

REQUIREMENT FOR APPOINTMENT

Chairperson

To be appointed as the Chairperson of the Audit Committee, one must have the following:-

1. A degree from a recognized University
2. Knowledge and experience of not less than 7 years in Audit/of Financial Management/ Accounting
3. Be a member of professional body and in good standing
4. Knowledge in and experience in Risk Management
5. Be a person of integrity and in compliance with requirements of Chapter Six of The Constitution of Kenya 2010.

Members

1. A degree from a recognized university
2. Working experience of not less than 5 years
3. Be a member of a professional body and in good standing
4. Knowledge in public Service/Government operations
5. Be a person of integrity and in compliance with requirements of Chapter Six of The Constitution of Kenya 2010. Refer Regulations, 174 PFM Regulations, 2015 for details.

Regulations, 174 PFM Regulations, 2015

174. (1) Subject to paragraph (2) of this regulation, each national government entity shall establish an audit committee. Establishment of audit committees. (2) The National Treasury, where deemed necessary, may approve the sharing of one audit committee by two or more entities. (3) In the case of a shared audit committees referred to in paragraph (2), the appointing authorities of the concerned entities shall jointly appoint the chairperson and members of the joint audit committee in consultation with the National Treasury. (4) There shall be a minimum of three members, excluding a person who shall be appointed to represent the National Treasury in each audit committee and a maximum of five. (5) The chairperson of an audit committee shall be independent of the national government entities, be knowledgeable of the organization, have the requisite business and leadership skills and shall not be a political office holder. (6) In addition to paragraph (5), majority of

members appointed to the audit committee shall not be past or present employees of the entity, and shall not have served as an employee or agent of a business organisation which has carried out any business with the concerned entity in the last two years. (7) All members of an audit committee shall— (a) have a good understanding of government operation, financial reporting or auditing; and (b) have a good understanding of the objects, principles and functions of the entity to which they are to be appointed. (8) Each Accounting Officer of an entity shall ensure that the audit committee is adequately funded and supported. (9) The chairperson of an audit committee shall not serve concurrently as a member of any other audit committee of the concerned national government entity, but its members can serve in up to a maximum of three audit committees at the same time. 286 Kenya Subsidiary Legislation, 2015 (10) The Public Sector Accounting Standards Board shall prescribe guidelines for appointment of audit committees to be approved and gazetted by the Cabinet Secretary.