



SAPTA CONSTITUTION

EDITION 1

SEPTEMBER 2014

COMPILED BY: CHARLES COTTER

SAPTA VICE PRESIDENT

Table of Contents

- 1. GLOSSARY 3
- 2. PREAMBLE 5
 - 2.1 Introduction and Overview 5
 - 2.2 The formation, founding and strategic ambition of SAPTA 6
 - 2.3 The scope, mandate and authority of the SAPTA Constitution 6
 - 2.4 The SAPTA legal structure 6
 - 2.5 The SAPTA Manifesto 8
 - 2.6 The SAPTA Master Scorecard 9
 - 2.7 The SAPTA Code of Ethics..... 9
 - 2.8 SAPTA Policy and Procedures..... 9
 - 2.9 The key SAPTA constituencies and stakeholders 10
- 3. CHAPTER 1: Membership to SAPTA 11
 - 3.1 Membership categories 11
 - 3.2 Membership Criteria 11
 - 3.3 Membership fees 12
 - 3.4 Membership benefits..... 13
 - 3.5 Membership rights..... 14
 - 3.6 Membership application, registration and certification 14
 - 3.7 Compliance with the SAPTA Code of Ethics 15
 - 3.8 Termination of Membership 16
- 4. CHAPTER 2: SAPTA GOVERNANCE STRUCTURES AND PROCEDURES 18
 - 4.1 Tenure 18
 - 4.2 SAPTA National Governance Structures..... 18
 - 4.3 Regional Chapters 27
 - 4.4 SAPTA Sub-committees..... 30
 - 4.5 Constitutional Amendments 31
 - 4.6 SAPTA Meetings 32
 - 4.7 Governance principles and management (administration and finance) 36
- 5. CHAPTER 3: SAPTA office-bearers and officials 40

5.1	Fiduciary responsibility and duty of SAPTA Directors	40
5.2	Key SAPTA Office-Bearers	40
5.3	Resignation and replacement of key SAPTA Office-Bearers and Officials ..	43
5.4	Succession Planning of key SAPTA Office-Bearers	45
6.	CHAPTER 4: SAPTA financial, asset and resource management and control.....	46
6.1	SAPTA Financial, Asset and Resource Management	46
6.2	Conflict of Interest.....	47
7.	CHAPTER 5: Dissolution and termination of SAPTA	49
7.1	Dissolution of SAPTA	49
7.2	Transference of assets	49

1. GLOSSARY

The purpose of this section is to provide definitions and acronyms of the key SAPTA concepts and terminology. These definitions and acronyms are applicable to all SAPTA governance documents.

- 1.1 **CPD:** Continuous Professional Development. Certified Professional Trainers will have to achieve a number of annual CPD points, through attending SAPTA-endorsed developmental interventions, to maintain their CPT status.
- 1.2 **CPT:** Certified Professional Trainer. This is the highest form of professional status awarded to SAPTA members. Certification is subject to a formal review process and competence measured against the Professional Trainers Body of Competence and related, weighted criteria.
- 1.3 **Governance:** The regulatory and management control framework to ensure relevance and enable optimal governance and performance of SAPTA. SAPTA is governed by three governing components, namely a governance body, founding documents and policies and procedures.
- 1.4 **Membership:** A form of association to a body or institution. SAPTA recognizes two forms of membership, namely: associate and CPT.
- 1.5 **Proxy:** Refers to the written authorization given by a SAPTA Member for someone else, usually the association's management or representative, to cast his/her vote at a general meeting.
- 1.6 **PTBoC:** Professional Trainers Body of Competence is the yardstick against which applicants will be measured. It comprises a number of core competencies and weighted criteria.

This body of competence encapsulates the basic skill set, knowledge base, and attitude which a professional trainer must have and it will be regarded as an entry requirement for Certification as Professional Trainer with SAPTA.

- 1.7 **Region:** Refers to a designated geographical area in which Members operate.
- 1.8 **SADC:** Southern African Development Community and includes the following targeted member countries: Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia, and Zimbabwe)
- 1.9 **SAPTA:** The Southern Africa Professional Trainers Association. This is the authority and custodian of professional, occupational trainers within the scope of the SADC region.
- 1.10 **Trainer:** Occupational-directed practitioner utilizing a variety of learning-focused and specialized methods in performing an intervention-based training function, both as in-house or freelance (independent) capacity. To be regarded as a professional trainer, a high degree of capacity and income must be dedicated to performing the training function.
- 1.11 **TEC's:** Training Events Companies. These are key SAPTA stakeholders, who are various training providers and contractors. SAPTA will endorse these TEC's who demonstrate sound ethical business practices and conclude various agreements to secure the rights and interests of SAPTA members.

2. PREAMBLE

2.1 Introduction and Overview

The purpose of this section is to provide an overview of the various Southern Africa Professional Trainers Association (SAPTA) governance reference documents. The SAPTA Constitution authorizes these documents and must be read in conjunction with such.

The power and authority of the SAPTA Board, its respective Committees and regional governance structures are regulated by the SAPTA Governance documents.

Furthermore, the primary and secondary SAPTA governance documents guide and regulate the behavior, actions and direction of our members.

The SAPTA primary governance documents consist of the following key documents:

- SAPTA Manifesto
- SAPTA Code of Ethics
- SAPTA Constitution
- SAPTA Master Scorecard

The SAPTA secondary governance documents consist of the following key documents, *inter alia*:

- SAPTA Membership Policy and Procedure
- SAPTA Training Events Companies (TEC's) Policy and Procedure
- Finance, Administration and Human Resources Management Policies and procedures

2.2 The formation, founding and strategic ambition of SAPTA

SAPTA was conceptualized by Derek Hendrikz during 2012 and formally established on 3 November 2012, by a group of thirty (30) like-minded founding members, with the strategic vision and objective of establishing an institution to foster a culture of professionalism amongst trainers as well as to position itself as the custodian of the rights, interests and needs of professional, occupational trainers.

2.3 The scope, mandate and authority of the SAPTA Constitution

A Constitution is the foundation for building an organization. It should contain all the key agreements made by members on how the organization will work. With legal reference, it is called the "founding document" and it is legally binding on the SAPTA Board of Directors and associate and professionally registered SAPTA members.

The SAPTA Constitution is a governing guide and framework for all the Board of Directors. The Board's actions and decision-making power and authority are firmly dependent on the stipulated constitutional rules.

Furthermore, the constitution authorizes the SAPTA policies and procedures and provides foundational definitions for the effective functioning of SAPTA.

2.4 The SAPTA legal structure

The Southern Africa Professional Trainers Association (SAPTA) is a registered Non-profit Organization (NPO), Section 21 Company, registration number 716053716, with the Companies and Intellectual Property Commission (CIPC).

2.4.1 Rationale of NPO legal structure

NPO's do not exist to make a profit from the work of the organization for the owners or members of the organization. They exist to serve some public purpose rather than just serving the personal interests of the owners or members of the organization. They exist for the benefit of the general public or specific sections of the public. If members receive payment or benefits, it is only in the form of a reasonable salary and benefits in return for the work that is done as an employee of the organization. Any profit that is produced is used by the organization to make a greater impact in terms of their public purpose.

Most NPOs have to rely on grants and donations from fundraising because NPOs usually serve sections of the community that could not afford to pay the full cost of the service. NPOs do not usually choose their target groups according to who can pay for the service, but according to who needs the service most.

2.4.2 The Non-Profit Organizations Act 71/1997

SAPTA is registered as a Section 21 Company within the Republic of South Africa, and thus South African Legislation will apply to its governance.

Any disputes will be dealt with under South African legislation.

In South Africa, the Non-Profit Organizations Act (NPO Act) covers non-profit organizations and the legal steps for registering them. There are, however, different types of NPOs.

All organizations that fall under the Non-Profit Organizations Act (NPO Act) may choose whether to register with the Non-Profit Organization (NPO) Directorate of the Department of Social Development. But, some

types of non-profit Organizations must register under other laws, whether or not they register with the Department. These laws tell you what must be covered by the founding document of your organization.

The three most basic types of non-profit Organizations are:

- Voluntary Associations
- Trusts
- Section 21 Companies

SAPTA is registered as a Section 21 Company.

Section 21 Companies **MUST** register with the Registrar of Companies under the Companies Act, but may also voluntarily register under the NPO Act if they are NPOs. Their founding documents are called the Memorandum and Articles of Association.

2.5 The SAPTA Manifesto

The SAPTA Manifesto is a founding statement, which describes the SAPTA basic philosophy, defines the SAPTA mission, objectives and values and provides an environmental context and explains the SAPTA Professional Trainer Body of Competence (PTBoC). The manifesto lays the foundation for all other SAPTA governance documents.

Refer to the SAPTA Manifesto for the specific philosophy, values and guiding principles which defines the SAPTA purpose and right of existence.

2.6 The SAPTA Master Scorecard

The SAPTA Master Scorecard primarily hosts the SAPTA Vision, strategic objectives and core processes for the Board of Directors period of appointment.

The scorecard is structured as such that strategic achievement is scored every year, thus the Board can measure its effectiveness on an annual basis.

2.7 The SAPTA Code of Ethics

This Code of Ethics is applicable to all SAPTA members, at all levels of membership, association and certification. The SAPTA Code of Ethics serves the purpose of promoting, governing, supporting, regulating and sanctioning (if applicable) members' professional conduct, in the daily practicing and exercising of their profession as an occupational trainer.

Refer to the SAPTA Code of Ethics for the following Chapters:

- Ethical Identity (Chapter 1)
- Core Values and Guiding Principles (Chapter 2)
- Breaches of the Code (Chapter 3)

2.8 SAPTA Policy and Procedures

Refer to the various SAPTA policies and procedures, *inter alia*:

- Membership
- Training Events Companies (TEC's)
- Finance
- Administration and Operations
- Human Resources Management

2.9 The key SAPTA constituencies and stakeholders

King III proposes that companies institute measures to ensure that they are able to proactively manage the relationships with all their stakeholders. The board should encourage constructive stakeholder engagement, and strive to achieve the correct balance between the interests of all its various stakeholder groupings and promote mutual respect between the company and its stakeholders.

SAPTA has various internal and external stakeholders, whose interests and rights should be either directly or indirectly be considered in the SAPTA Constitution and other governance documents. These stakeholders include, *inter alia*:

- Training Events Companies and Providers
- South Africa Qualifications Authority (SAQA)
- Other professional institutions e.g. SABPP; PSASA; COMENSA etc.
- The SADEC region training community at large
- Current and prospective SAPTA members

3. CHAPTER 1: Membership to SAPTA

SAPTA membership will be regulated by the SAPTA Membership Policy and Procedure and should host specific criteria, categories, benefits, membership fees and other issues relating to the management of our members.

3.1 Membership categories

The SAPTA membership Policy and Procedures should specifically regulate the admission and benefits of our membership types.

This constitution authorizes two membership types, namely:

- a) Associate membership
- b) Certified Professional Trainer (CPT)

This Constitution legitimizes, endorses and gives effect to the membership categories of the SAPTA Membership Policy.

3.2 Membership Criteria

Criteria for admission to SAPTA membership must be set out in the SAPTA membership policy and procedures.

3.2.1 Associate Members

There are no specific and/or special pre-requisites for associate membership. Essentially, any person can join SAPTA, on condition that the annual membership fee is paid.

The appointed SAPTA Office Manager will have the authority to administer and manage this application process and issue membership certificates.

3.2.2 CPT

CPT registration is a stringent process and applicants who apply will have to comply with the following criteria:

- 3.2.2.1** The applicant must be registered as an associate SAPTA member.
- 3.2.2.2** The applicant must prove competence against the SAPTA Professional Trainers Body of Competence (PTBoC).
- 3.2.2.3** The specific criteria for certification as a CPT will be stipulated in the SAPTA Membership policy.
- 3.2.2.4** An independent and objective CPT sub-committee/panel will have the authority to oversee, adjudicate and regulate the CPT registration process.

This Constitution legitimizes, endorses and gives effect to the membership criteria of the SAPTA Membership Policy.

3.3 Membership fees

The SAPTA Membership Policy will stipulate membership fees and its revisal process.

- 3.3.1** All members shall be liable for the payment of an annual membership fee, for the respective levels of category of membership.

- 3.3.2** The SAPTA Board of Directors have the authority to review and increase membership fees, per category, on an annual basis. This will be done subject to a bench-marking exercise and for due consideration of prevailing market and economic conditions and be comparable with equivalent professional institutions. This will be collective majority decision (66%) and be tabled at an appropriate quarterly Board Meeting. The membership fee increase will be communicated to all current SAPTA associate and CPT members.
- 3.3.3** Membership fees are due on submission of application for membership and in the case of annual renewal, within one (1) month of receipt of an invoice. The SAPTA Office Manager will issue a receipt within one (1) week of receipt of payment.

This Constitution legitimizes, endorses and gives effect to the membership fees, of the SAPTA Membership Policy.

3.4 Membership benefits

The SAPTA Membership Policy will regulate membership benefits.

- 3.4.1** Membership benefits shall be as defined and regularly reviewed by the SAPTA Board of Directors.
- 3.4.2** Membership benefits shall differ in nature for all categories of SAPTA membership and at the discretion of the SAPTA Board of Directors.

This Constitution legitimizes, endorses and gives effect to the membership fees, clause as set out in the SAPTA Membership Policy.

3.5 Membership rights

- 3.5.1** SAPTA members are entitled to all the rights and are subject to all the obligations contained in the SAPTA Constitution.
- 3.5.2** SAPTA members, in good standing, have the right to assert their membership of SAPTA in the specific category, for which they have been registered.
- 3.5.3** SAPTA members, in good standing, have the right to elect office-bearers onto the SAPTA Board and their respective Regional Chapter Committees.
- 3.5.4** SAPTA members, in good standing, have the right to hold the SAPTA Board of Directors accountable in general meeting for:
- the fulfillment of the Mission of SAPTA;
 - the proper and appropriate fulfillment of their fiduciary duties;
 - the achievement of SAPTA’s strategic and operational objectives; and
 - the effective, efficient and economical leadership and management of SAPTA in full compliance with:
 - i. the provisions of this constitution,
 - ii. company law and other applicable statutes,
 - iii. generally-accepted accounting practice (GAAP), and
 - iv. the recommendations of the King Report on Corporate Governance, insofar as these are applicable.

3.6 Membership application, registration and certification

The SAPTA Membership Procedure must clearly define and regulate the following areas:

- Associate Membership Application Procedure
- CPT Certification Procedure
- Appeal against Board Findings on CPT Application Procedure

This Constitution legitimizes, endorses and gives effect to these and other sections of both the SAPTA Membership Policy and Procedure.

- 3.6.1** The details of SAPTA members shall be kept on a central database maintained under the supervision of the SAPTA Office Manager. The integrity and confidentiality of these member details will be protected and not disclosed, except where members have given direct permission of such disclosure.
- 3.6.2** All SAPTA members are entitled to and shall be provided with an annual certificate of membership.

3.7 Compliance with the SAPTA Code of Ethics

Our values and ethics are contained in the SAPTA Code of Ethics, the Membership Policy and Procedures.

This Constitution legitimizes, endorses and gives effect to these and other sections of both the SAPTA Membership Policy and Procedure.

- 3.7.1** All SAPTA members are subject to the provisions of the SAPTA Code of Ethics. Any violation of any provision and/or stipulation will be dealt with in accordance of the approved SAPTA disciplinary procedure.
- 3.7.2** All CPT members will be expected to sign the Code of Ethics declaration (Annexure 1).
- 3.7.3** SAPTA members should also ensure that they notify SAPTA of any significant violation of this Code by another SAPTA

member to ensure that the necessary corrective/remedial action may be taken.

- 3.7.4** An ad-hoc Disciplinary Committee shall be composed, constituted and convened to investigate any such complaint. This ad-hoc committee shall be chaired by the SAPTA Vice President or delegated Board Member, to ensure that appropriate remedial actions and/or sanctions are initiated.

3.8 Termination of Membership

- 3.8.1** A SAPTA member may terminate membership by giving formal notice in writing to the SAPTA Office Manager in the month prior to expiry of their certificate of membership, failing which membership is automatically renewed.
- 3.8.2** Where a member does not pay their annual membership fee within one month after an invoice was sent to them, their membership will automatically expire.
- 3.8.3** SAPTA membership is for a minimum period of one (1) year. Where a member resigns, such resignation shall not take effect:
- If the Member is the subject of any complaint made pursuant to the SAPTA Code of Ethics;
 - If successful completion of the Compliance procedures at all relevant times is outstanding;
- 3.8.4** SAPTA members may be expelled or suspended for just cause. Just cause shall be non-compliance with the SAPTA Constitution, the violation of any rule in the SAPTA Code of Ethics or any act of conduct prejudicial to the interests of SAPTA, its Members or the training industry at large. Suspension or expulsion shall be by not less than a two-thirds vote of the membership of the ad-hoc Disciplinary Committee.

This expulsion and/or suspension will have to be endorsed by majority vote (66%) of the Board of Directors, at the next seating of scheduled Quarterly Meeting.

4. CHAPTER 2: SAPTA GOVERNANCE STRUCTURES AND PROCEDURES

4.1 Tenure

- 4.1.1 The initial (founding) tenure of the establishment period of SAPTA governance structures and respective tenure of the SAPTA Board and Committee Members will be five (5) years, commencing 1 March 2013 and terminating 1 March 2018.
- 4.1.2 Founding SAPTA Board and Committee members will not be able to stand for re-election after the initial period (2013-2018).
- 4.1.3 Thereafter, the tenure period of Board and Committee Members will be a period of two years (twenty-four months).
- 4.1.4 Executive Standing Members will be able to stand for re-election to the Board and Committees.
- 4.1.5 Executive Standing Members will not be able to serve more than two consecutive (2) terms i.e. four (4) consecutive years.

4.2 SAPTA National Governance Structures

SAPTA is mandated to create the following three (3) governance structures:

- National Board of Directors
- Regional Chapters
- Committees and sub-committees

4.2.1 National Board of Directors: Composition

The National Board of Directors is SAPTA's highest decision-making authority structure. The SAPTA National Board shall comprise of seven

(7) Directors, each fulfilling a definitive role. These Director positions and their respective key roles are negotiated during appointment of the respective board member.

4.2.2 National Board of Directors: Constitutional Eligibility Provisions

4.2.2.1 The seven (7) Directors of the Board shall be formally appointed Directors of the Section 21 company, SAPTA (Incorporated association not for gain) immediately after their majority-decision (66%) election or appointment.

4.2.2.2 No member of SAPTA prohibited from acting as a director of a company in terms of the Companies Act or other applicable statute shall be eligible for election or appointment to the Board of Directors.

4.2.3 National Board of Directors: Election and Appointment

4.2.3.1 Members of the Board of Directors are nominated, elected and appointed at an appropriate, scheduled SAPTA Quarterly Meeting for a term of (non-electable) five (5) years, during the founding tenure and two (2) years, re-electable thereafter. The date of commencement will take effect on the previous boards date of termination.

4.2.3.2 The nomination and election of members and replacement Directors to the Board of Directors shall be conducted as follows:

4.2.3.2.1 *The SAPTA Office Manager shall send out an invitation to paid-up SAPTA Members requesting nominations, providing one (1) week for this nomination process*

- 4.2.3.2.2 Upon receipt of the nominations, the Office Manager will forward the nominations to paid-up SAPTA members, requested them to cast a vote for their preferred nominee. All SAPTA members will be entitled to cast one (1) vote only. Nominees are entitled to vote for themselves. One (1) week will be provided for the voting process.*
- 4.2.3.2.3 All votes will be tallied and the nominee receiving the most votes will be regarded as the Board Director Member-elect. This will be communicated to the SAPTA voting electorate.*
- 4.2.3.2.4 The Board Director Member-elect will be formally appointed at the next seating of the scheduled SAPTA Board Meeting.*

4.2.4 Board of Directors: Specific Roles and Responsibilities

The Board of Directors shall be responsible and accountable to SAPTA members for the leadership, management and administration of SAPTA and, accordingly, shall constitute and act as the Board of Directors of the Section 21 company, SAPTA (Incorporated association not for gain). Over and above that which was already stated, the Board of Directors have the following specific key responsibilities:

- 4.2.4.1** 2The overall governance of SAPTA in accordance to the primary governance documents, namely: the SAPTA Manifesto; SAPTA Constitution and SAPTA Code of Ethics
- 4.2.4.2** The development and execution of SAPTA strategy and strategic objectives
- 4.2.4.3** Ensuring that core processes are mapped and internalized with efficiency.

- 4.2.4.4 The establishment and maintenance of SAPTA policies and procedures
 - 4.2.4.5 The oversight of SAPTA governance structures and bodies e.g. sub-committees and regional chapters
 - 4.2.4.6 The public representation of SAPTA and its associate and CPT members
 - 4.2.4.7 Direct the strategic, operational and administrative management of SAPTA to ensure that SAPTA activities:
 - 4.2.4.7.1 *Comply with the provisions of this constitution;*
 - 4.2.4.7.2 *Are effective, efficient and economical, and*
 - 4.2.4.7.3 *Comply fully with company law, generally-accepted accounting practice (GAAP), and the applicable recommendations of the King Report on Corporate Governance*
 - 4.2.4.8 Manage the membership application and registration process and maintain the membership database
 - 4.2.4.9 Co-ordinate and supervise the activities of the Regional Chapters Committees and sub-committees
 - 4.2.4.10 Are transparent and accountable by reporting to SAPTA members on progress achieved towards SAPTA's strategic goals and objectives.
- 4.2.5 National Board of Directors: Mandate and Terms of reference (ToR)
- 4.2.5.1 Once formally constituted, the Board of Directors shall define its Terms of Reference in writing, and record these in its minutes. These Terms of Reference must be reviewed annually by the Board of Directors.
 - 4.2.5.2 The Board of Directors shall constitute Regional Chapter Committees and sub-committees to assist with its

management duties and delegate the required authority and decision-making powers. The members of the National Board remain jointly and severally liable for all actions, omissions and activities of these Regional Chapter Committees and sub-committees, and delegation of any issues to a sub-committee does not relieve the members of the Board of Directors of their joint responsibility.

4.2.6 Board of Directors: Contractual powers

- 4.2.6.1** The members of the Board of Directors shall have the power to manage the business affairs of SAPTA, including authority to contract with external parties insofar as this is directly necessary for the achievement of the objectives of SAPTA and provided that such transactions do not conflict with the provisions of this constitution, policy and procedure and/or Code of Ethics and/or the Articles and Memorandum of Association of the Section 21 company SAPTA (Incorporated association not for gain) or with applicable company law or other relevant statutes.
- 4.2.6.2** All contracts with external parties shall be signed by the SAPTA President, subject to consultation with the SAPTA Treasurer, and subsequent to endorsement and approval by the majority vote (66%) of the other Board Members.
- 4.2.6.3** The members of the Board of Directors shall have the power to employ on behalf of SAPTA paid managerial and/or administrative staff members as and when this is financially and economically feasible and where this will advance the operational efficiency of SAPTA.

- 4.2.6.4** The members of the Board of Directors shall have the power to engage on behalf of SAPTA the services of accountants, auditors, attorneys, advocates and any other professional firm or person for purposes deemed necessary by the Board of Directors and on such terms as the Board of Directors shall decide. Such professional services engagements and approaches should be presented to the other Board Members for endorsement and approval, by means of a majority vote (66%), at scheduled quarterly Board Meetings.
- 4.2.6.5** The members of the Board of Directors shall have the power to engage on behalf of SAPTA sponsors and donors for SAPTA endorsed and initiated events, development initiatives and other networking opportunities. Such sponsorship engagements and approaches should be presented to the other Board Members for endorsement and approval, by means of a majority vote (66%), at scheduled quarterly Board Meetings.
- 4.2.6.6** In all the preceding sub-sections (4.2.6.1 - 4.2.6.5), all SAPTA Board Members must unequivocally avoid any potential conflict of interest and/or conflict of interest.

4.2.7 Board of Directors: Accountability

- 4.2.7.1** The SAPTA National Board of Directors is accountable for the direction, management and administration of SAPTA to its members, through the following mechanisms:
- **Annual report:** The SAPTA President shall table an annual report summarizing progress towards achievement of SAPTA's master scorecard for the previous financial year at an appropriate Quarterly

Board Meeting for review by members, and summarizing and explaining any material deviations from that scorecard and its associated budget.

- **Audited annual financial statements:** The SAPTA Treasurer shall table the annual financial statements for the previous financial year, duly completed and audited in compliance with generally-accepted accounting practice (GAAP) and applicable company law, at an appropriate Quarterly Board Meeting, for consideration by Board Members.
- **Master Scorecard:** on commencement of the Board's official term, The SAPTA President shall table a master scorecard outlining the strategic projects and core processes, for discussion and approval by Board Members. This must be done within three months of official appointment of a new board. The Board will annually review and adjust the scorecard for optimal performance.
- **Annual budget:** The SAPTA Treasurer shall table a budget outlining the funding of the strategic plan for the current financial year, including the specification of annual membership fees, at an appropriate Quarterly Board Meeting, for discussion and approval by Board Members.
- **Regional Chapters, Committees and sub-committee reports:** The Director of Member Growth shall report to Board Members on chapter and committee developments and activities during the past financial year and on planned chapter and committee activities for the current financial year, during an appropriate Quarterly Board Meeting.

4.2.8 Board of Directors: Resignation and replacement

4.2.8.1 A member of the Board of Directors shall be deemed to have vacated their office if they:

- become insolvent;
- are found to be mentally unstable;
- voluntary resignation of their role, by notice in writing to the Board of Directors;
- are removed from any other office of trust on account of misconduct;
- are convicted of fraud, theft, forgery, perjury, or any other offence involving dishonesty;
- cease to be a member of SAPTA;
- are removed by members in terms of section 220 of the Companies Act; or
- are absent from two or more Board of Directors meetings annually without apology and/or good cause.

4.2.8.2 If the SAPTA President is temporarily unable to exercise her/his office by reasons of health or other contingencies not constituting a vacation of office as defined above, the SAPTA Vice-President shall assume the role of SAPTA President for the duration of the SAPTA President's indisposition.

4.2.8.3 Upon any vacancy occurring on the Board of Directors prior to the next scheduled Quarterly Board Meeting, the office manager shall follow the election process as set out in the administrative procedure in order to replace the vacant post on the board. On receipt of election results, the board will officially appoint the new member to the

board, who shall serve out the term of office of the member so replaced.

4.2.9 Board of Directors: Appointment of Executive Oversight Committees

4.2.9.1 The National Board of Directors shall appoint Executive Oversight Committees to assist with its management duties in accordance with the recommendations of the King II Report insofar as these are applicable, without diminishing the responsibilities of the Board of Directors in fulfilling these duties. These Committees could include, but not restricted to the following:

- Audit
- Ethics
- Stakeholder Engagement

4.2.9.2 The members of these Executive Oversight Committees shall be appointed by the SAPTA National Board of Directors, in consultation with the SAPTA's external stakeholders and partners and in compliance with the recommendations of the King II Report, insofar as these are applicable to SAPTA.

4.2.9.3 The nomination, election, appointment, roles/responsibilities, delegated powers and authority, resignation and replacement regulations and guidelines as contained in and by the Board are also applicable to the composition, constitution, convening and functioning of the above Executive Oversight Committees.

4.2.9.4 These Executive Oversight Committees are subordinate and accountable to the SAPTA Board of Directors. This

would require, inter alia, quarterly performance and activity reporting to the higher authority body.

4.3 Regional Chapters

- 4.3.1** SAPTA is mandated to create Regional Chapters to promote and serve the SAPTA interests, values and principles and to enhance membership numbers, in a localized training community.
- 4.3.2** It is desirable that Regional Chapters of SAPTA be constituted to represent the unique and distinctive interests of members at local and regional level. These Regional Chapters shall be governed by Regional Chapter Executive Committees, consisting of up to five members, and headed up by Regional Chairpersons.
- 4.3.3** The tenure; eligibility; composition; nomination, election and appointment; roles and responsibilities; delegated powers and authority; resignation and replacement regulations and guidelines as contained in and by the Board of Directors are also applicable to the composition, constitution, convening and functioning of the Regional Chapters. All these processes at Regional level must be strategically (vertically) aligned and compatible with and complementary of board-level provisions.
- 4.3.4** Regional Chapter Executive Committees shall be established and governed in terms of Regional Chapter constitution, which must be drafted by the founding regional members. This Regional Constitution must be aligned and compatible with the SAPTA National Constitution and all its provisions and, therefore, may not conflict and/or contradict, in any respect with the provisions of this National Constitution and/or the

Articles and Memorandum of Association of the Section 21 company SAPTA (Incorporated association not for gain), company law, or the applicable recommendations of the King II Report on Corporate Governance. In the event of any Constitutional dispute and/or disparity, the SAPTA National Constitution will prevail in all matters or issues.

- 4.3.5** These Regional Chapters are subordinate and accountable to the SAPTA National Board of Directors. This would require, inter alia, quarterly performance and activity reporting to the higher authority body.
- 4.3.6** Regional Chairpersons will periodically and based on needs, be co-opted to attend the National Board Meetings and to serve on the various SAPTA Committees and sub-committees.
- 4.3.7** SAPTA members shall automatically be entitled to participate in the establishment and governance of the Regional Chapter in area, by virtue of their membership of SAPTA, and not through a distinct or separate level, class or category of membership in the Regional Chapter itself.
- 4.3.8** Regional Chapter Executive Committees shall have the following roles:
 - 4.3.8.1** To represent the views of members at Regional level to the Board of Directors at national level, and thereby to ensure that all views are heard without geographic discrimination.
 - 4.3.8.2** In representing and interacting with members at Regional and local level, to support the undertaking of SAPTA functions in fulfilling the SAPTA mission and objectives.
 - 4.3.8.3** To hold period general meetings, in order to enable members located within the province concerned to discuss issues of strategic importance to SAPTA and to

escalate these localized issues to the National Board level.

- 4.3.8.4** To annually host at least four Networking and Development events and functions to promote the skills development and empowerment needs of the local training fraternity/community.
- 4.3.8.5** To drive and growth SAPTA membership, at a regionalized level.
- 4.3.8.6** To formulate and draft a Regional operational plan, aligned with the SAPTA national strategic plan and goals (Master Scorecard)
- 4.3.9** Regional Chapter Executive Committee are prohibited from the following:
 - 4.3.9.1** 2.3.9.1 May not establish or maintain membership of a Regional Chapter as distinct from membership of SAPTA as a whole.
 - 4.3.9.2** May not levy membership or other fees on members, other than annual membership fees.
 - 4.3.9.3** Violating any provision, principle and/or value of SAPTA.
 - 4.3.9.4** In the event of the violation, a Regional Chapter Committee may be re-constituted or suspended, and the Regional Chapter concerned may be suspended or combined with another Regional Chapter, by the National Board of Directors, in its sole discretion if such Regional Chapter Committee is found to be inactive or operating in contravention of the SAPTA mission, values and/or objectives or other material provisions of the Constitution and its respective provisions.
 - 4.3.9.5** During a regional voting process, only members who belong to a specific region will have voting rights.

4.4 SAPTA Sub-committees

- 4.4.1** Much of the SAPTA Board of Director's responsibility is delegated to specialized committees. These sub-committees are an extension of the Board and execute their task with authority from the board.
- 4.4.2** SAPTA is mandated to create the following Committee and sub-committee structures:
- Certification of Professional Trainers (CPT)
 - Ad-hoc (on a needs basis to enhance operational and administrative efficiency and effectiveness)
- 4.4.3** The tenure; eligibility; composition; nomination, election and appointment; roles and responsibilities; delegated powers and authority; resignation and replacement regulations and guidelines as contained in and by the Board of Directors are also applicable to the composition, constitution, convening and functioning of these Committees and sub-committees. All these processes at Committee-level must be strategically (vertically) aligned and compatible with and complementary of level provisions.
- 4.4.4** These sub-committees are subordinate and accountable to the Committees and in turn, these Committees are subordinate and accountable to the SAPTA National Board of Directors. This would require, inter alia, quarterly performance and activity reporting to the higher authority bodies.

4.5 Constitutional Amendments

- 4.5.1** The Board shall have the power to amend the Constitution as necessary to regulate and support the operational management and administration of SAPTA, in accordance with the highest standards of good corporate governance. The Constitution must be approved by a majority vote (66%) of the National Board of Directors and thereafter, will be adopted.
- 4.5.2** Subject to changes, disparities and/or policy or procedural deficiencies and/or to enhance SAPTA regulations, strategic, operational and administrative efficiency and effectiveness, amendments can be proposed by paid-up SAPTA members. These proposed changes must be forwarded to the Office Manager five (5) days prior to the sitting of scheduled Quarterly Board Meetings, for timeous inclusion on the meeting agenda.
- 4.5.3** These proposed changes will be tabled at Quarterly Board Meetings, for review, approval and amendment. Amendments can be made subject to a majority vote (66%) by Board Members.
- 4.5.4** The SAPTA National Vice-President will be responsible for the initiation of these approved amendments and ensure that all related policies and procedures, are implemented accordingly.
- 4.5.5** All Constitutional amendments must be publicized to all paid-up SAPTA members and other relevant stakeholders and constituents. The SAPTA National Vice-President will be responsible for the publication and dissemination these amendments. SAPTA members must be notified within five (5) working days, electronically and/or in hard copy, of any constitutional amendment adopted.

- 4.5.6** SAPTA Constitutional amendments shall come into effect the day after adoption, unless otherwise specified within the Special Resolution as approved by the members.

4.6 SAPTA Meetings

4.6.1 Quarterly National Board of Director meetings

- 4.6.1.1** SAPTA Board of Directors shall have three (3) scheduled Quarterly Board Meetings, and one general meeting (AGM) per annum. The specific date and venue will be determined based on availability and convenience of Board Meetings. The SAPTA President, in collaboration with the Office Manager, shall consult, engage and confirm with Board Members.
- 4.6.1.2** The SAPTA President shall assume the role of Chairperson of the Quarterly Board Meeting. Given his/her unavailability, the SAPTA Vice-President shall assume this role.
- 4.6.1.3** The meeting Agenda should be finalized and circulated to Board Member ten (10) working days, prior to the scheduled Quarterly Board Meeting.
- 4.6.1.4** Where documents are presented for approval or amendment, they should be circulated at least ten (10) working days prior to the meeting.
- 4.6.1.5** A quorum of these meetings will be determined with more than 50% i.e. four (4) Board Members are in attendance. This quorum will designate the delegated decision-making power and authority and to act in good faith, of the Board and its members. If within 30 (thirty) minutes of the time appointed for the holding of a Board Meeting, a quorum is not present, the general meeting shall stand adjourned to

the same day in the following week at a time and place to be determined by the Chairperson of the Board Meeting or at a date, most convenient for Board Members.

4.6.1.6 The role and purpose of these Quarterly Board Meetings shall be:

- To make strategic decisions and oversee governance of SAPTA
- to enable SAPTA members to hold the Board of Directors to account for the leadership, management and administration of SAPTA;
- to enable reporting on and discussion of the financial situation of SAPTA;
- to enable the Board of Directors to present policy proposals, strategic plans and annual budgets for discussion by and approval of members; and
- to enable sub-committee and Regional Chapter Chairpersons (if applicable) to brief Board members on strategic developments in their respective fields and/or regions.

4.6.1.7 Board meeting minutes shall be taken and transcribed by the SAPTA Office Manager or delegated authority. These will be approved and adopted at the subsequent Quarterly Board Meeting. These approved minutes will be publicized and disseminated by the Office Manager, within five (5) working days of the scheduled meeting date.

4.6.1.8 If Board Members are unable to attend a scheduled Quarterly Meeting they need to inform the SAPTA President. Continued absence and/or non-attendance (50%) may result in suspension and/or expulsion from the Board of Directors. Reasonable tolerance for absence and/or non-attendance should be allowed.

4.6.4 Extraordinary meetings

4.6.4.1 Notice of the calling of these meetings shall be in writing at least fourteen (14) work days prior to the scheduled meeting. An extraordinary meeting can be called to take a special resolution in the event of an operational crisis or significant event, which cannot reasonably and ordinarily stand-over or delayed until the following, scheduled Board Meeting. The majority (66%) of Board Members must endorse the necessity of this extraordinary meeting.

4.6.4.2 All meeting provisions, protocol and conventions contained in section 2.6.1 are applicable.

4.6.5 Voting at meetings

4.6.5.1 All SAPTA members, in good standing and entitled to be present shall be entitled to vote at SAPTA-endorsed meetings, in accordance with the SAPTA Constitutional provisions and the Section 21 company SAPTA (Incorporated association not for gain).

4.6.5.2 Each SAPTA member, present in person or by proxy, at any SAPTA-endorsed meeting shall have one (1) vote only.

4.6.5.3 Every resolution and every amended resolution proposed for adoption by a SAPTA-endorsed meeting shall be seconded at such meeting, and if not so seconded shall be deemed not to have been adopted.

4.6.5.4 Nomination of and voting for candidates for election to the Board of Directors shall be conducted only in accordance with the provisions of Clause 4.2.3 above.

4.7 Governance principles and management (administration and finance)

- 4.7.1** SAPTA members, the Board of Directors and all other SAPTA governance structures are expected to adhere to and comply with, at all times, to the very highest standards of professional integrity and best practice in corporate governance principles, so as to uphold and enhance the reputation and standing of the training profession and industry and to provide exemplary leadership.
- 4.7.2** In particular, the Board of Directors members and Regional Chapter Executive Committee members shall all be bound by the requirements of the Companies Act, the NPO Act, and are required to implement the applicable recommendations of the King Reports on Corporate Governance and other relevant training best practice, as far as possible.
- 4.7.3** In order to ensure the maintenance of the highest standards of governance, all instances where the Board of Directors members have deviated from the applicable recommendations of the King Reports must be summarized and explained in the SAPTA annual report or annual financial statements, as relevant and applicable.
- 4.7.4** All Board Members, committee members and chapter committee members are subject to scrutiny and liable for their actions and may be, conditional to a thorough investigation, subjected to disciplinary action and sanction.
- 4.7.5** As and when the financial situation of SAPTA permits, the Board may appoint paid managerial and/or administrative staff members on a full-time and/or a part-time basis to assist the Board in carrying out their managerial and administrative duties.

- 4.7.6** These paid managerial and/or administrative staff members shall be appropriately hired and supervised in terms of formal job descriptions and performance frameworks drafted and approved by the Board. These provisions must comply fully with applicable labour and employment legislation, inter alia, but not restricted to the Labour Relations Act, Employment Equity Act, Occupational Health and Safety Act and the Basic Conditions of Employment Act aw.
- 4.7.7** Board Members and Executive Committee Members are cautioned to avoid a potential conflict of interest, bias, nepotism and favouritism with the appointment and contracting of family, friends, business associates and contacts.
- 4.7.8** Over and above the support role of these paid managerial and/or administrative staff members, the respective SAPTA Board Members shall ultimately remain responsible and accountable for the execution of the Board of Directors' governance and management duties and responsibilities, as detailed in this Constitution.
- 4.7.9** The Board shall raise funds by levying market-related, professionally-equivalent membership fees on all SAPTA members. The levels of such membership fees shall be determined annually by the Board, based on consultation and the recommendations of the Treasurer, as an integral component of an annual budget, tabled at the appropriate Quarterly Board Meeting and approved by the Board.
- 4.7.10** The Treasurer shall be accountable to the President and Board for the proper, effective and efficient keeping of accounts covering all funds and properties of SAPTA, in full compliance with company law and other applicable statutes. SAPTA financial controls systems and accounts shall be reviewed

regularly by an Audit Committee. SAPTA's financial accounts and annual financial statements shall be audited by an appropriately qualified and experienced auditing firm. Refer to the SAPTA Financial Policy for details regarding financial management and administration.

- 4.7.11** The Board may authorize the Treasurer to borrow or raise money from the members or other persons only for the funding of capital expenditure budgeted for in terms of a strategic project duly compiled by the President and an annual budget duly framed by the Treasurer, both strategic projects and budget having been duly approved by members in general meeting in compliance with the relevant provisions of this Constitution.
- 4.7.12** A percentage of the annual budget is to be dedicated by the Board to the funding of direct and explicit cash outlays for basic managerial, administrative and event co-ordination activities by Chapters committees. Chapter Committees will also be expected to raise additional funding through SAPTA-endorsed donors and sponsors.
- 4.7.13** SAPTA shall be entitled to motivate, secure and receive bona fide sponsorship funding or in-kind support from members or external individuals or organizations, explicitly and solely intended to enable SAPTA to fulfill its mission and achieve its strategic and operational goals and objectives.
- 4.7.14** The President is responsible for ensuring the effective operational management of the Association, through the support of following office-bearers:
 - 4.7.14.1** Financial management: The Treasurer shall regularly and timeously report to and consult with the President to enable the latter to ensure that financial management of SAPTA is executed effectively and efficiently, and in full

compliance with company law and other applicable statutes.

4.7.14.2 Administration: The Office Manager shall regularly and timeously report to and consult with the President to enable the latter to ensure that administrative management of the Association is executed effectively and efficiently, and in full compliance with company law and other applicable statutes. The appointed Office Manager is responsible for ensuring that the administration and maintenance of SAPTA systems and records is executed effectively and efficiently. These responsibilities will be defined within the administrative procedures.

4.7.15 SAPTA will rely on the following Accountability mechanisms:

- *Master Scorecard*
- *Annual Report*
- *Audited annual financial statements*
- *Annual Budget*
- *Board Member performance and review*

Refer to clause 4.2.7. Also refer to the specific documents in this regard for a detailed provision of the administration and management of these processes and systems.

5. CHAPTER 3: SAPTA office-bearers and officials

5.1 Fiduciary responsibility and duty of SAPTA Directors

- 5.1.1** At common law, once a person accepts appointment as a SAPTA director, s/he becomes a fiduciary in relation to the association and is obliged to display the utmost good faith towards the association and in his dealings on its behalf.
- 5.1.2** According to King III, Directors should be individuals of integrity and courage, and have the relevant knowledge, skills and experience to bring good judgment and discretion to bear on the business of the association.

5.2 Key SAPTA Office-Bearers

SAPTA is mandated to create the following key office-bearers:

- National President
 - National Vice President
 - National Treasurer
 - Board of Directors
 - Regional Chapter Chairpersons
 - Chairpersons of Committees and sub-committees
- 5.2.1** National President
- 5.2.2** The National President is the highest ranking office-bearer of SAPTA.
- 5.2.3** Strategic and operational decision-making powers and authority is delegated to the President.
- 5.2.4** The collective responsibility of management vests in the President, and in occupying this position, bears ultimate responsibility and accountability for the decisions and actions of management.

- 5.2.5** Refer to clause 2.2.1. The National President has the following two (2) primary and custodial responsibilities:
- SAPTA Master Scorecard Development
 - SAPTA Manifesto
- 5.2.6** Refer to clause 2.2.3 for the nomination, election and replacement of the National President.
- 5.2.7** The foundational tenure of the President will be a term of five (5) years. Thereafter, a dual (re-electable) term of two (2) years is applicable.
- 5.2.8** The SAPTA President shall ensure that the following strategic management activities are effectively and efficiently carried out:
- Strategic planning
 - Reporting
 - Operational management
- 5.2.9** National Vice President
- 5.2.9.1** The National Vice President is the second highest ranking office-bearer of SAPTA. In the absence, expulsion, suspension and/or resignation of the National President, he/she will assume all SAPTA Presidential roles, responsibility and delegated authority.
- 5.2.9.2** Refer to clause 5.2.1. The National Vice President has the following two (2) primary and custodial responsibilities:
- SAPTA Constitution
 - SAPTA Code of Ethics
- 5.2.9.3** Refer to clause 5.2.3 for the nomination, election and replacement of the National Vice President.
- 5.2.9.4** The foundational tenure of the SAPTA Vice President will be a term of five (5) years. Thereafter, a dual (re-electable) term of two (2) years is applicable.
- 5.2.10** National Treasurer

5.2.10.1 Refer to clause 2.2.1. The National Treasurer has the following primary and custodial responsibilities:

- Financial Policy and Procedure (formulation, implementation and monitoring)
- Budgeting

5.2.10.2 Refer to clause 2.2.3 for the nomination, election and replacement of the National Treasurer.

5.2.10.3 The foundational tenure of the SAPTA National Treasurer will be a term of five (5) years. Thereafter, a dual (re-electable) term of two (2) years is applicable.

5.2.11 Board of Directors

5.2.11.1 Refer to clause 5.2.1. The Board of Directors has the following four (4) portfolio's, for which they will assume primary and custodial responsibilities:

- Training Events Companies
- Member Management
- Member Development
- Regional Chapters

5.2.11.2 The SAPTA Board has to act as the focal point for, and custodian of, corporate governance and as such the Board should manage its relationship with SAPTA members and other stakeholders along sound corporate governance principles.

5.2.11.3 Refer to clause 2.2.3 for the nomination, election and replacement of the SAPTA Board Members.

5.2.11.4 The foundational tenure of the SAPTA Board Members will be a term of five (5) years. Thereafter, a dual (re-electable) term of two (2) years is applicable.

5.2.11.5 As the focal point for, and custodian of, corporate governance the SAPTA Board should exercise leadership, integrity, enterprise and judgment when it directs,

governs and controls SAPTA. The most important function of the SAPTA Board is to ensure value creation, and in doing so, it should account for the interest of all stakeholders.

5.2.12 Regional Chapter Chairpersons

5.2.12.1 Refer to clause 2.3. Regional Chapter Chairpersons will assume the leadership role and accountability within a designated region.

5.2.12.2 Regional Chapter Chairpersons will head up the Regional Chapter Executive Committee. This role will be subordinate, accountable and report to the SAPTA Board.

5.2.13 Chairpersons of Committees and sub-committees

5.2.13.1 Refer to clause 2.4. Committee and sub-committee Chairpersons will assume the leadership role and accountability for a designated committee. The scope and mandate of these committees will be established and reviewed by the SAPTA Board.

5.2.13.2 Committee and sub-committee Chairpersons will head up specific Committees. This role will be subordinate, accountable and report to the SAPTA Governance Structures.

5.3 Resignation and replacement of key SAPTA Office-Bearers and Officials

5.3.1 SAPTA Office Bearers are entitled to voluntarily resign their respective portfolios. This process will formally entail a resignation letter submitted to the SAPTA President. Upon acceptance of this resignation letter, a formal replacement process will be initiated.

- 5.3.2** The performance assessment of the Board s (collectively and individually) and Regional Chapter Executive Committees, is a critical success factor in any effective system of corporate governance. Where the results have not been consistent with the stakeholders' expectations, it may lead to the individuals concerned being removed from their SAPTA post/position.
- 5.3.3** According to King III such a performance assessment of the board, the various board committees, and each individual director should be done on an annual basis. The annual evaluation of director performance should be used to determine whether or not a particular director should be nominated for re-appointment and/or re-election. Re-appointment should not be an automatic process, but rather be based on the director's contribution to the Board and relevant committees.
- 5.3.4** If SAPTA Office-Bearers are derelict in their duties and/or violate the SAPTA Constitution; SAPTA Code of Ethics and/or any policy or procedure or bring SAPTA into disrepute, the Board of Directors may initiate a vote of no-confidence in such an Office-Bearer.
- 5.3.5** The said Office-Bearer will have seven (7) work days to respond to the vote of no-confidence, in the form of representations. In the same token, this Office-Bearer may also air his/her grievances regarding the impending removal.
- 5.3.6** Thereafter, an Extraordinary Board Meeting will be convened, and a formal voting process will be conducted. In the event of a majority (66%) vote by the Board of Directors, the said Office Bearer will be requested to resign. Failing this, the Board will approve the expulsion of said Office Bearer and relieve him/her of all duties, responsibilities and delegated authority. The formal replacement process will be initiated.

5.4 Succession Planning of key SAPTA Office-Bearers

- 5.4.1** Under the leadership of the SAPTA President and Vice President and with the support of the other Board Members, a SAPTA Succession Plan should be developed and implemented for identified key SAPTA Office Bearers and positions. This will ensure leadership and association continuity and sustainability.
- 5.4.2** The SAPTA Succession Plan should be a key component of the SAPTA Strategic Plan and should be reflected in the Human Resources Management and Development strategy.

6. CHAPTER 4: SAPTA financial, asset and resource management and control

6.1 SAPTA Financial, Asset and Resource Management

- 6.1.1** 4.1.1 The SAPTA President is responsible for ensuring the effective operational management of the Association, inclusive of Financial, Operational and Resource management.
- 6.1.2** 4.1.2 The Treasurer shall regularly and timeously report to and consult with the President to enable the latter to ensure that financial management of the Association is executed effectively and efficiently, and in full compliance with company law and other applicable statutes.
- 6.1.3** 4.1.3 The Treasurer will be responsible for annual budgeting, regular financial monitoring and quarterly reporting and statements of SAPTA financial situation and related matters.
- 6.1.4** 4.1.4 Refer to the SAPTA Financial Policy and Procedure for specific regulatory guidelines and provisions.
- 6.1.5** 4.1.5 This Constitution legitimizes, endorses and gives effect to these regulatory guidelines and provisions. Furthermore, the Constitution authorizes the Treasurer duties and responsibilities in executing the right levels of efficiency and effectiveness in the utilization of financial and other assets and resources.
- 6.1.6** 4.1.6 Refer to clauses 2.2.7; 2.7.10 and 2.7.14 for the following key information:
- Financial accounts and statements
 - Financial controls
 - Auditing
 - Financial management

- Accountability mechanisms

6.1.7 All financial year period, year-end process and auditing procedures will comply with generally accepted financial management practices. The SAPTA Treasurer will oversee and manage these processes.

6.2 Conflict of Interest

6.2.1 Refer to the SAPTA Financial Policy.

6.2.2 The SAPTA Board of Directors should ensure that the company's ethics is managed effectively. Ethical risks and opportunities should be identified and managed. Ethical standards, values and principles are articulated in the SAPTA Code of Ethics, which unequivocally provides guidance and rules to avoid unethical behavior. The Board should further ensure that ethics are integrated into all SAPTA strategies and policies, and that its ethics performance is assessed, monitored, reported and disclosed.

6.2.3 The Board has to provide effective leadership that stands on an ethical foundation. Effective leadership is built on four pillars, namely:

- Responsibility
- Accountability
- Fairness
- Transparency

6.2.4 This entails doing business ethically and sustainably by having regard to SAPTA's economic, social and environmental impact on the training community.

6.2.5 One of the fundamental duties of a Board is to avoid any possible conflict of interests with the association. It is an

accepted principle in South African law that, as a result of the trust placed in the director, s/he is bound to put the interests of the company before their own personal interests.

6.2.6 Instances where a Board Director has a conflicting personal financial interest (where his or her own interests are at odds with the interests of the company), s/he or she is prohibited from making, participating in the making, influencing, or attempting to influence any decision in relation to that particular matter. Board Members are compelled to declare that personal interest and immediately recuse themselves from further engagement and/or voting.

6.2.7 In the event of any apparent conflict of interest and violation of trust and/or abuse of power, position and/or resources, the Board may initiate a disciplinary investigation. Subsequent to the findings of this Disciplinary investigation, disciplinary action and/or sanctions may result, inclusive of expulsion.

7. CHAPTER 5: Dissolution and termination of SAPTA

7.1 Dissolution of SAPTA

- 7.1.1** SAPTA may only be dissolved and/or terminated by resolution at a general meeting of paid-up members of the association, called specifically for that purpose.
- 7.1.2** This dissolution and/or termination motion must be supported by at least seventy-five percent (75%) of members present in person, or by proxy.

7.2 Transference of assets

- 7.2.1** Upon the adoption of the motion to dissolve and/or terminate SAPTA, any assets remaining after the discharge of all liabilities shall be transferred to another non-profit organization or organization having similar objectives, as contemplated in the Non-profit Organizations Act (1997). The National Treasurer will oversee and administer this process.
- 7.2.2** The non-profit organization or organizations referred to in Clause 5.1.2 above shall be identified by the SAPTA National Board of Directors, failing which by a majority of members in general meeting.