investment policy.
- c) **Remuneration and Assessment Committee.**  
This committee, consisting of the Chair and Vice-chair, is responsible for:
- Drawing up the employment conditions of the Executive Director.
  - Carrying out performance interviews with the Executive Director.
  - Assessment of the Executive Director's performance, determining salary adjustments, ensuring compliance with sector standards, and consulting the Board of Trustees in case of any deviations and in all cases when deemed necessary.  
The rules and regulations for the Remuneration and Assessment Committee are included in the annexes.

## 2.3 Executive Director/Executive Board

- a. Composition  
KNCV Tuberculosis Foundation is led by an Executive Board that currently consists of the Executive Director (ED). The ED holds statutory powers.
- b. Appointment and dismissal  
The Board of Trustees appoints, suspends, and dismisses the Executive Director. The Executive Director appoints, suspends, and dismisses the Deputy Director (in consultation with the BoT), Division Directors, and other staff.
- c. Responsibilities  
The responsibilities of the Executive Director are laid down in detail in Rules and Regulations for the Executive Director and in the function description of the Executive Director. The responsibilities include:
- Representing the Organization
  - Guiding the organization to achieve its objectives.
  - Ensuring the acquisition of funding.
  - Disbursing and managing the available funds.

- Accountability on the allocation and expenditure of the available funds.
  - Adequate functioning of the organization.
- d. Powers  
The powers of the Executive Director are described in detail in Rules and Regulations for the Executive Director and the function description of the Executive Director. They are summarized as follows: the Executive Director
- Decides on strategy, plans, policies, and the annual budget following consultation with and upon advice from the Executive Committee and Management Team.
  - Presents the 5-year strategy, annual plan, and budget to the Board of Trustees for approval.
  - Is accountable to the Board of Trustees and General Assembly on the allocation and use of funds in relation to the strategy, plans and budget
  - Represents KNCV Tuberculosis Foundation and enters contractual obligations as laid down in the Articles of Association.
- e. Rules and Regulations of the Executive Director  
The rules and regulations aim to enhance good teamwork between the Executive Director and the organization.
- f. Performance Assessment  
Annually the Remuneration and Assessment Committee of the Board of Trustees and Executive Director will review the results of the current work plan and discuss the annual work plan for the coming calendar year. The Executive Director's self-assessment informs the discussion with the Remuneration Committee and may inform the ED's input to the MT self-assessment.
- g. Delegation of powers  
The Executive Director may delegate to employees the authority to sign in respect of obligations to third parties, for an amount up to € 25.000.
- h. Deputy Director  
The organizational structure includes a non-statutory Deputy Director who is part of the Management Team. The position of the Deputy Director is attached to one of the Division Directors positions. When the Executive Director has a technical background, the Deputy Director will be non-Technical (and vice versa). The responsibilities of the Deputy Director are described in an annex to the job description of the office holder.

In case of multi-day absence of the Executive Director, the following Executive Director powers are delegated to the Deputy Director:

- Strategic decisions jointly with the other Directors
- Contracts and commitments up to an amount as defined in section 3.9 (€ 500.000)
- Representation to external parties (provided the topic is non-TB technical)
- Chairing of the MT meeting

## 2.4 Management Team

- a. Membership  
**The Management Team** is composed of the Executive Director, Directors, Unit Heads and Board Secretary. Senior Advisor HR attends MT meetings in a non-voting capacity. Other staff are invited on a need's basis.
- b. Management Team meetings  
MT meetings take place bi-weekly for over-arching operational coordination and decisions, progress reporting, and to provide advice to the Executive Director. The organization is informed periodically in staff meetings and internal bulletins about the relevant topics and decisions in the Management Team.
- c. Mandate and Purpose  
The Management Team has an advisory role in support of the Executive Director in (statutory) decision-making. The principal areas of the Management Team purview include:
- Operational and organizational coordination, prioritization, and decisions.
  - Oversight on financial and programmatic progress, pacing and prioritization in the delivery of annual plan and on organizational development initiatives (e.g., to stay within available human resource allocation).
  - Oversight on realization of mid-term and long-term strategic issues
  - Flagging of strategic/external developments which merit in-depth strategic consideration by a broader group
- d. Procedures and quorum for decision making:



Decisions by the Management Team require the presence of at least two Division Directors in addition to the Executive Director/Chair MT. The Executive Director chairs the Management Team meetings. When the Executive Director is absent, the Deputy Director chairs the Management Team meetings.

- e. Performance assessment  
The Management Team annually performs a self-assessment.
- f. **The MT Executive Committee** (ExCom) is composed of the Executive Director, Division Directors and is supported by the Board Secretary; The Executive Committee advises the ED on statutory, administrative, strategic and personnel decisions and sets the MT agenda. MT Executive Committee Meeting is convened bi-weekly for taking and recording ED statutory, administrative, and personnel decisions.

## 2.5 Organizational entities and decentralized responsibilities

- a. Organization  
KNCV Tuberculosis Foundation is composed of KNCV Global Office, the central organization located in The Hague, and branch offices (including one regional office). The organization chart is enclosed in the annexes.
- b. The branch offices and regional office report to the Operations Division.
- c. Roles and responsibilities  
Divisions/Units/country and regional offices are described in the Modus Operandi and Country Office Manual. Each division/unit/country office performs their tasks within the overall KNCV strategy, annual plans and the limits of the resources made available.
- d. Consultation and coordination  
Meetings are held periodically within and between divisions/units/country and regional offices,. The strategic directions are reviewed and assessed annually.

## 2.6 KNCV Network Organization

- a. The KNCV network organization.  
The KNCV Network organization includes the followings: KNCV Global with the office in the Hague-Netherlands; KNCV branch offices, legally and financially an integral part of KNCV, with projects and activities in different countries; and the separately incorporated, legally and financially independent local entities in different countries.
- b. Branch offices  
The branch offices report to KNCV Global through the Operations Division and are functionally further supported by TB Elimination and Health Systems Innovations Division and Resource Mobilization Unit.
- c. Quality assurance and standards  
On an annual basis an administrative compliance check is done for the branch offices. This includes matters related to corporate, labour, regulatory and tax laws.
- d. Local affiliates of KNCV  
Local affiliates within the KNCV Network have a legal partnership agreement with KNCV describing roles and responsibilities, including matters of KNCV branding and Intellectual Property and expected information sharing.
  - a. There is no power/decision making relationship between the two organizations.
  - b. There is a platform for content discussion, convened quarterly.
  - c. KNCV staff may on occasion be represented on the Board of the entity, at the initiative of the entity.
- e. Annual KNCV Network Meeting  
A KNCV Network Meeting is convened annually. Purpose of the meeting is to assess collective achievement in contributing to TB elimination efforts globally, knowledge exchange, and reinforcing quality standards and best practices across the network.

## 2.7 Works Council

- a. Application of the Works Councils Act  
In accordance with the Works Councils Act, KNCV Tuberculosis Foundation has a Works Council.  
The composition and working method of the Works Council, and rules governing the appointment of its members, are set down in rules and regulations
- b. Rules and Regulations govern the cooperation between the Works Council and the Executive Director (the legal representative for KNCV Tuberculosis Foundation). The Executive Director

is supported in Works Council representation by HRM.

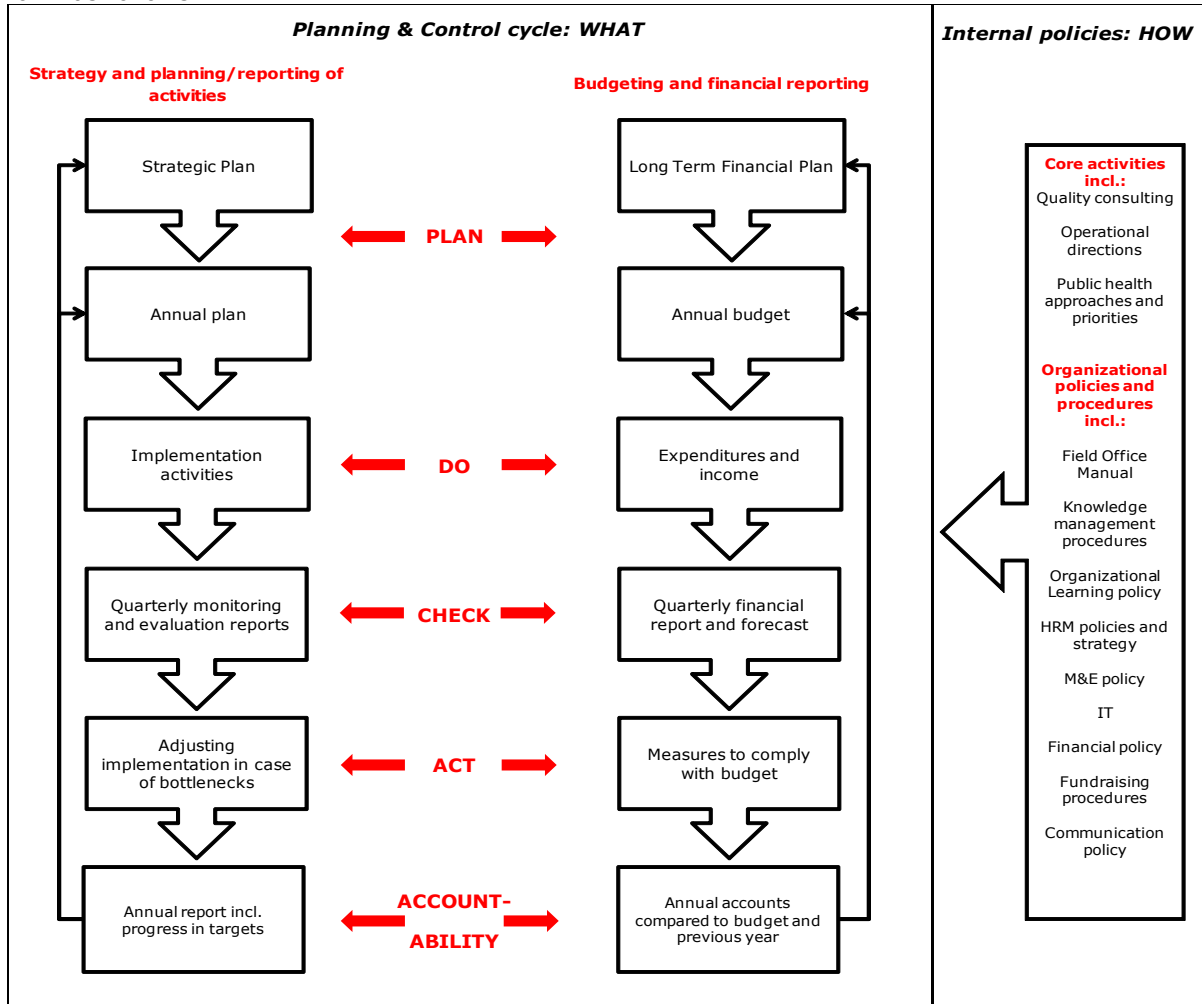
These Rules and Regulations set down the arrangements which aim to enhance good teamwork between the organization's legal representative and the Works Council.

- c. The legal representative of KNCV Tuberculosis Foundation, as defined in the Works Councils Act, is responsible for:
- Representing the organization during consultation meetings, progress meetings, and informal meetings with the Works Council.
  - Communicating and explaining decisions and proposed decisions of the Executive Director and the Management Team.
  - Providing the Works Council with solicited and unsolicited information in all relevant areas.
  - Submitting Requests for Advice and Approval.
  - Assuring accurate minute taking in all meetings by the Secretary of the Works Council.
  - Taking receipt of and processing all initiatives, advice, and approvals put forward by the Works Council.
  - Informing the Management Team regarding the main themes of the subjects discussed with the Works Council.
- c. Consultation and cooperation The Works Council and the director have three types of meetings:
- The consultation meeting.
  - Progress meeting.
  - Informal meeting.

### 3 Planning, policy and internal control measures

#### 3.1 General

The planning and control cycle applied by KNCV Tuberculosis Foundation is shown in schematic form as follows:



#### 3.2 Strategic planning and long-term budget

a. Process

A strategic planning period is approximately 5 years. During the year prior to the start of a planning period, the organization undergoes the following process:

- Orientation regarding the external environment and developments in controlling TB and other relevant areas.
- Assessment of the actual and potential role of KNCV in supporting TB control.
- Assessment of the fitness and recommended strengthening of KNCV Tuberculosis Foundation as an organization in relation to the challenges ahead.
- Defining goals and targets for the strategic plan period.
- Developing a long-term budget based on the objectives, targets, and roughly defined plans.

b. Objective and functions

When the strategic plan and long-term budget have been adopted, these act as:

- Advance accountability and point of reference to the Board of Trustees and the General Assembly.

- Guidance for the annual plans to be developed by the organization, and by the central and decentralized parts of KNCV.
- Point of reference point for assessing the annual plans, and the basis on which adjustment can take place, as needed.

### **3.3 Annual planning and budget**

- a. Process  
The activities to be carried out within a strategic planning period are detailed in the annual plan and budget, per division/unit/country office and aggregated.
- b. Objective and functions  
When an annual plan and budget have been adopted, they act as:
  - Advance accountability document to the Board of Trustees and the General Assembly.
  - Guidance for the activities to be developed by the organizational entities.
  - Discussion document between parts of the organization in the context of internal service provision and service level agreements.
  - Results agreements between the Executive Director, division directors, unit head(s) and the leadership of KNCV country offices.
  - Budget authorities at central and decentralized parts of KNCV.
  - Point of reference for assessing progress and realization reports, and the basis for adjustments, if deemed necessary.

### **3.4 Monitoring progress on annual plans**

- a. Responsibilities  
Directors/unit heads/country directors/representatives are responsible for guiding the members of their entity and monitoring progress, flagging divergences from the planning, and adjusting the direction where necessary. Progress is monitored quarterly at the entity level as well as at the organizational level
- b. Monitoring and evaluation (M&E)  
Special attention is paid to programs and projects in response to reporting obligations to institutional donors as well as through internal monitoring and evaluation. M&E is a standard component of project management.
- c. Quarterly reporting  
At the end of each quarter, a progress report on activities and budgets of the current year is compiled. A quarterly financial re-forecast is included. The quarterly report is reviewed by the Management Team and shared for information internally and with the Board of Trustees.

### **3.5 Operationalization of strategy and enabling policies**

- a. Strategy and annual plans state what KNCV Tuberculosis Foundation wishes to achieve during a specific period, defining the steps and pace. In addition, it reflects the decisions on how objectives are achieved and within which frameworks. This is reflected in operational directions for both the core business and enabling operational areas.
- b. TB control policy is largely set in external processes (WHO and, in the Netherlands, in the Committee for Practical TB control) to which KNCV contributes. Within the operational directions, KNCV defines the content, emphasis, and operational policies for "quality consulting" and research (and/or research support) products. Examples of operational directions include the approaches and KNCV products to support each of the strategic priority areas and specific technical areas (the component parts of the END TB Strategy). These are defined and continuously evolving under the leadership of the Executive Director and the TB Elimination and Health Systems and Innovation Division (TBE&HSI).
- c. KNCV has defined internal guidelines, policies and procedures and a continuous process of organizational learning and improvement.

### 3.6 Quality management, including monitoring & evaluation, and organizational learning

- a. The organization has established several internal policies and procedures with the aim of enhancing the quality and consistency of operations.  
On the core business side, such quality enhancing policies and procedures include:
  - "Quality Consulting" standards and peer review mechanisms.
  - Engagement and disengagement policy, including Partner Policy.
  - Knowledge Exchange and Organizational Learning.
 On the enabling side, this includes quality enhancing procedures such as:
  - Country Office Manual.
  - Fundraising Procedures, including Goede Doelen Nederland ethical considerations.
  - HRM policy and procedures.
  - Communication policy.
- b. Purpose of quality monitoring  
The organization has determined the way in which it wishes to achieve results based on applicable quality requirements. Quality standards are described in a variety of guidance and policy documents related to the core business and enabling processes (see 3.4 above). The purpose of quality monitoring is to strengthen compliance to quality standards at the individual, team, and organizational levels as well as to provide the basis for continuous quality improvements and organizational learning.
- c. Systems for quality monitoring;  
KNCV has established a set of internal systems which monitor compliance with internal standards and reinforce these. In addition, KNCV complies with a set of external systems for quality monitoring and assurance.
- d. Internal systems reinforcing compliance with quality standards;  
Compliance to quality standards is enforced at the individual and team level through regular reporting lines, peer review mechanisms as well as periodic performance appraisal reports. At decentralized and organizational levels, internal planning and control processes (as described in 3.1 to 3.5) and the quarterly reports provide the basis for quality monitoring on timely progress towards the realization of plans and budgets.
- e. Quality monitoring for organizational learning;  
The internal M&E system is geared to monitoring the quality and effectiveness of all project activities and the organization as input to an annual cycle of evaluation, learning and deciding improvements to operations. The improvements which are defined in the organizational learning cycle feed into the annual planning and budgeting cycle.
- f. External systems reinforcing compliance with quality standards  
The external systems include the external auditing of the administrative and financial operations as conducted by independent auditor PwC Accountants NV. In addition, KNCV adheres to and reports annually in respect of fundraising standards of the Centraal Bureau Fondsenwerving (CBF) and sector standards (Normen Erkenningsregeling) as set by Goede Doelen Nederland (Association of Fundraising Institutions). KNCV Tuberculosis Foundation is periodically assessed by the CBF to retain the CBF Seal of Approval.
- g. External complaints procedure:  
In the interest of external parties with a complaint and in the interest of enabling KNCV to learn from mistakes, a procedure for lodging and dealing with complaints, is in place (see Annex XX) and published on the KNCV website. A registry of complaints is kept and reported quarterly to the Management Team.

### 3.7 KNCV Integrity System and Code of Conduct

KNCV strives to maintain the highest standards of integrity in our internal and external operations. KNCV has defined a number of codes and policies in support of ethical behaviour, and to adequately address transgressions when these occur. KNCV reinforces the practice of ethical behaviour through periodic staff dialogue and across the KNCV Network.

#### a. The KNCV Code of Conduct (Annex 13)

All KNCV employees are held to the KNCV Code of Conduct. The Code of Conduct sets standards and provides employees with guidance to ensure integrity and ethical behaviour. It provides guidance on how to avoid and/or act in situations giving rise to a (potential or perceived) conflict of interest and supports a safe working environment.

Compliance with the Code of Conduct is enforced through the regular supervision and reporting lines as well as periodic staff dialogue. Workshops/webinars are organized to engage employees and the KNCV Network for enhancement of KNCV integrity and ethical behaviour practices. Procedures for sanctions are in place and compliance is monitored.

b. Whistle-blower procedure (Annex 14)

The whistle-blower procedure and supporting mechanisms (including an external legal advisor) are in place, defining the processes to handle whistle-blower complaints and protect whistle-blower(s) interests. The procedure is published on the KNCV website.

c. External Complaints procedure (Annex 15)

A formal complaints procedure is in place and available via the KNCV website for donors, partner organizations and other stakeholders.

d. KNCV Policy on Fraud, Money laundering and Counter Terrorism (Annex 16)

Compliance to this policy (update April 2018) is reinforced during the field visits by Finance and/or Operations to KNCV branch offices. The policy is reviewed as part of the PwC annual audit.

### 3.8 KNCV employees and internal justice systems

KNCV strives to maintain the highest standards of integrity and to ensure a safe working environment. In support of this, KNCV has defined a number of codes and procedures to adequately address issues when these arise. Beyond the regular reporting channels, KNCV has put in place a number of safeguards for the protection of the rights of employees.

a. HRM manual

The aim of the manual is to ensure fairness and equity, as well as attract and retain qualified and committed staff, and to define the rights and the responsibilities of the employees and KNCV as employer.

b. Internal Complaints Committee

An internal complaints committee is put in place when a formal complaint of a staff member or a group of staff arises, and when an employee is charged with misconduct.

c. Confidential Advisor (external)

A designated external advisor can be confidentially consulted by staff when individual rights are or are perceived to be infringed upon. This external advisor is also available to support staff charged with misconduct and to ensure due process.

d. Works Council

The Works Council is consulted for collective issues at central level in accordance with Dutch law. At decentralized level, employee consultation is shaped in accordance with local laws.

### 3.9 Risk Management

a. Internal measures

In the context of limiting risks, KNCV Tuberculosis Foundation has embedded the following explicit and implicit measures in the organization:

- The administrative structure guarantees that decisions of material importance are never taken by a single person and that decisions are taken in the appropriate forums as well as recorded and disclosed.
- Responsibilities and powers are explicitly assigned to the various organizational layers and are set down in internal procedures, mandates, and function descriptions.
- Administrative procedures and internal control measures are assessed periodically by the external accountant.
- If expertise on an issue is not available internally, KNCV Tuberculosis Foundation sources advice externally.
- Annually a risk analysis is conducted, and risk mitigation actions are defined and monitored by the Management Team. This is assessed in the Audit Committee and the Board of Trustees.

b. Liability of Directors and Members of the Board of Trustees

KNCV Tuberculosis Foundation has taken out liability insurance up to an amount which is periodically reassessed (in the annual Risk Management process) in relation to the assessed risk exposure for claims for loss incurred by third parties.

c. Insurance

KNCV Tuberculosis Foundation takes out insurance to cover risks of a material nature, to which the organization is exposed like any other organization, where possible. Advice is

requested from insurance experts in this context. Management of the insurance portfolio is the responsibility of the Finance Director.

### 3.10 Delegation of Powers: Power of Attorney and Authorization to sign

The annual budget, decisions of the Executive Director, and decisions regarding employment contracts determine what obligations can be contracted:

- a. Employment contracts and obligations related to employment conditions  
All correspondence in which obligations are set down involving employees on the payroll of the central office must be signed by the Executive Director or (in case of multi-day absence) by the Deputy Director; in decentralized offices, the Country Director/Country Representative is mandated to sign all local contractual obligations involving employees subject to formally communicated approvals for employment by the Executive Director.
- b. Contracts in which long-term service provision by third parties or long-term services to be delivered by the KNCV entity are set down.  
Contracts are signed by the Executive Director. Sometimes co-signatures are required by the contract partner.
- c. Contracts for one-off assignments by third parties or project funding  
These contracts are signed by the division director/unit head up to an amount of €25,000, within an approved budget.  
For an amount in excess of €25,000, contracts must be signed by the Executive Director. Sometimes co-signatures are required by the contract partner.
- d. Other obligations at the central level  
The Executive Director can delegate authorizations by issuing a power of attorney. In the case of multi-day unavailability, the deputy director can also sign the PoA's. When issuing powers of attorney, the following structure is applicable:

Authorization to sign	Organizational section/person
up to € 500	Purchaser concerned
up to € 5,000	Officer concerned within allocated budget Budget holder concerned within allocated budget
up to € 25,000	Division Director, Unit head, Country Director/ Country Representative, Grant Manager, Project Manager, Grant Administrator concerned and within allocated budget

The authorizations are linked to the status as a budget holder in relation to specific budget lines. The authorized person can sign on their own up to the limits stated. Above the stated limit, the person with the higher authorization co-signs. The Finance Division is responsible for ensuring that the payment authorizations are signed in accordance with the allocated authorizations.

- e. Authorizations to sign bank orders at central level;  
The actual issue of an order to transfer amounts to the bank accounts of the organization and bank accounts of third parties are reserved for the Executive Director. As defined in the rules and regulations for the Executive Director, the Executive Director is authorized up to an amount of €1,500,000, The Deputy Director is authorized up to an amount of €500,000. Joint authorization is required above these amounts.
- f. Other authorities and obligations at decentralized level.  
Authorities and KNCV representation at decentralized levels are described in the Country Office Manual and are reaffirmed in the standard and specific job description of the appointed officers.  
In the countries, KNCV is represented by the Country Representative Officers (CRO) powers of authority (at decentralized level) include:
  - **Bank account**  
The CRO is authorized to be a signatory on the existing bank account(s). If a (new) bank account has to be opened, the country representative must obtain written authorization signed by the Finance Director.

- Payments  
The CRO is authorized to effect payments related to the project activities within the approved budget.
- Procurement  
The CRO is authorized to procure goods and services related to project activities and within the approved budget for a maximum amount of € 25,000 or equivalent in foreign currency. Procurement for higher amounts requires the approval of the Executive Director. This can be given by sending an e-mail with a letter in PDF format.
- Contracts  
The CRO is authorized to conclude agreements for partners and donors after written authorization has been obtained from the Executive Director. Furthermore, the country representative is authorized to sign contracts such as rental agreements, car rental, etc., relating to the project activities and within the approved budget, for a maximum amount of € 25,000 or equivalent in foreign currency. Contracts with higher amounts require the approval of the Executive Director. This can be given by sending an e-mail with a letter in PDF format.
- Personnel  
The CRO is authorized to recruit local staff in accordance with the project activities, within the approved budget. For key positions (including those which require donor approval) approval by the Executive Director is required.

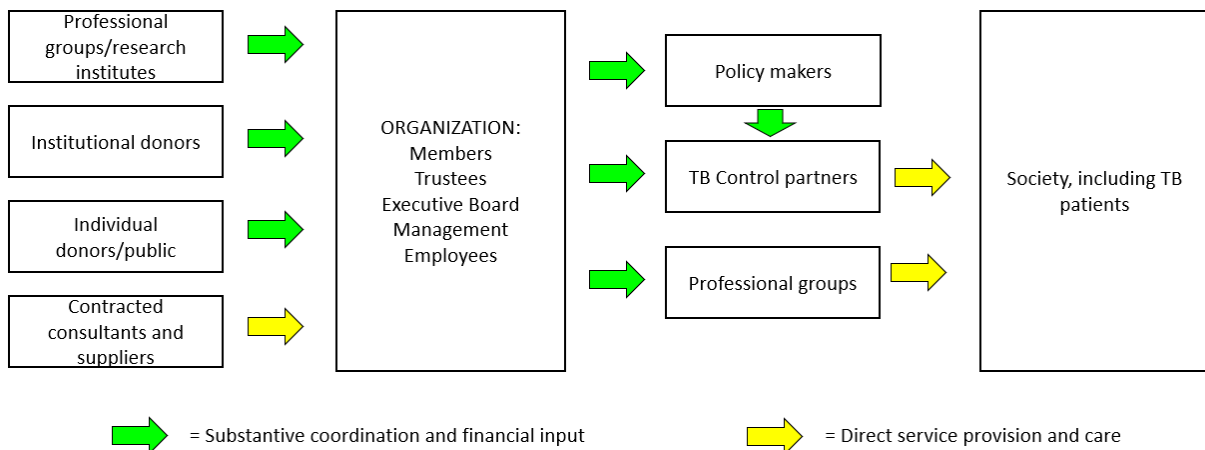


## 4 Public transparency, accountability, and communication

### 4.1 Stakeholders

- a. Definition of stakeholders  
A vast and hybrid network of stakeholders composes and surrounds KNCV Tuberculosis Foundation. In addition to the Members of the Association, a wide variety of external stakeholders have a stake in and a contribution to KNCV's performance in respect of its mission. The ultimate stakeholder is the tuberculosis patient and society-at-large benefitting from a reduction of human suffering and transmission of TB as a result of the efforts of KNCV.
- b. Groups of stakeholders  
On the basis of the above definition of stakeholders; the following groups can be specified:
  - Tuberculosis patients, communities and societies affected by TB.
  - Professional groups in the Netherlands and research institutes in TB control in the Netherlands and globally.
  - KNCV partners in TB control in the Netherlands and abroad (implementation, technical assistance and policy development), at the national, regional and global level.
  - Donors, foundations for TB control.
  - Individual donors and corporate sponsors.
  - Members of the Association, Board of Trustees.
  - Employees.

The relationships between the groups of stakeholders and the organization are shown below in schematic form.



### 4.2 Institutional and private fundraising

- a. KNCV raises funds with the following benefactors:
  - Institutional fundraising with public donors, foundations, and corporations (Dutch) Lotteries
  - Private fundraising with individuals and (corporate) sponsoring
- b. The organization adheres to the Rules and Regulations of the Centraal Bureau Fondsenwerving (CBF) and Goede Doelen Nederland Code.
- c. The organization guards against situations of ethical and other conflicts of interest. In the case of funding from a pharmaceutical company, special care is given to ethical considerations and an explicit decision is taken at management level whether to proceed.
- d. Accountability and transparency to all types of benefactors is an important dimension in KNCV's internal reporting as well as external communication policies and procedures.

### 4.3 Public transparency, accountability, and communication with KNCV stakeholders

- a. The objective of public transparency, accountability, and communication with stakeholders; As an association of members and as a fundraising charity with ANBI status<sup>2</sup>, KNCV is held to a high standard of accountability (in advance as well as after the fact) on allocation and expenditure of funds as well as effectiveness in improving public health results nationally and globally.  
KNCV is committed to transparency, internally and externally, and publishes its strategic plan, financial and annual report on its website ([www.kncvtbc.org](http://www.kncvtbc.org)). KNCV accountability complies with Dutch law and the requirements of institutional donors, certification bodies, and sector organizations.
- b. Transparency in Good Governance  
KNCV Management and Governance (application of the Good Governance Code) describes the management, governance, and administrative structure of the KNCV Tuberculosis Foundation. It is published in full on the website, including the Articles of Association, Bylaws, and the principal rules and regulations and relevant procedures.
- c. Modalities of accountability:
- The General Assembly takes place annually and is mandated to approve the Annual Report and Accounts as well as provide discharge to the Executive Director and the Board of Trustees (see 2.1).
  - For all stakeholders and for the public, KNCV Tuberculosis Foundation provides an overview of the results achieved and the resources used in its Annual Report and Accounts, and project reports for donors.
  - The Annual Report and Accounts provide extensive accountability on the use of the resources in reference to *ex-ante* defined results areas.
  - Project accountability  
Project accountability is provided on all projects carried out in the context of the core activities. The accountability is drawn up in accordance with internal guidelines and project management procedures and conforms to the requirements and reporting cycles as set by donors. (The executive summary of) external evaluation reports are posted on the KNCV website, unless third parties commissioning the evaluation would preclude this possibility.
  - The conclusions of the monitoring and evaluation cycle are integrated into the annual report. The annual report and the quarterly reports are shared with the Board of Trustees.
- d. Objective of communication with stakeholders
- Communication with stakeholders serves transparency and public accountability and aims at strengthening and maintaining support to the KNCV mission.
  - Communication with stakeholders with a direct interest in the outcomes of our work (including partners and beneficiaries) assure actively solicited input to KNCV strategic and annual planning. Social media are used by the organization to communicate opinions and viewpoints as well as participate in dialogues concerning the organization's field of work.
- e. Openness to external influence by stakeholders  
Given the public's stake in the KNCV mission, it is important that the organization maintains two-way channels of communication. This implies opening itself to external stakeholders influencing of strategy and operational directions of the organization; and ensuring opportunities for external stakeholders to submit advice and ideas to the organization. This includes documented processes such as with the WHO and as a WHO Non-State Actor partner, Stop TB Partnership Board meetings, and high-level meetings with donors, and the annually convened End TB summits with representatives from the TB high burden countries. In this way, KNCV, on a continuous basis and during strategic planning cycles and review optimizes its relationship with stakeholders and assures input to its strategic directions. At the meeting of the General Assembly and in a wide range of formal and informal forms of policy consultations<sup>3</sup>, stakeholders have an opportunity to exchange thoughts with the Executive Director, the Management Team and KNCV staff.  
Moreover, KNCV staff engages in a great variety of stakeholder consultations at global, regional, and country level. In these consultations TB control policies and input to KNCV priority setting and approaches are shaped.

<sup>2</sup> ANBI refers to charity organizations (Algemeen Nut Beogende Instanties) and the specific fiscal conditions

<sup>3</sup> Including meetings of the International Advisory Council, General Assembly, etc. KNCV Network organization

- f. External complaints  
A formal complaints procedure is in place and available via the KNCV website (as noted under 3.7.e) for donors, partner organizations and other stakeholders (Annex 15).

#### **4.4 External audit**

- a. Appointment of the external auditor  
Appointment of the independent external auditor is the authority of the General Assembly. Selection of the external auditor and issue of the commission are prepared by the Executive Director and the Audit Committee.  
Each year, an audit plan is made with the external auditor regarding the general and project audits to be carried out. This audit plan is shared with the Audit Committee and is approved in the Management Team meeting. The Executive Director and the Director of Finance, in addition, propose areas for attention in the administrative organization and internal auditing for evaluation and assessment.
- b. Reports on the findings and management letter  
The external auditor reports the findings of the general audit in a draft management letter to the Executive Director. The response of the Executive Director/Management is incorporated into the final version of the management letter. This is submitted to the Board of Trustees and the Executive Director and explained by the auditor in a meeting with the Audit Committee. The Chair of the Audit Committee gives a report on the deliberations and conclusions of the Audit Committee in the meeting of the Board of Trustees.
- c. Periodic assessment  
The working method and performance of the external auditor are assessed periodically by the audit committee in close cooperation with the Executive Director and the Director Finance & Operations (current practice: every four years). An assessment document is used for this purpose.

## 5 Overview of the annexes

1. Articles of Association adopted in General Meeting May 30, 2012
2. Bylaws adopted in General Meeting May 16, 2018
3. a. Rules and Regulations for the Board of Trustees adopted in General Meeting May 16, 2018  
b. Resignation schedule of the members of the Board of Trustees version May 2022
4. Rules and regulations for the Audit Committee revised in the Meeting of the Board of Trustees of April 14, 2022
5. Rules and regulations for the Remuneration and Assessment Committee adopted in the Meeting of the Board of Trustees of April 14, 2022
6. Rules and regulations for the Executive Director adopted in the Meeting of the Board of Trustees of April 14, 2022
7. Job description of the Executive Director May 2018  
Job Description Deputy Director April 2022
8. Rules and regulations for the Management Team adopted in the Management Team Meeting of 28 March 2018
9. Organizational chart of KNCV Tuberculosis Foundation version April 2022
10. a. Rules and regulations for the Works Council adopted in General Meeting May 30, 2012  
b. Rules and regulations governing the meetings between the Works Council and the director adopted in the Works Council consultation meeting of May 8, 2006
11. KNCV Investment Policy adopted in the Board of Trustees meeting, November 2020
12. KNCV Code of Conduct adopted in the Board of Trustees meetings of February 15, 2016
13. KNCV Whistle-blower Procedure adopted in the Meeting of the Board of Trustees of February 14, 2017
14. KNCV External complaints procedure adopted by the Management Team March 7, 2006
15. KNCV Policy on Fraud, Money Laundering and Counter Terrorism Updated April 2018
16. KNCV Partner Policy adopted in the Management Team Meeting of January 10, 2012