

# CHIEF AUDIT EXECUTIVE FORUM 28 FEBRUARY 2020

*Update by Internal Audit Support*

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National Treasury



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

# Update on Status of IA & AC Survey

## *Recap from the previous forum*

- CAEs were urged to participate and complete surveys in order to gather intelligence and also to enable NT to use information to identify gaps and improve support.
- A new more in-depth survey questionnaire will be developed and rolled out and that the new survey will be in an online platform.
- That seventeen (17) non-delegated municipalities will be requested to complete the survey.

# Update on Status of Internal Audit & Audit Committee Survey

## *What NT has actioned*

- The previously circulated status questionnaire were reviewed.
- Questions were categorised into amongst others “resourcing arrangements”, “operations” and “quality control”.
- Revised questionnaires were sent via email to CAEs and AC Chairpersons of non-delegated municipalities on 3 February 2020 with deadline of 15 February 2020.
- A reminder email was subsequently sent on the 17 February 2020 containing a link to follow in completing the web-based questionnaire.

# Update on Status of Internal Audit & Audit Committee Survey (Cont')

- Response rate is very low, with only 4 (Cape Town, Rustenburg, Mangaung and Sol Plaatje) out of 17 CAEs' having completed the web-based questionnaire.
- Only 1 (Cape Town) out of 17 AC Chairpersons having completed the web-based questionnaire.
- Web-based questionnaire will be rolled-out to National and Provincial CAEs and AC Chairpersons by mid-March 2020, with deadline of 31 March 2020.
- CAEs are encouraged to complete the web-based questionnaire and also encourage their respective AC Chairpersons to do the same.
- Once the questionnaires have been completed an analysis will be performed and a report will be presented and shared with CAE's.

# Audit Committee Remuneration

- National Treasury took note of some of the questions raised pertaining to the payment of AC fees and fact that departments use different rates (DPSA / SAICA) rates to pay AC members whilst others use NT rates as a guideline.
- A representative from National Treasury has been invited to address issues around remuneration of AC members in the public sector.

# Audit Committee database

- That NT should have an AC database of all AC members with specific skill set so that those not overly committed can be sourced.
- We have received information (database) as follows:
- *Municipalities*
  - Western Cape & Free State (All municipalities), Northern Cape (4), Gauteng (5), KZN (3), Mpumalanga (1), North West (5), Eastern Cape (2), Limpopo (o/s).
- *Departments*
  - 13 National departments
  - 3 (NC, FS, and GP) out 9 provinces responded

# Reforms impacting on IA

- There is an ongoing engagement with relevant stakeholders on this matter.
  - Directives issued by Department of Public Service and Administration (DPSA).
  - Other National Treasury Frameworks and Circulars
  - Standard 1112 – CAE roles beyond internal audit

# Internal Audit Support portal

- IAS is currently working with the Communication and IT team within the NT to revamp the portal and CAEs will be informed once the project is complete.