



MEDECINS SANS FRONTIERES
ARTSEN ZONDER GRENZEN

Amsterdam, 28 September 2012

Management Statute

Artsen zonder Grenzen
Médecins sans Frontières – The Netherlands

**Management Statute association Artsen zonder Grenzen
(Médecins sans Frontières, the Netherlands)**

The Management Statute is a supplement to the By-laws of the association Artsen zonder Grenzen (Médecins sans Frontières, the Netherlands).

The Management Statute is available in English only and will be reviewed annually by the Board. The Management Statute and changes thereto are made available to the general assembly, typically in the Association News and on the website of the association.

*This management statute is adopted by the Board in its meeting of **September 28, 2012**.*

Definition of Terms.

In this management statute, the following terms shall be understood to have the meanings assigned to them below:

- a. Articles of Association: the articles of association of MSF-Holland;
- b. Association News: a bulletin addressed to the members of MSF-Holland;
- c. Board: the statutory body which manages MSF-Holland;
- d. Board Committee on Associative matters: a committee installed by the Board to advise the Board on associative matters;
- e. By-laws: the by-laws of MSF-Holland, a supplement to the Articles of Association;
- f. Directors: non-titular directors appointed by the General Director to the Management Team;
- g. General Director: the titular director appointed by the Board;
- h. Head of Mission: Staff member of MSF-Holland holding limited representative authority who manages MSF-Holland projects in a country of operations;
- i. Management Team: The General Director and Directors that manage MSF-Holland and execute the policy as broadly defined and adopted by the Board;
- j. MSF-Holland: the association Artsen zonder Grenzen (Médecins sans Frontières, the Netherlands);
- k. OCA Council: As defined in the By-laws;
- l. OCA-MT: The Management Team expanded with the general directors of OCA Partners that share the responsibility for the implementation of project activities of MSF-Holland and not including the MSF- Holland delegate director;
- m. OCA-Partner: As defined in the By-laws;

- n. “*Recommendations for the remuneration of directors for charities*”: Publication of the Vereniging Fondsenwervende Instellingen (VFI) as adopted by VFI members. MSF-Holland is a member of the VFI.

Article 1: General Provisions

- 1.1 In accordance with article 6 and article 11 of the By-laws the Board delegates the management of operations and supporting offices to the Management Team. The Board retains full responsibility. The General Director appoints the Directors and according the memorandum of understanding that governs the cooperation between the OCA Partners. The Board approves the number of positions and the responsibilities of each position on the Management Team.
- 1.2 The main tasks and responsibilities of the Management Team are described in article 6 of the By-laws.
- 1.3 Specific reference is made to article 11.4 of the By-laws which specify the limits of the representative authority of the Management Team.
- 1.4 The responsibilities of the Management Team, the division of tasks and the segregation of duties between the General Director, the Directors, and the Board are further elaborated in this management statute.
- 1.5 This management statute is considered an integral part of the terms and conditions of employment for the Management Team and will be annexed to their employment contracts.
- 1.6 The executive responsibility of the Management Team for the implementation of project activities is shared with the general directors of the OCA Partners in the OCA-MT. Final legal and financial responsibility for the implementation of operations remains with the Board. The workings of the OCA-MT are described in the memorandum of understanding that governs the cooperation between the OCA Partners and which is approved by the Board.

Article 2: Relationship of the General Director, Directors and Management Team to the Board

- 2.1 The Board appoints the General Director, a titular director. The General Director appoints the Directors. The General Director is the chair of the Management Team. The General Director is accountable to the Board.
- 2.2 The General Director and Directors are appointed for a period of 3 years. This period may be extended by a maximum of 3 years.

- 2.3 The Board has adopted a policy for senior management in the organization limiting the period they can hold office. This policy applies to the Management Team, the heads of department and the operations managers. Management Team members are familiar with the policy.
- 2.4 The Board supervises the General Director, and advises the Management Team whether specifically requested or not (*en dient deze gevraagd en ongevraagd van advies*). As the Board retains full responsibility the Board may instruct (*is instructie bevoegd*) the General Director at any time and in specific cases, normally referred to as matters of significant importance (*van zwaarwegend belang*).
- 2.5 The Board-executive meeting has been established as a regular consultative meeting with the Management Team and the Controller to enhance the supervisory and advisory role of the Board. Furthermore, the Board may invite the Management Team members to its meetings. The Board will take all reasonable actions to maximize the presence of the Management Team at its meetings. Attendance at a Board meeting may be made mandatory.
- 2.6 The General Director, the controller and such other members of staff as the chair may require and the external auditor shall be attending the meetings of the Audit Committee and in accordance with the articles 12 to 15 of the Bylaws.

Article 3: Composition of the Management Team

- 3.1 The General Director appoints the Directors. The Directors are accountable to the General Director. They work as a collegial team. The General Director informs the Board in advance about an intended appointment of a Director. The General Director informs the OCA-Council in advance about an intended appointment of Director that will be a member of the OCA-MT.
- 3.2 The Board determines the size of the management team and the functions it should comprise off.
- 3.3 The Management Team includes the following **four** managing director positions:
- **Director Operations**
The Director Operations is responsible for the overall management, implementation and development of operations projects and the emergency response, within the framework of the approved Health- and Operations policy.
 - **Director Medical**
The Director Medical is responsible for the overall management and implementation of the medical and public health aspects of the approved Health-

and Operations policy, the medical quality of services delivered in operations, medical protocols and standards and the medical ethical component of the programming and research of MSF-Holland.

○ **Director Resources**

The Director Resources is responsible for the overall management of the organizations' resources in support of operations, namely logistics, procurement, HRM, financial management and ICT, manages the associated risk, and is responsible for cost control and the management of growth (Head Office and field operations).

○ **Delegate Director (*adjunct directeur*)**

The Delegate Director is responsible for the overall management of the MSF Holland objectives towards the Dutch society and the relevant network including communication and private and corporate fundraising, manages the associated risk, and is responsible for the cooperation between departments the functioning of the Head Office and the facility support in the office.

3.4 All Management Team members may represent MSF-Holland in public

(*vertegenwoordiging buiten rechte*) as managing director in their area of responsibility.

3.5 The other representative powers are specified in separate and individual Powers of Attorney and in accordance with the By-laws article 11.4. All Powers of Attorney are granted by the Board.

3.6 Management Team members are also members of the OCA-MT with the exception of the Delegate Director.

Article 4: Tasks and responsibilities of the General Director, Directors, and the Management Team

4.1 The Board determines policy, establishes financial guidelines and holds the final responsibility for overall management and raising of sufficient funds as well as the administration and spending thereof.

4.2 In accordance with article 6.1.4 of the By-laws, before the end of the fiscal year, the Management Team prepares, and the Board adopts, an annual policy plan and budget for the following year, in which the strategic goals and objectives, programmes, activities and the intended results are clearly described. The plan will also describe the planned spending on support functions, the planned spending on fundraising, and the expected fundraising returns. The scope and possible financial impact of an intended revision of the Terms and Conditions of employment for the employees of MSF-Holland (Head Office

and field operations) must be included in a separate chapter. A paragraph on the development of the reserves position and management of (cash) reserves and risk management must be included. Major projects to be implemented and investments proposed must be highlighted.

- 4.3 The Management Team takes all necessary decisions – with or without specific express prior approval of the Board – that are needed for the execution of the policy and within the framework of the annual plan, the budget adopted by the Board, in the best interest of the organization.
- 4.4 The General Director reports to the Board, at least three times a year, on the achieved results, deviations from the plan, and corrective actions taken. Furthermore, the General Director provides to the Board all other information reasonably requested by the Board, and provides on a timely basis to the Board all information needed for a meaningful functioning of the Board.
- 4.5 The General Director will inform the Board without delay of critical risks, incidents, possible threats (including litigation) or legal proceedings to MSF-Holland. The General Director will maintain an Incident Register. Furthermore, all losses with a value over € 25,000 will be reported to the audit committee of the Board.
- 4.6 The Management Team is responsible for the management of the organization. Every managing director is primarily accountable to the General Director for the area of responsibility corresponding to his or her assigned portfolio.
- 4.7 The internal reporting and accountability to the managing directors is according to the departmental structure and is as follows:

Management Team	Department in portfolio
General Director	Operational Support Communication, Advocacy and Reflection
	Controller
Delegate Director	Communication
	Fundraising
	Facilities management
Director Operations	Operations
	Emergency Support Desk
Director Medical	Public Health
Director Resources	Logistics
	HRM
	Finance,
	ICT

The Controller also reports directly to the Board.

4.8 In accordance with the departmental structure as mentioned in 4.7 the managing director responsible appoints the Heads of Department/Operations Manager.

Article 5: Ceiling amounts for decisions to be taken by the General Director and representative authority of the Management Team

The authority assigned to a specific position as described in this article 5 can only be substituted or mandated by a decision of the Board, unless explicitly provided for in the relevant article. Article 11.4 of the By-laws, which designates the entering into agreements, remains valid notwithstanding the authority assigned as described in this article 5.

5.1 The General Director needs to obtain prior approval of the Board for amounts greater than the amounts stated below. Approval will be requested through the audit committee of the Board.

Issue	Amount
Investments in Fixed Assets	€ 500,000
Investments in Software applications whether new or concerning improvements	€ 500,000
Any contractual obligation within the framework of an approved Annual Plan for the supply of goods and/or services	€ 1,000,000
Any single payment	€ 500,000
Acceptance of a funding contract	€ 2,500,000

5.2 Any of the members of the Management Team may enter legally binding agreements to a maximum value of € 250,000 within their portfolio.

5.3 Any two Management Team members may jointly enter legally binding agreements to a maximum value of € 1,000,000 within the framework of an approved Annual Plan and for the supply of goods and/or services. Controller countersignature is required. Signatures of the Board are required for amounts exceeding this limit. Requests to the Board must be signed by the Controller and will be done through the audit committee of the Board.

5.4 The General Director may authorize the Directors to execute payments on behalf of MSF-Holland in accordance with article 5.1.

- 5.5 The Board approves a regulation, in accordance with the articles of this statute, that further describes the external representation powers of the Management Team members, the financial authority which has been assigned to other members of staff of MSF-Holland, and the rules that apply for deviations from budget, temporary replacement (*plaatsvervanging*), engaging in contracts and executing payments. This regulation also includes the authority pertaining to entering and dissolving labor contracts. The Director Resources, as the Management Team member responsible for Finance, together with the Controller will implement and maintain this regulation.
- 5.6 The General Director, and in his absence the Director Operations, has the authority to accept operations project funding contracts from institutional donors and foundations up to € 2,500,000 per contract. The total of the contracts will not exceed 50% of the budget of operations projects in any year. The General Director may delegate the acceptance of funding contracts up to € 100,000 to a Head of Mission where such contracts are drawn up in the country of operations; prior written approval from the General Director must be obtained. All funding contracts are to be administered centrally in the Head Office. The Controller countersigns all foundation funding contracts.
- 5.7 The General Director and the Delegate Director individually have the authority to accept without financial limit donations, gifts, gifts by notarial deed, legacies and inheritances. Legacies and inheritances may only be accepted under the condition of beneficiary acceptance. The procuration towards acceptance and settlement of legacies and inheritances is further specified in the Power of Attorney of the said directors as issued by the Board. Pursuant to the consent of the Controller, this authority may be internally delegated up to a limit of € 100,000. The Controller will countersign a rejection of a legacy or inheritance. The Controller will be informed about any extraordinary donation, gift, legacy or inheritance.
- 5.8 The General Director and the Delegate Director have the individual authority to represent MSF-Holland in any legal proceedings limited to a risk for claims and damages of € 250,000 and/or to appoint a reputable lawyer to represent MSF-Holland in such proceedings.
- 5.9 The General Director will be the principal representative towards the Works Council of MSF-Holland. The General Director will meet with the Works Council in person four times a year at a minimum. The representation function may be delegated to the Delegate Director.
- 5.10 The General Director may propose an annual revision of the Terms and Conditions of employment for the employees of MSF-Holland with a *Dutch* contract. The scope of

these proposed revision as well as the possible financial impact will be included in the annual plan to be adopted by the Board. The scope and possible financial impact of an intended revision of the Terms and Conditions of employment for the employees of MSF-Holland with a *foreign* contract will be included in a separate chapter in the annual plan to be adopted by the Board. See also article 4.2 of this Management Statute.

- 5.11 The General Director and the Director Operations have the authority to establish and dissolve (temporary) offices in countries where MSF-Holland implements projects and within the framework of the annual plan as adopted by the Board. The Board may grant limited representative authority to a Head of Mission enabling operational activities according to a standard instruction (Engagement Agreement / *overeenkomst van opdracht*) which is an integral part of the assignment contract of a Head of Mission.

Article 6: Procedure for recruitment and selection of the General Director

- 6.1 The Board will select a Recruitment Committee for the recruitment and selection of the General Director. This Committee will consist of at least 3 Board members and include board members of OCA Partners, a representative of the Management Team, and the Head of Department HRM. The Board may also select external advisors for the Recruitment Committee.
- 6.2 The Recruitment Committee will review and propose an update as necessary of the duties and responsibilities of the General Director. The Recruitment Committee will propose the key competences required for the position. A significant change in the duties and responsibilities of the General Director will be discussed with the Works Council. The Board will approve the proposal of the Recruitment Committee.
- 6.3 The Recruitment Committee will identify the methods of publishing the vacancy. The position must be advertised within MSF International, and must be made widely known to encourage external candidates. The Recruitment Committee will make the selection of candidates and interview the candidates.
- 6.4 The Recruitment Committee will present the qualifications of the selected candidate to the whole Board. Upon approval of the qualifications, the candidate will be presented to the whole Board. After approval of the Board, the candidate will be presented to the Works Council.
- 6.5 If the candidate is approved, the standing Remuneration Committee of the Board will negotiate an employment contract within the limits specified in article 7 of this statute.

6.6 The Recruitment Committee will dissolve itself after a successful recruitment.

Article 7: Salary and benefits of the General Director and the Directors.

- 7.1 The salaries and benefits of the General Director and the Directors will be in accordance with the “Recommendations for the remuneration of directors for charities” as adopted by the members of the VFI.
- 7.2 MSF-Holland has classified the General Director to job-group J (524 points); Directors are classified in job-group I (456 points). Pension scheme contributions are not included in the annual salary and benefits specified. The salary levels will be determined in accordance with article 7.6.
- 7.3 The salary and benefits of the General Director and the Directors will be fully disclosed in the Annual Financial Report of MSF-Holland.
- 7.4 The remuneration policy for the General Director is set by the Board in the “*Addendum remuneration policy framework HQ – Director*”
The salaries of the Directors are included in, and classified in the internal MSF-Holland remuneration policy framework. Any increments will be decided upon annually by the General Director.
- 7.5 The Remuneration Committee of the Board may propose to update and review the salary and benefits of the Directors annually as necessary within the limits of the guideline mentioned in article 7.1. The Remuneration Committee of the Board in particular advises on the update and review the salary and benefits of the General Director and following the annual evaluation as described in article 8.1.
- 7.6 In principle, the salaries as stated in the remuneration framework of MSF-Holland will be according to the Q1 salary line (around the 25th percentile) relative to those in the not-for-profit and government sectors of the employment market. The General Director and the Directors will not receive any remuneration other than their salaries and statutory allowances in accordance with the recommendations reconfirmed by the MSF International Council on April 1st, 1995.

Article 8: Evaluation of the General Director and the Directors.

- 8.1 The president of the Board appoints a Board Committee to evaluate annually, at a minimum, the functioning of the General Director. The Board Committee shall have two members. A written report and the conclusion of the Board Committee will be shared with the General Director and the president of the Board. At least two weeks prior to finalization of the functioning evaluation, the conclusions of the Board Committee will be presented to the entire Board in writing. The Board is expected to accept the conclusions.

- 8.2 Refer to Annex 1 “*Evaluation of the functioning of the General Director*” to this statute regarding the evaluation of the General Director.
- 8.3 The General Director will evaluate the Directors.
- 8.4 The General Director informs the president of the Board in writing of the conclusions of the evaluation discussions.
- 8.5 The General Director together with the treasurer of the Board will evaluate the Controller annually.
- 8.6 The functional evaluation of all the Management Team members will be made in accordance with the existing MSF-Holland employee performance evaluation policy.

Article 9: Procedure on decision-making within the Management Team

- 9.1 The General Director will decide on the frequency of Management Team meetings, but will meet at least once a month. All meetings will be minuted. Minutes of Management Team meetings will be distributed within the organization without delay, inter alia to the Controller and the Board members comprising the Board Executive Committee.
- 9.2 In principle, decisions are made in Management Team meetings. Each member has a voice; discussion should be open, and if possible, the decision should be unanimous. No major decisions should be made without Management Team consultation; in the absence of the General Director, the managing director with primary responsibility should be present.
- 9.3 If no consensus can be reached
If no consensus can be reached the General Director will take a decision. With regards to a matter of significant importance (*van zwaarwiegend belang*), the General Director will consult the president of the Board prior to taking a decision. A clear written proposal must be made to the president of the Board. This may be done by e-mail.
- 9.4 If the opinion of the General Director differs from the Directors
If the opinion of the General Director differs from the Directors, and the matter is of significant importance (*van zwaarwiegend belang*) the General Director may consult the president of the Board in order to come to a decision. A clear written proposal must be made to the president of the Board. This may be done by e-mail.
- 9.5 Ad hoc executive decision-making of the Management Team
For urgent matters, and when no formal meeting can be convened, all Management Team members will be consulted as far as physically present and available for consultation. Effort will be made to always include the director with primary responsibility. The decision will be documented, confirmed, and included in the minutes of the next official meeting.

Article 10: Disclosure and permission to accept or hold additional offices

- 10.1 MSF-Holland fully subscribes to the principle of disinterestedness (i.e. not being influenced by one's own advantage) which underlies the commitment of all staff directly involved with MSF, and which was reconfirmed by the MSF International Council on April 1st, 1995. This principle of disinterestedness fully applies to all MSF-Holland employees including the General Director and the Directors.
- 10.2 The General Director and Directors will annually disclose, in writing, additional paid or unpaid offices and/or positions held. The General Director and each Director are obliged to inform each other, and if appropriate, the Board, of any real or potentially perceived conflict of interest.
- 10.3 The General Director and all Directors shall have the obligation to be mindful of any financial interest, membership, employment, or personal or business relationship that might create a real or perceived conflict of interest in the performance of their duties or impair their objectivity or independence of judgment.
- 10.4 The Management Team member will not be allowed to participate in discussions or decisions on topics related hereto when the Management Team considers the real or perceived conflict of interest to be of a nature that is incompatible with the decision-making process and will reclude him/herself for decisions on the related topics.
- 10.5 The Management Team member with a conflict of interest will lose the representative authorities related to the conflict of interest as outlined in this Management Statute. The Board may decide to limit the representation in other areas.
- 10.6 The General Director will ask the Board permission in advance regarding paid or unpaid additional activities or any other action which could conceivably jeopardize his/her disinterestedness.
- 10.7 Each Director will ask the General Director permission in advance regarding the performance of paid or unpaid additional activities or any other action which could conceivably jeopardize his/her disinterestedness, whether real or apparent.
- 10.8 Permission will normally not be granted in cases where
- Additional activities are contrary to the goals, the Charter and the Code of Conduct of MSF-Holland;
 - Additional activities may give rise or can be anticipated to give rise to a conflict of interest;
 - Additional activities may hamper his/her ability to carry out his/her regular work and responsibilities;

- Candidacy for a political party for any public elections, whether European, national, provincial or municipal is concerned.

Article 11 Management Team representation of MSF-Holland in the international movement *Médecins sans Frontières*

- 11.1 Every Management Team member must be an active and constructive participant in the representation of MSF-Holland in the international movement *Médecins sans Frontières* in his or her functional area of responsibility. The representation may be delegated to the relevant Head of Department or the Controller if appropriate.
- 11.2 The General Director will represent MSF-Holland on the highest executive platform of the international movement *Médecins sans Frontières*, the “*ExCom*”. The General Director may delegate this representation to any of the Directors in accordance with standing agreements made in the international movement *Médecins sans Frontières*.

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