

Rules of  
**Pacific Association of  
Supreme Audit  
Institutions  
Incorporated**

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## Rules of Pacific Association of Supreme Audit Institutions Incorporated

### 1 INTERPRETATION

#### 1.1 Definitions: In these Rules:

Definition	Meaning
<b>Act</b>	Incorporated Societies Act 1908.
<b>Annual General Meeting</b>	the annual general meeting of the Society to be held in accordance with Rule 11.1.
<b>Balance Date</b>	31 December, or as otherwise determined by the Governing Board.
<b>Chairperson</b>	the chairperson appointed in accordance with Rule 5.
<b>Charter</b>	the Charter of the Pacific Association of Supreme Audit Institutions adopted by the Congress at Palau in July 2009, as amended from time to time, the current form of which is annexed to these Rules.
<b>Congress</b>	the congress of PASAI under the Charter consisting, for the purpose of these Rules, of all Members.
<b>Executive Director</b>	the chief executive officer of the Society appointed by the governing board under article 8, section 4(g) of the Charter and employed or otherwise engaged by the Society in accordance with Rule 6.2ai.
<b>Governing Board</b>	the governing board under the Charter, serving as the governing body of the Society having the responsibilities set out in Rule 6.
<b>INTOSAI</b>	International Organisation of Supreme Audit Institutions.
<b>Meeting</b>	a meeting of the Members, including an Annual General Meeting.
<b>Member</b>	a member of the Society.
<b>Objects</b>	the objects of the Society described in Rule 2.3.
<b>PASAI</b>	Pacific Association of Supreme Audit Institutions.
<b>SAI</b>	Supreme Audit Institution.
<b>Secretariat</b>	the secretariat under the Charter, serving as the administrative organ of the Society and having the role set out in Rule 7.
<b>Secretary-General</b>	the secretary-general of PASAI, as designated under the Charter.
<b>Society</b>	Pacific Association of Supreme Audit Institutions Incorporated.
<b>Special General Meeting</b>	a special Meeting as referred to in Rule 11.1 b.

1.2 **Interpretation:** In these Rules, unless the context requires otherwise:

- a Rule and other headings are for ease of reference only and do not affect the interpretation of these Rules;
- b words importing the singular include the plural and vice versa; and
- c a reference to:
  - i an **Annexure** is to an Annexure to these Rules;
  - ii a **person** includes a corporation sole and also a body of persons, whether corporate or unincorporate;
  - iii **including** and similar words do not imply any limitation; and
  - iv a statute includes references to regulations, orders or notices made under or in connection with the statute or regulations and all amendments, replacements or other changes to any of them.

## 2 THE SOCIETY

2.1 **Name:** The name of the society is Pacific Association of Supreme Audit Institutions Incorporated.

2.2 **Registered Office:** The registered office of the Society is the Office of the Auditor-General, Level 2, State Services Commission Building, 100 Molesworth Street, Thorndon, Wellington 6140.

2.3 **Objects of the Society:** The objects of the Society are:

- a to serve as a body corporate for PASAI to enable PASAI to give effect to PASAI's objects, mandate and obligations under the Charter;
- b without limiting paragraph 2.3a and subject always to acting in accordance with the objects and mandate of PASAI as set out in the Charter, to:
  - i receive and manage PASAI's funds;
  - ii administer programmes of PASAI in conjunction with governments, development institutions and other persons; and
  - iii carry out all PASAI's financial responsibilities under the Charterin each case, on behalf of PASAI; and
- c to carry out any other object that relates to the above.

To avoid doubt, pecuniary gain is not an object of the Society.

- 2.4 **Powers of the Society:** Except to the extent that they are lawfully negated or modified by these Rules, the Society will have the rights, powers, duties and obligations set out in the Act, including the power to:
- a lend, invest, raise or secure the payment of money;
  - b raise funds by subscriptions, levies, donations and other means;
  - c open and close bank accounts;
  - d effect all forms of insurance;
  - e enter into contracts with employees, Members and any other persons;
  - f acquire by purchase, lease or grant, any real or personal property and to manage, let, sell, exchange or otherwise deal with the assets and property of the Society;
  - g improve, alter or maintain any building or works necessary for the purposes of the Society;
  - h disseminate private or other information about Members with their consent, provided that the purpose for dissemination of the information is in accordance with the Objects;
  - i make, alter or rescind the regulations of the Society in accordance with Rule 13;
  - j fix and charge subscription fees for Members in accordance with the Charter;
  - k exercise any power a trustee might exercise;
  - l invest in any investment that a trustee might invest in;
  - m borrow money (including by means of a bank overdraft) to meet any shortfall in cash flow, and provide security for that if authorised by the Governing Board; and
  - n do all such other things as are necessary for or incidental to the attainment of the Objects.
- 2.5 The Society and its Members are subject to, and must comply with, the provisions of the Act to the extent that they have not been lawfully modified or negated by these Rules.

### 3 SOCIETY MEMBERSHIP

#### 3.1 Membership:

- a The members of PASAI on the date of incorporation of the Society are Members, by right.
- b An SAI admitted as a member of PASAI under article 3 of the Charter becomes a member of the Society by right.

#### 3.2 Obligations of Members: Each Member will:

- a pay membership fees;
- b be subject to these Rules and any other regulations of the Society; and

- c do nothing to bring the Society into disrepute.

### 3.3 No pecuniary gain by Members:

- a Subject to Rule 3.3b, no Member may receive or obtain any income or capital of the Society.
- b Rule 3.3a does not prevent the Society from remunerating Members and officers of the Society, or office holders or employees of Members, as the Governing Board may decide for the discharge of duties to the Society by those Members officers and persons. All costs, losses and expenses which any officer of the Society may incur while discharging his or her duties as an officer of the Society may be reimbursed by the Society at the discretion of the Governing Board.

### 3.4 Cessation of Membership:

- a Any Member may resign from the Society by giving written notice to the Governing Board.
- b A Member ceases to be a Member upon the expiry of its notice of withdrawal from PASAI under article 3, section 4 of the Charter.
- c Any Member whose membership terminates under Rule 3.4a or 3.4b will pay all dues, levies, subscriptions (if applicable) and any other outstanding monies which are in arrears at the time of termination, due for the normal period of membership.
- d Any Member who has resigned or ceases to be a Member in accordance with these Rules will return to the Society all documents and property belonging to the Society that are in its possession on the date of resignation or termination.

## 4 THE CONGRESS

**Role of the Congress:** The role of the Congress under these Rules is to:

- a hold meetings of the Society for the purpose of the Objects;
- b appoint, in accordance with the Charter, members of the Governing Board to be the governing body of the Society;
- c fix membership subscriptions for the Society; and
- d perform any other power or responsibility conferred upon it by these Rules.

## 5 THE CHAIRPERSON

**Chairperson:** The chairperson or acting chairperson of PASAI for the time being under article 7 of the Charter is also the Chairperson or Acting Chairperson of the Society.

## 6 MANAGEMENT OF THE SOCIETY

6.1 **Governing Board:** The Society's governing body is the Governing Board, constituted by and appointed under Article 8 of the Charter. The members of the Governing Board at the date of adoption of these Rules are the members of the governing board of PASAI.

### 6.2 Governing Board powers and duties:

- a Subject to these Rules and the Act, the Governing Board will:
  - i employ or otherwise engage the Executive Director, to serve as the Executive Director of PASAI and the chief executive officer of the Society;
  - ii employ or otherwise engage persons to be members of the staff of PASAI or the Society;
  - iii suspend or remove from office any person employed or otherwise engaged under paragraph ai or ii;
  - iv perform its financial powers and responsibilities under Rule 9 and recommend the level of membership fees to the Congress;
  - v appoint auditors of the Society's financial statements and, as necessary, any programme administered by the Society on PASAI's behalf;
  - vi alter these Rules consistent with the Objects and in accordance with Rule 13;
  - vii approve regulations for the conduct of the Society's activities including, without limitation, adoption of rules made under the Charter as regulations of the Society;
  - viii approve other operational policies and procedures of the Society prepared by the Executive Director;
  - ix appoint committees and, at its discretion, co-opt individuals (including individuals nominated by Members) to serve on a committee;
  - x administer, manage and control the affairs of the Society;
  - xi generally act in the name of the Society and exercise all the powers and functions of the Society;
  - xii perform any other power or responsibility conferred upon it by these Rules; and
  - xiii at all times act in good faith and in the best interests of the Society.
- b The Governing Board may:
  - i exercise all the powers of an incorporated society that are not required under the Act or these Rules to be exercised by the Congress (including those set out in Rule 6.2a); and

- ii subject to Rule 6.2bi, delegate any one or more of its powers to a committee of the Governing Board, the Chairperson, the Secretary-General or the Executive Director.
- 6.3 **Meetings:** The Governing Board will meet, at least once every year, at a venue to be decided by the Chairperson after consulting the members of the Governing Board. The quorum for a meeting of the Governing Board is not less than one half of the members of the Governing Board.
- 6.4 **Special meetings:** The Chairperson may call a special meeting of the Governing Board and must do so at the request of a majority of members of the Governing Board.
- 6.5 **Resolution in lieu of meeting:** A resolution in writing of the Governing Board, signed or assented to by a majority of the members of the Governing Board, is as valid and effective as if it had been passed at a meeting of the Governing Board. Any such resolution may consist of one or more documents (including documents sent or returned by facsimile, electronic mail or other similar means of communication), each signed or assented to by one or more of the members. Within 5 working days of the resolution being passed, the Secretary-General must send a copy of the resolution to all members of the Governing Board.
- 6.6 **Observers:** The Chairperson may, after consulting the Secretary-General and the Executive Director, invite individuals or organisations to attend a meeting of the Governing Board as observers.
- 6.7 **Governing Board decisions:** The Governing Board will seek consensus in its decisions. In the absence of consensus, decisions will be made by a simple majority vote at a meeting, with each member of the Governing Board present having one vote.
- 6.8 **Responsibilities of Secretary-General:** The Secretary-General at the date of adoption of these Rules is the person holding the position of the Secretary-General of PASAI. Any future Secretary-General will be appointed in accordance with article 9, section 1 of the Charter. The Secretary-General will:
  - a be responsible to the Governing Board for the Society’s operations, as carried out by the Secretariat;
  - b oversee the Executive Director’s performance and facilitate the working relationship between the Executive Director and the Governing Board; and
  - c perform any other power or responsibility conferred upon the Secretary-General by these Rules.
- 6.9 **Delegation:** The Secretary-General may delegate a power or responsibility under these Rules, including a power delegated by the Governing Board, to the Executive Director but must give written notice of the delegation to the Chairperson.
- 7 **THE SECRETARIAT**
- 7.1 **Purpose of Secretariat:** The Secretariat is the Society’s administrative organ.

**7.2 Role of the Secretariat:** The role of the Secretariat is to:

- a keep PASAI's and the Society's records and files and administer their financial affairs in accordance with Rule 9;
- b disseminate information to Members;
- c give logistical support for meetings of PASAI, the Society and the Governing Board;
- d assist the Chairperson, the Governing Board and the Secretary-General to perform their respective powers and responsibilities under the Charter and these Rules; and
- e perform any other power or responsibility of the Society conferred upon it by the Governing Board in accordance with these Rules.

**8 THE EXECUTIVE DIRECTOR**

**8.1 Responsibilities of the Executive Director:** The Executive Director is the chief executive officer of the Society and is responsible to the Secretary-General. The Executive Director must:

- a manage the Secretariat and its resources, appoint or remove staff, oversee staff performance, and perform any other designated powers or responsibilities of PASAI and the Society;
- b support the Chairperson, the Governing Board and the Secretary-General in performing their respective powers and responsibilities under the Charter and these Rules; and
- c perform any other power or responsibility of the Society conferred by the Governing Board.

**8.2 Delegation:** With the Secretary-General's written approval, the Executive Director may delegate a power or responsibility under these Rules, including a power or responsibility delegated by the Governing Board or the Secretary-General, to another member of the Society's staff.

**9 FINANCIAL PROVISIONS AND AUDIT**

**9.1 Source of funds:** The Society's funds consist of:

- a Membership subscriptions and other financial contributions paid by Members;
- b grants or donations received by PASAI from governments, development organisations, public or private institutions, or individuals, for general or specified purposes;
- c income from publications, conferences and other activities of the Society or PASAI;
- d the proceeds of sale of any assets;
- e interest earned from the investment of surplus cash;
- f any other income or funds received by PASAI in accordance with the Charter; and
- g any other income approved by the Governing Board.

- 9.2 **Bank accounts:** The Society's funds must be held in one or more bank accounts, at least one of which must be at a bank located in New Zealand, and may be applied for any purpose consistent with the Objects.
- 9.3 **Payments:** All payments must be authorised by one or more duly authorised officers of the Society, as specified in regulations made by the Governing Board under rule 6.2avii.
- 9.4 **Governing Board responsible for finances:** Financial authority (including approval of budgets, incurring of expenditure and investment of surplus funds) rests in the Governing Board, subject to the Congress's power to fix membership subscriptions. The Governing Board may authorise the Secretary-General or the Executive Director to exercise financial powers by delegation or under any rules made under the Charter or under these Rules.
- 9.5 **Secretariat manages finances:** The Secretariat is responsible to the Governing Board, through the Secretary-General, for managing the Society's resources (including its revenues, expenses, assets, liabilities and investments) on behalf of PASAI and in its interests, in accordance with the Objects and the objects and requirements of the Charter, and in a lawful, prudent and sustainable manner consistent with the Objects.
- 9.6 **Preparation of annual report:** PASAI's annual report under the Charter will serve as the Society's annual report, and must include the Society's financial statements which must be:
- a prepared in accordance with accounting standards adopted by the Governing Board with regard to New Zealand law, the Society's international status and its accountability obligations, using a financial year fixed by the Governing Board;
  - b signed by the Chairperson (on behalf of the Governing Board), the Secretary-General and the Executive Director; and
  - c submitted for audit to the auditor appointed by the Governing Board, within three months of the Balance Date.
- 9.7 **Approval of annual report:** The Secretary-General must send the annual report (including the audited financial statements of the Society and the auditor's report) to the Governing Board for approval at its next meeting. Following approval, the annual report must be presented to the next Annual General Meeting for approval by Members, which Meeting may, subject to Rule 11.1, be held immediately after the meeting of the Governing Board that approves the annual report.
- 9.8 **Publication of annual report:** Following approval of the annual report by the Governing Board and the Members, the Secretary-General must send the audited annual financial statements to the Registrar of Incorporated Societies, and may place the annual report on PASAI's website or make copies available to interested persons or organisations.

## 10 OPERATION OF THE SOCIETY

**Use of assets of the Society:** The Society may only use the assets of the Society:

- a to further the Objects of the Society;
- b if it is not for the sole or individual benefit of any Member; and

- c if that use has been approved by the Governing Board or otherwise under these Rules or the Charter.

## 11 CONDUCT OF MEETINGS

### 11.1 Society meetings:

- a An Annual General Meeting will be held after the Balance Date and will be convened by the Chairperson in accordance with this Rule 11.1.
- b The Chairperson must convene a special general Meeting (a “**Special General Meeting**”), if requested by the Governing Board (by a simple majority vote at a meeting of the Governing Board) or by not less than one half of the Members.
- c All Members and the Executive Director may attend a Meeting.
- d The quorum for a Meeting is not less than four Members.
- e A Member may be represented at a Meeting by its head or by a duly authorised delegate.
- f The Chairperson must give every Member at least one month’s advance notice of a Meeting. The notice of Meeting will be sent out by the Secretary-General and will include:
  - i an agenda specifying the nature of the business to be conducted at the Meeting;
  - ii an invitation to Members to attend the Meeting under Rule 11.2a or b;
  - iii an invitation to Members to request copies of any papers or other documents to be considered at the Meeting; and
  - iv a request that Members notify the Secretary-General if they wish to attend the Meeting under Rule 11.2a or b, as the case may be.
- g A Meeting may be held immediately after a meeting of the Governing Board.
- h Should it be necessary between Meetings to perform a power reserved to the Society (except a power in Rules 9.7 or 14), the Secretary-General may perform the power after consulting with the Governing Board. The Secretary-General must inform all Members promptly of such action, once taken, and the action must be an item for consideration at the following Meeting.
- i The Society will seek consensus in its decisions. In the absence of consensus, decisions will be by a majority vote (except as these Rules otherwise require), with each Member represented having one vote.

### 11.2 Method of holding meetings: A Meeting or a meeting of the Governing Board may be held, and a quorum constituted, by either or both of the following means:

- a a number of Members or Governing Board members (as the case may be) being assembled together at the place, date and time appointed for a meeting;

- b audio and visual, communication by which all Members or Governing Board members (as the case may be) participating can simultaneously hear each other throughout the meeting.

11.3 **Minutes:** The Secretary-General will ensure that minutes are kept of all meetings of the Society and that a record is kept of all written resolutions of the Congress or Governing Board (as the case may be). Minutes that have been signed correct by the chairperson of a meeting are prima facie evidence of the proceedings at that meeting.

## 12 SIGNING OF DOCUMENTS

12.1 **Common seal:** The Society will have a common seal. Whenever the common seal of the Society is required to be affixed to any deed, document or other instrument, the seal will be affixed pursuant to a resolution of the Governing Board.

12.2 **Signing of documents:** A document will be executed on behalf of the Society if:

- a the common seal is attached to the document; and
- b the document is witnessed by a duly authorised officer of the Society and one Governing Board member.

## 13 ALTERING THE RULES

**Altering the Rules:** These Rules may be altered or replaced on a vote at a meeting of the Governing Board.

## 14 WINDING UP

14.1 **Winding up:** The Society may be wound up on a vote at a meeting of the Governing Board, provided that:

- a the Secretary-General has given notice to all Members, at least 14 days before the meeting, of the intended resolution and the right of Members to object in writing to the dissolution; and
- b fewer than one half of members have given notice of objection to the Secretary-General before the date of the meeting.

14.2 On the passing of a resolution under Rule 14.1, the Society will be wound up and all surplus assets after payment of all debts, costs and liabilities of the Society will be held in such manner as the Governing Board may determine having regard to article 13 of the Charter.

Annexure



## **Charter of the Pacific Association of Supreme Audit Institutions**

**July 2009, Palau**

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## **Preamble**

The South Pacific Association of Supreme Audit Institutions (“SPASAI”) was formed in 1987 by a group of Supreme Audit Institutions (“SAIs”) in the Pacific, which had been meeting triennially since 1971.

SPASAI’s objective since its formation has been to promote understanding and co-operation among SAIs in the Pacific, to fortify and strengthen SAIs through training and continuing education, and to serve as a regional working group of the International Organisation of Supreme Audit Institutions (“INTOSAI”).

Developing the capacity and independence of Pacific SAIs through regional initiatives is essential to enhancing and stimulating economic growth, sustainable development, good governance, and security, and to combating corruption, in the Pacific.

The organisational structure and role of SPASAI need to be enhanced if it is to help achieve those ends and work effectively in conjunction with development organisations.

To better reflect the diversity and spread of its membership, it is also desirable to change the name of the organisation to the Pacific Association of Supreme Audit Institutions (“PASAI”).

The Congress of PASAI has accordingly resolved to adopt this Charter.

## **Article 1 – Objective and Mandate**

### **Section 1**

PASAI promotes transparent, accountable, effective, and efficient use of public sector resources in the Pacific.

### **Section 2**

PASAI contributes to that goal by helping its member SAIs improve the quality of public sector auditing in the Pacific to uniformly high standards.

### **Section 3**

To that objective, PASAI's mandate is to:

- (a) Strengthen understanding, co-operation, and co-ordination between its members.
- (b) Advocate the interests of good governance, including transparency, accountability, and the need for strong and independent SAIs, to governments and others in the Pacific region.
- (c) Build and sustain public auditing capacity across the Pacific by sharing knowledge with, and providing support to, its members.
- (d) Assist its members to perform their auditing functions, including through co-operative audits and similar activities.
- (e) Serve as a regional working group of INTOSAI, in the interests of all SAIs in the Pacific and beyond.
- (f) Encourage co-operation with other regional working groups and SAIs.



## **Article 2 – Principles**

PASAI members agree and affirm the following principles, which underpin the functioning of PASAI and their interactions with each other:

- (a) The autonomy and independence of each member are to be respected and preserved.
- (b) Taking a regional approach to a common issue does not supplant a member's individual needs.
- (c) PASAI's resources are to be made available to all its members, irrespective of their geographical location or constitutional status.
- (d) The appropriate involvement of private sector auditors in public sector auditing, under the auspices of SAI heads, is to be supported and promoted.



## **Article 3 – Membership**

### **Section 1**

Participation as a member of PASAI is open to:

- (a) SAIs; and
- (b) state, provincial or territorial government audit offices

in Melanesia, Micronesia, Polynesia, and Australasia, together comprising the region of Oceania.

### **Section 2**

The members of PASAI on the date of adopting this Charter continue as members, as of right.

### **Section 3**

A new member may be admitted, with the Governing Board's agreement and the Congress's approval. Pending the Congress's approval, a new member may pay membership subscriptions and participate as a member but without voting rights at a meeting of the Congress.

### **Section 4**

Membership ceases 6 months after a member gives notice of withdrawal to the Governing Board.



## **Article 4 – Responsibilities of Members**

Each member:

- (a) Commits itself to the objective of improving public sector auditing in the Pacific to uniformly high standards, by pursuing technical excellence, effective management, and high standards of integrity and independence.
- (b) Participates in PASAI to the extent that its resources and capacity allow, and contributes constructively to its work and activities.
- (c) Pays membership fees.
- (d) Supports the work of the Governing Board, the Secretary-General, the Executive Director, and the Secretariat, and responds in a timely way to requests for information and assistance.
- (e) Makes its staff available, as far as is practicable, for PASAI's activities.
- (f) Shares information on subjects of common professional and technical interest, and makes constructive use of the support and assistance which PASAI provides.



## **Article 5 – Organisation**

PASAI consists of the Congress, the Governing Board, and the Secretariat. Its office holders are the Chairperson, the Secretary-General, and the Executive Director.



## **Article 6 – The Congress**

### **Section 1**

The Congress is the supreme authority of PASAI, and consists of all PASAI's members.

### **Section 2**

The Congress:

- (a) Endorses PASAI's long term strategies and direction, and guides the Governing Board in attaining PASAI's objective.
- (b) At each meeting, appoints members of the Governing Board in accordance with section 2 of article 8.
- (c) Decides which member of PASAI will host the next meeting of the Congress.
- (d) Nominates the head of a member SAI to be PASAI's representative on INTOSAI's Governing Board.
- (e) On the recommendation of the Governing Board:
  - i. Approves the admission of new members.

- ii. Confirms the designation of the Secretary-General.
  - iii. Decides where the Secretariat is to be located.
  - iv. Fixes membership subscriptions.
- (f) Performs any other power or responsibility conferred upon it by this Charter.

### **Section 3**

The Congress meets at least once every two years. All members and the Executive Director may attend a meeting, and the quorum is not less than one half of the members. A member may be represented at a meeting by its head or by a duly authorised delegate.

### **Section 4**

The head of the member hosting a forthcoming meeting of the Congress may, after consulting the Chairperson, invite individuals or organisations to attend as observers.

### **Section 5**

The Congress seeks consensus in its decisions. In the absence of consensus, decisions must be made by a simple majority vote at a meeting (except as this Charter otherwise requires), with each member represented having one vote.

### **Section 6**

The Chairperson must convene a special meeting of the Congress, if requested by the Governing Board (by a simple majority vote at a meeting of the Governing Board) or by not less than one half of the members of PASAI. The Chairperson must give every member at least one month's advance notice of a special meeting. At the Chairperson's discretion, a special meeting may take place at a venue or by telephone or video conference.

### **Section 7**

The Congress need not perform the power under section 2(b) at a special meeting unless it decides otherwise.

## **Section 8**

Should it be necessary between meetings of the Congress to perform a power reserved to the Congress (except a power in article 14), the Secretary-General may perform the power after consulting with the Governing Board. The Secretary-General must inform all members of PASAI promptly of such action, once taken, and the action must be an item for consideration at the following meeting of the Congress.



## **Article 7 – The Chairperson**

### **Section 1**

The head of the member hosting a meeting of the Congress becomes the Chairperson of PASAI upon the opening of the meeting, and holds office as Chairperson until the opening of the following meeting of the Congress. However, a Chairperson who convenes a special meeting under section 6 of article 6 remains the Chairperson throughout that meeting and until the opening of the following regular meeting of the Congress.

### **Section 2**

The Chairperson:

- (a) Chairs meetings of, and provides leadership to, the Congress and the Governing Board.
- (b) Represents PASAI in Oceania and internationally (except on INTOSAI's Governing Board).

### **Section 3**

The Congress or the Governing Board may appoint an acting Chairperson to chair a meeting in the Chairperson's absence.



## **Article 8 – The Governing Board**

### **Section 1**

The Governing Board sets PASAI's direction under the Congress's guidance, and oversees and directs PASAI's activities.

### **Section 2**

The Governing Board consists of:

- (a) The Chairperson.
- (b) The immediate past Chairperson.
- (c) The head of the member designated to host the next Congress.
- (d) Three representatives appointed by the Congress, one for each of the Melanesian, Micronesian, and Polynesian language and geographical groupings in Oceania, the representative in each case to be the head of a member belonging in the relevant grouping.
- (e) One representative appointed by the Congress for the other language or geographical groupings in Oceania, the representative to be the head of a member belonging in one of those groupings.
- (f) The Secretary-General.
- (g) The Executive Director (*ex officio*).

The Congress must appoint the representatives under paragraph (d) and paragraph (e) for terms of up to two years, so that at least one representative's term will expire at the following regular meeting of the Congress. A representative whose term has expired may be reappointed, if that is the wish of the relevant grouping or groupings.

### **Section 3**

The Governing Board may co-opt one or more additional members, for such term as the Governing Board considers appropriate. The power of co-option may be exercised only for a specific purpose identified by the Governing Board, and a co-opted person must at all times be

the head of a member of PASAI. The Chairperson must notify all members of PASAI of the performance of the power, the name of the co-opted person, and the purpose of the co-option.

#### **Section 4**

The Governing Board:

- (a) Considers requests for membership of PASAI, and admits new members subject to approval by the Congress.
- (b) Formulates strategy and policy, and prepares long term strategic plans for endorsement by the Congress.
- (c) Approves PASAI's three-yearly work program, prepared annually by the Executive Director, and other programs prepared in co-operation with development organisations.
- (d) Supports and assists the Chairperson and the Secretary-General in the performance of their respective powers and responsibilities.
- (e) Designates the Secretary-General, subject to confirmation by the Congress.
- (f) Recommends to the Congress where the Secretariat should be located.
- (g) Appoints or removes the Executive Director.
- (h) Appoints auditors of PASAI's financial statements and, as necessary, any program administered by PASAI.
- (i) Performs its financial powers and responsibilities under article 12, and recommends the level of membership fees to the Congress.
- (j) Approves rules for the conduct of PASAI's activities, and other operational policies and procedures prepared by the Executive Director.
- (k) Appoints committees and, at its discretion, co-opts individuals (including individuals nominated by members) to serve on a committee.
- (l) Performs any other power or responsibility conferred upon it by this Charter.

#### **Section 5**

The Governing Board has power to enter legal obligations on behalf of PASAI, and may delegate that power or any of its other powers and responsibilities under this Charter (including those under article 12) to a committee of the Governing Board, the Chairperson, the Secretary-General, or the Executive Director.

## **Section 6**

The Governing Board meets at least once every year, at a venue to be decided by the Chairperson after consulting the members of the Governing Board. The quorum for a meeting is not less than one half of the members of the Governing Board.

## **Section 7**

The Chairperson may call a special meeting of the Governing Board, and must do so if a majority of members of the Governing Board request. At the Chairperson's discretion, a special meeting may take place at a venue or by telephone or video conference.

## **Section 8**

The Chairperson may, after consulting the Secretary-General and the Executive Director, invite individuals or organisations to attend a meeting of the Governing Board as observers.

## **Section 9**

The Secretary-General must, in respect of every meeting of the Governing Board:

- (a) Notify the head of every member of PASAI, in advance, of the date and agenda for the meeting.
- (b) Send the minutes of the meeting to the head of every member of PASAI, as soon as practicable after the meeting, whether or not the minutes have been formally confirmed by the Governing Board.

## **Section 10**

The Governing Board seeks consensus in its decisions. In the absence of consensus, decisions must be made by a simple majority vote at a meeting, with each member of the Governing Board present having one vote.



## **Article 9 – The Secretary-General**

### **Section 1**

The Secretary-General holds office as follows:

- (a) The Governing Board designates the member of PASAI whose head for the time being (including an acting head) is to be the Secretary-General.
- (b) The designated member must be a member of INTOSAI.
- (c) The designation is subject to confirmation by the Congress.
- (d) The term of a designation is no more than four years and is subject to renewal.
- (e) The Governing Board may review its designation at any time, and must do so if the head (or acting head) of the designated member so requests.

### **Section 2**

The Secretary-General:

- (a) Is responsible to the Governing Board for PASAI's operations, as carried out by the Secretariat in accordance with PASAI's long term strategic plans and work programs.
- (b) Provides leadership and guidance to the Secretariat and advises the Congress, the Chairperson, and the Governing Board.
- (c) Supports the host in planning meetings of the Congress, and the Chairperson in planning meetings of the Governing Board.
- (d) Oversees the Executive Director's performance and facilitates the working relationship between the Executive Director and the Governing Board.
- (e) Manages PASAI's relationship and interactions with INTOSAI and other regional working groups, in conjunction with PASAI's representative on INTOSAI's Governing Board.
- (f) Performs any other power or responsibility conferred upon the Secretary-General by this Charter.

### **Section 3**

The head or acting head of a designated member may perform the powers and responsibilities of the office of Secretary-General pending confirmation of the designation by the Congress, if authorised by the Governing Board to do so. The Chairperson may perform those powers and responsibilities if no member is willingly designated, or if the position of Secretary-General is otherwise vacant.

## Section 4

The Secretary-General may delegate a power, including a power delegated by the Governing Board, to the Executive Director but must give written notice of the delegation to the Chairperson.



## Article 10 – The Secretariat

### Section 1

The Secretariat is PASAI's administrative organ, and is located in a place determined by the Congress on the Governing Board's recommendation. The Governing Board must review the Secretariat's location at least once every four years.

### Section 2

The Secretariat:

- (a) Keeps PASAI's records and files, and administers its financial affairs in accordance with article 12.
- (b) Disseminates information to members, encourages the sharing of knowledge and co-operation, and provides members with support and assistance as directed by the Governing Board.
- (c) Gives logistical support for meetings of the Congress and the Governing Board, and for the implementation of PASAI's work programs.
- (d) Assists the Chairperson, the Governing Board, and the Secretary-General to perform their powers and responsibilities.
- (e) Performs any other responsibility conferred upon it by the Governing Board.



## **Article 11 – The Executive Director**

### **Section 1**

The Executive Director is the chief executive officer of the Secretariat, and is responsible to the Secretary-General.

### **Section 2**

The Executive Director:

- (a) Manages the Secretariat and its resources, appoints or removes staff, oversees staff performance, and performs any other designated responsibilities.
- (b) Supports the Chairperson, the Governing Board, and the Secretary-General in performing their respective powers and responsibilities.
- (c) Annually prepares a business plan and a three-yearly work program for approval by the Governing Board, and manages the plan's implementation once approved.
- (d) Works with development organisations and others, and seeks funding, to attain PASAI's objective.

### **Section 3**

With the Secretary-General's written approval, the Executive Director may delegate a power or responsibility, including a power or responsibility delegated by the Governing Board or the Secretary-General, to another member of PASAI's staff.



## **Article 12 – Financial provisions and audit**

### **Section 1**

PASAI's funds consist of:

- (a) Membership subscriptions and other financial contributions paid by members.

- (b) Grants or donations received from governments, development organisations, public or private institutions, or individuals, for general or specified purposes.
- (c) Income from publications, conferences, and other activities.
- (d) The proceeds of sale of any assets.
- (e) Interest earned from the investment of surplus cash.
- (f) Any other income approved by the Governing Board.

## **Section 2**

PASAI's funds must be held in one or more bank accounts, at least one of which must be at a bank located in the jurisdiction where the Secretariat is for the time being located, and may be applied for any purpose consistent with PASAI's objective and mandate.

## **Section 3**

Financial authority (including approval of budgets, incurring of expenditure, and investment of surplus funds) rests in the Governing Board, subject to the Congress's power to fix membership subscriptions.

## **Section 4**

The Secretariat is responsible to the Governing Board, through the Secretary-General, for managing PASAI's resources (including its revenues, expenses, assets, liabilities, and investments) in a lawful, prudent, and sustainable manner consistent with PASAI's objective and mandate.

## **Section 5**

The Executive Director is responsible to the Secretary-General for preparing PASAI's annual report, including financial statements which are to be:

- (a) Prepared in accordance with accounting standards adopted by the Governing Board with regard to the applicable law, PASAI's international status, and its accountability obligations, using a financial year fixed by the Governing Board.
- (b) Signed by the Chairperson (on behalf of the Governing Board), the Secretary-General, and the Executive Director.
- (c) Submitted for audit to the auditor appointed by the Governing Board, within three months of the balance date.

## **Section 6**

The Secretary-General must send the annual report (including the audited financial statements), together with the auditor's report, to the Governing Board and present them to the next meeting of the Congress.

## **Section 7**

Having sent the annual report to the Governing Board, the Secretary-General may place it on PASAI's website or make copies available to interested persons or organizations.



## **Article 13 – Legal capacity and applicable law**

### **Section 1**

The Governing Board may:

- (a) Enter an agreement with the government of the jurisdiction in which the Secretariat is located, by which legal status or capacity is conferred on PASAI.
- (b) Take such other steps it considers necessary to enable PASAI to function in the region of Oceania as, through, or with the powers of, a body corporate.

### **Section 2**

The applicable law for PASAI's activities and everything done under this Charter is:

- (a) The law of the jurisdiction in which PASAI is conferred legal status or capacity by whatever means.
- (b) In the absence of such status or capacity, the law of the jurisdiction in which the Secretariat is for the time being located.



## **Article 14 – Amendment and Dissolution**

### **Section 1**

The Congress may amend this Charter or dissolve PASAI, on a vote at a meeting of the Congress by absolute majority of at least two thirds of all members (irrespective of how many members are represented).

### **Section 2**

On dissolution, PASAI's residual funds will be distributed to the respective governments of each member at the date of dissolution, in such proportions as the Congress may determine.