

PUBLIC FINANCE MANAGEMENT ACT
(Cap. 54:01)

**PUBLIC FINANCE MANAGEMENT (GOVERNMENT AUDIT
COMMITTEE) REGULATIONS, 2015**
(Published on 22nd May, 2015)

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IN EXERCISE of the powers conferred on the Minister of Finance and Development Planning by section 52 of the Public Finance Management Act, the following Regulations are hereby made —

Part I — *General*

- Citation **1.** These Regulations may be cited as the Public Finance Management (Government Audit Committee) Regulations, 2015.
- Interpretation **2.** In these Regulations, unless the context otherwise requires —
“Chairperson” means the Chairperson of the Committee;
“Charter” means the Audit Charter adopted by the Committee under regulation 4 (e);
“Committee” means the Government Audit Committee; and
“member” means the member of the Committee.

Part II — *Establishment of Committee*

- Establishment of Committee **3.** (1) There is hereby established a Committee to be known as the Government Audit Committee.
(2) The Committee shall oversee the conduct of internal audit examinations and monitor all internal audit activities of Government carried out in terms of section 11 of the Act so as to ensure compliance with the generally accepted standards of internal auditing.
- Powers and functions of Committee **4.** The Committee shall —
(a) undertake an independent review and exercise oversight over Government financial and other reporting activities;
(b) cause organisations to continually review the internal controls, risk management and governance processes;
(c) monitor and review the effectiveness of Government audit function;
(d) require the attendance of any public officer, including accounting officers, at its meetings to provide such information or answer such questions as the Committee may require;
(e) adopt the Charter which shall include among other things, the composition and the powers and functions of the Committee;
(f) direct investigations on matters within its jurisdiction;
(g) obtain any other professional advice as considered necessary to discharge its powers and functions; and
(h) be directly responsible and accountable to the Minister for the exercise of its powers and functions.
- Appointment, composition and tenure of Committee members **5.** (1) The Committee shall consist of seven members appointed in accordance with section 12 (2) of the Act.
(2) The members shall be appointed for a period not exceeding three years and may, subject to a review of their performance, be eligible for re-appointment for one further term.
(3) The Minister shall appoint the Chairperson from the seven members appointed in accordance with section 12 (2) of the Act, and the Vice Chairperson shall be elected by the members from among their number.

6. The other applicable qualifications and relevant experience referred to under section 12 (2) of the Act which shall be relevant when appointing the members of the committee shall be the following —

- (a) information and communication technology;
- (b) law;
- (c) structural and civil engineering and architecture;
- (d) procurement and supply chain management; and
- (e) transport and logistics.

Qualifications
of
members

7. (1) A person shall not be appointed to be a member or continue to hold office as a member if he or she —

- (a) has, in terms of any law in force in any country —
 - (i) been adjudged or otherwise declared insolvent or bankrupt and has not been rehabilitated or discharged, or
 - (ii) made an assignment to, arrangement or composition with his or her creditors, which has not been rescinded or set aside; or
- (b) has, within a period of ten years immediately preceding the date of his or her appointment, been convicted —
 - (i) of a criminal offence within Botswana, or
 - (ii) outside Botswana, of an offence which if committed in Botswana, would have been a criminal offence, and sentenced by a court of competent jurisdiction to imprisonment for six months or more without the option of a fine, whether that sentence has been suspended or not, and for which he or she has not received a free pardon.

Disqualification,
suspension,
removal and
resignation of
members

(2) The Minister may, in writing, suspend from office, a member against whom criminal proceedings are instituted for an offence in respect of which a sentence of imprisonment may be imposed, and whilst the member is suspended, he or she shall not carry out any duties or be entitled to any remuneration or allowances as a member.

(3) The Minister shall remove a member from office if he or she is satisfied that the member —

- (a) is absent without reasonable cause from three consecutive meetings of the Committee of which he or she has had notice;
- (b) is inefficient;
- (c) has been found to be physically or mentally incapable of performing his or her duties efficiently and a medical doctor has issued a certificate to that effect;
- (d) contravenes these Regulations or otherwise misconducts himself or herself to the detriment of the objectives of the Committee;
- (e) has failed to comply with regulations 17 and 18; or
- (f) has been convicted of an offence under the Act or any other Act for which he or she is sentenced to imprisonment for a term of six months or more without an option of a fine.

(4) A member may resign from office by giving 30 days notice in writing to the Minister.

Vacation of
office

8. A member shall vacate his or her office and his or her office shall become vacant —

- (a) if he or she is disqualified, suspended or removed, or resigns, in terms of regulation 7;

- (b) if he or she is adjudged bankrupt or insolvent;
- (c) if he or she is absent from three consecutive meetings of the Committee without reasonable excuse;
- (d) upon his or her death;
- (e) upon the expiry of such time as the Minister may specify in writing, notifying the member of the Committee of his or her removal from office by the Minister;
- (f) upon the expiry of one month's notice in writing to the Chairperson of his or her intention to resign from office;
- (g) if he or she becomes physically or mentally incapable of performing his or her duties efficiently and a medical doctor has issued a certificate to that effect;
- (h) if he or she is convicted of an offence under the Act or any other Act for which he or she is sentenced to imprisonment for a term of six months or more without an option of a fine; or
- (i) if he or she is summarily dismissed by the Minister on the grounds of contravening these Regulations.

Filling of vacancy

9. (1) Where the office of a member becomes vacant before the expiry of the member's term of office, the Minister shall appoint any other person who qualifies to be a member in place of the member who vacates office, until the expiry of a period during which such member would have otherwise continued in office.

(2) Subregulation (1) shall not apply where the remainder of the period for which the member whose office has been vacated would otherwise have held office is less than six months.

Remuneration and allowances

10. A member shall be paid such remuneration, travelling expenses and allowances, incurred in connection with his or her services on the Committee, if any, as the Minister may from time to time determine.

Part III — Reports to Minister and Audit Charter

Reports to Minister

11. The Chairperson shall, at least three times in every financial year, submit to the Minister, reports with regard to matters relating to the operations and activities of the Committee which, in the opinion of the Committee should be brought to the notice of the Minister.

Audit Charter

12. (1) The Charter shall be used for the purpose of guidance with respect to the requirements of these Regulations.

(2) The Committee shall ensure that the Charter is consistent with these Regulations at all times.

Part IV — Meetings and proceedings of Committee

13. (1) At the first meeting of the Committee, the members shall elect a Vice Chairperson from among their number. Election of Vice Chairperson

(2) The Chairperson and the Vice Chairperson shall hold office for a period of not more than three years.

(3) On the expiry of the terms of office of the Chairperson or the Vice Chairperson, or where the Chairperson or the Vice Chairperson vacates office, a

new Chairperson shall be appointed by the Minister and a new Vice Chairperson shall be elected by the members from among their number at the next meeting of the Committee or as soon as may be convenient.

(4) The Chairperson or the Vice Chairperson may vacate his or her office as such even though he or she remains a member.

(5) The Vice Chairperson shall exercise the functions of the Chairperson during the period that the Chairperson is absent or unable to act as Chairperson.

14. (1) Subject to these Regulations, the Committee may regulate its own proceedings.

(2) The Committee shall hold its first meeting on such date and at such place as the Minister may fix and thereafter the Committee shall hold at least one ordinary meeting in each quarter of the year.

(3) Notwithstanding subregulation (2), the Committee may meet whenever it deems necessary or expedient to discharge its functions, and such meetings shall be held at such places and times as the Chairperson may determine.

(4) Upon giving notice, in writing, of not less than 14 days, a meeting of the Committee may be called by the Chairperson, but if the urgency of any particular matter does not permit the giving of such notice, a special meeting may be called upon the giving of a shorter notice.

(5) The notice referred to in subregulation (4) shall state —

(a) the place and time for the meeting; and

(b) the agenda for the meeting.

(6) There shall preside at any meeting of the Committee —

(a) the Chairperson;

(b) in the absence of the Chairperson, the Vice Chairperson; or

(c) in the absence of the Chairperson and the Vice Chairperson, such member as the members present may elect from among themselves for the purpose of that meeting.

(7) The Head of Internal Audit shall be the Secretary of the Committee and shall —

(a) cause to be recorded and kept, minutes of all proceedings of meetings of the Committee; and

(b) attend meetings of the Committee but shall have no right to vote.

(8) The Secretary of the Committee shall be accountable to the Committee for his or her functions and responsibilities, and shall report directly to the Chairperson.

15. (1) The quorum at any meeting of the Committee shall be a simple majority of the members.

(2) Every member of the Committee shall have a voting right during proceedings of any meeting of the Committee.

(3) A decision of the Committee on any question shall be by the majority of the members present and voting at a meeting, and, in the event of an equality of votes, the member presiding shall have a casting vote in addition to that member's deliberate vote.

(4) The proceedings of any meeting of the Committee shall not be considered invalid by reason of the fact that there exists a vacancy in its number.

Co-opted members

16. (1) The Committee may, in its discretion, invite any person whose presence it deems necessary to attend and participate in the deliberations of any meeting of the Committee, but such person shall have no vote.

(2) Regulations 17 and 18 shall, with the necessary modifications, apply to a co-opted member.

Disclosure of interest

17. (1) If a member is present at a meeting of the Committee at which any matter in which the member or immediate family member of the member is

Meetings of Committee

Quorum and procedure at meetings

directly or indirectly interested in a private capacity is the subject of consideration, the member shall, as soon as practicable after the commencement of the meeting, disclose such interest and shall not, unless the Committee otherwise directs, take part in any consideration or discussion of, or vote on, any question touching on the matter.

(2) A disclosure of interest made under subregulation (1) shall be recorded in the minutes of the meeting at which it is made.

(3) Where a member fails to disclose his or her interest in accordance with subregulation (1) and a decision by the Committee is made benefitting such member or an immediate family member of the member, such decision shall be void to the extent that it benefits such member or immediate family member of the member.

(4) A member who fails to comply with subregulation (1) commits an offence and is liable to a fine not exceeding P2, 000 or for a term of imprisonment not exceeding six months, or to both.

Confidentiality

18. (1) A member of the Committee and any other person assisting the Committee shall observe and preserve the confidentiality of all matters coming before the Committee, and such confidentiality shall subsist even after the termination of their terms of office or their mandates.

(2) Any member or any person to whom confidential information is revealed through working with the Committee shall not disclose that information to any other person unless he or she is required to do so in terms of any written law or for purposes of any judicial proceedings.

(3) A member or any other person who contravenes this regulation commits an offence and is liable to a fine not exceeding P2, 000 or for a term of imprisonment not exceeding six months, or to both.

Part V – Miscellaneous Provisions

Assessment of
performance of
Committee

19. An assessment of the performance of the Committee shall —

- (a) be initiated by the Chairperson of the Committee once in every two years;
- (b) be conducted on a self-assessment basis unless the Minister otherwise determines; and
- (c) in the case of an external assessment of the operations of the Committee, be sanctioned by the Committee with the approval of the Permanent Secretary in the Ministry of Finance and Development Planning.

MADE this 30th day of April, 2015.

O.K. MATAMBO,
*Minister of Finance and Development
Planning.*