

## **Terms of Reference (TOR)**

### **Public Sector Committee**

#### **Institute of Chartered Accountants of Pakistan**

#### **Introduction**

1. The Public Sector Committee (PSC/ the Committee) is a Committee of the Institute of Chartered Accountants of Pakistan (the Institute) on the terms set out in this document.

#### **Functions of PSC**

2. Following are the functions of PSC:
  - 2.1 To interact with the public sector (including Federal, Provincial and other subnational Governments, their related Ministries & Departments and State Owned Entities) in consultation with the Chairperson of PSC and President of the Institute to review, analyze, assist and suggest steps for improvements in the areas of policies, strategies and implementation of good governance and public financial management;
  - 2.2 To review circulars, notifications, other matters on public finance and underlying policies and to make suitable memoranda/representations containing suggestions for improvement and/or rationalization in the legislation, procedures and process for enhance efficiency, effectiveness and reporting by the public sector and improving its impact on outcomes;
  - 2.3 To provide guidance through research or otherwise on issues relating to public financial management, governance and audit of public sector;
  - 2.4 To interact and coordinate with IFAC/ CAPA/ SAFA/ universities/ research institutions/ UNO/ World Bank/ ADB/ other funding and professional institutions in consultation with the Chairperson of PSC and President of the Institute to strengthen linkages within and outside the country for undertaking collaborative research, exchange of information and publications;
  - 2.5 To bring out newsletters, publications, audio visual aids and other useful inputs in areas of contemporary issues relating to public financial management, auditing and governance of public sector; and
  - 2.6 To hold/ conduct consultative sessions, trainings, seminars and workshops, conferences and round tables in coordination with regional committees of the Institute for creating member's awareness and also to assist public sector on public financial management, auditing and corporate governance issues.

## Communication and Reporting

3. Following communication and reporting protocols have to be observed:
  - 3.1 All correspondence with local and international organizations on policy matters will be done in consultation with the Committee Chairperson and President of the Institute. Further, all correspondence relating to policy matters shall be shared with the Secretary for information and record.
  - 3.2 PSC shall prepare an annual report summarizing the work carried out by it during the year (July to June) and submit it to the Council.
  - 3.3 In consultation with the Chairperson and the President the document finalized by the Committee may be disseminated in the following manner:
    - a. Placement on the Institute's website;
    - b. Circulation to the membership or other stakeholders (relevant ministry, Provincial/ Federal Government authorities etc.) either in the soft or hard print;
    - c. Publication in the print media with the web link of the document;
    - d. Publication in the Institute's magazine 'The Pakistan Accountant' or other national and international forums/journals;

## Membership of PSC

4. The Committee will comprise of fifteen members. This number can be increased/ decreased with the concurrence of the President and the ratification by the Council of the Institute. The Committee will comprise of individuals possessing appropriate technical expertise, knowledge of institutional arrangements encompassed by its constituency, technical proficiencies of users, preparers and auditors, and a broad segmental spread with the following suggested composition:
  - 4.1 A Member of the Council, as nominated by the Council, who will function as the Chairperson of the Committee.
  - 4.2 At least one nominee each would be nominated from the office of Auditor General of Pakistan, Controller General of Pakistan, Securities & Exchange Commission of Pakistan, State Bank of Pakistan and World Bank.
  - 4.3 Other members, mostly members of the Institute, in such a composition which adequately represents both the Northern and the Southern regions of the Institute, practicing firms and the industry.
  - 4.4 Stakeholders and other experts may be invited by the Chairperson to attend meetings for discussing specific agenda items.

## **Expectation from PSC Members**

5. PSC members are expected to adhere to the following principles:
  - 5.1 Proactive contribution for the achievement of quality thresholds of contributions in terms of technical content, innovation, understandability and timeliness.
  - 5.2 Active and constructive participation in the meetings on a regular basis.
  - 5.3 Specific and general proactive feedback on issues and developments relevant to PSC.
  - 5.4 Respect and commitment to support the reputation of PSC and the Institute.
  - 5.5 Observance of the Institute's Code of Conduct and Confidentiality.

## **Meetings & Proceedings of the PSC**

6. The procedure for meetings will be as follows:
  - 6.1 The quorum of the Committee will be forty percent members including the Chairperson.
  - 6.2 In absence of the Chairperson for any unavoidable reason, the Chairperson may nominate any senior Committee member to chair the meeting in his/her absence.
  - 6.3 The Committee will meet as required, but should meet at least once in every three months.
  - 6.4 Members are expected to attend all meetings. A member can resign from the Committee by submitting a written resignation to the Chairperson. The Chairperson in consultation with the President may replace member who fail to attend three consecutive meetings without leave of absence.
  - 6.5 The PSC members will not be represented by alternates in the Committee meeting.
  - 6.6 The Chairperson will approve the agenda for each PSC meeting.
  - 6.7 Agenda will be circulated preferably within seven working days before the meeting.
  - 6.8 Minutes along with action plan will be circulated within fifteen working days after the meeting.
  - 6.9 The PSC may also conduct business between meetings by electronic or non-electronic correspondence. For example, to obtain comment on any urgent matter or to poll initial views on a proposed topic in order for it to be developed appropriately for future discussion and/or finalization.
  - 6.10 The meetings of PSC may be conducted via video conference, depending on the geographical spread of members.

- 6.11 The Chairperson may hold a meeting requiring all members to attend in person if the matter, in the opinion of the Chairperson is of such significance that effective discussion can only be made in person.