

CONSTITUTION

(amended)

of

**THE SOUTHERN AFRICAN INSTITUTE OF
GOVERNMENT AUDITORS NPO**

*(which is referred to in the rest of this
Constitution as "the Institute")*

REGISTRATION NO. 045-133 NPO



TABLE OF CONTENTS

- 01** Definitions and Interpretation
- 02** Incorporation, Legal Persona and Nature of the Institute
- 03** Purpose, Function and Objectives of the Institute
- 04** Powers, Capacity and Limitations of the Institute
- 05** Amendments of the Constitution
- 06** Dissolution of the Institute
- 07** Head Office
- 08** Members and Membership of the Institute
- 09** Members Meetings
- 10** Council and Council Committees
- 11** Funds and Accounting Records



1. DEFINITIONS AND INTERPRETATION

In the interpretation of this Constitution and unless contrary to or excluded by the subject or context:

1.1 Any word herein signifying:

1.1.1 The singular shall include the plural and vice versa

1.1.2 The masculine shall include the feminine and the neuter;

1.2 Any word herein which is defined in the Act and is not defined in section 1.5 hereunder shall bear that statutory meaning in this Constitution;

1.3 Any word, phrase or sentence herein which is not defined in the Act or in section 1.5 shall bear its usual meaning;

1.4 Each item, power or authority herein shall be given widest possible interpretation;

1.5 Unless inconsistent with the context, the words and expressions set forth below shall bear the following meanings and cognate expressions shall bear the corresponding meanings:



1. DEFINITIONS AND INTERPRETATION

“**the Act**” means the Nonprofit Organisations Act 71 of 1997, as amended by the Nonprofit Organisations Amendment Act 17 of 2000,

“**By-Laws**” means the By-laws of the Institute as adopted by members from time to time,

“**CEO**” means the person appointed by the Council as the Chief Executive Officer of the Institute,

“**Communication**” 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 the Council,

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

“**Council Members**” means members of the Council of the Institute as set out in this Constitution,

“**Day**” means a calendar day,

“**Department**” means the Department as envisaged by the Act,

“**Director**” means the Director as envisaged in the Act,

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

“**Institute**” means the Southern African Institute of Government Auditors NPO,

1. DEFINITIONS AND INTERPRETATION

“**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, described in the By-laws, who has paid in full or otherwise entered into a payment arrangement, 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,

“**Minister**” means the Minister as envisaged in the Act,

“**Office bearers**” mean the President, Council members and the Chief Executive Officer of the Institute and shall in addition have the same meaning as ascribed by the Act,

“**President**” means the President of the Institute as set out in this Constitution,

“**SAIGA**” means the Institute,

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

This Constitution must be read in conjunction with the Act, which takes precedence over it, the Council Charter, the By-Laws, the terms of reference for the respective Council Committees and any other policies of the Institute, to which it takes precedence over.

2. INCORPORATION, LEGAL PERSONA AND NATURE OF THE INSTITUTE



2.1 The Institute is a non-profit organisation and a body corporate with perpetual succession and legal person capable of suing and being sued in its own name, of performing such acts as necessary for and incidental to the achievement of its objectives, functions, duties, and powers as determined in this Constitution in terms of the Act and governed by;

2.1.1 the unalterable provisions of the Act, together with the requirements as may be set out by the Minister, the Department and Director in terms of the Act,

2.1.2 this Constitution.

2.2 The Institute is incorporated as a body corporate not for gain, in terms of the Act, and continues to exist irrespective of changes in membership or office bearers.

2.3 This Constitution replaces and supersedes the constitution applicable to the Institute prior to the amendment thereof and is made in terms of the provisions of section 16 of the previous constitution.

3. PURPOSE, FUNCTION AND OBJECTIVES OF THE INSTITUTE

3.1 The main purpose and objectives of the Institute are to:

- 3.1.1** be the trusted advisor and capacity building partner to the public sector, with regard to the developmental, service delivery, accountability and governance matters,
- 3.1.2** protect the interests of the public sector accounting and auditing professionals in the public sector,
- 3.1.3** enhance and advance the quality of education and training within the public sector accounting and auditing,
- 3.1.4** advance the theory and practice of accounting and auditing in the public sector.
- 3.1.5** certify public sector accounting and auditing professionals,
- 3.1.6** create a pipeline of public sector accounting and auditing professionals,
- 3.1.7** establish and maintain an internationally recognised professional body whose members serve in the public sector.



3. PURPOSE, FUNCTION AND OBJECTIVES OF THE INSTITUTE

3.2 To achieve its purpose and objectives, the Institute's functions are to:

3.2.1 promote the collective interests of the members of the Institute,

3.2.2 preserve the independence of its members,

3.2.3 develop and implement strategic plans to advance public sector accounting and auditing,

3.2.4 advance the theory and practice of financial management, ethics, governance and risk in the public sector,

3.2.5 promote and stimulate research and public debate in respect of public sector accounting and auditing,

3.2.6 promote the development and application of international public sector accounting and auditing standards and frameworks,

3.2.7 arrange lectures, workshops, conferences, study tours, congresses, and other meetings to advance public sector accounting and auditing,

3.2.8 collect, compile and publish information to advance public sector accounting and auditing,

3.2.9 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,

3.2.10 provide opportunities for the exchange of views amongst persons involved in public sector accounting and auditing,

3.2.11 award prizes, grants or scholarships to scholars, researchers, academics and practitioners in the field of public sector accounting and auditing,

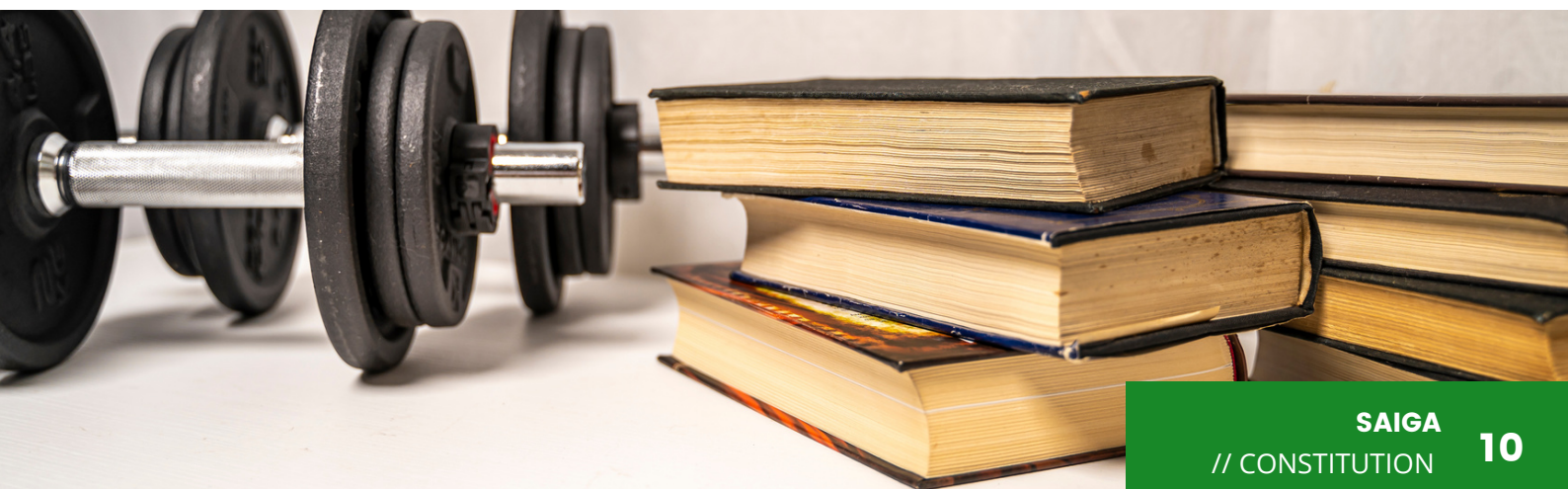
3. PURPOSE, FUNCTION AND OBJECTIVES OF THE INSTITUTE

- 3.2.12 prescribe syllabi in respect of examinations and competency assessments for the public sector accounting and auditing profession,
- 3.2.13 keep a register for each membership category of the Institute,
- 3.2.14 promote the interests of members through the advancement of public sector accounting and auditing,
- 3.2.15 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,
- 3.2.16 provide members with various options for continuing professional development,
- 3.2.17 provide members with various options for continuing professional development,
- 3.2.18 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,
- 3.2.19 co-operate with the relevant education and training authorities,
- 3.2.20 promote research in public sector accounting and auditing for publication purposes, and,
- 3.2.21 do all such lawful things that will be conducive to the attainment of any or all the aforementioned objectives.

4. POWERS, CAPACITY AND LIMITATIONS OF THE INSTITUTE

Powers and Capacity of the Institute

- 4.1 The Institute has all the legal powers of a body corporate as contemplated in the Act, and no provision contained in this Constitution should be interpreted or construed as negating, limiting, or restricting these powers in any way whatsoever.
- 4.2 In addition to all the powers conferred on the Institute under the Act, the Institute may accept donations and may make donations, provided that no donation can be made to members of Council and it is made in the furtherance of the Institute's purpose and objectives.
- 4.3 The Institute has the power to form and to have an interest in any company or companies having the same or similar objects to the Institute for the purpose acquiring and undertaking of all or any assets or liabilities of that company or companies, or for any other purpose which may seem directly or indirectly, calculated to benefit the Institute.
- 4.4 The Institute has the power to amalgamate with any companies or entities having the same or similar objects of the Institute.
- 4.5 The institute has the power to pay gratuities and pensions as well as to establish pension and/or provident schemes and incentives schemes in respect of its employees, other than members and members of Council.



4. POWERS, CAPACITY AND LIMITATIONS OF THE INSTITUTE

Limitations

The Institute:

- 4.6** shall not directly or indirectly pay any portion of its income or transfer any of its assets, regardless of how the income or asset was derived to any person who is or was an incorporator of the Institute, or who is a member or member of Council, except:
- 4.6.1** As reasonable remuneration for goods delivered or services rendered to, or at the direction of the Institute,
 - 4.6.2** As reasonable payment of, or reimbursement for, expenses incurred to advance a stated object of the Institute,
 - 4.6.3** As payment of an amount due and payable by the Institute in terms of a bona fide agreement between the Institute and that person or another party,
 - 4.6.4** As payment in respect of any rights of that person, to the extent that such rights are administered by the Institute in order to advance a stated object of the Institute, or,
 - 4.6.5** In respect of any legal obligation binding on the Institute.
- 4.7** Must apply all of its assets and income, however derived, to advance its stated objectives, as set out in this Constitution.

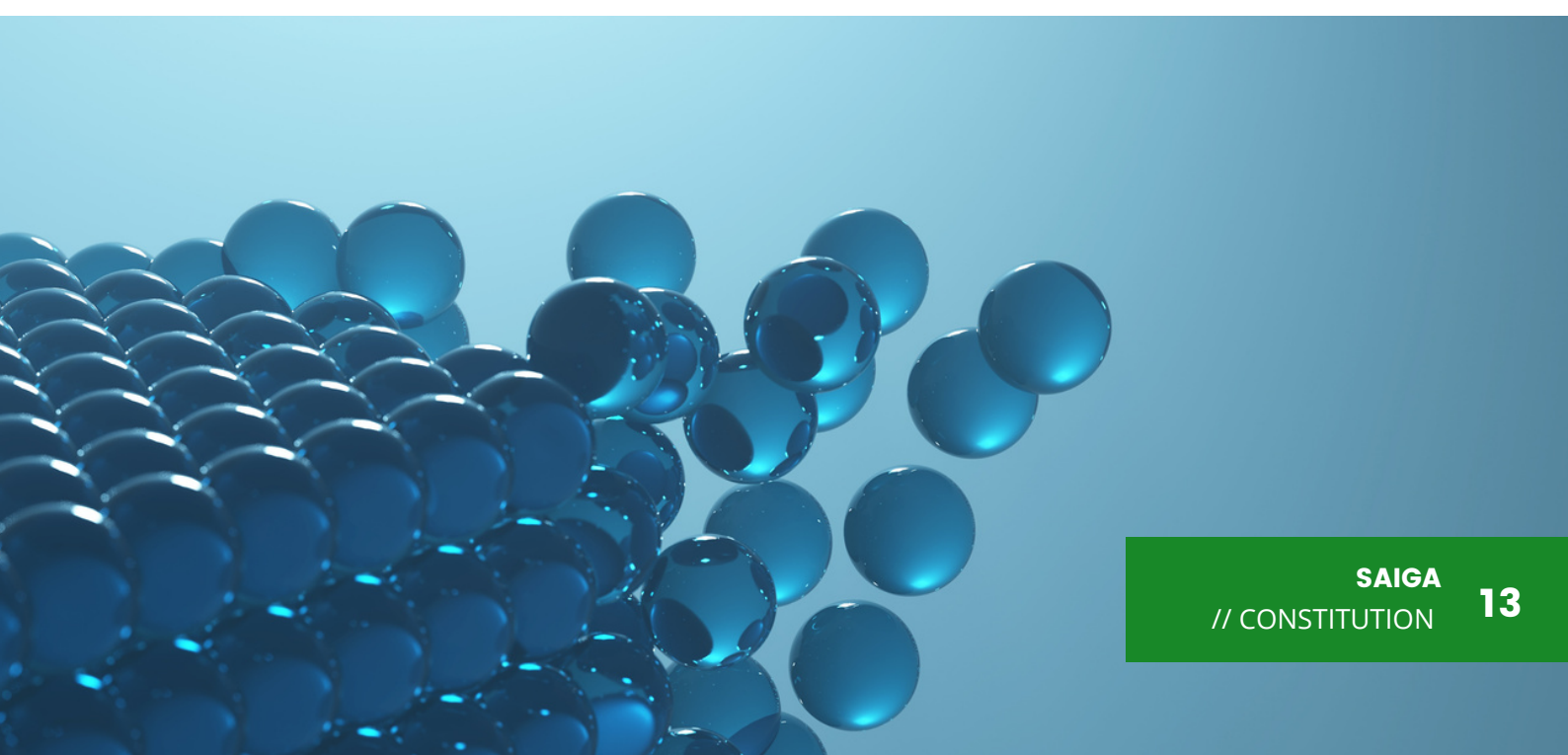
5. AMENDMENTS OF THE CONSTITUTION

- 5.1** Save for correcting of patent errors and omissions which are self-evident (including, but not limited to spelling, punctuation, reference grammar or similar defects) in the Constitution, which the Council is empowered to do, all other amendments or alterations to this Constitution shall be effected in the following manner:
- 5.1.1** By Council proposal, adopted through a special resolution, by a two thirds majority vote of members, passed at an Annual General Meeting or Special, General Meeting,
- 5.1.2** A notice of the proposed amendment must be sent to each member of the Institute by registered mail or by electronic transmission at least 15 (fifteen) business days before the meeting at which the special resolution to amend the provisions of the Constitution is to be passed.
- 5.1.3** The said notice must state the reasons for the proposed amendment and, if necessary, the implications thereof must be set out in full in the notice that convenes the meeting.



6. DISSOLUTION OF THE INSTITUTE

- 6.1** 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.
- 6.2** The notice convening the meeting shall set out the proposed resolution of the Council, with reasons, therefore. Should the resolution to dissolve the Institute be accepted by the majority of members present at the meeting, the procedure set out below shall be followed:
- 6.2.1** 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 returned to the auditor within sixty days from date of posting the said ballot papers.
- 6.2.2** 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.
- 6.3** 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.



6. DISSOLUTION OF THE INSTITUTE

- 6.4** Should the required majority for dissolution be obtained, the Council shall proceed forthwith with the dissolution of the Institute.
- 6.5** 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.
- 6.6** 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.
- 6.7** 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.

7. HEAD OFFICE

- 7.1** The head office of the Institute will be situated at the premises which the Chief Executive Officer and the Secretariat occupies. These premises may change from time to time as and when the requirements or needs of the Institute change.

8. MEMBERS AND MEMBERSHIP OF THE INSTITUTE

Membership

- 8.1** A member of the Institute shall be an individual who holds the professional designation, Registered Government Auditor (RGA), or any other designation conferred to such individual or recognised by the Institute, and accepts membership of the Institute upon invitation by the Council or by application for membership, and at the sole discretion of the Institute, is accepted as a member.
- 8.2** The Council shall determine and define categories of membership and such categories of membership must be recorded in the By-Laws.
- 8.3** Rules for and the basis of eligibility to membership shall be recorded in the relevant policy or policies as the Council may from time to time adopt,
- 8.4** Notwithstanding the contents of such rules, the ultimate decision and sole discretion in the admission of individuals to membership shall vest in the Institute,
- 8.5** Every member shall pay to the Institute a joining or application fee and an annual subscription of such amount as may for the time being be prescribed by the Council. The said subscription shall be due upon admission to membership and thereafter within thirty (30) days of date of invoice from the Institute to a member,
- 8.6** No person who shall have been a member of the Institute and ceased to be such by virtue of him or her not being in good standing shall be eligible for re-admission until he shall have paid all arrear subscriptions, dues, assessments, or other indebtedness (if any) due by him or her to the Institute at the date when former membership ceased. This provision must be read in line with the provisions of 8.3 and 8.4 above.



MEMBERSHIP

8. MEMBERS AND MEMBERSHIP OF THE INSTITUTE

Duration of Membership

8.7 Every member shall remain a member until his/her membership is terminated in accordance with the provisions hereinafter contained.

Termination of Membership

8.8 Membership of the Institute shall be terminated if the member:

8.8.1 resigns his/her membership (By-Laws elaborate on how this should be done)

8.8.2 is being sequestered, whether such sequestration is provisional, final, voluntary or otherwise,

8.8.3 is declared insane or incapable of managing his or her own affairs,

8.8.4 is convicted or found guilty of any offence or conduct which, in the opinion of the Council, is of a disgraceful or dishonourable nature,

8.8.5 is in default of any subscription, dues, assessments or other indebtedness to the Institute and remain in default for a period of ninety (90) days after written notification to him or her advising him or her of such default,

8.8.6 dies.

8.9 The Council shall have the power to censure, suspend or expel any member for conduct which it considers to be prejudicial to the Institute provided that a due and fair process, as determined by the Council from time to time, has been followed.

8.10 The Institute may by Special Resolution expel any member for conduct which it considers be prejudicial to it.

8. MEMBERS AND MEMBERSHIP OF THE INSTITUTE

Rights of Members

- 8.11** Each member is entitled to one equal vote in any matter to be decided by Members.
- 8.12** The Council shall have regard to each of the members' rights not to be discriminated against unfairly, as provided in section 9 of the Constitution of the Republic of South Africa.

Record Date for Exercise of Member Rights

- 8.13** If, at any time, the Council fails to determine a Record Date, the Record Date for participating in and voting at a General Meeting is the latest date by which the Institute is required to give members notice of that meeting.

9. MEMBERS MEETINGS

General Meetings

- 9.1** A general meeting of the members of the Institute shall be held at least once in every year, known as the Annual General Meeting, at such time (being not more than three (3) months after the financial year end and not more than fourteen months (14) months after the holding of the last preceding general meeting), and place as may be prescribed by the Council.
- 9.2** The Institute must deliver a notice of each General Meeting (including the annual General Meeting) at least 21 (twenty one) Business Days before the date of the meeting to all of the Members of the Institute as at the Record Date for the meeting.



9. MEMBERS MEETINGS

Appointment of Proxies

- 9.3** A member entitled to attend and vote at a meeting shall be entitled to appoint a proxy to attend, speak and vote on behalf of the member,
- 9.4** Every proxy shall be in force for the particular meeting for which it is given and for every adjournment thereof,
- 9.5** The name of the member appointed to act as such proxy holder shall be filled and signed by the member giving the proxy and the format of the instrument shall be determined by the Institute,
- 9.6** The instrument appointing a proxy shall be delivered to the Secretariat of the Institute not less than 48 (forty-eight) hours prior to the hour fixed for the meeting for which the same are intended to be acted upon. If the member in default of complying herewith the instrument of proxy shall not be treated as valid,
- 9.7** No instrument appointing a proxy is valid after the expiration of 1 (one) year from the date when it was signed, unless so specifically stated in the proxy itself, and no proxy shall be used at an adjourned General Meeting which could not have been used at the original General Meeting,
- 9.8** A Member's proxy shall not have the authority to further delegate such proxy's powers to another person,
- 9.9** Unless specifically instructed by the member a proxy may vote as he thinks fit.

9. MEMBERS MEETINGS

Proceedings, Quorum and Voting at General Meetings

9.10 At the Annual General Meeting the following matters shall be dealt with and disposed of:

9.11 The consideration of the reports by the President and the Chief Executive Officer,

9.12 The consideration of the annual financial statements,

9.12.1 The consideration of the auditors' report in respect of the annual financial statements,

9.12.2 The appointment of an auditor for the Institute, who shall not be a member of the Institute,

9.12.3 The election of a President for the Institute,

9.12.4 The election of Council members

9.13 Any member may bring before a meeting any matter of business which he considers requires the attention of the Institute. Notice of such business shall be made to the secretariat at least two (2) weeks before the meeting at which the business is to be discussed, setting out in the notice the nature of the matter and reasons in sufficient detail.

9. MEMBERS MEETINGS

- 9.14** 7.1. 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 to act as Chairperson, one of the other Council members present shall be elected to act as Chairperson for the duration of that meeting.
- 9.15** No business shall be transacted at an Annual General Meeting unless a quorum is present.
- 9.16** Ten (10) 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.
- 9.17** 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.
- 9.18** 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.
- 9.19** 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 or her vote in person, electronically or by proxy.
- 9.20** 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.

9. MEMBERS MEETINGS

- 9.21** 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.
- 9.22** 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.

Members Resolutions

- 9.23** For an ordinary resolution to be adopted at a General Meeting, it must be supported by more than 50% of the Members who voted on the resolution.
- 9.24** For a special resolution to be adopted at a General Meeting, it must be supported by at least 75% of the Members who voted on the resolution.
- 9.25** The quorum for both ordinary and special resolutions is as set out in section 9.14 of this Constitution.
- 9.26** No resolution passed at an Annual General Meeting or Special 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 or she has not received such notice.

9. MEMBERS MEETINGS

Special General Meetings

- 9.27** The President may call a Special General Meeting of members and shall call such meeting if petitioned to do so by the Council, the Audit and Risk Committee, or at least five members of the Institute.
- 9.28** 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.
- 9.29** Notice of the place, date and time of a Special General Meeting shall be communicated by the Secretariat at least fourteen (14) days in advance of such a meeting. The notice shall indicate the special nature and business of the meeting.
- 9.30** The Secretariat of the Institute shall keep proper minutes of a Special General Meeting and submit such minutes for approval and signing by the 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.
- 9.31** 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.
- 9.32** Only members in good standing physically or electronically present at a Special General Meeting will be allowed to vote at that Special General Meeting.

10. COUNCIL AND COUNCIL COMMITTEES

Powers and Authority of Council

- 10.1** The affairs of the Institute shall be governed by the Council which has the authority to manage such affairs in terms of the Act and the Council Charter.
- 10.2** The Council has the power to make any decision in respect of the Institute which has not been specifically reserved for decision-making by the members of the Institute.
- 10.3** 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.
- 10.4** The Council shall have the power to, from time to time, raise or borrow from the members, other persons or from financial Institutions any sum of money for the purpose and objects of the Institute.
- 10.5** The Council may secure the payment or repayment of any such money raised or borrowed in terms of 10.4. or any debt, liability or obligation in such a manner and upon such terms and conditions as it deems fit.



10. COUNCIL AND COUNCIL COMMITTEES

- 10.6** In addition to the duties and responsibilities as contained in the Council Charter, the Council shall, inter alia, have the power to:
- 10.6.1** establish and delegate its functions to any committee or body of the Institute which the Council deems necessary to achieve the objectives of the Institute in an effective and efficient manner,
 - 10.6.2** decide on the rules that will be applicable to these committees or bodies.
 - 10.6.3** supplement, amend or revoke such rules at any time, and,
 - 10.6.4** dissolve any such committee or body as and when deemed necessary,
- 10.7** Such committee or body shall consist of such Council members and/or other persons as the Council deems fit, which persons may be non-members of the Institute.
- 10.8** Each Council committee must have terms of reference dealing with its composition; role and purpose, functions, delegated authorities, tenure, meeting requirements and procedures and reporting mechanism to the Council.
- 10.9** The Council or a committee of the Council may delegate to management of the Institute any of its powers upon such terms and conditions as is deemed fit.

10. COUNCIL AND COUNCIL COMMITTEES

Composition of Council

10.10 Council shall consist of a minimum of seven (7) and a maximum of ten (10) members. These shall be:

10.10.1 The President, who acts as chairperson of the Council,

10.10.2 The Chief Executive Officer of the Institute,

10.10.3 CFO/FINANCE MANAGER or Legal Manager or CS alternatively in the absence of these the provision may be:

10.10.4 Other Council members, at least three of which must be independent non-members of the Institute.

10.11 Save for the Independent non-member(s) of the Institute and the ex officio Council members, all Council members shall be members of the Institute in good standing.

10. COUNCIL AND COUNCIL COMMITTEES

Nomination, Election and Appointment

- 10.12** All Council Members, except for the ex officio Council Members, and independent non-member(s) of the Institute shall be elected and appointed at the annual general meeting of the Institute.
- 10.13** Should any incidental vacancy occur on the Council, it may be filled by the Council co-opting a Member. This Member shall hold office for the remainder of the period of office of the Member whose place he or she takes and shall be eligible for re-election as though he had not served during the previous term.
- 10.14** Prior to the Annual General Meeting, the Council by notice to Members shall call for the nomination of candidates in the manner and in the form prescribed by the Council.
- 10.15** Whenever elections are required to be held, the Council shall call for nominations from the general membership.
- 10.16** An appropriate Council Committee whose terms of reference provides for this purpose shall review all nominations and applications, to ensure the candidates are eligible, are not disqualified in terms of this Constitution and are in good standing.
- 10.17** All candidates who meet the eligibility criteria and are not disqualified for any reason shall be included on the slate of candidates to be submitted to the members in the Notice to the meeting of the members.
- 10.18** Only candidates who have been duly notified to the members are eligible for election, and nominations from the floor during the course of the meeting will not be accepted.

10. COUNCIL AND COUNCIL COMMITTEES

- 10.19** The Council has a duty to advise the members in the Notice of the meeting of the number of positions it recommends be filled. At the meeting, before the voting begins, the members in the meeting must first ratify or amend the total number of Council positions available for election for the year ahead, and thus the number of Council positions to be filled at that meeting.
- 10.20** A ballot sheet shall be prepared prior to voting, containing the names of all eligible candidates.
- 10.21** Members vote by marking an “X” against each of the nominees for whom they wish to vote.
- 10.22** Voting may also be conducted through electronic means, in a manner similar or the same as voting through the ballot sheet, as determined by the Council.
- 10.23** For the office of President, each member shall vote for one of the candidates, and the decision will be made in favour of the candidate who wins 50% plus 1 or more of the votes cast. A similar process will be followed to elect the Deputy President.
- 10.24** Any candidate standing for the position of President may also be simultaneously nominated for any other Council position, and if unsuccessful for the office of President will automatically be eligible for election as any other board position as per the nomination. This option shall be specified in the voting ballot papers where applicable.

10. COUNCIL AND COUNCIL COMMITTEES

- 10.25** For the other Council positions, members will be presented with a slate of candidates, in alphabetical order, and the members will allocate their votes to the names on the list.
- 10.26** The Council must include, in the notice of the Annual General Meeting, the names of all short-listed candidates, the Council positions nominated for, together with their curricula vitae or professional profile and such further information as the Council deems necessary to enable Members to exercise an informed vote.
- 10.27** The maximum number of votes permissible is limited to the number of positions to be filled, which number will be specified by the Council in the Notice. If more votes are specified than the maximum number of vacancies, this will result in the ballot paper being considered spoilt. This also applies to the proxy votes, unless the members present in the meeting have agreed to alter the number of positions from that originally recommended by the Council.
- 10.28** However, if a situation arises where a candidate has been nominated as either the President or to a member of Council position, the members voting by proxy will be allowed one or more extra votes to compensate for the eventuality that a candidate will be successful for a higher position. In such cases the ballot forms for members voting by proxy will specify the process which voters are required to follow.

10. COUNCIL AND COUNCIL COMMITTEES

- 10.29** Once the voting is finished, the successful candidates are those who have received the most votes for the specified number of positions available.
- 10.30** If there are not enough successful candidates to fill all vacant positions, the Council will subsequently co-opt suitable persons to fill the vacant positions in the interim, and these vacancies will be reconsidered at the next general meeting of the members. However, if less than 60% of the positions are filled, then a special meeting must be called within 60 days to vote again.
- 10.31** Each Member present in person or by proxy is entitled to vote in favour of as many candidates as there are vacancies.
- 10.32** A Council vacancy is filled only if a majority of the voting rights exercised support the candidate.
- 10.33** The Council shall from time to time decide among themselves to appoint any one of their member or any other capable member of the Institute, as the Institute's Affiliate Director or Member or Representative to the International Organisation of Supreme Audit Institutions (INTOSAI), provided the Institute remains qualified to make such appointments in terms of the governance provisions of the INTOSAI. This delegate will not automatically be a member of the Institute's Council, but will have the right to be given notice of and to attend meetings of the Institute's Council as an observer, and may be required to attend meetings of the Institute's Council to report back, be briefed and answer questions.

10. COUNCIL AND COUNCIL COMMITTEES

Term, Re-election, Resignation and Disqualification of Members of Council

- 10.34** Council Members shall hold office for three (3) consecutive years from date of election. Each Council member shall resign at the annual general meeting when their term comes to an end but may stand for re-election to the Council in a capacity other than President.
- 10.35** Unless a Council member's term is extended, at the expiry of the three (3) year term, such member shall automatically retire from office.
- 10.36** Retiring Council members shall be eligible for re-election up to a maximum of one more term in Council.
- 10.37** A Council member may resign from his or her office by notice in writing to the Council.
- 10.38** A Council member shall cease to hold office in the event of:
- 10.38.1** becoming ineligible or disqualified to be a Director by virtue of any of the provisions of the Companies Act 71 of 2008, as amended,
 - 10.38.2** being removed by a resolution of the Members or Members of the Council,
 - 10.38.3** failing to attend 3 (three) consecutive meetings of the Council or its committees in 1 (one) financial year and the Council determines in its sole discretion that it is without good cause,

10. COUNCIL AND COUNCIL COMMITTEES

10.38.4 having a material conflict of interest in any matter in which related to or before the Council of the Institute and failing or failed to declare such interest and the nature thereof in the manner satisfactory to the Council,

10.38.5 becomes insolvent,

10.38.6 is found lunatic or becomes of unsound mind,

10.38.7 resigns his or her office by notice in writing to the Council,

10.38.8 is removed from any other office of trust on account of misconduct,

10.38.9 has been convicted of fraud, theft, forgery, perjury, or any offence involving dishonesty,

10.38.10 ceases to be a member of the Institute.

10.39 The resignation of a Council Member, any officer or director of the Institute shall be tendered to the President of the Institute. If more than 30% of Council positions become vacant during the year following an annual general meeting, then a special general meeting should be called to re-elect Council Members.

10. COUNCIL AND COUNCIL COMMITTEES

Proceedings of Council

- 10.40** The Council shall meet at least four (4) times a year and may meet in person or via any electronic communication, for the dispatch of business, adjourn and otherwise regulate their meetings at such times and places as it deems fit.
- 10.41** The authority of the Council to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication is not limited or restricted by this Constitution.
- 10.42** The President of the Institute shall preside over all meetings or in his absence, a chairman shall be appointed by the Council from its own members.
- 10.43** The Council shall have authority to determine the manner and form of providing notice of its meetings,
- 10.44** The authority of the Council to proceed with a meeting despite a failure or defect in giving notice of the meeting is not limited or restricted by this Constitution.
- 10.45** The meetings of the Council shall be held at such time and place as it shall determine.
- 10.46** No business shall be transacted at any meetings of the Council unless more than 50% of the Council members are present. At the discretion of the President, the meeting may proceed inquorate and decisions ratified via “round-robin” or at the next quorate Council meeting.

10. COUNCIL AND COUNCIL COMMITTEES

- 10.47** A round-robin resolution in writing adopted by the majority of Council members is as valid and effective as if it had been passed at a duly called and constituted meeting of the Council or its committee as the case may be, provided that each Council member has received notice of the matter to be decided.
- 10.48** Issues arising at any meeting are decided by a majority of votes. Each Council member has one vote on a matter before the Council. In the event of an equality of votes, the chairman of the meeting shall have a second or casting vote.
- 10.49** Subject to applicable legal provisions:
- 10.49.1** All Council members must at the first Council meeting of each year or at the first Council meeting that the Council member attends complete an interest declaration in the format agreed by the Council and submit the forms to the Secretariat,
 - 10.49.2** At every Council meeting a declaration of conflict of interest must be made in the manner and form agreed by the Council in regard to all items for consideration before the Council,
 - 10.49.3** A Council member may not vote in respect of any matter tabled at the Council in which the Council member has a material interest, or on any matter arising therefrom and if a vote is exercised contrary to this, the vote is not counted,
 - 10.49.4** The Council member must not take part in the consideration of the matter and must leave the meeting immediately after making the required disclosure,

10. COUNCIL AND COUNCIL COMMITTEES

- 10.50** While being absent from the meeting in terms of 10.47.4, the Council member will be regarded as being present for the purpose of determining whether a sufficient number of Council members are present to constitute a quorum; and will not be regarded as being present at the meeting for the purpose of determining whether a resolution has sufficient support to be adopted.
- 10.51** The Council may act notwithstanding a vacancy, but, if and for as long as its number is below the minimum required in terms of this Constitution, the continuing Council members may only act for the purpose of increasing the number of Council members to the minimum number, or for convening a General Meeting of the Institute.
- 10.52** No proxies or alternates will be valid at the Council's meetings.
- 10.53** The decisions of the Council shall be binding on all members of the Institute.

11. FUNDS AND ACCOUNTING RECORDS

Funds

11.1 The Institute shall obtain its funds for the advancement of the objectives of the Institute from:

11.1.1 Membership fees, levies, donations, legacies, interest, dividends, and other returns on investments,

11.1.2 Proceeds from the sale or leasing of assets, and,

11.1.3 Any other source which is compatible with the principle that the Institute is a corporate body not for gain,

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

11.2 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 or her duties as specified in this Constitution.

11.3 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.



11. FUNDS AND ACCOUNTING RECORDS

Reserve Funds

11.4 The Council may establish any reserve fund or funds for the purpose of meeting contingencies or for the furtherance of any objects of the Institute and such fun or funds may be invested as the Council deems fit.

Accounting Records and Annual Financial Statements

11.5 The Council shall cause accounting records of the Institution to be kept. They said books shall be subject to proper and regular audit as contemplated by law.

11.6 The accounting records shall be kept at the registered office of the Institute or at such other place or places as the Council decides, and are always open for inspection by any member of the Council.

11.7 The Council shall ensure the preparation and tabling of annual financial statements, accounting records and auditors reports at the Annual General Meeting.

11.8 A copy of the annual financial statements which are to be tabled at the Annual General Meeting, shall be sent to every Member not less than 21 (Twenty-One) Business Days before the date of the meeting.

11. FUNDS AND ACCOUNTING RECORDS

Financial Year

11.9 The financial year of the Institute shall commence on 1 January and end on the last day of December of that same year.

