

ASEANSAI RULES AND PROCEDURES

Preamble

Pursuant to Article 7 of the ASEANSAI Agreement, this set of Rules and Procedures was approved by the ASEANSAI Assembly for adoption by ASEANSAI with effect from 6 November 2013.

The ASEANSAI Rules and Procedures are developed within the context of the ASEANSAI Agreement. Where relevant and appropriate, certain provisions in the Agreement have been incorporated into the ASEANSAI Rules and Procedures. In the event of a conflict between a provision in the ASEANSAI Agreement and this set of Rules and Procedures, the former shall prevail.

The following provisions in the ASEANSAI Agreement provide the context to the ASEANSAI Rules and Procedures.

Article 1: The ASEANSAI is a professional organisation which is autonomous, independent and non-political.

Article 2: The objectives of the ASEANSAI are:

- (i) To build capacity and promote cooperation and understanding among the Members of ASEANSAI through the exchange and sharing of knowledge and experiences in the field of public sector auditing so as to strengthen the audit institutions;
- (ii) To provide a conducive environment and facilities to promote research, training and continuous education among the Members of ASEANSAI through the sharing of best practices and exchange of lessons learned; and
- (iii) To serve as a center of information and as an ASEANSAI link with other international organisations and institutions in the field of public sector auditing.

Article 3: The functions of the ASEANSAI shall include the following:

- (i) To create and maintain a data bank of best practices, standards, and methodologies in the field of public sector auditing;
- (ii) To organise seminars, workshops, studies, or other activities related to the exchange of knowledge and experiences in the field of public sector auditing; and
- (iii) To undertake other activities that will promote good governance and cooperation among Members of ASEANSAI.

Any specific activity to be undertaken by the Members of ASEANSAI pursuant to Article 3 of the ASEANSAI Agreement shall only proceed upon agreement by the Members of ASEANSAI concerned of the terms and conditions applicable to such cooperation.

Part 1: The Assembly

- 1.1 The Assembly is the highest decision-making body within the structure of ASEANSAI.
- 1.2 The Assembly shall be the policy-making body of ASEANSAI.
- 1.3 The Assembly shall be headed by a Chairman who shall be assisted by a Vice Chairman.

Decision-Making

- 1.4 Decisions by the Assembly on any subject shall be made by consensus of all Members of ASEANSAI, via meetings or circulation. Matters on which consensus cannot be reached shall be dropped.

Functions

- 1.5 The Assembly shall have the following functions:
 - (i) To formulate and decide such policies as may be necessary to achieve the objectives of ASEANSAI;
 - (ii) To approve initiatives and programmes of activities for ASEANSAI;
 - (iii) To set up Committees whenever necessary;
 - (iv) To monitor the progress of the work of Committees (including the Executive Committee) and the Secretariat;
 - (v) To approve the final deliverables (as stated in the TORs) of the Committees (including the Executive Committee) and the Secretariat;
 - (vi) To approve the rules and procedures for ASEANSAI;
 - (vii) To approve the budget of ASEANSAI;
 - (viii) To formulate its own rules for the conduct of Assembly meetings;
 - (ix) To approve the auditor for purposes of Article 15, paragraph 4 of the ASEANSAI Agreement;
 - (x) To approve a list of external organisations from which ASEANSAI could accept invitations to events; and
 - (xi) To consider and approve the invitation of Observers and Guests to ASEANSAI events.
- 1.6 The Assembly shall also take on any other functions as decided by the Assembly.

Membership

- 1.7 The ASEANSAI membership shall comprise the Supreme Audit Institutions (SAIs) of ASEAN Member States who shall be represented by the Heads of the SAIs or representatives duly authorised by them.
- 1.8 The Members of ASEANSAI are as follows:
- (i) The Jabatan Audit Brunei Darussalam;
 - (ii) The National Audit Authority of Kingdom of Cambodia;
 - (iii) The Audit Board of the Republic of Indonesia;
 - (iv) The State Audit Organization of Lao P.D.R;
 - (v) The Jabatan Audit Negara Malaysia;
 - (vi) The Office of the Auditor General of the Union, the Republic of the Union of Myanmar;
 - (vii) The Commission on Audit of the Republic of Philippines;
 - (viii) The Auditor-General's Office of Singapore;
 - (ix) The Office of the Auditor General of Thailand; and
 - (x) The State Audit Office of the Socialist Republic of Vietnam.
- 1.9 Where a country is admitted into ASEAN as a new Member State, the Chairman of ASEANSAI shall send a letter to invite the SAI of that Member State to join as a Member of ASEANSAI.
- 1.10 Any Member of ASEANSAI may withdraw from ASEANSAI at any time by written notification given to the Executive Committee, who shall immediately inform the other Members of such notification.

Part 2: Chairman and Vice Chairman of ASEANSAI

- 2.1 The appointment of the Chairman and Vice Chairman shall be rotated in alphabetical order of country name unless decided otherwise by the Assembly.
- 2.2 The term of office of the Chairman and Vice Chairman shall be for two years.
- 2.3 The Vice Chairman shall be the next Chairman.
- 2.4 The Chairman of the Assembly shall also be known as Chairman of ASEANSAI.
- 2.5 When ASEANSAI is invited to be represented at an event of an external organisation which is approved by the Assembly, the Head of the SAI which is the Chairman of ASEANSAI shall represent ASEANSAI in attending the event. If he is unable to attend the event, the Head of the SAI which is the Vice Chairman of ASEANSAI shall represent ASEANSAI.
- 2.6 For invitations to events from external organisations which are not in the list approved by the Assembly [see paragraph 1.5(x)], the Chairman of ASEANSAI shall seek the

approval of the Assembly for himself or the Vice Chairman (if the Chairman is unable to attend the event) to represent ASEANSAI in attending the event.

Part 3: The Executive Committee

- 3.1 The Executive Committee shall comprise the Chairman and the Vice Chairman of ASEANSAI.
- 3.2 The Executive Committee shall have the following functions:
- (i) To recommend policies to the Assembly;
 - (ii) To develop and adopt measures towards the effective implementation of the policies set by the Assembly. Such measures shall be approved by the Assembly; and
 - (iii) To monitor the progress of the implementation of the work plans of the ASEANSAI Committees.
- 3.3 In performing its functions, the Executive Committee shall be assisted by a Secretariat (the ASEANSAI Secretariat).

Terms of Reference and Work Plan

- 3.4 The Chairman of ASEANSAI is responsible for drafting the Terms of Reference where required and the Work Plan of the Executive Committee. Once the Chairman and Vice Chairman of ASEANSAI have agreed to the Terms of Reference and/or the Work Plan, these shall be submitted to the Assembly for approval.
- 3.5 The Terms of Reference of the Executive Committee shall include the following:
- (i) Mandate;
 - (ii) Objective;
 - (iii) Deliverables;
 - (iv) Development of Work Plan; and
 - (v) Duties of Chairman and Member.

Decision-Making

- 3.6 Decisions by the Executive Committee shall be made by consensus, via meetings or circulation. Matters on which consensus cannot be reached shall be dropped.

Amendments to Terms of Reference

- 3.7 Any amendments made to the Terms of Reference shall be approved by the Assembly.

Reporting

- 3.8 The Executive Committee shall submit regular reports on the status of its activities and projects to the Assembly as follows:
- (i) Semi-annual reports (on calendar year basis); and
 - (ii) At the minimum, a report on the overall activities and status of ongoing projects of the Executive Committee, covering the entire period of its term.

Part 4: The Committees¹

Formation of Committees

- 4.1 The Committees of ASEANSAI to be formed and their composition shall be decided by the Assembly.
- 4.2 The Committees of ASEANSAI shall be formed from among the Members of ASEANSAI. Each Committee shall comprise a minimum of three (3) Members of ASEANSAI.

Dissolution of Committee

- 4.3 A Committee may be dissolved at the request of the Committee or on completion of the expected products and outcomes of the Committee, subject to the approval of the Assembly.

Term of Committee

- 4.4 The term of each Committee shall be for a period of two (2) years or until such time the Committee is dissolved as provided for under paragraph 4.3.

Appointment of Chairman

- 4.5 The choice of Chairman of the Committee shall be made by consensus amongst the members of the Committee and put forth to the Assembly for approval. The term of the Chairman shall be the same as the term of the Committee.
- 4.6 Should the Assembly decide that the Committee is required beyond the 2-year term, the Committee members would be appointed afresh from amongst the Members of ASEANSAI by the Assembly. The new Chairman of the Committee shall be selected from amongst the existing members, subject to the approval of the Assembly.

Changes to Composition of Committee

- 4.7 Members of ASEANSAI may express their intent to join or withdraw from a particular Committee, in writing, to the relevant Committee Chairman. The Chairman of the Committee concerned would then submit his recommendations on members' applications to join or withdraw to the Assembly for approval. For withdrawal, the

¹ Other than the Executive Committee

expression of intent must be received by the Chairman of the Committee at least two (2) months before the intended date of cessation of membership.

Terms of Reference and Work Plan

- 4.8 The Chairman of the Committee is responsible for drafting the Terms of Reference where required and the Work Plan of the Committee for discussion. Once the Chairman and the Members have agreed to the Terms of Reference and/or the Work Plan, these shall be submitted to the Assembly for approval.
- 4.9 The Terms of Reference of the individual Committees shall include the following:
- (i) Mandate;
 - (ii) Objective;
 - (iii) Membership;
 - (iv) Deliverables;
 - (v) Development of Work Plan;
 - (vi) Duties of Chairman; and
 - (vii) Duties of Members.

Decision-Making

- 4.10 Decisions by the Committee shall be made by consensus, via meetings or circulation.
- 4.11 Where consensus cannot be reached, the decisions of the Committee shall be made by a simple majority of the total membership of the Committee. Each Committee member SAI has the right to one vote.

Amendments to Terms of Reference

- 4.12 Any proposal to amend the Terms of Reference requires the consensus of at least two-third of the Members of the Committee.
- 4.13 All amendments to the Terms of Reference of a Committee require the approval of the Assembly.

Reporting

- 4.14 The Committee Chairman shall report to the ASEANSAI Assembly, through the Executive Committee, on all matters within the Terms of Reference of the Committee.
- 4.15 The Committee shall submit regular reports on the status of its activities and projects as follows:
- (i) Semi-annual reports (on calendar year basis) to the Executive Committee; and
 - (ii) At the minimum, a report to the Assembly on the overall activities and status of ongoing projects of the Committee, covering the entire period of its term.

Part 5: The ASEANSAI Secretariat

Head of ASEANSAI Secretariat

- 5.1 The Secretariat of ASEANSAI shall be headed by a Head of Secretariat.
- 5.2 The Head of Secretariat shall be appointed by the Chairman of ASEANSAI for the same term as that of the Chairman of ASEANSAI.
- 5.3 The Chairman of ASEANSAI and the Head of Secretariat shall come from the same SAI.

Terms of Reference and Work Plan

- 5.4 The Secretariat shall have the following functions and duties:
 - (i) To be responsible to the Chairman of ASEANSAI;
 - (ii) To assist the Executive Committee of ASEANSAI in managing the work of the Assembly;
 - (iii) To seek the approval of the ASEANSAI Assembly through the Executive Committee for a list of external organisations from which ASEANSAI could accept invitations to events;
 - (iv) To manage the finances of ASEANSAI and to be accountable for the usage of funds as approved by the Assembly;
 - (v) To host and maintain the ASEANSAI website; and
 - (vi) To perform any other duties (e.g. provide administrative support) as directed by the Executive Committee of ASEANSAI.
- 5.5 The Secretariat shall maintain a repository of the approved minutes of meeting of the ASEANSAI Summits, Assembly meetings, and Committee meetings (including those of the Executive Committee).
- 5.6 The Head of Secretariat is responsible for drafting the Terms of Reference where required and the Work Plan of the Secretariat for discussion with the Executive Committee. Once the Executive Committee and the Secretariat have agreed to the Terms of Reference and/or the Work Plan, these shall be submitted to the Assembly for approval.
- 5.7 The Terms of Reference of the Secretariat shall include the following:
 - (i) Mandate;
 - (ii) Objective;
 - (iii) Deliverables; and
 - (iv) Development of Work Plan.

Amendments to Terms of Reference

- 5.8 Any amendments made to the Terms of Reference shall be approved by the Assembly.

Reporting

- 5.9 The Secretariat shall report to the ASEANSAI Assembly through the Executive Committee on all matters within its Terms of Reference.
- 5.10 The Secretariat shall submit regular reports on the status of its activities and projects as follows:
- (i) Semi-annual reports (on calendar year basis) to the Executive Committee; and
 - (ii) At the minimum, a report to the Assembly on the overall activities and status of ongoing projects of the Secretariat, covering the entire period of its term.

Funding of Expenses

- 5.11 The expenses incurred for the setting up and running of the Secretariat office shall be borne by the SAI of the Chairman.

Handing Over of Documents

- 5.12 In the event of a change of chairmanship (and hence the Secretariat), the outgoing Secretariat shall prepare a summary list of items and documents which would be handed over to the incoming Secretariat during the ASEANSAI Summit. As regards the transfer of physical documents, if deemed desired, the incoming Secretariat shall subsequently make the necessary arrangements with the outgoing Secretariat on the timing and mode of transfer.

Part 6: ASEANSAI Summits and Assembly Meetings

ASEANSAI Assembly Meeting

- 6.1 An ASEANSAI Assembly meeting is a meeting of all Members of ASEANSAI.

ASEANSAI Summit

- 6.2 An ASEANSAI Summit is an ASEANSAI Assembly meeting where a new Chairman of ASEANSAI would be appointed.

Hosting and Organisation of ASEANSAI Summits and Assembly Meetings

- 6.3 The ASEANSAI Summits and Assembly meetings shall be hosted by the Chairman of ASEANSAI with the Secretariat providing assistance on the organisation and coordination of the Summits and meetings.
- 6.4 The ASEANSAI Summit shall be held in regular sessions at least once in every two years, in tandem with the end of the term of ASEANSAI Chairman.
- 6.5 The Assembly meetings shall be held at such timing as unanimously agreed upon by the Assembly.

Notice of Summit/Assembly Meeting and Agenda

- 6.6 The outgoing Chairman of ASEANSAI shall give notice to all Members of ASEANSAI of the date of the ASEANSAI Summit and the agenda at least three (3) months in advance from the date of the Summit. The materials/papers for the Summit shall be circulated to the members at least one (1) month in advance from the date of the Summit. The incoming Chairman shall send out invitation letters to all Members of ASEANSAI to attend the ASEANSAI Summit.
- 6.7 For ASEANSAI Summits, the outgoing Secretariat would be responsible for drawing up the tentative agenda in coordination with the host, and circulating the materials/papers for the ASEANSAI Summits. The final agenda for the ASEANSAI Summits shall be agreed upon by the Executive Committee and shall include confirmation of minutes of the last Summit.
- 6.8 The Chairman of ASEANSAI shall give notice to all Members of ASEANSAI of the date of the Assembly meeting and the agenda at least two (2) months in advance from the date of the meeting. The materials/papers for the Assembly meeting shall be circulated to members at least one (1) month in advance from the date of the meeting.
- 6.9 For ASEANSAI Assembly meetings, the Secretariat would be responsible for drawing up the agenda and circulating the materials/papers for the Assembly meeting. The agenda for the Assembly meeting shall include confirmation of minutes of the last Assembly meeting.
- 6.10 The Secretariat shall compile all decisions made, in between Summits/Assembly meetings, by the Assembly and table them at the next Summit/Assembly meeting for endorsement and record. The Secretariat shall also compile and table a list of events where ASEANSAI was represented and the identities of the ASEANSAI representatives.

Chairing of ASEANSAI Summits and Assembly Meetings

- 6.11 The ASEANSAI Summits and Assembly meetings shall be chaired by the Head of the SAI which is the Chairman of ASEANSAI. In the event that he is unable to chair the Summit/Assembly meeting, the Head of the SAI which is the Vice Chairman of ASEANSAI shall chair the Summit/Assembly meeting.

Attendance at ASEANSAI Summits and Assembly Meetings

- 6.12 The ASEANSAI Summits and Assembly meetings shall be attended by the Heads of the member SAIs or representatives duly authorised by them. A member's attendance at a Summit or Assembly meeting can be by other modes of communication, e.g. videoconferencing, where necessary and practical.

Minutes of Meeting

- 6.13 The Secretariat shall be responsible for drawing up the minutes of meeting for the purpose of documenting key discussions and decisions taken during the ASEANSAI Assembly meetings. For the ASEANSAI Summits, the minutes of meeting shall be drawn up by the incoming Secretariat (i.e. after the new Chairman has been

appointed). The date, venue and attendees of the meeting shall also be stated in the minutes of meeting.

- 6.14 The draft minutes of meeting shall be circulated to all Members of ASEANSAI for their comments and proposed amendments. The Secretariat would consider and incorporate the comments and proposed amendments of members in the minutes of meeting as appropriate. The Secretariat shall then put up the revised draft minutes of meeting to the Chairman for approval.
- 6.15 The Secretariat shall circulate the approved minutes of meeting to all Members of ASEANSAI within two (2) months from the date of the Summit or Assembly meeting.

Funding of Expenses

- 6.16 All administrative costs (including venue and meals) incurred for the ASEANSAI Summits and Assembly meetings shall be borne by the host SAI.
- 6.17 The costs of travel, accommodation and other expenses for attending the Summits and Assembly meetings shall be borne by the respective Member of ASEANSAI.

Observers and Guests

- 6.18 The Secretariat shall put up for the Assembly's consideration and approval of the invitation of representatives from international organisations with goals linked to those of the ASEANSAI, as observers or guests to the ASEANSAI Summits or the Assembly meetings.

Part 7: Executive Committee Meetings

Convening of Meeting

- 7.1 The meetings of the Executive Committee shall be convened and chaired by the Chairman of ASEANSAI and held at such timing as agreed with the Vice Chairman.
- 7.2 The Secretariat shall be responsible for the organisation and coordination of the Executive Committee meetings.

Notice of Meeting and Agenda

- 7.3 The Chairman of ASEANSAI shall give notice to the Vice Chairman of the date of the meeting and the agenda at least one (1) month in advance from the date of the meeting. The materials/papers for the meeting shall be circulated to the Vice Chairman at least two (2) weeks in advance from the date of the meeting.
- 7.4 The Secretariat shall be responsible for drawing up the agenda for the Executive Committee meetings.

Chairing of and Attendance at Executive Committee Meetings

- 7.5 The Executive Committee meetings shall be chaired by the Head of the SAI which is the Chairman of ASEANSAI and attended by the Head of the SAI which is the Vice Chairman of ASEANSAI. Attendance at an Executive Committee meeting can be by other modes of communication, e.g. videoconferencing, where necessary and practical.

Minutes of Meeting

- 7.6 The Secretariat shall be responsible for drawing up the minutes of meeting for the purpose of documenting key discussions and decisions taken during the Executive Committee meetings. The date, venue and attendees of the meeting shall also be stated in the minutes of meeting.
- 7.7 The draft minutes of meeting shall be circulated to the Chairman and Vice Chairman for comments and proposed amendments. The Secretariat would consider and incorporate the comments and proposed amendments in the minutes of meeting as appropriate. The Secretariat shall then put up the revised draft minutes of meeting to the Chairman for approval.
- 7.8 The Secretariat shall circulate the approved minutes of meeting to all Members of ASEANSAI within two (2) months from the date of the meeting.

Hosting of Meeting

- 7.9 The meeting of the Executive Committee shall be held in the Chairman's or Vice Chairman's country or in another country as agreed upon by the Executive Committee and the host country.

Funding of Expenses

- 7.10 The cost of venue and meals for Executive Committee meetings shall be borne as follows:
- (i) For meetings held in the Chairman's country or Vice Chairman's country, the cost of venue and meals shall be borne by the Chairman or Vice Chairman respectively; and
 - (ii) For meetings held in another country as agreed upon by the Executive Committee and host country, the cost of venue and meals shall be borne by the Chairman and/or the host country or the member SAI of the host country as agreed between them.
- 7.11 The cost of travel, accommodation and other expenses for attending Executive Committee meetings shall be borne by the respective member SAIs.

Part 8: Committee Meetings²

² Other than for Executive Committee meetings

Convening of meeting

- 8.1 The meetings of the Committee shall be convened and chaired by the Chairman of the Committee. In the event that the Chairman of the Committee is unable to attend the meeting, those present at the meeting shall elect a representative SAI from amongst themselves to chair the meeting.
- 8.2 The Chairman of the Committee shall be responsible for the overall organisation and coordination of the Committee meetings.

Notice of Meeting and Agenda

- 8.3 The Chairman of the Committee shall give notice to the members of the Committee of the date of the meeting and the agenda at least one (1) month in advance from the date of the meeting. The materials/papers for the meeting shall be circulated to the members at least two (2) weeks in advance from the date of the meeting.
- 8.4 The Chairman of the Committee would be responsible for drawing up the agenda for the Committee meetings.
- 8.5 The Chairman of the Committee shall invite the Secretariat to send their representatives to attend the meeting as observers. Such invitation shall be extended at least one (1) month in advance from the date of the meeting.

Attendance at Committee Meetings

- 8.6 The Committee meetings shall be attended by the Heads of the member SAIs or representatives duly authorised by them. Attendance at a meeting can be by other modes of communication, e.g. videoconferencing, where necessary and practical.

Quorum

- 8.7 The quorum for Committee meetings shall be set at a simple majority of the total Members of the Committee.

Minutes of Meeting

- 8.8 The Chairman of the Committee shall be responsible for drawing up the minutes of meeting for the purpose of documenting the key discussions and decisions taken during the Committee meetings. The date, venue and attendees of the meeting shall also be stated in the minutes of meeting.
- 8.9 The Chairman of the Committee shall circulate the draft minutes of meeting to all Committee members present at the meeting for comments and proposed amendments. Based on the comments and proposed amendments, the Chairman shall finalise and approve the minutes.

8.10 The Chairman of the Committee shall circulate the approved minutes of meeting to all Members of ASEANSAI and the Secretariat within two (2) months from the date of the meeting.

Hosting of Meeting

8.11 Meetings of the Committee shall be held in the country of the Chairman of the Committee or in another country as agreed upon by the Committee and the host country.

Funding of Expenses

8.12 The cost of venue and meals for Committee meetings shall be borne as follows:

- (i) For meetings held in the country of the Chairman of the Committee or in a country other than that of the Committee members, the cost of venue and meals shall be borne by the Chairman of the Committee and/or the host country as agreed between the Chairman and the host country; and
- (ii) For meetings held in the country of one of the Committee members, the cost of venue and meals shall be borne by the host country or member SAI of the host country.

8.13 The cost of travel, accommodation and other expenses for attending Committee meetings shall be borne by the respective member SAIs.

Part 9: Financial Rules and Procedures

ASEANSAI Fund

9.1 All contributions, monetary donations (see paragraph 9.4) and any interest accrued on balances in ASEANSAI bank accounts shall constitute the ASEANSAI Fund.

Contributions and Donations

9.2 Every Member of ASEANSAI shall make equal annual contributions of US\$700, or any other amount as decided by the Assembly, to the ASEANSAI Fund from 2013.

9.3 Members of ASEANSAI may make voluntary contributions to the ASEANSAI Fund, in addition to the annual contributions. These contributions may be designated for specific activities of ASEANSAI or used in a manner as approved by the Assembly.

9.4 Subject to the approval of the Assembly, ASEANSAI may accept monetary donations and/or donations-in-kind, from other organisations with goals similar to those of ASEANSAI. To enable its decision making, the Assembly shall be informed of, among other things, the nature of the donations, particulars of the prospective donors, purposes of the donations and conditions attached (if any).

- 9.5 For monetary donations and donations-in-kind which have been approved by the Assembly, the Secretariat shall issue official letters to the donors as acknowledgement of the donations.
- 9.6 The Secretariat shall be responsible for any follow-up actions required in relation to donations approved by the Assembly, e.g. drafting of agreement/memorandum of understanding (MOU) between donor and ASEANSAI and submitting the draft agreement/MOU for the Assembly's approval.
- 9.7 Upon Assembly's approval of the draft donor agreement/MOU, the Chairman of ASEANSAI shall represent the Assembly to be the signatory of the donor agreement / MOU.

Payment and Receipt of Annual Contributions

- 9.8 Payment of the annual contribution is due on the first day of each calendar year and the annual contribution shall be remitted to the Secretariat by this date.
- 9.9 The Secretariat shall notify each Member of ASEANSAI of the due date for the payment of the annual contribution at least three (3) months in advance.
- 9.10 Members of ASEANSAI may choose their own preferred mode of payment (cheque, cash or postal remittance/bank transfer). All annual contributions shall be made in US dollars. Bank charges shall be borne by ASEANSAI Fund.
- 9.11 The Secretariat shall, by 1 April of the current year, follow up with Members of ASEANSAI who have not paid their annual contributions.
- 9.12 Where there are arrears, the Secretariat shall, in the advanced notification of annual contribution due date, add the amount outstanding to the current year's contribution amount.
- 9.13 The Secretariat shall issue receipts to Members of ASEANSAI as acknowledgement of payment of annual contributions.

ASEANSAI Bank Account

- 9.14 The Secretariat shall deposit all contributions and donations received into a bank account opened in the name of "ASEANSAI Secretariat".
- 9.15 Any interest accrued on the balance in the "ASEANSAI Secretariat" bank account shall be deposited back into the same bank account.
- 9.16 At the end of its term or when practicable, the Secretariat shall close the existing "ASEANSAI Secretariat" bank account and transfer the balance to a new bank account opened in the name of "ASEANSAI Secretariat" by the newly appointed Secretariat.
- 9.17 Bank charges incurred in relation to the opening, maintenance and closing of the ASEANSAI bank account shall be borne by the ASEANSAI Fund.

Preparation of Budget

- 9.18 Just before the end of its term, the Secretariat shall prepare a detailed budget showing a breakdown of the estimated total contributions and expenses for each financial year beginning on 1 January in the next two-year period. Estimated total expenses shall include those for activities planned for the period.
- 9.19 In preparing the budget, the Secretariat shall seek inputs from the respective committees on the activities planned for the period and the estimated costs to be incurred during the period. The Secretariat shall also take into account any donor-specific restrictions on the use of donations or contributions.
- 9.20 The budget shall be tabled for approval at the ASEANSAI Summit where the next Chairman of ASEANSAI is to be appointed. Any subsequent changes to the budget shall be approved by the Assembly.
- 9.21 The Secretariat shall carry out a mid-term review of the budget and seek the approval of the Assembly for an updated budget (if necessary) with respect to important activities which were not foreseen at the time the initial budget was prepared.
- 9.22 For the purpose of the mid-term review, the Secretariat shall also prepare a statement of the actual contributions and expenses for the period in comparison with the budgeted figures (variances between actual and budgeted figures shall be shown and any major deviations from the budgeted figures shall be accounted for).
- 9.23 The Secretariat shall also prepare a timetable for the preparation, submission and approval of the budget.

Funding of Activities

- 9.24 The annual contributions shall be used to fund one participant, or any number of participants as decided by the Assembly, from each Member of ASEANSAI for an annual training or workshop. In circumstances where a Member of ASEANSAI sends more than the number of participants approved by the Assembly to attend the training or workshop, all expenses incurred by the additional participants (e.g. meals, meeting package, air ticket and accommodation) shall be borne by the Member SAI concerned.
- 9.25 All costs incurred (e.g. venue, meals, travel, accommodation) for hosting and attendance of the ASEANSAI Summits, Assembly Meetings or meetings of the Committees (including the Executive Committee) shall not be chargeable on the ASEANSAI Fund.
- 9.26 Expenditure relating to and resources for the Secretariat's office shall be borne by the SAI assuming Chairmanship.

Claims

- 9.27 Members of ASEANSAI may seek reimbursement from the ASEANSAI Fund for expenditures stated in the approved budget.

- 9.28 Claims for reimbursement and the relevant supporting documents shall be submitted to the Secretariat within two (2) months from the date the expense was incurred. Original copies of the supporting documents shall be provided to the Secretariat via courier or registered mail where necessary. All courier and postal charges shall be borne by the respective member SAIs.
- 9.29 Upon checking the validity of claim, the Secretariat may reimburse the Member of ASEANSAI from the ASEANSAI Fund via a mode of payment (cheque, cash or postal remittance/bank transfer) that is most economical and efficient. Bank charges shall be borne by the ASEANSAI Fund.

Accounting Records

- 9.30 The Secretariat shall maintain appropriate accounting records and related supporting documents.
- 9.31 The Secretariat shall seek the Assembly's approval before changing the medium of financial records (i.e. from manual to electronic format or vice versa) or the implementation or development of a computerised accounting system that would affect the ASEANSAI accounts.
- 9.32 A transaction in a currency other than US dollars shall be recorded in US dollars by applying the exchange rate prevailing between the currency and US dollars at the time of the transaction.
- 9.33 The Secretariat is responsible for making available financial accounting information in either hard or soft copy format upon request from any Member of ASEANSAI.

Financial Reporting

- 9.34 The financial year of the ASEANSAI shall be the calendar year.
- 9.35 All revenue and expenses of the ASEANSAI Fund shall be reported.
- 9.36 The Assembly shall approve an initial set of significant accounting policies prepared by the Secretariat and any subsequent amendments to the significant accounting policies.
- 9.37 The Chairman (assisted by the Secretariat) shall prepare the annual financial statements (covering each of the financial year during its term) using accrual basis and in accordance with the International Public Sector Accounting Standards.
- 9.38 In the year where there is a change of chairmanship (and hence the Secretariat), the outgoing Chairman (assisted by the outgoing Secretariat) shall prepare an interim financial statement for the period of January of that year until the end of his term. The incoming Chairman (assisted by the incoming Secretariat) shall be responsible for preparing the annual financial statements of the year it took over.

- 9.39 The financial statements shall be presented in US dollars.
- 9.40 At the end of each financial year, the Chairman (assisted by the Secretariat) responsible for the preparation of the financial statements for that financial year shall prepare a report to be submitted to the Assembly. The report shall contain the following:
- (i) A set of unaudited financial statements for the financial year;
 - (ii) Comparative statements for the financial year;
 - (iii) A statement of the actual contributions and expenses for the financial year in comparison with the budgeted figures (variances between actual and budgeted figures shall be shown and any major deviations from the budgeted figures shall be accounted for); and
 - (iv) Management discussion and analysis for the financial year.
- 9.41 The report shall be submitted no later than seven (7) months after the end of the financial year, i.e. by 31 July.

Audit of Financial Statements

- 9.42 The financial statements of ASEANSAI shall be subject to biennial audits by an auditor approved by the Assembly. The auditor shall be from amongst the Members of ASEANSAI.
- 9.43 Members of ASEANSAI (other than those in the Executive Committee) may volunteer to be the auditor. If more than one Member of ASEANSAI volunteers for the position, the Assembly shall appoint the auditor in alphabetical order (of country name), unless decided otherwise by the Assembly. The remaining Members of ASEANSAI who volunteered will be scheduled as auditors in alphabetical order (of country name) in subsequent terms.
- 9.44 The auditor shall be appointed for the biennial audit of the financial statements for two financial years. The auditor may also be re-appointed, subject to the approval of the Assembly.
- 9.45 The auditor shall audit the accounts of ASEANSAI for two financial years and in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) on Financial Audit.
- 9.46 The Secretariat shall send a copy of the unaudited financial statements to the auditor by 31 March in the year the biennial audit is to be conducted. The statements shall be prepared in English. The Secretariat shall assist in the audit by making necessary arrangements and providing to the auditor any information required for the performance of the auditor's duties.

- 9.47 The expenses incurred by the auditor such as travel costs shall be borne by the Country/member SAI serving as auditor.
- 9.48 The auditor shall carry out an on-site audit of the accounting documentation and related records maintained by the Secretariat.
- 9.49 Upon completion of its work, the auditor shall report on the financial statements for the financial years, stating:
- (i) whether the audit was conducted in accordance with ISSAIs in order to obtain reasonable assurance that the financial statements are free from material misstatements;
 - (ii) whether evidence supporting amounts and disclosures were examined on a test basis;
 - (iii) whether the audit also includes an assessment of the accounting policies used, significant estimates made by management as well as an evaluation of the overall financial statement presentation, and provides a reasonable basis for the opinion; and
 - (iv) whether the financial statements are properly drawn up in accordance with the provisions of the ASEANSAI Agreement and International Public Sector Accounting Standards so as to give a true and fair view of the state of affairs of ASEANSAI as at _____ (date) and the financial position and the cash flows of ASEANSAI for the financial years.
- 9.50 The auditor shall render an audit report to the Assembly within three (3) months after receiving the financial statements. The Assembly shall endorse the report within one (1) month after the submission of the audit report.
- 9.51 The auditor may report any other matter resulting from the audit of the financial statements which he considers material to the Assembly.
- 9.52 In no case shall the auditor include criticism in his report without first giving the Secretariat an opportunity to explain the matter under observation.

Part 10: Amendments

- 10.1 Any amendments to the Rules and Procedures of ASEANSAI shall be approved by the Assembly.