



MEETING MINUTES

FINANCE SUBCOMMITTEE MEETING

25 Mar 2021

12:00 to 14:00

Virtual meeting via Zoom

Members: Attendees:
Angola: Ms Kâmia Magalhães (representing)
Nigeria: Mr Adolphus Aghughu (not present)
Tanzania: Mr Salhina Mkumba (representing)
The Gambia: Mr Karamba Touray
Uganda: Mr John Muwanga (not present)
Zimbabwe: Mrs Mildred Chiri

Observers: Ethiopia: Mr Shasho Mekonnen
Mauritius: Mr Khemraj Reetun
Botswana: Ms Pulane Letebele
IDI: Mr George Phiri
SNAO: Ms Alexandra Popovic
GIZ: Mr Peter Jonath
OAG Norway: Ms Lise Hansen

Secretariat: Mrs Meisie Nkau
Mr Wynand Wentzel
Mrs Josephine Mukomba
Mr Rod Francis
Mr Fredrick Bobo
Mrs Bernadene Rautenbach

Proceedings

Decisions

1. WELCOMING AND OPENING REMARKS

The meeting started at 12:10 with welcoming remarks by the AFROSAI-E CEO.

Done.

Mr Touray struggled to connect and Mrs Chiri, the AG of Zimbabwe, substituted as Chairperson for the meeting after it was confirmed that a quorum was present.

Mrs Chiri welcomed all present and thanked them for their attendance.

Mr Touray later apologised for the delay in joining the meeting and requested that Mrs Chiri continue chairing the meeting.

<p>2. ATTENDANCE REGISTER</p> <p>A register of all members in attendance was compiled. The details of which are included above.</p>	<p>Completed.</p>
<p>3. ADOPTION OF AGENDA</p> <p>The agenda was presented to the members and adopted. No additional matters were identified for inclusion.</p>	<p>Adopted.</p>
<p>4. ADOPTION OF PREVIOUS MINUTES</p> <p>Minutes of the meetings held on 12 May 2020 (document 4.1) and 22 September 2020 (document 4.2) were accepted as a true record of the proceedings with no amendments being made. The approval of the minutes was proposed by SAI Tanzania and seconded by SAI Angola and will be signed by the Chairperson and Secretary.</p>	<p>Minutes approved.</p>
<p>5. MATTERS ARISING FROM THE MINUTES</p> <p>Mr Wentzel presented the status of the 2020 recommendations that was approved by the Governing Board on document 4.3.</p> <p>The members noted the document and that all recommendations were completed and implemented.</p>	<p>Noted.</p>
<p>6. MATTERS FOR DISCUSSION</p> <p>6.1 Budget Variance Report for 2020</p> <p>Mr Wentzel presented the Budget Variance feedback in section 6.1 of document 4.4 and explained the material variances.</p> <p>It was noted that the surplus for the year has been carried forward to 2021 to fund the Workplan.</p> <p>Mrs Chiri enquired about the transfer to the membership fee reserve, confirming that the reserve was established to have funds available in case of an emergency. Mr Wentzel explained the policy of retaining at least 30% of annual membership fees in a reserve, with ring-fenced bank accounts. The remaining 70% could be used for operational expenses but the annual transfer could be increased to 100% if not required for operations. This was approved at the 2019 Governing Board meeting.</p>	<p>Recommended that the Governing Board approve the 2020 Budget Variance Report.</p>

SAI Tanzania proposed that the Variance Report be approved and recommended it for approval to the Governing Board; seconded by SAI Angola.

6.2 Budget and Workplan Activities for 2021

Mr Wentzel presented the 2021 Budget and Workplan in section 6.2 of document 4.4 and explained the material budget movements between 2020 and 2021.

The Secretariat will monitor and update the information monthly and communicate in the monthly finance report to the Finance and Audit Subcommittee members.

Mrs Chiri asked about the status of donor agreements and which agreements are ending in 2021 that may affect funding in 2022. Mr Wentzel confirmed that the Sida core funding ends in 2021, but that Sida may provide project funding for the activities of the API. The agreement with RNE also ends in 2021 but a renewal appears likely. The request for funding to the Swiss Embassy is progressing well and the first phase of internal approvals has been completed. Funding request and proposal has been submitted for the African Development Bank and awaiting feedback.

SAI Tanzania proposed that the budget for 2021 be approved and recommended for approval to the Governing Board; seconded by SAI Angola.

6.3 Transitional budget for January – April 2022

Mr Wentzel presented the transitional 2022 expenditure estimates for the period January to April in section 6.3 of document 4.4. An updated budget will be provided at the meeting to be held in the third quarter.

SAI The Gambia proposed that the transitional budget for January – April 2022 be approved and recommended for approval to the Governing Board; seconded by SAI Tanzania.

Recommended that the Governing Board approve the 2021 Budget and Workplan. It was agreed to hold another finance meeting in the third quarter of the year to reassess the budget forecast as a result of the impact of COVID-19 on the Workplan and Budget for the year.

Recommended that the Governing Board approve the transitional budget for January to April 2022.

6.4 Accounts receivable and outstanding Membership Fees as at February 2021

Mr Wentzel presented the current schedule of Outstanding Accounts receivable and Membership Fees in section 6.4 of document 4.4.

An outstanding amount from the Global Fund in Kenya is being followed up on. It appears from recent correspondence that there is a large foreign currency variance which resulted in the difference.

There was only one SAI with outstanding membership fees at the end of 2020 and 14 SAIs have paid membership fees for 2021. AG The Gambia thanked members that did pay their membership fees, collection of which has greatly improved. Mr Touray enquired on the status of communication with SAI Nigeria. Mr Wentzel confirmed that the former AG of Nigeria had committed to pay in the September 2020 finance meeting but had since left office. Mrs Nkau has been in discussions with new AG in Nigeria, Mr Aghughu.

Mr Wentzel thanked SAI Ethiopia for their assistance with collection of the indirect taxes from the COPCD.

The members noted that the Secretariat is sending regular statements and invoices to members countries and thanked them for their contribution in this regard.

6.5 Overview of 2021 workplan activities

Mr Wentzel gave an overview of the activities that will be conducted in 2021 and confirmed that the activities relate back to the achievement of the objectives of the 2020-2024 Strategic Plan. An Operational Plan for the year has been developed and is the final stages of review.

Regarding the detail of the activities:

- Goal 1 – No comments from members.
- Goal 2 – Mrs Mukomba added that the Financial Audit Manual and Quality Assurance Handbook were due to be reviewed.
- Goal 3 – No comments from members.
- Goal 4 – No comments from members.

The membership accounts receivable as at February 2021 was noted and the subcommittee recommended that the Governing Board continue to urge members to pay outstanding fees.

Recommended that the Governing Board take note of planned activities for the year and urge members to make use of interventions that address their needs.

Mrs Chiri enquired about certificates for online training delegates requiring CPD accreditation. Mr Wentzel confirmed that certificates are provided via the AFROSAI-E Learning Platform (ALP) for all participants that complete online training.

The meeting took note of all activities planned for 2021.

7. GOVERNING BOARD AGENDA ITEMS

7.1 Revision of the AFROSAI-E Statutes and Regulations.

Mr Wentzel provided an overview of the review process. A correspondence letter to all Governing Board members is with the Chairperson of the Review Committee for signature and will be distributed to the members for comment and input prior to the Governing Board meeting in May.

Noted.

7.2 Hosting of the Executive Secretariat

Mr Wentzel confirmed that the current hosting agreement with SAI South Africa expires at the end of 2022. Members were invited to indicate their interest in hosting the Secretariat at the Governing Board in May 2020 and through correspondence sent to all members in December 2020. No submissions had been received aside from SAI South Africa, who confirmed its willingness to renew the hosting agreement for a further six-year period. This will be discussed in detail at the May 2021 Governing Board meeting.

Noted.

7.3 Election of a new Chairperson and Vice-Chairperson for the Governing Board and rotation of subcommittee members.

Mr Wentzel informed the members that the term of office of the Governing Board Chairperson, AG Sierra Leone and the Vice-Chairperson, SAI Mozambique, ended in 2020. The election of a new Chairperson and Vice-Chairperson was postponed to 2021 in the hope that it could be done in person.

Noted.

It was confirmed that the term for the Chairperson and Vice-Chairperson is for three years, renewable once. AG Sierra Leone had been chairperson for six years in May 2020.

<p>Members should consider making themselves available for election for the period 2022-2024, to expedite the process at the Governing Board meeting.</p>	
<p>8. OTHER MATTERS</p> <p>8.1 Mr Bobo gave the members a brief overview of the AROSAI-E SAI Enhancement Audit Tool (A-SEAT) as well as the success factors for implementation.</p> <p>Mrs Mukomba commented that two SAIs that currently have audit software in place, are evaluating the A-SEAT for possible use in Performance Audit.</p> <p>All members are encouraged to consider the use of A-SEAT and contact the Secretariat if they wish to discuss this matter.</p>	<p>SAIs to engage with the Secretariat on implementing A-SEAT.</p>
<p>9. CLOSING OF OPEN SESSION</p> <p>Mrs Chiri enquired whether there were any items to be discussed in a closed meeting.</p> <p>Mr Reetun from SAI Mauritius suggested two items for discussion in a closed session:</p> <ul style="list-style-type: none"> • Item 1: AFROSAI-E Membership made available for SAIs outside the region. • Item 2: Availability of AFROSAI-E materials such as A-SEAT to SAIs outside the region and the possibility of revenue generating opportunities. <p>Mr Wentzel confirmed that Associate Membership is possible in terms of the AFROSAI-E Statutes. Mrs Nkau briefed the meeting on item 2 that, in consultation with development partners, materials are currently made available for use internationally where the need arises.</p> <p>Mrs Nkau proposed that the items be placed on the agenda for discussion at the Governing Board Meeting.</p>	<p>A closed meeting was not held but discussion topics for the Governing Board meeting will be considered.</p>

Mrs Nkai thanked AG Zimbabwe for chairing the meeting at such short notice and further thanked the other members for their contribution and observers for their attendance.

Mrs Chiri thanked the Secretariat for the preparation and the members for their participation. The meeting was closed at 14:15.



CHAIRPERSON

05 October 2021

DATE



SECRETARY