

# **SOUTHERN AFRICAN INSTITUTE OF GOVERNMENT AUDITORS**

## **CONSTITUTION**

# SOUTHERN AFRICAN INSTITUTE OF GOVERNMENT AUDITORS

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# SOUTHERN AFRICAN INSTITUTE OF GOVERNMENT AUDITORS

## 1. NAME

The Institute operates under the name: SOUTHERN AFRICAN INSTITUTE OF GOVERNMENT AUDITORS.

## 2. DEFINITIONS

2.1 Unless inconsistent with the context all words and expressions that indicate the singular also indicate the plural and *vice versa* and the following words shall have the meanings hereby assigned to them:

“By-laws” means the By-laws of the Institute as adopted by Council from time to time;

“Chairperson of the Executive Committee” means the chairperson of the Executive Committee of the Institute as set out in this Constitution;

“Chief Executive Officer” means the person appointed by the Executive Committee as the Chief Executive Officer of the Institute;

“Communicate” means information and documentation conveyed by ordinary mail, by registered mail or by electronic means;

“Constitution” means the Constitution of the Institute;

“Co-opt” means to elect into voting membership of the Council or any sub-committee of Council, excluding the Executive Committee, as set out in the By-laws of the Institute;

“Council” means the Council of the Institute as set out in this Constitution;

“Day” means a calendar day;

“Executive Committee” means the Executive Committee of the Institute as set out in this Constitution;

“Financial year” means a period from 1 January of a year to 31 December of that same year;

“Institute” means SOUTHERN AFRICAN INSTITUTE OF GOVERNMENT AUDITORS;

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“Member” means a person who has met the requirements set out in the By-laws and who has been admitted to any of the membership categories as set out in the By-laws of the Institute;

“Member in good standing” means a member as prescribed in the By-laws who has paid in full all subscriptions, fees, contributions, levies, dues, and other monies payable by that member of the Institute, who is not in breach of any of the provisions of this Constitution, or any of the By-laws, Code of Conduct or other provision of the Institute and who has complied with the Institute’s continuing professional development requirements;

“Office bearers” mean the President, Council members and the Chief Executive Officer of the Institute;

“President” means the President of the Institute as set out in this Constitution; and

“Secretariat” mean the employees appointed by the Chief Executive Officer who conducts administrative and any other functions for the Institute.

2.2 This Constitution must be read in conjunction with the By-laws of the Institute.

## **3. LEGAL PERSONA**

3.1 The Institute is a body corporate with perpetual succession and legal persona capable of suing and being sued in its own name, of performing such acts as necessary for or incidental to the achievement of its objectives and of exercising the Institute’s functions, duties and powers as determined in this Constitution.

3.2 The Institute continues to exist irrespective of changes in membership or office bearers.

3.3 The Institute is a body corporate not for gain established in terms of this Constitution.

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## **4. MEMBERSHIP AND DESIGNATION**

- 4.1 Only a member in good standing who holds the Institute's professional designation is entitled to use the designation Registered Government Auditor as reserved by this Constitution.

## **5. OBJECTIVES AND FUNCTIONS OF THE INSTITUTE**

- 5.1 The objectives of the Institute are:

- (a) To create a pipeline of public sector accounting and auditing professionals;
- (b) To advance the theory and practice of accounting and auditing in the public sector;
- (c) To protect the interests of the public sector accounting and auditing professionals;
- (d) To enhance the and advance the quality of education and training within public sector accounting and auditing;
- (e) To certify public sector accounting and auditing professionals; and
- (f) To establish and maintain an internationally recognised professional body whose members serve in the public sector.

- 5.2 Functions of the Institute:

- (a) To promote the collective interests of the members of the Institute, by means other than:
  - (i) any trading or other profit-making activities carried out by the Institute;
  - (ii) the participation by the Institute in any business, profession or occupation carried out by any of its members; or
  - (iii) the provision to any of its members of financial assistance or of any premises or continuous services or facilities required by its members

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for the purpose of carrying out any business, profession or occupation;

- (b) To preserve the independence of its members at all times;
- (c) To develop and implement strategic plans in order to advance public sector accounting and auditing;
- (d) To advance the theory and practice of financial management, ethics, governance and risk in the public sector;
- (e) To promote and stimulate research and public debate in respect of public sector accounting and auditing;
- (f) To promote the development and application of international public sector accounting and auditing standards and frameworks;
- (g) To promote training for persons involved in public sector accounting and auditing;
- (h) To arrange lectures, workshops, conferences, study tours, congresses, and other meetings in order to advance public sector accounting and auditing;
- (i) To collect, compile and publish information to advance public sector accounting and auditing;
- (j) To publish and distribute journals, books, pamphlets, and other publications relating to public sector accounting and auditing to its members, institutions of learning and other relevant stakeholders;
- (k) To provide opportunities for the exchange of views amongst persons involved in public sector accounting and auditing;
- (l) To award prizes, grants or scholarships to scholars, researchers, academics and practitioners in the field of public sector accounting and auditing;
- (m) To prescribe syllabi in respect of examinations and competency assessments for the public sector accounting and auditing profession;

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- (n) To keep a register for each membership category of the Institute;
- (o) To promote the interests of members through the advancement of public sector accounting and auditing;
- (p) To realise the Institute's and the profession's full economic potential through a pragmatic growth strategy, whilst helping to bring members of historically disadvantaged communities into the economic mainstream as a means of achieving broad-based economic growth ;
- (q) To form strategic partnerships with other relevant professional bodies, institutions, and organisations;
- (r) To provide members with various options for continuing professional development;
- (s) To review and endorse any formal learning and training programmes with focus in public sector accounting and audit, which are provided by the institutions of learning and training
- (t) To co-operate with the relevant education and training authorities;
- (u) To promote research in public sector accounting and auditing for publication purposes; and
- (v) To do all such lawful things that will be conducive to the attainment of any or all the aforementioned objectives.

### **6. COUNCIL**

6.1 The affairs of the Institute are governed by a Council.

6.2 The Council is the highest decision making authority of the Institute.

6.3 The Council shall consist of:

- (a) the President of the Institute elected in terms of the provisions as set out in the By-laws, and

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(b) a minimum of three and a maximum of nine members elected in terms of the provisions as set out in the By-laws.

6.4 The Council shall, as far as possible, be representative of its membership.

6.5 The Council has the right to make use of advisors such as academics and other public sector subject matter specialists when deemed necessary. These advisors do not have to be members of the Institute and will not have the right to vote at Council meetings.

### **7. POWERS AND RESPONSIBILITIES OF COUNCIL**

7.1 The Council is responsible for the strategic direction of the Institute and shall oversee the formulation and approval of the annual strategic plan for the Institute.

7.2 The Council shall have the power:

(a) To establish any other committee or body of the Institute which the Council deems necessary to achieve the objectives of the Institute in an effective and efficient manner;

(b) To decide on the rules that will be applicable to these committees or bodies;

(c) To supplement, amend or revoke such rules at any time; and

(d) To dissolve any such committee or body as and when deemed necessary.

7.3 The Council shall hold control over and authority in the Institute and shall be responsible to instruct, direct and supervise the Executive Committee, any other committee or body established by the Council and the employees of the Institute.

7.4 The Council shall consider matters brought to its attention by Council members, members of the Institute and any other person or organisation associated with the Institute.



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- 7.5 The Council shall determine the remuneration and allowances due to Council members, other committee members, advisors, co-opted academics, co-opted subject matter specialists and employees of the Institute.
- 7.6 The Council shall, if necessary, recommend the dissolution of the Institute as provided for in clause 17 of this Constitution.
- 7.7 The Council may delegate any of its powers to the Executive Committee.
- 7.8 The Council shall account and report to the members of the Institute at its Annual General Meeting.
- 7.9 The Council shall elect from amongst its members the members of the Executive Committee.
- 7.10 The Council shall exercise any other power that may be entrusted to it by a duly constituted Annual General Meeting or Special General Meeting.

### **8. EXECUTIVE COMMITTEE**

- 8.1 The Executive Committee shall consist of:
- (a) a minimum of three Council members; and
  - (b) the Chief Executive Officer with voting power.
- 8.2 The Executive Committee is accountable to the Council in respect of its performance in achieving the objectives and goals set out in the strategic plan and its performance in delivering on any other duty delegated by the Council or prescribed in this Constitution and the By-laws.

### **9. POWERS AND RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE**

- 9.1 The Executive Committee will fulfil its responsibilities as delegated to it by Council.

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- 9.2 Without in any way limiting the powers of the Executive Committee given to it elsewhere in this Constitution or the By-laws, the Executive Committee shall have the following powers in the name and on behalf of the Institute:
- (a) To determine the physical address, postal address and contact details of the Institute;
  - (b) To apply and to use the income and the funds of the Institute to advance the objectives of the Institute within certain limitations as may be determined by the Council from time to time;
  - (c) To receive and accept donations, grants and other moneys on behalf of the Institute;
  - (d) To decide on all membership applications subject to final approval by the Council;
  - (e) To issue membership certificates subject to the approval of the Council;
  - (f) To issue, supplement, amend, apply and repeal By-laws and rules which are binding on all members provided that such By-laws and rules are not inconsistent with this Constitution, subject to the approval of the Council;
  - (g) To ensure that proper accounts and financial records of all money received by and paid out on behalf of the Institute are kept;
  - (h) To, in so far as it may be required for the advancement of the objectives and administration of the Institute, have the authority to:
    - i) prescribe the required forms used for the Institute's affairs including the application for membership, proxy, examination and any other forms used to conduct the affairs of the Institute;
    - ii) employ, contract or remove any person, who may be a member of the Institute as an official or employee who wants to render services or who has been rendering services to the Institute on a full-time, part-time or casual basis;

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- iii) purchase or rent property to accommodate the Chief Executive Officer, the Secretariat, other staff and committee members within the limitations as may be determined by the Council from time to time;
- iv) sublet unused office space in purchased or rented properties;
- v) dispose of property that no longer meet the requirements of the Institute;
- vi) incur expenses in connection with meetings, seminars, lectures, syllabi, examinations, dinners and other social functions and activities that are essential to the affairs of the Institute and necessary for the advancement of the objectives of the Institute, within the limitations as may be determined by the Council from time to time;
- vii) reimburse incidental costs incurred by any person in connection with the affairs of the Institute to the limits as prescribed by the Institute;
- viii) enter into contracts, determine the terms and conditions of contracts, settle contracts and sign contracts or other documents as may be required within the limitations as determined by the Council from time to time;
- ix) raise, borrow or secure any sum of money or to secure the performance of any obligation in such a manner and upon such terms and conditions as it deems fit, within the limitations and directives determined by the Council from time to time;
- (i) To defend, withdraw or settle any litigation or legal proceedings, subject to the approval of the Council;
- (j) To determine the amount of, the payment method and the conditions relating to all subscriptions, membership fees and other fees payable to

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the Institute, taking into account the financial position of the Institute and the strategic plan approved by the Council;

- (k) To take steps or let steps be taken for the advancement or attainment of the objectives of the Institute at its discretion, subject to the provisions of this Constitution, the By-laws and directives issued by the Council; and
- (l) To ensure that the funds of the Institute is safeguarded and spent with care to the benefit of its members.

### **10. EXAMINATION BOARD, EDUCATION AND TRAINING COMMITTEE AND DISCIPLINARY COMMITTEE**

- 10.1 The Council shall establish an Examination Board, an Education and Training Committee and a Disciplinary Committee which shall be constituted and appointed as provided for in the By-laws of the Institute.
- 10.2 The Examination Board, the Education and Training Committee and the Disciplinary Committee shall have the powers to carry out the duties and exercise the functions prescribed in the By-laws or delegated to it by the Council.

### **11. OTHER BOARDS AND COMMITTEES**

The Council may establish other boards and committees to assist it in the performance of its functions and may appoint members and non-members of the Institute to serve on such boards and committees as it deems appropriate.

### **12. FUNDS OF THE INSTITUTE**

- 12.1 The Institute shall obtain its funds for the advancement of the objectives of the Institute from:
  - (a) Membership fees, , levies, donations, legacies, interest, dividends, and other returns on investments;

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- (b) Proceeds from the sale or leasing of assets; and
- (c) Any other source which is compatible with the principle that the Institute is a corporate body not for gain;

provided that the Council shall consider the autonomous and independent character of the Institute when considering the acceptance of donations and legacies.

- 12.2 The funds or property of the Institute may not be distributed to its members or employees, except as reasonable compensation for services rendered or costs incurred in performing his/her duties as specified in this Constitution and the By-laws.
- 12.3 No member or employee has any rights to the property or other assets of the Institute solely by virtue of being a member or employee.

### **13. ANNUAL GENERAL MEETING**

- 13.1 An Annual General Meeting shall be held annually, within three months after the end of every financial year, at a time and place stipulated by the Executive Committee. The Annual General Meeting will be held at the head office of the Institute, or at such other place, or by such electronic means as determined by the Executive Committee, for the purposes of transacting the following business:
  - (a) The consideration of the reports by the President and the Chief Executive Officer;
  - (b) The consideration of the annual financial statements;
  - (c) The consideration of the auditors' report in respect of the annual financial statements;
  - (d) The appointment of an auditor for the Institute, who shall not be a member of the Institute;

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- (e) The election of a President for the Institute, if and when required by this Constitution and the By-laws; and
  - (f) The election of Council members, if and when required by this Constitution and the By-laws.
- 13.2 The President of the Institute shall preside as Chairperson at every Annual General Meeting. If the President is not present at the meeting, or unable or unwilling to act as Chairperson, one of the other Council members present shall be elected to act as Chairperson for the duration of that meeting.
- 13.3 All members, as well as the current accountant and the current auditor of the Institute, have the right to physically or by electronic means attend an Annual General Meeting.
- 13.4 Only members, as provided for in the By-laws of the Institute, in good standing may vote at an Annual General Meeting. A member may cast his/her vote in person, electronically or by proxy. Voting is prescribed in the By-laws of the Institute.
- 13.5 All matters provided for in this Constitution, except for the dissolution of the Institute or amendments to this Constitution, may be dealt with at an Annual General Meeting if notice thereof has been duly given.
- 13.6 Notice of the place, date and time of an Annual General Meeting shall be communicated by the Secretariat at least twenty-one days in advance of such meeting.
- 13.7 The Secretariat shall keep proper minutes of each Annual General Meeting and submit such minutes for approval and signing by the President at the next Annual General Meeting.
- 13.8 No resolution passed at an Annual General Meeting shall be annulled because of the fact that a member has unintentionally not been notified of such meeting or because of the fact that he/she has not received such notice.

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- 13.9 No business shall be transacted at an Annual General Meeting unless a quorum is present. Ten members of the Institute, in good standing, plus three Council members will constitute a quorum at an Annual General Meeting. Physical or electronic presence will count towards members present.
- 13.10 If, within half an hour after the stipulated starting time for the Annual General Meeting a quorum is not present the meeting shall adjourn to a place, date and time as stipulated by the Chairperson. Notice of the adjourned meeting shall be communicated, by the Secretariat, to all members of the Institute.
- 13.11 The Chairperson may, with the permission of the majority of the members physically or electronically present at the Annual General Meeting, where a quorum is present, adjourn the meeting from time to time and from place to place if requested to do so. No business other than that which was not dealt with when the original meeting was adjourned may be transacted at the adjourned meeting. Notice of the adjourned meeting shall be communicated, by the Secretariat, to all members of the Institute.

### **14. SPECIAL GENERAL MEETING**

- 14.1 The President may call a Special General Meeting of members and shall call such meeting if petitioned to do so by the Council, the Executive Committee, or at least five members of the Institute.
- 14.2 All matters provided for in this Constitution, including amendments to the Constitution and the dissolution of the Institute, may be dealt with at a Special General Meeting if notice thereof has been duly given.
- 14.3 Notice of the place, date and time of a Special General Meeting shall be communicated by the Secretariat at least fourteen days in advance of such a meeting. The notice shall indicate the special nature and business of the meeting.
- 14.4 The Secretariat of the Institute shall keep proper minutes of a Special General Meeting and submit such minutes for approval and signing by the

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Chairperson at the next Annual General Meeting or in the case of the dissolution of the Institute within two weeks after the Special General Meeting.

- 14.5 Except in the event of a stipulation to the contrary, the provisions relating to voting, resolutions, quorums, and chairmanship as provided for in this Constitution and the By-laws in respect of Annual General Meetings, will *mutatis mutandis* apply to Special General Meetings.
- 14.6 Only members in good standing physically or electronically present at a Special General Meeting will be allowed to vote at that Special General Meeting.

### **15. LIABILITY AND INDEMNITIES**

- 15.1 The Institute shall be legally bound by an act or agreement if such act is carried out or if such agreement is entered into in the name of the Institute and permission to enter into such an agreement has been granted by the Council.
- 15.2 The liability of a member is limited to the payment to the Institute of any outstanding subscriptions and fees and settlement as well as any debt to the Institute which may have been incurred.
- 15.3 The Council members, Executive Committee members and employees are not personally liable for any loss suffered by any person or organisation as a result of an act or omission in good faith while the stated members or employees are performing functions for or on behalf of the Institute.
- 15.4 Every Council member, Executive Committee member and employee of the Institute shall be indemnified by the Institute against claims made against him/her in or about the execution of his/her duties, except claims, losses or expenses arising from fraud or wilful default.
- 15.5 No member or employee of the Institute shall have any claim against the Institute, a Council member, an Executive Committee member or an



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employee of the Institute in respect of anything done *bona fide* by him/her or it in the execution of his/her duties.

### **16. AMENDMENTS TO THE CONSTITUTION**

- 16.1 Any provision contained in this Constitution may be amended by a two-thirds majority vote of members physically or electronically present at a Special General Meeting, provided that the proposed amendment and, if necessary, the reasons therefore and the implications thereof, are set out in full in the notice that convenes the meeting.
- 16.2 The acceptance by a Special General Meeting of a proposed amendment to the Constitution shall not be precluded, and such amended proposal may be brought to a vote at the same meeting if, in the opinion of the Chairperson whose decision in this regard shall be final, the proposed amendment does not in a material respect raise matters which had not been involved in the original proposal.

### **17. DISSOLUTION OF THE INSTITUTE**

- 17.1 Should the Council consider it necessary to recommend the dissolution of the Institute it shall request the President to call a Special General Meeting to consider this matter.
- 17.2 The notice convening the meeting shall set out the proposed resolution of the Council, with reasons, therefore. If the resolution to dissolve the Institute are accepted by the majority of members present at the meeting, the procedure set out below shall be followed:
- (a) A report notifying all members of the decision taken at the said Special General Meeting shall be posted, by the auditor of the Institute, to each member of the Institute. A ballot paper calling for a mandate to dissolve the Institute shall accompany such report. The ballot papers must be

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returned to the auditor within sixty days from date of posting the said ballot papers.

- (b) The auditor shall advise the Council in writing of the results of the voting by ballot and shall retain all ballot papers in safe custody.
- (c) The proposal to dissolve the Institute shall fall away unless the result of the said ballot indicates that at least two-thirds of the members of the Institute are in favour of the dissolution of the Institute.
- (d) Should the required majority for dissolution be obtained, the Council shall proceed forthwith with the dissolution of the Institute.
- (e) The Council may, subject to the written approval of the auditor in each case, realise assets of the Institute and use the funds to meet the liabilities of the Institute.
- (f) After all liabilities and commitments of the Institute upon dissolution having been met, any funds and assets remaining shall be distributed to or amongst such kindred or related associations, bodies, institutes or institutions with objectives similar to those of the Institute, including educational institutions but excluding individuals, individual members or firms or companies controlled by members of the Institute, as determined by Council.
- (g) In all matters not specifically provided for in this clause, the Council may take lawful actions that are conducive or incidental to the dissolution of the Institute.

### **18. INTERPRETATION OF THE CONSTITUTION**

Any matter for which provision has not been made in this Constitution or the By-laws of the Institute, or in respect of which uncertainty exists as to the interpretation thereof, shall be decided on by the Council.

**19. TRANSITIONAL ARRANGEMENTS**

To ensure the continued and uninterrupted operations of the Institute, the current Council members and Executive Committee members shall continue as if duly elected or appointed for a full term of office in terms of the provisions of this Constitution and the By-laws.