

AGG (*Ad Hoc* Governance Group) **Governance Strengthening Process**

Issue Set 2 - For Board Guidance

10 May, 2016

AGG Governance Strengthening | Scope Overview

The scope of the AGG Governance Strengthening process is distributed across a comprehensive set of governance elements linking directly to the recommendations emerging from the 2014 External Evaluation Report. The response to these recommendations has been sequenced and paced across three Issue Sets to allow for thoughtful and balanced consultation across constituencies.

Governance Element	Recommendation	Response		
		Issue Set 1 (For Decision at May board meeting)	Issue Set 2 (Key issues for Consultation at May board meeting)	Issue Set 3 (To follow post May board meeting)
Mandate	The board should revisit its own composition	1. Mandate of the Governing Bodies 2. High Level Governance Model 3. Sizing & Composition 4. Alternates		
Structure & Process	The board should assess the appropriateness and number of board committees		9. Committee Charters	11. Observers 12. Role Descriptions
	The board should revise its decision making processes	5. Board & Committee Nominations Process	10. Decision Making Approach	
Leadership Style	The board should revise the appropriate level of qualifications and skills of board and committee members	6. Target Profile 7. "Ways of Working"		
Comm. Mode & Frequency	The board should optimize its meeting schedule in alignment with evolving structure	8. Meeting Schedule		13. Communication & Consultation Plan
Metrics & Monitoring	The board should establish the appropriate mechanisms to sustain and elevate its performance		Our Focus	14. Oversight mechanisms 15. Self-reflection mechanisms

Executive Committee Charter

Mission	Govern the operations of the Partnership as delegated by the board to translate approved strategic plan into concrete strategies & areas for action
Responsibilities	<ul style="list-style-type: none"> ▪ Operations: Oversee the creation and implementation of the Partnership's three-year business plans, annual work plans and budget aligned to the core functions of Analysis, Advocacy, Accountability, and Alignment ▪ Committee Oversight: Establish the appropriate decision making structures to facilitate the effective oversight of Partnership operations (e.g. Finance Committee, Governance and Nomination Committee, ad hoc working groups, etc.) ▪ Resource Mobilization: Secure adequate funding and ensure safeguards to monitor the effective use of funds for the operation of the Partnership ▪ ED Selection & Evaluation: Make recommendation to the host organization on the appointment and performance review of the Executive Director ▪ Governance: Ensure effectiveness of the Board by approving qualified and committed Board members, educating Board members to serve effectively, and engaging in regular assessments and board development
Meetings	<ul style="list-style-type: none"> ▪ Every other month (Virtual, 1 in person per year) ▪ Additional ad-hoc meetings may be called at the request of the chair ▪ Rolling schedule set one year in advance
Membership	<ul style="list-style-type: none"> ▪ Board Chair ▪ Co-Chair x2 ▪ Chair from Finance Committee (Finance Committee Co-Chair serves as alternate) ▪ Chair from Governance & Nominations Committee (Governance & Nominations Committee Co-Chair serves as alternate) ▪ One member from each of the Partner Government regions (4 in total) ▪ One member from each constituency that is not represented by the above members ▪ The host organization serves as a permanent ex-officio member of the EC ▪ EOSG invited to serve as an observer during EC meetings ▪ A two-year term, renewable once; renewal to be staggered to maximize learning and consistency ▪ At least one member must have strategic finance and accounting expertise. If this is not possible, an external Non-Partner with relevant expertise may join the committee in a pro-bono advisory capacity (i.e. non-voting)
Reports & Other Assets	<ul style="list-style-type: none"> ▪ Business Plan: Definition of the Partnership's Results Framework, Budget, and Secretariat (multi-year horizon) ▪ Work Plan: Definition of the annual work plans aligned to the strategy and business plan ▪ Work Plan Progress Report: Periodic update on work completed as indicated by metrics in Results Framework ▪ Sub-Committee Reports: Progress reports, recommendations, and escalations from sub-committees to the EC

Finance Committee Charter

Mission	Provide proactive, strategic recommendations on budget, work plans, and other financial proceedings that support the overall mission and strategic objectives of The Partnership
Responsibilities	<ul style="list-style-type: none"> ▪ Strategic Finance: Provide guidance and advice to ensure cost effective operations and value for money ▪ Budget: Review and provide advice on The Partnership's budget, with due consideration of Strategic Plan, Business Plan, Annual Work Plans, and within WHO policy and guidelines ▪ Work Planning: Develop and maintain a set of informal guidelines, in alignment with WHO policy and guidelines, which can be applied during the creation of Annual Work Plans to help ensure effective and catalytic allocation of budget ▪ Reporting: Review the annual financial report of the Secretariat ▪ Monitoring: Monitor expenditure of the budget in the course of the year and report to the Executive Committee after the conclusion of each half year ▪ Audit: Review findings of WHO generated financial audits and reports if available, and report findings to the Executive Committee
Meetings	<ul style="list-style-type: none"> ▪ Twice per year ▪ Additional ad-hoc meetings may be called at the request of the chair ▪ Rolling schedule set one year in advance
Membership	<ul style="list-style-type: none"> ▪ Chair (must be member of the Executive Committee) ▪ Three additional members from constituencies not represented by the Chair ▪ At least one member must have strategic finance and accounting expertise. If this is not possible, an external Non-Partner with relevant expertise may join the committee in a pro-bono advisory capacity (i.e. non-voting) ▪ A two-year term, renewable once; renewal to be staggered to maximize learning and consistency
Reports & Other Assets	<ul style="list-style-type: none"> ▪ Work Plan Catalytic Activity Guidelines: Recommendations that can be applied when defining work plans to ensure budget is allocated to activities that will catalyze partner engagement and impact ▪ Budget (3 year): High level 3 year budget included in the Business Plan ▪ Budget (1 year): Annual Partnership Budget aligned to Business Plan and annual work plans

Governance & Nominations Committee Charter

Mission	Improve governance effectiveness and provide nominations process oversight
Responsibilities	<ul style="list-style-type: none"> ▪ Manuals: Annually review board and committee charters, by-laws, constituency manuals, role descriptions, and all other governance documents recommending potential changes to the board (as necessary) ▪ Board Profile: Review board profile annually and identify gaps to inform nomination and succession planning needs ▪ Succession Planning: Manage succession planning process for board members in alignment with target board profile matrix and schedule nominations accordingly ▪ Nomination: Facilitate board member nomination process in alignment with Board Profile Matrix, vet fitness of constituency nominations, and approve or reject selected candidates ▪ Board evaluation: Facilitate the board evaluation process; make recommendations for improvement (as necessary) ▪ Board Education: Lead planning of new member orientation, ongoing training
Meetings	<ul style="list-style-type: none"> ▪ Once per year ▪ Additional ad-hoc meetings may be called at the request of the chair, for example, to participate in the Nomination and Selection Process of new members or to review and revise manuals and procedures ▪ Rolling schedule set one year in advance
Membership	<ul style="list-style-type: none"> ▪ Committee chair (must be member of the Executive Committee) ▪ Committee co-chair ▪ Members will include one board member from each consistency that is not already represented by the committee chair and co-chair seat ▪ A two-year term, renewable once; renewal to be staggered to maximize learning and consistency
Reports & Other Assets	<ul style="list-style-type: none"> ▪ Governance Manuals: Update and maintain a comprehensive list of policies, processes, and procedures ▪ Board Profile Matrix: Comparison of board's current vs. target list of skills, experiences, traits, and representational attributes ▪ Board Succession Plan: Outline of current board member start and end service dates, renewal status, and list of prospective replacement board members ▪ Board Self-Assessment: Results of the board's annual self-reported evaluation ▪ Governance Scorecard: Annual metrics published indicating overall board efficiency and effectiveness

Decision Making Approach

Current terms of reference indicate that in instances where consensus cannot be reached, a vote can be taken where a simple majority (i.e. 50% + 1) is required to pass a proposal. However, as partner participation grows, greater clarity and consensus is required to improve decision making. The decision making approach is proposed to be revised as follows:

The Board and committees shall use best efforts to reach all decisions by unanimous consensus. If all practical efforts by the Chair and members have not led to unanimous consensus, the Chair (or members with voting privileges) may call for a vote by the members in attendance. Members, including the Chair, may cast their vote in one of four ways:

- **Agreement:** The vote is counted in favour of the full proposal
- **Agreement, with declared reservations:** The vote is counted in favour of the proposal, however, reservations are noted for the record. The group may or may not decide to re-word the proposal (this does not count as a vote against the proposal)
- **Object:** The vote is counted against the proposal. Reservations are noted for the record
- **Abstain:** The vote is counted neither in favour for or against the proposal. Members may abstain for reasons such as having declared a conflict of interest, are in strong disagreement but do not want to block the proposal by objecting, or if they do not understand the proposal. Abstained votes are noted for the record

On the Board, in order for a proposal to pass, a vote of unanimity minus two is required. (I.e. a proposal with two objections will pass, and a proposal with three objections or more will not pass. Votes registered as in “Agreement” and “Agreement, with declared reservations” count as votes in favour of the proposal).

In all other committees which are smaller in membership, in order for a proposal to pass, a vote of unanimity minus one is required. (I.e. a proposal with one objection will pass, and a proposal with two or more objections will not pass).

In the event a motion passes with declared reservations or abstained votes, the Chair may identify additional action relevant to address the nature of the reservation. However, this does not change the outcome and the motion is recorded as passed.

If, in exceptional circumstances, the Executive Director, Board Chair (or co-chairs), Executive Committee Chair (or Co-Chairs) determine that a pending issue requires input, and the issue cannot wait until the next meeting Board meeting, the Board Chair and Co-Chair may call for an extraordinary Board meeting (virtual or in person).