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Media, Information and Communication Technologies
Sector Education and Training Authority

Accelerating quality skills towards an information savvy society

TERMS OF REFERENCE FOR INVESTIGATION OF IRREGULAR EXPENDITURE IN LINE WITH PFMA.

BACKGROUND

MICT SETA has incurred irregular expenditure covering the period from 2017/18. On the 27th June 2018 MICT SETA resolved to refer the above mentioned irregular for investigation purposes in line with the PFMA.

PURPOSE OF THE INVESTIGATION

To determine whether there are person(s) liable in law for the irregular expenditure incurred.

To recover irregular expenditure incurred by person (s) liable for the expenditure.

To certify after the investigation the irrecoverable irregular expenditure.

LEGISLATIVE FRAMEWORK

- Constitution of the Republic of South Africa;
- Public Finance Management Act, and its regulations;
- Public Office-Bearers Act, Act 20 of 1998, and its regulations; and
- The MICT SETA's Supply Chain Management Policy, and any by-laws giving effect to the policy.
- ARC Resolution

The PFMA stipulates that the entity must recover unauthorised, irregular or fruitless and wasteful expenditure from the person(s) liable for the expenditure, unless the expenditure, is, after investigation, certified as irrecoverable and written.

Scope of Work

1. Analysis and review of information which includes but not limited to the following documents to ensure completeness:
 - Irregular Expenditure Registers for the above mentioned financial year;
 - Payment Vouchers that corresponds with the figure disclosed in various documents vs. the Scope of Work and the award value for each project;
 - Supply Chain Management Policy Implementation Report;
 - In year monitoring reports;
 - Previous Annual Financial Statements;
 - Internal and External Audit Reports Issued;

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Board Members: Sihle Ngubane (**Chairperson**), Mdu Zakwe (**CEO**), Clyde Mervin, Donald Liphoko, Marilyn Radebe, Matsebe Phasha, Ntombi Khumalo, Ntomboxolo Maheneza, Sontaga Mantlhakga, Teboho Morobe, Thabo Mofokeng, Thamsanqa Mzileni, Ulandi Exner, Zamaswazi Phakathi.



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2. Gather information through conducting interviews with relevant persons.
3. To establish any corrupt or / and fraudulent practices.
4. Secure written sworn statements where there's suspicion of fraudulent and corrupt practices in the process of reviewing documents.
5. Secure Legal opinion on the legality of contracts signed.
6. Identify if any person(s) are liable in law for the irregular expenditure incurred.
7. Determine whether the amount of the irregular expenditure resulted in any losses or damages suffered by the institution.
8. Ascertain whether the institution attained value for money from the relevant transactions.
9. Compilation of report with clear recommendations on whether the expenditure incurred must be recovered from any person(s) identified as liable in law and classifies Irrecoverable expenditure to be considered by Management.

The above mentioned Terms of Reference were drafted and considered by the CEO.

Signed on behalf of MICT SETA.