



Report to the GAVI Alliance Board

7-8 July 2011

Subject:	Delegation of Authority Policy
Report of:	Debbie Adams, MD, Law and Governance
Authored by:	Ruth Khalastchi, Senior Specialist, Corporate Policies
Agenda item:	12c
Strategic goal:	Alliance operations

Section A: Overview

1. Purpose of the report

- 1.1 The purpose of the report is to provide an overview of recommended amendments to the Delegation of Authority Policy.

2. Recommendations

- 2.1 It is recommended that the GAVI Alliance Board approve the following resolution:

“The GAVI Alliance Board:

Approved the GAVI Alliance Delegation of Authority Policy attached as Annex 1 to the report on the Revision to the Delegation of Authority Policy, Doc #12c replacing the Delegation of Authority Policy the Board had approved in June 2009.”

3. Executive summary

- 3.1 The Board approved the Delegation of Authority Policy on 2-3 June 2009. This policy is attached as Annex 2. As part of its review of all policies, the Secretariat would like to request amendments to this policy in the form of an amended Delegation of Authority Policy. The principal amendments are as follows:
- (a) To provide the same powers of delegated authority to the Deputy Chief Executive Officer as those currently delegated to the Officers of the GAVI Alliance.
 - (b) To more closely align the standing delegations with the current practice of the Secretariat. In particular, the “Expenditure” section recognises the transition from the workplan to the integrated business plan.

- (c) The authority to establish further delegations is extended to the Deputy CEO and the Secretary of the Board. The CEO and the Deputy CEO will act jointly in establishing any further delegations and each may do so either with the Treasurer or the Secretary.
- 3.2 The Board is also requested to approve the delegation of authority to the CEO to approve internal corporate policies of the Secretariat. This is consistent with Board resolution 13 of 29-30 October 2008 which delegated the authority to the Secretariat “to complete and implement all HR-related policies and procedures”.

4. Next steps

- 4.1 Upon approval, the new policy would take immediate effect and the current policy would be repealed.

5. Conclusions

- 5.1 The Board is requested to approve of the revised Delegation of Authority Policy.

Section B: Implications

6. Impact on countries

- 6.1 Not applicable.

7. Impact on the Business Plan / Budget / Programme Financing

- 7.1 Makes clearer that, subject to Board or Executive Committee approved budget, financial commitments, and the Budget Variance Policy, Officers and the Deputy CEO would have the authority to enter into single or multi-year agreements, including for the procurement of goods and services, with appropriate parties in the delivery of the business plan.
- 7.2 Any capital expenditures above USD 1 million continue to require review by the Audit and Finance Committee and approval by the Board or Executive Committee.

8. Risk implications and mitigations

- 8.1 Delegation of authority from the Board to the Secretariat requires oversight of the Secretariat’s activities. On the other hand, insufficient delegation causes

operational bottlenecks and could distract the Board from more strategic activities.

9. Legal implications

- 9.1 The authority to sign legal instruments on behalf of the organisation is extended to the Deputy CEO.

10. Consultation

- 10.1 Secretariat Executive Team, Law and Governance team, Director of Human Resources, Senior Director of Finance and Chief Accounting Officer.

11. Gender equality implications

- 11.1 Not applicable.

12. Implications for the Secretariat

- 12.1 There will be efficiencies and clarity on the relationship between the Board and the Secretariat in terms of signatory authority. The Officers and Deputy CEO's authority to establish further signatory authorities carries the responsibility to provide oversight of those entrusted with the further authority.
- 12.2 Under the leadership of the interim CEO, the Secretariat is reviewing its Human Resources and operational policies, including on travel and hospitality expenses, procurement procedures, IT systems, access to information etc... A sub-group of the Executive Team has been established to guide the process of reviewing, revising, identifying policy gaps and approving new Secretariat policies. A complete package of Human Resources and operational policies, covering all aspects of working at the GAVI Secretariat, is expected to be adopted by the interim CEO (as delegated by the Board under the revised Delegation of Authority policy) over the coming months and will be made available for information to the Board.

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DOCUMENT ADMINISTRATION

VERSION NUMBER	APPROVAL PROCESS	DATE
1.0	Prepared by: Governance	
	Approved by GAVI Alliance Board	2-3 June 2009
2.0	Revised by: MD, Law and Governance	March 2011
	Reviewed by: Snr Director, Finance Legal Director of Human Resources Executive Team (Sub-group on Corporate Issues)	30 March 2011

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Delegation of Authority Policy

1. Purpose

- 1.1 Pursuant to the GAVI Alliance Statutes and By-laws, the Board may delegate powers to the officers of GAVI for the administration and management of the organisation.
- 1.2 Article 6 of the GAVI Alliance By-laws provides that the Board may adopt a Delegation of Authority Policy to outline delegations to the officers. In accordance with Article 6 of the By-laws, the purpose of this policy is to clarify those delegations, including in respect of further authorities officers may make to members of the Secretariat.

2. Definitions

- 2.1 **“Officers”**: Article 6 of the By-laws defines the officers of GAVI as including its Chief Executive Officer, a Treasurer and a Secretary. The Officers shall perform the functions listed in the By-laws and other responsibilities that may be assigned to them by the Board from time to time.

3. Standing delegations

- 3.1 Standing delegations within this policy are subject to Article 14 of the GAVI Alliance Statutes which states that “powers delegated by the Board will be exercised under the authority and direction of the Board and any such delegation may be rescinded by the Board at any time.”
- 3.2 All powers that the Officers have shall be accorded to the Deputy Chief Executive Officer.

Legal instruments

- 3.3 Subject to the limitations set out in paragraph 3.4, Officers and the Deputy Chief Executive Officer have the authority to sign legal instruments on behalf of the GAVI Alliance.

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Expenditures

3.4 Subject to Board or Executive Committee approved budgets, financial commitments, and the Budget Variance Policy, Officers and the Deputy Chief Executive Officer have the authority to perform the following:

- Country programmes, Investment cases and financial commitments:
 - Enter into underlying single or multi-year agreements.
 - Disburse programme funds.
- Business plan:
 - Enter into single or multi-year agreements, including for the procurement of goods and services, with appropriate parties in the delivery of the business plan.
- Capitalised items:
 - Enter into agreements for capitalised items of over USD 1 million only after review by the Audit and Finance Committee and approved by the Board or the Executive Committee.

Corporate policies and procedures

3.5 Subject to Board or Executive Committee approved budgets, the Chief Executive Officer has the authority to adopt, as and when necessary, such internal policies and procedures related to human resources and the business operations of the Secretariat for the effective day-to-day management of the organisation.

4. Further signatory authority delegations

4.1 The Chief Executive Officer and the Deputy Chief Executive Officer have the joint authority to establish further signatory authority delegations from time to time as necessary for GAVI's business needs. Either one of them acting together with the Treasurer or the Secretary also have such authority. Further signatory authority may be for purposes of opening bank accounts, establishing signature authorities in connection with such bank accounts and as necessary to execute contracts, certifications, and such other documents as are required for the operation of the organisation.

5. Effective date and review of policy

5.1 This policy comes into effect as of [date of Board meeting]

5.2 This policy will be reviewed and updated as and when required, and such amendments are subject to GAVI Alliance Board approval.



GAVI ALLIANCE DELEGATION OF AUTHORITY POLICY

Approved on 2-3 June 2009

1. Purpose

As described in Article 6 of the GAVI Alliance By-laws, “the Board may adopt a Delegation of Authority Policy to outline delegations to the officers.” In all cases, where there are conflicts between the Statutes, By-laws, and this policy, the Statutes and By-laws will take precedence.

2. Definitions

Terms found in this policy shall have the same meaning as they do within the GAVI Alliance Statutes and By-laws.

3. Standing Delegations

Standing delegations within this policy are subject to Article 14 of the GAVI Alliance Statutes which state “powers delegated by the Board will be exercised under the authority and direction of the Board and any such delegation may be rescinded by the Board at any time.”

a. Legal Instruments

Officers have the authority to sign legal instruments on behalf of the GAVI Alliance including legal instruments to be signed in the GAVI Alliance role as a member of other organisations (such as the International Finance Facility for Immunisation Company).

b. Country-specific Programmes

Officers have the authority to exchange country-specific liabilities between the GAVI Alliance and the GAVI Fund Affiliate (when necessary to balance the pentavalent programme disbursement and without materially increasing liabilities in either entity) and shall report such reassignments to the Audit and Finance Committee post-exchange.

c. Expenditures

Subject to Board or Executive Committee approved budgets, financial commitments, and the Budget Variance Policy, Officers have the authority to perform the following:

- Programme budgets and financial commitments:
 - Enter into underlying single or multi-year contracts of unlimited value
 - Disburse programme funds.

- Administrative budgets and capitalised items:
 - Enter into single or multi-year contracts up to a value of US\$ 1,000,000 per contract
 - Enter into single or multi-year contracts above a value of US\$ 1,000,000 per contract subsequent to review and acknowledgement by the Audit and Finance Committee.
- Work Plan budgets: Enter into underlying single or multi-year contracts of unlimited value.

d. Further Signatory Authority

The CEO and the Treasurer have the authority to establish further signatory authority delegations from time to time as necessary for the Alliance to open bank accounts, establish signature authorities in connection with such bank accounts and as necessary to execute contracts, certifications, and such other documents as are required for the operation of the Alliance.