

COMMISSION FOR HIGHER EDUCATION



AUDIT COMMITTEE SERVICE CHARTER



Audit Committee Members during Training Session

April 2011

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Acronyms

CEO Chief Executive Officer

CHE Commission for Higher Education

CS Commission Secretary

PAC Public Accounts Committee

PIC Public Investments Committee



1.0 PREAMBLE

Audit Committee is one of the standing committees of the Commission. The Commission for Higher Education (CHE) established the Committee in the year 2007, and since then the Committee has held quarterly meetings.

2.0 VISION

A valued partner and adviser to the Management and Commission by ensuring best practices in utilization of the Commission resources.

3.0 MISSION

To enhance good corporate governance through compliance with governing policies, rules, regulations, procedures and risk management by proactively providing oversight of the utilization of resources, evaluation and review of risk management strategies.

4.0 CORE VALUES

- 4.1 **Integrity** - Committee members will conduct themselves with utmost honesty, ethical and enhance cohesiveness.
- 4.2 **Accountability** - The committee will enhance the accountability and performance of those entrusted with the management functions.
- 4.3 **Professionalism** - Members of the committee will be guided by high professional standards and best practice in all its undertakings.
- 3.4 **Confidentiality** – Information accessed during the course of duty will be treated as confidential.

5.0 STATUS

The Audit Committee shall have non executive status and shall serve in an advisory capacity to the Commission Secretary/Chief Executive Officer (CS/CEO).



6.0 MANDATE

The Audit Committee mandate shall include;

- 6.1 Assisting the CS/CEO in enhancing internal controls in order to improve efficiency, transparency and accountability.
- 6.2 Reviewing audit issues raised by both Internal and External Auditors.
- 6.3 Resolving unsettled and unimplemented Public Accounts and Public Investment Committees' (PAC/PIC) recommendations.
- 6.4 Enhancing communication between management, internal and external audit and fostering an effective internal audit.

The mandate of the Audit Committee shall not be limited in any way which would prevent it from properly performing its duties and responsibilities.

7.0 COMMITTEE COMMITMENTS

- 7.1 Evaluate adequacy of management procedures with regard to issues relating to risk management, control and governance.
- 7.2 Review and approve the Audit Charter where applicable and the Internal Audit Work plans.
- 7.3 Review the Internal and External Audit findings, recommendations and propose corrective and preventive actions where necessary.
- 7.4 Review the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulations, procedures, plans and ethics.
- 7.5 Carry out due diligence by evaluating information from the Chief Finance Officer, the Internal Audit and External Auditor and to form conclusions.



- 7.6 In consultation with the CS/CEO, initiate special audit/ investigation on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency. The above responsibilities should not prevent the Audit Committee from carrying out any other tasks, which are within its mandate.
- 7.7 Any other duties and responsibilities as assigned by the Chief Executive Officer/Commission Secretary/Commissioners.

8.0 COMPOSITION/MEMBERSHIP

- 8.1 The membership of Audit Committee to be appointed by the CS/CEO in consultation with the Board/Commission and shall comprise of at least five(5) non executive board members/ Commissioners including the chairman, either a representative of the Permanent Secretary Ministry of Finance (Treasury) or the Permanent Secretary Ministry of Higher Education Science and Technology.
- 8.2 The Chairperson shall be a person with broad knowledge, skills and understanding of the central, local government or state corporation environment and accountability structures.

9.0 MANAGEMENT COMMITMENTS

- 9.1 Management has the responsibility of ensuring the accuracy of financial statements, compliance with laws, regulations and agreements and responding to audit queries raised by the External Audit or Internal Audit.
- 9.2 The Audit Committee does not substitute for executive function and therefore the CS/CEO remains accountable to Parliament through PAC/PIC.
- 9.3 The CS/CEO should continuously update the Audit Committee on the changes of the organization operations so



as to increase the efficiency and effectiveness of the Audit Committee.

9.4 Management should uphold the independence of Internal Audit.

9.5 The CS/CEO should ensure co-operation from heads of departments especially accessibility to documents.

9.6 Audit Committee members shall have direct access to the CS/CEO

9.7 Management shall provide a technical team to the Audit Committee when required.

10.0 AUDIT COMMITTEE RESOURCES

The CS/CEO shall facilitate the Audit Committee in its operations. The facilitation shall include factoring into the Commission budget the Audit Committee's requirement covering the following:

10.1 Meeting expenses and members allowances.

10.2 Secretariat expenses.

10.3 Independent review/study.

10.4 Training of members/secretariat.

10.5 Any other task as approved by CS/CEO.

11.0 REFERENCE

This Charter was prepared with reference to Treasury Circular number 16/2005 dated 4th October 2005 and Guidelines for Audit Committees in the Public Sector, 1st edition July 2006.



