

AUSTRALASIAN COUNCIL OF AUDITORS-GENERAL CONSTITUTION

PREAMBLE

The initiative of establishing the Australasian Council of Auditors-General (ACAG) emanated from the 19th Biennial Conference of Australasian Area Auditors-General in Perth in 1993, to provide consultative arrangements for the structured sharing of pertinent information and intelligence between Auditors-General in a time of increasing complexity and rapidity of change. ACAG was seen as providing a voluntary yet disciplined approach, while this is not to extend to having executive power, rights or functions. The Council's strength will be demonstrated by the inherent merits and relevance of its work. Nothing in this constitution is intended to limit nor could it limit the independence and freedom of action of any Member or compel any action by any Member.

DEFINITIONS

ACAG means the Australasian Council of Auditors General

Council means the Members of the Australasian Council of Auditors General

Member means the Auditor-General of any jurisdiction in Australia, New Zealand, Fiji or Papua New Guinea

OBJECTIVES

2. ACAG will provide arrangements for the sharing of information between members, will support the development of effective and efficient auditing methods and practices by members, and will represent externally, where appropriate on matters affecting members, the collective opinion of the Auditors-General on financial accounting and auditing standards, and legislative audit and related issues including submissions to standard setting bodies and parliamentary committees. In doing so, ACAG will consider:
 - 2.1 Facilitating the sharing of information and discussion of matters of mutual interest to members, concentrating on the essential elements of the Legislative Audit;
 - 2.2 Providing opportunities for Audit Offices to improve their own effectiveness and efficiency by such means as may be agreed from time to time including a professional quality assurance peer review program, benchmarking surveys, targeted reviews of particular functions and operations;
 - 2.3 Coordinating educational, training and professional development activities that will contribute generally to an Audit Office's performance;
 - 2.4 Supporting the development of audit methodologies and practices for, and approaches to, the discharge of audit mandates;
 - 2.5 Promoting co-operation in the conduct of audits; and

- 2.6 Identifying and promulgating, where appropriate, the collective opinion of Auditors-General on financial accounting and auditing standards and related issues.
- 2.7 Enhancing knowledge management to improve and develop the profession, including collecting, managing, retaining and sharing knowledge.

MEMBERSHIP

3. Membership of ACAG is open to the Auditors-General of all audit jurisdictions within Australia, New Zealand, Fiji and Papua New Guinea. The Council may accord observer status to the Auditor-General of any eligible jurisdiction on such terms as it may from time to time determine.
4. Associate membership is available to any other interested jurisdiction.
5. Membership can be subject to annual subscription fees determined by participating Members from time to time..
6. Members may, with one year's notice, or payment of one year's subscription in lieu, withdraw from membership.

QUALIFICATION

7. In carrying out its functions, ACAG is not to publicly represent or speak on behalf of any Auditor-General or intrude into the affairs of any particular audit jurisdiction without the prior consent of the Auditor-General concerned.

THE COUNCIL

8. The Council is the supreme authority of ACAG, and consists of all ACAG's Members.
9. The Council meets face-to-face at least twice each year. All Members and the Executive Director may attend a meeting. If the Member is unable to attend, a duly authorised delegate may represent them.
10. The Council seeks consensus in its decisions however where this is not the case, reasons for differing points of view will be clearly documented.

SUB-GROUPS

11. The Council may from time to time, establish specialist sub-groups for the purpose of discussing matters of common interest. With respect to such sub-groups, the Council may:
 - a) Specify in writing the terms of reference and function of the sub-group
 - b) Appoint such persons as the Council considers appropriate, including as Chair of the sub-group
 - c) Determine the frequency and medium for meetings
 - d) Receive minutes from the sub-group from each meeting held
 - e) Terminate the sub-group at any time

THE CONVENOR

12. The longest serving Member of the Executive that has not served before shall be appointed Convenor for a period of one year from 1 July each year.
13. The Convenor provides a central point of contact for the Executive Director and is the designated ACAG spokesperson and representative.

THE EXECUTIVE

14. An Executive Committee, comprising three members, is to be appointed.
15. Except for Members outside of Australia, the longest serving Member who has not previously been on the Executive Committee is the first to be asked to join. Once all Members have served on the Committee, the cycle recommences.
16. The Convenor is the Chair of the Executive Committee.
17. The Executive Committee will perform a management role between ACAG meetings with the main purposes being to guide and monitor the activities of the Executive Director, to administer ACAG's financial affairs, to monitor achievement of ACAG's objectives and to report to Members on its deliberations.

THE SECRETARIAT

18. The Secretariat is ACAG's operational and administrative organ, and is located in a place determined by Council from time to time.
19. ACAG will enable the engagement of as many staff as is within budget, practicable and necessary to implement its objectives. This will include an Executive Director.
20. Staff will be engaged by ACAG on terms and conditions agreed to by the Executive Committee. A condition of appointment will be that the powers and authorities of staff will not exceed those of ACAG.

THE EXECUTIVE DIRECTOR

21. The Executive Director is the chief executive officer of the Secretariat and is responsible to the Executive Committee under the oversight of the Convenor.
22. The Executive Director performs assigned duties and responsibilities as directed by Council and its Executive Committee including:
 - a) Delivering Council and committee secretariat support services
 - b) Environmental scanning and external monitoring
 - c) Stakeholder engagement and relationship management
 - d) Developing and maintaining business support systems and records, including the ACAG intranet
 - e) Providing strategic and operational advice to Council and its committees to achieve its future goals
 - f) Developing, overseeing and monitoring the strategic plan and annual business plans, including operational and project budgets

- g) Enabling strategic leadership, encourages continuous improvement, innovations, a safe, equitable and ethical workplace and the adoption of better practice standards and procedures
 - h) Representing and promoting ACAG in accordance with an approved Engagement and Communication Strategy
23. The performance of the Executive Director will be reviewed annually against a series of agreed key performance indicators.

FINANCIAL PROVISIONS AND AUDIT

24. ACAG's funds consist of:
- a) Membership subscriptions and other financial contributions paid by Members
 - b) Income from publications, conferences, and other activities
 - c) Interest earned from the investment of surplus cash
 - d) Any other income approved by Council
25. ACAG's funds must be held in one or more bank accounts, and may be applied for any purpose consistent with ACAG's objectives.
26. Financial authority (including approval of budgets, power to fix membership subscriptions, incurring of expenditure, and investment of surplus funds) rests with Council.
27. The Executive Director is responsible to Council, subject to the Executive Committee's oversight between meetings, for the Secretariat's management of ACAG's resources (including its revenues, expenses, assets, liabilities and investments) in a lawful, prudent and sustainable manner consistent with ACAG's objectives.
28. The Executive Director is responsible to Council, through the Executive Committee, for preparing ACAG's annual report, including financial statements, which are to be:
- a) Prepared in accordance with accounting standards adopted by the Council with regard to the applicable law and ACAG's accountability obligations, using a financial year fixed by the Council
 - b) Signed by the Convenor (on behalf of the Council) and the Executive Director

REVIEW

29. The role of, and continued need for, ACAG is to be reviewed every five years or more frequently if requested by an ACAG member.

AMENDMENT AND DISSOLUTION

30. The Council may amend this Constitution or dissolve ACAG at meeting of Council by an absolute majority.
31. On dissolution, ACAG's residual funds will be distributed to the respective Member at the date of dissolution, in such proportions as Council may determine.