



City Cancer Challenge Foundation

Governance Framework

January 2019

Contents

Corporate Governance
Overview

03

section 01

Governance

07

section 02

Strategy and Planning

09

section 03

Financial Oversight

12

section 04

■ Corporate Governance – Overview

- 1.1** Corporate governance is the set of principles and practices adopted by a Board – whether in the private or social sector – that assure its key stakeholders that the organisation is being managed effectively and appropriately. It provides the structure through which:
- a)** The broad objectives of the organisation are set (medium and long term);
 - b)** The means to obtaining those objectives and monitoring performance are determined;
 - c)** There is appropriate stewardship of the organisation's financial resources, and balancing competing demands.
- 1.2** There is no single model of corporate governance for a Nongovernment Organisation (NGO). Each NGO is unique, and the particular arrangements it puts into place for good corporate governance will be influenced by that uniqueness. However, there is a widely held understanding about the sort of practices that support good governance.
- 1.3** Typically, the corporate governance framework should ensure the strategic guidance of the NGO, the effective monitoring of the NGO's management by the Board, and the Board's accountability to its stakeholders including partners and funders, the regulator and the community in which it operates.
- 1.4** In order for Boards to fulfil effectively their responsibilities, they must have a high level of independence from the NGO's management.
- 1.5** City Cancer Challenge, being a Foundation headquartered in Switzerland, is required to ensure that it is governed in accordance to the regulations set out by the Swiss Supervisory Authority and according to the approved statutes and by-laws.

Section 01 Corporate Governance – Overview

Key roles for Boards in corporate governance

1.6 Common tasks that make up the corporate governance role of a Board include:

- a) Establishing and implementing the **Governance Framework** for the organisation;
- b) Establishing the framework through which the organisation develops and implements a **long-term strategy**, contributing to, evaluating, approving and monitoring **core business strategies** developed by NGO's management;
- c) **Monitoring performance** through agreed measures linked to NGO strategies and comparing this with those of other relevant organisations;
- d) Ensuring that **monitoring and control processes** are in place. This includes establishing policies on risk management, financial controls, internal controls, compliance and public reporting;
- e) Accepting **accountability and responsibility** to stakeholders of the NGO and ensuring that their relationship with the NGO is steward effectively;
- f) Recruiting, supporting, evaluating, rewarding and, if necessary, terminating the **Chief Executive Officer (CEO)**. This also involves the Board in succession planning;
- g) **Being transparent**, including communicating to stakeholders and the public, and making information available upon request;
- h) Developing appropriate structures and ensuring the **Board understands its role**, operates efficiently and effectively, and avoids conflict of interest;
- i) Ensuring that the **Board itself develops** and improves its own operational capabilities.

Section 01 Corporate Governance – Overview

1.7 To fulfil these obligations effectively, the Board of City Cancer Challenge distributes these roles between the Board and CEO as follows:

Governance	Board	CEO
Sets out the Governance Framework	✓	
Ensures adherence to the Framework		✓
Regularly reviews the Framework	✓	
Strategy and planning		
Directs the process of planning		✓
Provides input to long range goals and strategy	✓ (joint)	✓ (joint)
Approves long range goals and strategy	✓	
Formulates annual objectives/plans		✓
Approves annual objectives/plans	✓	
Prepares performance reports on achievement of goals and strategy		✓
Monitors the achievement (or not) of goals and strategy	✓ (joint)	✓ (joint)
Monitoring and control		
Prepares preliminary budget		✓
Finalises and approves budget	✓	
Monitors that expenditure is within agreed budgets through the year		✓
Approves expenditures outside authorized budget if required	✓	
Prepares financial statements		✓
Approves financial statements	✓	
Drafts financial management policies and procedures		✓
Approves financial management policies and procedures	✓	
Signs-off on funding commitments with partners		✓
Arranges and manages annual audit		✓
Ensures annual audit of accounts	✓	
Sets out the parameters of a risk management framework		✓
Ensures that the organisation has adequate internal controls to execute its business effectively	✓	
Ensures that the information requirements of the Board and stakeholders are adequately satisfied (e.g. Annual Report and Financial Reports)	✓	
Approves the risk management framework	✓	
Implements risk management and other internal control processes		✓
Regularly reviews risk and internal procedures (and outputs)	✓	
Establishes and regularly reviews the issues of Conflict of Interest	✓	

Section 01 Corporate Governance – Overview

Operational programming	Board	CEO
Assesses all stakeholders' needs		✓
Oversees the evaluation of programmes / services	✓	
Prepares and maintains programmes / services reports		✓
Organises fundraising		✓
Manages the delivery of programmes / services		✓
Oversees the implementation of programmes / services	✓	
Staffing		
Employs the CEO	✓	
Ensures that there is a current succession plan for the CEO	✓	
Sets out organisational design and the HR policies and requirements		✓
Hires and discharges staff		✓
Directs the work of staff		✓
Manages discord among staff and between staff and Management		✓
Oversights compliance to local laws and regulations for remote staffing and operations		✓
Board management		
Promotes attendance at Board/committee meetings	✓	
Plans annual agenda for Board meetings	✓	
Determines who can and cannot attend Board Meetings	✓	
Takes minutes at Board meetings		✓
Determine committee structure	✓	
Follow-up to ensure implementation of Board and committee meeting decisions/actions are done		✓
Appoints committee members	✓	
Settles conflicts between members	✓	
Establishes Board development plan	✓	
Board Composition and Roles		
Agrees process to appoint new Board members	✓	
Implements agreed Board nominations and appointment process		✓
Appoints new Board members	✓	
Agrees on process to select Board Chair and Vice Chair	✓	
Appoints Chair and Vice Chair	✓	

Section

02

▣ Governance

The City Cancer Challenge Board as will be set out in the Foundation's by-laws undertakes the following roles to ensure that it properly fulfils its mandate:

- 2.1** Ensures that there is a clear statement of the role and required duties of Board members – including attendance requirements. Board members should know what is expected of them before they take up a position on the Board.
- 2.2** Promoting participation by Board members – participating actively in Board meetings and sub-committees, planning and other Board strategy, training and briefing sessions etc.
- 2.3** Providing high-level guidance to City Cancer Challenge – focusing on strategy, planning, performance and reporting (see Section 3).
- 2.4** Running effective meetings – ensuring the agenda and papers are prepared and forwarded to members in time for their familiarisation, sticking to agendas, encouraging full participation and debate.
- 2.5** Keeping clear records of meetings and Board's decisions, and making the results of the Board's deliberations available to any stakeholders with an interest in the Board's decisions.
- 2.6** Building the Board's effectiveness through appropriate structures – including delegation of responsibilities to special Board Sub-Committees. For example: Finance, Audit & Risk Committee.
- 2.7** Assessing performance – having a process for evaluating regularly the effectiveness of the Board (joint and individual) and the governance structure.
- 2.8** Maintaining independence – ensuring that a majority of Board members are truly independent of the City Cancer Challenge management team. Independence is particularly required for any committee a Board might establish to handle matters relating to audit, board nomination and staff remuneration etc.

Section 02 Governance

- 2.9** Ensuring the Board is aware of the regulations and policies that govern City Cancer Challenge (see Appendices). This includes:
- a)** Recognising that as a Foundation, City Cancer Challenge is bound by the organisation's statutes and by-laws, which are regulated by the Swiss Supervisory Authority;
 - b)** Regularly reviewing the City Cancer Challenge Conflict of Interest Policy to help Board members and staff understand them, and ensure they agree to the obligations which they are undertaking;
 - c)** Understanding the due diligence process which permits the collection of information on potential partners, as well as the approach to develop and maintain these partnerships;
 - d)** Understanding and adhering to the Code of Conduct policy set out for Board Members;
 - e)** Considering opportunities for City Cancer Challenge to affiliate itself with external organisations, networks or alliances (e.g. civil society organisations; non-profit foundations; and city networks and alliances);
 - f)** Understanding the process for nominations for Board Members, Chair and Vice-Chair.
 - g)** Understanding the Constructive Engagement Framework which sets out the rules of engagement by which all City Cancer Challenge external "Key Stakeholders" will collaborate in an ethical and legally compliant way to achieve City Cancer Challenge's mission.

Section

03

▸ Strategy and Planning

3.1 NGOs are generally founded for the public good and operate to achieve a clear purpose through a specific portfolio of activities and programmes. City Cancer Challenge has in place a clear vision and mission, backed up by strategic planning and programme evaluation processes to ensure that work and programmatic activities are delivered to meet the fundamental purpose of City Cancer Challenge.

3.2 Setting the vision, mission and strategy of City Cancer Challenge is the most important role the Board undertakes. It provides the framework through which the management of City Cancer Challenge operates under the Board's broad strategic direction.

The strategic framework

3.3 It is the role of the City Cancer Challenge Board to work with the City Cancer Challenge management to develop long-term strategies for City Cancer Challenge.

3.4 City Cancer Challenge being a new organisation, the Board reviews the strategy of City Cancer Challenge every three years in the first decade of operations, and steers an independent review process of the strategy every five years.

3.5 The long-term strategy is documented and published to all City Cancer Challenge partners.

3.6 The Board endeavours to define the best approach with the CEO to achieve the City Cancer Challenge strategic ambitions. The key Board functions relating to strategic foresight include:

- a)** Setting out strategic objectives over at least a 5 to 10-year horizon with the City Cancer Challenge team to inspire stakeholders to engage with City Cancer Challenge in the longer term.
- b)** Agreeing with the CEO the preferred strategy to achieve the long-term strategic objectives.

Section 03 Strategy and Planning

- c) Monitoring agreed performance measures linked to City Cancer Challenge's strategy and comparing this with those of other relevant organisations;
- d) Ensuring that the CEO defines and delivers business plans which the Board validates, reviewing budgets/forecasts, ensuring resources are sufficient, and reviewing regularly whether the City Cancer Challenge activities are in line with its purpose and long-term strategy.

3.7 The Board ensures that the City Cancer Challenge CEO produces a robust Business Plan which sets out the City Cancer Challenge programme of activity over a three-year period.

3.8 A table showing the timeline for Strategy Reviews, Business Plan production and Board Elections is shown below.

	2020	2021	2022	2023	2024	2025
BOD elections		End ✓			End ✓	
Strategy Reviews	✓		✓			✓
Business Plan review	✓	✓	✓	✓	✓	✓
Annual work plans	✓	✓	✓	✓	✓	✓

Fulfilling the Board's strategic role

The City Cancer Challenge Board endeavours to fulfil its strategy mandate in the following ways:

- 3.9** It formally agrees, states and publishes the purpose (mission) of City Cancer Challenge;
- 3.10** It periodically reviews this mission to determine its relevance and whether the strategies chosen to support it and the programmes to deliver it are still required;
- 3.11** It oversees the management's preparation of operations (annual) and business plans (2 years +), and ensures that the strategies and programmes chosen are consistent with the stated mission and long term strategic plan;

Section 03 Strategy and Planning

- 3.12 It establishes a schedule of programme evaluation – all the services and programmes operated by City Cancer Challenge are reviewed for effectiveness periodically;
- 3.13 It evaluates programmes, qualitatively and quantitatively, against the mission. The evaluation determines whether appropriate outcomes are being achieved the mission is being fulfilled;
- 3.14 It evaluates the Foundation's performance against its organisational peers seeking to ensure that it is as innovative and effective as it can be.

Distinguishing between strategic oversight and management

- 3.15 The Board provides strategic oversight to City Cancer Challenge, but it does not manage City Cancer Challenge on a day-to-day basis. Managing City Cancer Challenge is the CEO's role which he or she takes up under delegation from the Board.
- 3.16 The Board appoints the CEO and provides him or her with sufficient delegated authority to manage City Cancer Challenge on behalf of the Board. The CEO reports to the Board and is primarily responsible for carrying out the strategic plans and policies established by the Board.
- 3.17 The management of City Cancer Challenge undertakes the work underpinning planning, strategy and policy development, and budget formulation on the Board's behalf, but it is the Board that must formally endorse these tasks to give them formal status.

Section

04

■ Financial Oversight

- 4.1** The City Cancer Challenge Board must practice sound financial oversight and comply with legal and regulatory requirements applicable in Switzerland and elsewhere, as required.
- 4.2** The Board of City Cancer Challenge views its fiscal responsibility as an important governance responsibility. It appoints a Treasurer (a member of the Board) and appoints a Finance, Audit & Risk Committee which has delegated responsibility to oversee the financial management of City Cancer Challenge, although the Board remains accountable for fiscal oversight.
- 4.3** The CEO has responsibility to ensure that City Cancer Challenge meets all standards required and manages the finances in a way which is transparent to the Finance, Audit & Risk Committee and the Board.
- 4.4** It is the responsibility of the Board to understand fully the financial position of the City Cancer Challenge. The Board:
- a)** Approves an annual budget that reflects the organisation's priorities and is based on realistic assumptions of funding, costs, and other factors;
 - b)** Oversees the financial operation of the Foundation ensuring that it meets all local financial and regulatory rules in the countries and cities City Cancer Challenge operates in and any cross border rules and regulations which apply to the organisation;
 - c)** Monitors income and expenditures on the basis of appropriate accounting procedures and receives regularly up-to-date financial statements, allowing adequate time for their full consideration;
 - d)** Oversees the stewardship of the organisation's assets and liabilities;

Section 04 Financial Oversight

- e) Approves annual reports, including financial statements;
- f) Approves the appointment of Auditors and receives and adopts their annual reports, noting any issues raised and the mitigating actions being taken by the CEO under the guidance of the Treasurer.

Basic requirements for managing financial responsibilities of the Board

4.5 The basic requirements for managing the financial responsibilities of the Board are:

- a) City Cancer Challenge operates in accordance with an annual budget that has been approved by the Board.
- b) Financial reports are created and maintained on a timely basis that accurately reflect the financial activity of City Cancer Challenge and allow the Board to monitor financial performance effectively.
- c) The accuracy of financial reports is subject to external audit by an approved organisation. The choice of auditor is reviewed at least every 5 years.
- d) Internal financial statements are prepared at least six-monthly, and are provided to the Board, identifying and explaining any material variation between actual and budgeted revenues and expenses. The Board formally ratifies any financial statements, or rejects them if they are not appropriate.
- e) The Board has written policies which are reviewed on a periodic basis, governing:
 - i. Investment of the assets of the Foundation;
 - ii. Internal control procedures;
 - iii. Purchasing practices;
 - iv. and Reserve funds.

Section 04 Financial Oversight

- 4.6** The Finance, Audit & Risk Committee of City Cancer Challenge has delegated authority from the Board to provide oversight of the Foundation's financial position.

Responsibilities of the CEO

- 4.7** The CEO has full responsibility to ensure that the financing of City Cancer Challenge, its expenditure, budgeting and reporting are in line with local regulations and Board guidelines and agreements.
- 4.8** The CEO is responsible for preparing forecasting reports and financial projections to assist the Board in their long-term planning.
- 4.9** The CEO is responsible for the relationship with the auditor and the local regulators.



<https://citycancerchallenge.org/>

