GOVERNANCE AND MANAGEMENT FRAMEWORK
Applying ‘Good Governance’ at

The Hague, May 2012
# Table of Contents

1. General .................................................................................................................. 5  
   1.1 Mission of KNCV Tuberculosis Foundation .................................................. 5  
   1.2 Legal form .................................................................................................... 5  
   1.3 Articles of Association, Bylaws, and Rules and Regulations ....................... 5  
   1.4 Model for management and governance ..................................................... 6  

2. Administrative structure ....................................................................................... 7  
   2.1 General Assembly ....................................................................................... 7  
   2.2 Board of Trustees ...................................................................................... 7  
   2.3 Executive Board ........................................................................................ 8  
   2.4 Management Team .................................................................................... 9  
   2.5 Units and decentralized responsibilities .................................................. 9  
   2.6 International Advisory Council .................................................................. 10  
   2.7 Works Council ............................................................................................ 10  

3. Planning, policy and internal control measures .................................................... 12  
   3.1 General ...................................................................................................... 12  
   3.2 Strategic planning and long-term budget .................................................... 12  
   3.3 Annual planning and budget ...................................................................... 13  
   3.4 Detailing and adoption of operational directions ....................................... 13  
   3.5 Monitoring progress on annual plans and monitoring and evaluation of programs and projects .................................................................................. 13  
   3.6 Quality standards, monitoring and assurance .......................................... 14  
   3.7 KNCV Code of Conduct .......................................................................... 14  
   3.8 Risk Management ....................................................................................... 15  
   3.9 Power of Attorney and Authorization to sign .......................................... 15  

4. Public transparency, accountability and communication ........................................ 17  
   4.1 Stakeholders ............................................................................................... 17  
   4.2 Institutional and private fundraising ......................................................... 17  
   4.3 Public transparency, accountability and communication with KNCV stakeholders .......................................................... 18  
   4.4 External audit .............................................................................................. 19
Governance and Management Framework
Applying ‘Good Governance’ at KNCV Tuberculosis Foundation

1 General

This document describes how KNCV Tuberculosis Foundation has structured its management and governance. It provides reference to legal deeds, rules and regulations and other stipulated documents. The document describes the framework for the various layers of management and indicates the links between the policies, procedures as well as the various rules and regulations for the different sections of the association and the internal organization.

Governance at KNCV Tuberculosis Foundation adheres to the guiding principles of the relevant sector associations and quality assurance organizations as expressed through guidelines, codes and rules and regulations1.

Chapter 1 is introductory. Chapter 2 describes the division of responsibilities within management and governance. Chapter 3 describes planning, policy and internal control measures. Chapter 4 describes public accountability, evaluation, as well as transparency and communication to stakeholders.

1.1 Mission of KNCV Tuberculosis Foundation

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

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

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

Within the scope of its statutory mission 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

*NB – Annexes are not included for Board of Trustees meeting April 24th*

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);
- 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 Board and function descriptions (Annexes 6 and 8);

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1 As required for the Central Bureau on Fundraising seal of approval, the Good Governance Code of the Association of Fundraising Institutions (VFI), etc.
Terms of reference International Advisory Council (Annex 7).

The following rules and regulations have been adopted in the administrative framework of the internal organization:
- Appointment terms of the Board of Trustees (Annex 3b);
- Rules and Regulations for the Management Team (Annex 9);
- Organizational Structure (Annex 10);
- Rules and regulations with regard to the functioning of the Works Council (Annexes 11a and 11b);
- Internal procedures, codes of conduct, etc. (Annex 12 - 15)
  - External Complaints Procedure (Annex 12)
  - Code of Conduct (Annex 13)
  - Whistleblower Procedure (Annex 14)
  - Partner Policy (included in the Engagement and Disengagement Policy) (Annex 15).

1.4 Model for management and governance

The Association has a Board of Trustees supervisory governance model and counseling bodies. The diagram below reflects the overall governance structure and the internal management structure.

The next chapter describes the objectives and operating ways of the separate parts of the model.
2 Administrative structure

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 Good Governance Code. Several administrative powers are reserved for the General Assembly under the Articles of Association and Bylaw (see paragraph d. below).

d. Powers
The General Assembly is authorized to:
- Approve the annual accounts;
- Grant discharge from liability to the Executive Board for the execution of the policy pursued;
- Grant 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 auditor;
- Change 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 Board (Annex 2).

2.2 Board of Trustees

a. Composition, objective and profiles
The objective of the Board of Trustees is supervisory governance, including the overall strategy and direction of KNCV. The Board of Trustees is composed of 5 to 7 members, representing a set of competencies, as defined in the rules and regulations of the Board of Trustees (Annex 3).

b. Appointment and Resignation
The members of the Board of Trustees are generally appointed for a 4-year term; members may be reappointed once (statutorily a second reappointment is possible if needed to ensure continuity). Appointment, dismissal and appointment terms are specified in further detail in article 11 of the Articles of Association.

Appointment terms are monitored on the basis of a schedule (Annex 8). When a vacancy arises, the Board of Trustees nominates a candidate for appointment to the Board of Trustees by the General Assembly.

c. Responsibilities
The responsibilities of the Board of Trustees are set down in the Articles of Association and detailed in the Rules and Regulations for the Board of Trustees (Annexes 1 and 3).

d. Powers
The powers of the Board of Trustees are set down in the Articles of Association and detailed in Rules and Regulations (Annexes 1 and 3).

e. Rules and Regulations for the Board of Trustees
These rules and regulations aim to promote good teamwork within the Board of Trustees, and between the Board of Trustees and the Executive Board on the one hand, and the General Assembly on the other hand (Annex 3).

f. Consultation
There are three forms of consultation:
- Meetings of the Board of Trustees;
Governance and Management Framework
Applying ‘Good Governance’ at KNCV Tuberculosis Foundation

• Agenda consultations;
• Consultations on permanent and/or temporary committees of the Board of Trustees.

**g. Permanent and Temporary Committees**
The Board of Trustees may decide to set up permanent or temporary committees to carry out a delineated task and to issue advice to the Board of Trustees. The mandate, composition and working methods of the permanent committees are outlined in rules and regulations. The committees are responsible for integrated feedback to the Board of Trustees on their insights, their reasoning, and on what has been discussed.

**h. Agenda Committee**
This committee, consisting of the Chair and Vice-chair, is responsible for:
• Drawing up the agenda for the Board of Trustees meetings, and monitoring the annual agenda in this context;
• Fulfilling a bridging function between the Board of Trustees and the Executive Board;
• Further provisions with regard to the Agenda Committee are included in the Rules and Regulations for the Board of Trustees.

**i. 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 and control, administrative processes and internal auditing. It also maintains a relationship with the external auditor on behalf of the Board of Trustees. The rules and regulations for the audit committee can be found in Annex 4.
The audit committee also acts as an investment committee, with responsibility for implementation of the investment policy (see paragraph 3.4).

**j. Remuneration and Assessment Committee.**
This committee, consisting of the Chair and Vice-chair, is responsible for:
• Drawing up the employment conditions of the Executive Board members;
• Carrying out performance interviews with the Executive Board members;
• Assessment of the performance of the Executive Board and its members, and determining salary adjustments, seeking compliance with general accepted norms in the sector and consulting the Board of Trustees in case of deviations and in all cases when deemed necessary. The rules and regulations for the Remuneration and Assessment Committee are in Annex 5.

## 2.3 Executive Board

**a. Composition**
KNCV Tuberculosis Foundation is led by an Executive Board that currently consists of the Executive Director, supported by a Scientific director that does not hold statutory responsibilities.

**b. Appointment and dismissal**
The Board of Trustees appoints, suspends and dismisses the (members of the) Executive Board.

**c. Responsibilities**
The responsibilities of the Executive Board are laid down in detail in Rules and Regulations for the Executive Board and in function descriptions. The responsibilities include:
• 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 Board are described in detail in Rules and Regulations for the Executive Board and function descriptions. They are summarized as follows:
• Decide on plans, policy and the annual budget;
• Representing KNCV Tuberculosis Foundation and entering into contractual obligations as set down in the Articles of Association.

**e. Rules and Regulations of the Executive Board**
The rules and regulations aim to enhance good teamwork within the Executive Board and between the Executive Board and the organization.
f. Performance Assessment
In addition to the assessment of performance by the Board of Trustees, it is expected that the Executive Board carries out a self-assessment amongst itself at least once a year.

2.4 Management Team

a. Composition
The Management Team is made up of the unit heads and the members of the Executive Board. The Management Team is chaired by one of the members of the Executive Board (alternating). The Management Team is advised by the Executive Secretary and the HRM Advisor.

b. Appointment and dismissal
The Executive Board appoints and dismisses members of the Management Team.

c. Responsibilities
The responsibilities of the Management Team as a whole, as set down in greater detail in Rules and Regulations, include:
- Noting issues for MT reflection and decision-taking;
- Providing direction to the organization in the context of achieving its objectives;
- Seeing to the strategies for acquisition of sufficient levels of funding;
- Disbursing, managing and providing accountability for the funds made available;
- The adequate functioning of the organization in general.

d. Powers
The Management Team takes operational decisions and prepares and advises strategic decision-making within the organization. The Executive Board is the decision-making body within the organization on all decision with statutory implications. The Executive Director carries statutory responsibility solely.

e. Rules and Regulations of the Management Team
The Rules and Regulations set down the arrangements which aim to enhance good teamwork within the Management Team, between the Management Team and the Executive Board and between the Management Team and the organization.

f. Consultation
Management Team meetings take place on a monthly basis. A deeper consideration of strategy and policy takes place semi-annually amongst the Management Team, supplemented by other middle management as appropriate.

g. Performance Assessment of the Management Team
Performance evaluation takes place periodically by means of an annual self assessment of the Management Team and/or assessment by the Executive Board.

d. Permanent and temporary working groups
The Management Team and/or the Executive Board can decide to establish permanent working groups (such as the thematic groups) or temporary working groups which have a delineated assignment and issue advice to the Management Team. The mandate and the terms of reference for these working groups are described separately. The working groups report on progress to one of the Management Team members and are responsible for integrated feedback on their work and for making recommendations to the Management Team as a whole.

2.5 Units and decentralized responsibilities

a. Organization chart
The organization chart is enclosed in Annex 10. KNCV Tuberculosis Foundation is composed of a central organization located in The Hague and regional and country offices overseas (“central and decentralized parts of KNCV”). The overseas offices report to the regional units at central level. The organization has a line-and-staff structure with various organizational units. Each unit is led by a head. Each head represents his/her unit in the Management Team and reports to one of the directors.

b. Tasks of the unit
Each unit performs its own task within the overall strategy and the limits of the resources made available to it.
c. Unit Performance
Each unit head is responsible for the performance and development of his/her unit as a whole, and of the employees of the unit. The unit is responsible:
- To define results to be realized by the unit within the strategic framework of KNCV Tuberculosis Foundation;
- To implement the activities targeted at achieving these results;
- To be in compliance with the financial, operational and other conditions set;
- To monitor progress, and follow-up activities in terms of content, time, money, and client satisfaction, as well as contribute to organizational learning on the basis of monitoring and evaluation reports.

d. Consultation within units
Meetings are held periodically within units (the unit meeting), with agenda and action points. The directions of the unit are discussed at least once a year during a unit meeting, and/or a consultation takes place at the time of annual planning and budgeting.

e. Consultation and coordination between units and teams
Periodic coordination meetings are established to facilitate the coordination of activities in related fields of activity (such as the Coordinating Meeting International units [CMI] and a number of established coordinating meetings in support areas).

f. Consultation between staff performing similar functions in different units
To facilitate an exchange of practices, to establish common internal service levels and service level expectation various periodic consultations are likewise established such as the meeting of secretarial staff in the support team meeting (OT).

2.6 International Advisory Council

a. Composition
The International Advisory Council is made up of 5-7 people who work and/or who have networks in development cooperation and/or the international fight against tuberculosis. This could include those working in politics, NGOs, national tuberculosis programs in high-burden countries, and organizations which are active in international health. The organization may opt for installing additional advisory councils at regional and/or country level.

b. Objective
The objective of the International Advisory Council (and future regional advisory councils) is to provide the Board of Trustees and the Executive Board with advice, solicited or unsolicited, on the strategy and activities in pursuit of its mission. The Terms of Reference of the International Advisory council are included as Annex 7.

c. Advice
The role of the International Advisory Council is consultative; the International Advisory Council is asked for its advice and is mandated to table matters for consideration; it provides an external perspective on the directions of KNCV. The advice is non-binding.

d. Consultation
The International Advisory Council is convened once annually at a strategic moment in relation to the annual planning process. Recommendations are shared with representatives of the Board of Trustees at the time of the meeting and with the full Board of Trustees in writing. In between meetings, the International Advisory Council is informed of major policy documents and input is periodically solicited.

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 (see Annex 11.a).

b. Rules and Regulations governing the cooperation between the Works Council and the Director.
These Rules and Regulations set down the arrangements aim to enhance good teamwork between the appointed director and the Works Council. (See Annex 11.b).
c. The director

One of the members of the Executive Board is appointed director as defined in the Works Councils Act. This member of the board 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 Board and the Management Team;
- Providing the Works Council with 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;
- Providing feedback in the Executive Board meetings on all subjects discussed with the Works Council;
- Informing the Management Team regarding the main themes of the subjects discussed with the Works Council.

c. Consultation and cooperation with the director

The Works Council and the director have three types of meeting:

- The consultation meeting;
- Progress meeting;
- Informal meeting.
3 Planning, policy and internal control measures

3.1 General

The 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 capacity building and knowledge development in supporting TB control;
- Assessment of the fitness and required 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 on the basis of the objectives, targets and roughly defined plans.

b. Objective and functions
When the strategic plan and long-term budget have been adopted, they act as:
- Advance accountability point of reference to the Board of Trustees and the General Assembly;
- Guideline for the annual plans to be developed by the organization as a whole, and by the central and decentralized parts of KNCV;
Governance and Management Framework
Applying ‘Good Governance’ at KNCV Tuberculosis Foundation

- Point of reference point for assessing the annual plans, and the basis on which adjustment can take place, where deemed necessary.

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 unit and totalized.

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;
   - Guideline for the activities to be developed by the various central and decentralized parts of KNCV;
   - Discussion document between parts of the organization in the context of internal service provision and service level agreements;
   - Results agreements between the Executive Board, unit heads and regional directors;
   - 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 Detailing and adoption of operational directions

a. Strategy and annual plans state what KNCV Tuberculosis Foundation wishes to achieve during a specific period, defining the steps and speed. 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 policy.

b. TB control policy is largely to set in external processes (WHO, Stop TB Partnership 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” as well as for the consulting and research (support) product. Examples of operational directions include the approaches and KNCV products to support each of the priority areas and specific technical areas (the component parts of the Stop TB Strategy). These are defined and continuously evolving in the thematic groups.

c. On the enabling side KNCV defines operational policies and plans guiding the internal service and implementation processes for organizational development. Examples include the Decentralization process, Knowledge Management and Organizational Learning, Monitoring and Evaluation, Field Office Manual, Project Management, HRM, ICT, Communication and Fundraising policies.

3.5 Monitoring progress on annual plans and monitoring and evaluation of programs and projects

a. Responsibilities
   The unit heads are responsible for monitoring progress on all proposed activities within the units, flagging divergences from the planning and adjusting the direction where necessary. Progress is monitored at unit and individual level as well as in the quarterly reports at 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 internal monitoring and evaluation standards and requirements. M&E is a standard component of project management.

c. Quarterly reporting
   At the end of each quarter, a progress report on core business and organizational improvement projects is compiled and assessed by management, MT and the Executive Board. This covers aspects such as:
   - Substantive progress on activities, programs of activities, projects and results to be realized;
   - Cumulative realization of income, costs, staffing, hours, compared to the budget;
   - Forecast of income, costs and staffing for the entire year, compared to the budget.
Governance and Management Framework
Applying ‘Good Governance’ at KNCV Tuberculosis Foundation

3.6 Quality standards, monitoring and assurance

a. The organization has established a number of 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:
   - Field Office Manual;
   - Fundraising Procedures, including VFI 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, and on the basis of which 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 individual, team and organizational level 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 individual and team level through regular reporting lines, peer review mechanisms as well as periodic performance appraisal reports. At the unit and organizational level 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 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 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 as set by the VFI (Association of Fundraising Institutions). Every five years, KNCV Tuberculosis Foundation is assessed by the CBF. In order to retain the CBF Seal of Approval, the organization must comply with the reported findings of the CBF. The CBF Seal of Approval in turn is a prerequisite for membership of the sector association VFI, and needed to remain eligible for income from charity lotteries.

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, published on the KNCV website, is in place (see Annex 14). A registry of complaints is kept and reported quarterly to the Management Team.

3.7 KNCV Code of Conduct

All KNCV employees are held to an institutional code of conduct which is signed at time of contracting. The KNCV Code of Conduct is included as Annex13. Compliance to the Code of Conduct
is enforced through the regular supervision and reporting lines. Procedures for sanctions are in place and are adhered to.

3.8 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 external advice;
   - Annually a risk analysis is conducted and risk mitigation actions are defined. This is assessed in the Audit Committee and reported to the Board of Trustees. Risk mitigation measures are annually monitored.

b. Liability of Directors and members of the Board of Trustees
   KNCV Tuberculosis Foundation has taken out insurance up to an amount which is periodically reassessed in relation to the assessed risk exposure for claims for loss incurred by third parties resulting from mistakes by directors and/or trustees.

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 Director of finance and organization.

3.9 Power of Attorney and Authorization to sign

The annual budget, decisions of the Executive Board and decisions regarding employee contracts serve as a basis for entering into obligations, as referred to below:

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 one of the members of the Executive Board, in decentralized offices the country director is mandated to signs all local contractual obligations involving employees.

b. Contracts in which long-term service provision by third parties or long-term project funding are set down.
   Contracts are signed by (one of the members of) the Executive Board. 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 unit head in question up to an amount of €25,000, inasmuch as the amounts fall within an approved budget.
   For an amount of in excess of €25,000, contracts must be signed by one of the members of the Executive Board. Sometimes co-signatures from the Executive Board are required by the contract partner.

d. Other obligations at central level
   The Executive Board can delegate authorizations by issuing a power of attorney, which is also deposited with the Chamber of Commerce.
   When issuing powers of attorney, the following structure is applicable:
Governance and Management Framework
Applying ‘Good Governance’ at KNCV Tuberculosis Foundation

<table>
<thead>
<tr>
<th>Authorization to sign</th>
<th>Organizational section/person</th>
</tr>
</thead>
<tbody>
<tr>
<td>up to € 250</td>
<td>Purchaser concerned</td>
</tr>
<tr>
<td>up to € 5,000</td>
<td>Officer concerned within allocated budget</td>
</tr>
<tr>
<td></td>
<td>Budget holder concerned within allocated budget</td>
</tr>
<tr>
<td>up to € 25,000</td>
<td>Unit head, Regional Director, deputy Unit Head, Country Representative Officer, Country Program Officer concerned and within allocated budget</td>
</tr>
<tr>
<td>Above €25,000</td>
<td>Members of the Executive Board</td>
</tr>
</tbody>
</table>

The authorizations are linked to the status as 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 FP&C unit is responsible for ensuring that the payments authorizations are actually 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 is reserved for the members of the Executive Board. As defined in the rules and regulations for the Executive Board, a member of the Executive Board is authorized up to an amount of €1,500,000. Joint authorization is required above this amount.

f. Replacement in case of absence
In the event of the simultaneous absence of the members of the Executive Board, two unit heads are jointly authorized to approve bank orders up to an amount of €500,000. The unit head of FP&C is excluded from authorizing bank transfers.

g. Other obligations at decentralized level.
Authorities and KNCV representation at decentralized levels are described in the Field Office Manual and are reaffirmed in the standard and specific job description of the appointed officers.

In the representation of KNCV in the region we distinguish two kind of coordinating job roles: the Country Representative Officer (CRO) the Country Program Officer (CPO). Both report to the Unit Head. The CRO and CPO powers of authority (at decentralized level) include:

- **Bank account**
The CRO/PMO 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 Director of Finance and Organization.

- **Payments**
The CRO/PMO is authorized to effect payments related to the project activities and within the approved budget.

- **Procurement**
The CRO/PMO 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 one of the members of the Executive Board. This can be given by sending an e-mail with a letter in PDF format.

- **Contracts**
The CRO/CPO is authorized to conclude agreements for partners and donors after written authorization has been obtained from one of the directors. 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 one of the directors. This can be given by sending an e-mail with a letter in PDF format.

- **Personnel**
The CRO/PMO is authorized to recruit local staff in accordance with the project activities and the approved budget.
4 Public transparency, accountability and communication

4.1 Stakeholders

a. Definition of stakeholders
A 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, more often than not, 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 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:
- Professional groups and research institutes in TB control in the Netherlands;
- KNCV partners in TB control abroad (realization, technical assistance and policy development), at the national, regional and global level;
- Financiers/donors for TB control;
- Tuberculosis patients, communities and societies affected by TB;
- Individual donors and corporate sponsors;
- Members of the Association, Board of Trustees and advisory bodies;
- 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 the VFI Code on Ethical Fundraising.

c. The organization guards against situations of ethical and other conflicts of interest. In the case of funding from pharmaceutical companies special care is given to ethical considerations and an explicit decision is taken at management level whether or not 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, 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, annual plan and financial and annual report on its website (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 and governance structure of 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 in advance

KNCV strategic and annual plans are posted on the KNCV website after internal decision-making has taken place.

Modalities of accountability after the fact

- The General Assembly takes place annually and is mandated to approve the Annual Accounts and Report as well as provide discharge to the Executive Board and the Board of Trustees. For all stakeholders and the public KNCV Tuberculosis Foundation provides an overview of the results achieved and the resources used in its annual report 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. The Annual Accounts and Report are deposited with the Chamber of Commerce and accessible via the website.
- 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. A more detailed and learning oriented report is produced annually for internal purposes and is also made available to the Board of Trustees.

d. Objective of communication with stakeholders

Strengthening and maintaining support (both tangible and intangible) as well as transparency in our public accountability is the focus of our communication with all stakeholders. As described in paragraph 4.1, KNCV is part of a large partner network of public and private organizations and individuals, in some way all contributing to realizing our mission.

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, opening itself to external stakeholders influencing of operational directions and strategy of the organization and ensuring opportunities for external stakeholders to submit advice and ideas to the organization.

At the meeting of the General Assembly and in a wide range of formal and informal forms of policy consultation², stakeholders have an opportunity to exchange thoughts with the Executive Board, 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.

Social media are used intensively by the organization to communicate opinions and viewpoints as well as participate in dialogues concerning the organization’s field of work.

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² Including meetings of the Project Advisory Group (PAG), CPT, International Advisory Council, Commission for Practical TB control (CPT), General Assembly, etc.
Governance and Management Framework
Applying ‘Good Governance’ at KNCV Tuberculosis Foundation

f. External complaints
A formal complaints procedure is in place (as described in 3.6.e and attached in Annex 12) for donors, partner organizations and other stakeholders.

g. Procedures related specifically to employees as a special KNCV stakeholder group
Beyond the regular reporting channels, KNCV has put in place a number of safeguards for the protection of the rights of employees, as well as procedures for the protection of individual rights when lodging a complaint.

- An internal complaints procedure
- A whistle blowing procedure has likewise been established and is published on the KNCV e-portal. Procedures and mechanisms put in place in protection of individual employee interest have been developed in close consultation with the Works Council and are in line with sector practice and established norms.
- 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 and (in the case of non-existence of local legal provisions) includes staff consultation on important issues for employee concern.
- An external confidential advisor is available in the event that staff feels individual rights are infringed upon. This external advisor is also available to support staff charged with misconduct and ensure due process.
- A Complaints Committee is in place to deal with a formal complaint of a staff member or a group of staff. The committee is required to investigate the complaint, report on it and issue advice to the Executive Board. This committee also plays a role in ensuring due process for the employee charged with misconduct.

4.4 External audit

a. Appointment of the external auditor and issue of audit commissions
Appointment of the external auditor is the authority of the General Assembly. Selection of the external auditor and issue of commission are prepared by the Executive Board and the Audit Committee.

Each year, arrangements are made with the external auditor regarding the general and project audits to be carried out. The Executive Board and Unit Finance, Planning and Control 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 Board. The response of the Executive Board is incorporated into the final version of the management letter. This is submitted to the Board of Trustees and the Executive Board, 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 is internally assessed periodically (current practice: every four years). An assessment document is used for this purpose (Annex 15).
Governance and Management Framework
Applying ‘Good Governance’ at KNCV Tuberculosis Foundation

Overview of the annexes
NB – only partially included for General Assembly meeting documents, 2012

3. a. Rules and Regulations for the Board of Trustees adopted in General Meeting May 30, 2012
   b. Resignation schedule of the members of the Board of Trustees version May 2012
4. Rules and regulations for the Audit Committee adopted in the Meeting of the Board of Trustees of April 24, 2012
5. Rules and regulations for the Remuneration and Assessment Committee adopted in the Meeting of the Board of Trustees of April 24, 2012
6. Rules and regulations for the Executive Board as adopted in the Meeting of the Board of Trustees of April, 2009
7. Terms of Reference of the International Advisory Council as adopted in the IAB June 2009
8. Function description for the members of the Executive Board adopted in the Meeting of the Board of Trustees of April 2009
11. Works Council:
   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
12. External complaints rules and regulations adopted by the Management Team March 7, 2006
13. Code of Conduct adopted by the Executive Board on September 2, 2008 and agreed to by the Works Council on January 26, 2009
14. Whistleblower Procedure adopted by the Board of Trustees on 22 April, 2008 and approved by the Works Council on 5 June, 2008
15. Partner Policy (part of KNCV Engagement and Disengagement Policy) adopted (revised) by the Management Team on January 10, 2012

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3 Revisions pending, as a consequence of appointment of new executive director per 2013
4 Formerly known as the International Advisory Board