

# Development of Governance Structures for Emerging Foundation Affiliates

## Purpose

The core principles of the Foundation's Affiliation model include good governance and local ownership, which both impact the structure and composition of the organization's governance body and constitutional documents. The purpose of this document is to provide a detailed discussion of the process for the initial development of a governance body and registration of an emerging affiliate. Emerging affiliates are new organizations that are outgrowths of existing program offices managed by the Foundation in the host country.

## A. Development of Bylaws and Local Registration for Emerging Affiliates

### Alignment of Bylaws to the Affiliation Model

For each Affiliate, the bylaws are to be aligned with the Guiding Principles and Standards for Affiliation. As such, each set of bylaws must be consistent with good governance practices and not contravene the Foundation's bylaws.

### Process to Approve Bylaws:

#### 1. Review of Bylaws by the Foundation's Global Office (EGPAF-DC) for Congruence with Affiliation Model

The Affiliate Resource Unit of EGPAF provides technical assistance to the country level transition teams to develop bylaws for each of the Affiliates. Guidance is aimed at ensuring that the bylaws are consistent with standards for good governance and the Affiliation Model. This review will also include outreach to U.S. based legal counsel or governance consultants for due diligence on the content of the Bylaws and congruence with the Affiliation model. The Affiliate Resource Unit will provide review support to the country level transition team to develop the final version.

#### 3. Review by Affiliate Governance Body (e.g. Board of Directors)

As an independent organization, it is critical for the governance body of the Affiliate to come to consensus on the bylaws prior to filing. Thus, after development by the country level transition team, the members of the governance body will be responsible for reviewing the document and coming to consensus on its content.

#### 4. Review of Bylaws by Affiliation Review Committee

The members of the Affiliation Review Committee will be responsible for reviewing the final version of the bylaws prior to approving them to be filed for registration. The Affiliate Resource Unit will be responsible for coordinating this review and communicating recommendations to the country teams.

Where a Foundation employee is a member of the founding governance body for the Affiliate, that employee will not be authorized to sign off on the Bylaws to be filed for registration until this review is complete.

## **B. Governance Bodies for Emerging Affiliates**

### ***Criteria for Members of the Affiliates' Governance Body***

The composition of the governance body should include the following:

- Individuals with a strong understanding of HIV/AIDS issues and the impact on and maternal and child health and believe in the mission and vision of the organization.
- Individuals with the ability to promote the organization in a public forum and play a lead role in resource mobilization activities.
- A variety of management and leadership skills including financial, communications, legal, human resource development, strategic planning, international, and government relations.
- Individuals showing proven leadership in the HIV/AIDS, public health and development community in the host country.
- Strong governance experience and comprehend and accept the legal liabilities associated with the actions of the organization.
- Individuals with sufficient time to devote to doing the board's work.
- The highest standards of ethical conduct.
- A mix of representation from the various stakeholders in the HIV/AIDS epidemic in the host country.
- A mix of male and female members.
- A mix of cultural and ethnic perspectives from the host country.

### **Size of the Governance Body**

For new organizations, typically, a smaller Board is ideal in order to ensure that the organization is sufficiently nimble to carry out start-up activities. Thus, the Foundation recommends that governance bodies for the Affiliates include at least seven to nine members. Each Affiliate will, however, have to independently determine the appropriate size for the governance body based on local law and the country context.

### **Responsibilities of Participants in Governance Body**

In general, the governance body is responsible for the overall management and strategic direction of the organization. However, due to differences in local laws and overall governance structures, there will be some variation in the responsibilities from Affiliate to Affiliate. The responsibilities for each will be specifically set out in the bylaws for the organization, based on local legal advice. Specific technical assistance in this area is available from the Affiliate Resource Unit.

### **Recruitment Process**

The recruitment process for the Affiliate's governance body will need to be specifically adapted for the context of each Affiliate. Since the relationships with individuals in the public health and development community and the local cultural and political climates differ from country to country, adaptations will need to be made to ensure that stakeholders are appropriately involved and social protocols are observed. Thus, the process must be led at the country level. The steps described below are aimed at ensuring that the Foundation and the Affiliate are able to conduct the appropriate due diligence to

ensure that strong members who clearly understand what is expected of them are chosen and are provided with proper orientation.

**Step 1: Development of a list of potential members.**

The senior leadership from the Foundation's host Country Office is responsible for generating a list of potential members. This list should include people who, based on the existing knowledge about the individuals, are believed to meet the above criteria.

**Step 2: Conduct outreach to potential members.**

Once a list of potential members is generated, the Foundation's host Country Office should conduct outreach to these individuals to provide them with information about the Project HEART transition process and the vision to develop a local affiliate in the host country. The host country office should use this time as an opportunity to gauge interest from the individuals about participation in the Board and their investment in the mission. Both the host country office and at least one designee from EGPAF-DC should participate in the interview process for potential members.

**Step 3: Conduct Due Diligence on Potential Board Members**

Where individuals are specifically identified who meet the criteria and are interested in serving on the Board, they should be asked to complete a conflict of interest disclosure and provide biographical information, including a *curriculum vitae* and three references. The Foundation will then use this information to conduct background checks on the individual to verify that they meet the criteria above.

**Step 4: Review by Affiliation Review Committee**

Following the completion of the due diligence process, the country team will make a recommendation to the EGPAF Affiliation Review Committee (ARC) on the Board composition. The ARC will then review the recommendation and if in agreement, provide concurrence to the country team on the proposal. Where the ARC does not concur with the proposal, through the Affiliate Resource Unit, it will coordinate with the country team to seek additional information or ask for revisions to the list.

**Step 5: Invite the individual to participate on the Board.**

Upon the issuance of concurrence from the ARC, the nominees should be invited to participate on the governance body for the Affiliate by the host country office. At the outset, this will involve participation in the Constitutional Meeting of the Affiliate where the bylaws are approved and organizational start-up decisions are made.

**Step 6: Foundation staff to hold orientation for incoming Board members**

The Foundation will support the Affiliate in providing an orientation about EGPAF and the Affiliate to the incoming Board members. This will include the opportunity to meet with key Foundation staff, a detailed overview of the mission and strategic plan, programmatic work, and organizational structure. Furthermore, where appropriate, the Foundation will assist the Affiliate in providing leadership and development capacity building for the Affiliate Boards.

## C. Selecting an Executive Director for an Emerging Affiliate

### Core Responsibilities

Responsibilities of the Executive Director should include administration and support for the governance body and oversight for the overall management of the Affiliate. This includes oversight for operational management of the organization and its finances, but also guiding the technical activities in conjunction with programmatic staff. As a leader for the Affiliate, the Executive Director will be responsible for supporting the sustainability of the organization and its ability to carry out its mission. In that respect, the role may require participation in advocacy and development activities.

The Executive Director should serve as a representative of the Affiliate with local partners, donors, the host country government, and other stakeholders. The Executive Director should also serve as a liaison to the Foundation as it relates to the Affiliation relationship. In addition to facilitating regular communication and collaboration between the Affiliate and the Foundation, the Affiliate Executive Director will be invited to participate in the Annual Global Program Review to contribute to Foundation-wide programmatic activities.

A template job description which incorporates these elements is available from the Foundation, which can be adapted for use in any particular country.

### Selection Criteria

Qualifications for this position include significant experience managing organizations or country programs for international development organizations or local NGOs in the area of HIV/AIDS. Given that the Affiliates may be supported by funding from the U.S. Government or other international donors, the qualified individuals include those who have significant experience managing funds from multiple donors, including the U.S. Government. The individual should have excellent knowledge of program activities, including HIV clinical service delivery, capacity building, and public health and program monitoring. Additionally, excellent communication and strategic planning skills, including the ability to merge the technical and operational demands of the program into a cohesive structure, are critical.

### Recruitment Process

In order to ensure that the strongest candidates are selected for the Executive Director role, the Affiliates should conduct an open recruitment for the Executive Director position. The recruitment process should involve advertising the position nationally, through the Foundation, and on appropriate international development job boards. The recruitment process should be overseen by a selection committee, which is comprised of members of the Affiliate's governance body.

For emerging Affiliates, a Foundation participant, designated by the ARC, should be included in all stages of the recruitment process. In addition, the Foundation will provide human resources support for the Affiliate during the recruitment process, including technical assistance to adapt the job description for the position, the posing of advertisements, review of applications to short-list candidates, and the coordination of the interview process. Once the governance body has identified its primary candidate, it will make a recommendation to the ARC, in accordance with the Foundation Accreditation System.

For existing Affiliates, the Affiliate may choose to request participation from the Foundation in the recruitment process. Where the Affiliation does not choose to involve the Foundation in all stages of the recruitment process, once the Affiliate has chosen its lead candidate for the position, it should plan to have the candidate meet with a Foundation representative prior to hiring. The aim of this meeting will be to ensure that the Foundation is sufficiently informed to provide concurrence on the appointment of the individual, in accordance with the Affiliation Agreement. If desired by the Affiliate, the Foundation can also provide support to coordinate and manage the recruitment process.