

## PUBLIC SECTOR GOVERNANCE SYLLABUS AND READING LIST 2019

### Prescribed Reading

Title	Authors	Download from:
Public Finance Management Act (PFMA). 1999.	National Treasury	<a href="http://www.treasury.gov.za/legislation/PFMA/act.pdf">http://www.treasury.gov.za/legislation/PFMA/act.pdf</a> and the accompanying Treasury regulations
Protocol on Corporate Governance in the Public Sector. 2002:	Department of Public Enterprises	<a href="http://www.gov.za/sites/www.gov.za/files/corpgov_0.pdf">http://www.gov.za/sites/www.gov.za/files/corpgov_0.pdf</a>
Municipal Finance Management Act (MFMA). 2003.	National Treasury	<a href="http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Finance%20Management%20Act/Municipal%20Finance%20Management%20Act%20%28No.%2056%20of%202003%29.pdf">http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Finance%20Management%20Act/Municipal%20Finance%20Management%20Act%20%28No.%2056%20of%202003%29.pdf</a> and the accompanying Treasury regulations
The Machinery of Government: Structure and Functions of Government. 2003.	DPSA	<a href="http://www.dpsa.gov.za/dpsa2g/documents/lkm/mog.pdf">http://www.dpsa.gov.za/dpsa2g/documents/lkm/mog.pdf</a>
Corporate Governance of State-Owned Enterprises: A Toolkit. 2014. (referenced below as CGSOE Toolkit).	World Bank.	<a href="https://openknowledge.worldbank.org/bitstream/handle/10986/20390/9781464802225.pdf?sequence=1">https://openknowledge.worldbank.org/bitstream/handle/10986/20390/9781464802225.pdf?sequence=1</a> .
King IV: Report on Corporate Governance for South Africa. 2016.	IoDSA	<a href="https://c.yimcdn.com/sites/iodsa.site-ym.com/resource/collection/684B68A7-B768-465C-8214-E3A007F15A5A/IoDSA_King_IV_Report_-_WebVersion.pdf">https://c.yimcdn.com/sites/iodsa.site-ym.com/resource/collection/684B68A7-B768-465C-8214-E3A007F15A5A/IoDSA_King_IV_Report_-_WebVersion.pdf</a> .
Betrayal of the Promise. How the Nation is Being Stolen. 2017.	Swilling, M. (Ed.)	<a href="http://pari.org.za/wp-content/uploads/2017/05/Betrayal-of-the-Promise-25052017.pdf">http://pari.org.za/wp-content/uploads/2017/05/Betrayal-of-the-Promise-25052017.pdf</a>
SOE Governance Unmasked: A learning journey	Constantatos, O and Sankar, T.	<a href="http://www.futuregrowth.co.za/media/2373/futuregrowth_soe-governance-unmasked_electronic.pdf">http://www.futuregrowth.co.za/media/2373/futuregrowth_soe-governance-unmasked_electronic.pdf</a>

- Daily reading of news articles on public sector organisations, e.g. Financial Mail; Business Day or online

### Open Book Resources

- Municipal Finance Management Act
- Public Finance Management Act

**Exit Level Outcome: Understand and apply the concepts of good governance within the public-sector environment.**

**Specific Outcomes**

- Demonstrate an understanding of the governance structures and processes of government
- Identify the need for good governance within the public sector
- Apply the principles of ethical behaviour within the public sector.
- Demonstrate an understanding of the governance role of decision-makers in the public sector
- Demonstrate an understanding of public sector accountability mechanisms

<b>Associated assessment criteria</b>	<b>Resource material</b>
<b>Introduction to public sector governance</b>	<ul style="list-style-type: none"> <li>• Protocol on Corporate Governance in the Public Sector: Sections 1 -3; pages 1 – 6.</li> <li>• King IV, Parts 1 – 4, pages 9 – 41; Part 6: parts 6.2 and 6.6.</li> <li>• Local Government and King III, pages 1 – 12.</li> <li>• SOE Governance Unmasked: Introduction and background; Chapter 1: Governance beyond the board of directors</li> </ul>
<b>The structures and processes of government</b>	<ul style="list-style-type: none"> <li>• The Machinery of Government: Chapters 1-2, pages 11 – 25; Chapter 6, pages 57 – 59.</li> <li>• SOE Governance Unmasked: Chapter 2: The PFMA as the first line of defence</li> <li>• PFMA:                             <ul style="list-style-type: none"> <li>○ Chapter 5: Departments and Constitutional Institutions                                     <ul style="list-style-type: none"> <li>▪ Appointment of Accounting Officers</li> <li>▪ Responsibilities of Accounting Officers</li> </ul> </li> <li>○ Chapter 6: Public Entities</li> <li>○ Chapter 7: Executive Authorities</li> <li>○ Chapter 11: Accounting Standards Board</li> </ul> </li> <li>• MFMA:                             <ul style="list-style-type: none"> <li>○ Chapter 7: Responsibilities of Mayors</li> <li>○ Chapter 8: Responsibilities of Municipal Officials</li> <li>○ Chapter 9: Municipal Budget and Treasury Offices</li> <li>○ Chapter 10: Municipal Entities</li> </ul> </li> </ul>
An understanding of the structure and functions of key decision-making structures in government is demonstrated	
An understanding of the role of the executive structures and the powers and influence is demonstrated	
An understanding of functions of the executive structures and the doctrine of collective responsibility is demonstrated	
An understanding of the structure and functions of the civil service is demonstrated	
Types of public sector entities are identified and described [Range: National departments; Provincial departments; Local government; Statutory bodies and authorities; State-owned companies (SOCs); Chapter 9 Institutions]	
<b>Principles of good governance within the public sector</b>	<ul style="list-style-type: none"> <li>• Governance in SOEs, pages 2 – 15.</li> <li>• CGSOE Toolkit, Chapter 1, pages 1 – 20.</li> <li>• King IV: Part 5.</li> <li>• SOE Governance Unmasked: Chapter 7: King IV and its use in bolstering governance</li> </ul>
The need for good governance in government is understood	
An understanding of the general principles of accountability, transparency, integrity, fairness, responsibility, consensus and public good is demonstrated	
Different models of governance, including international comparisons, are identified and described	

Associated assessment criteria	Resource material
A knowledge of governance codes is demonstrated [Range: King IV]	
<b>Principles of ethical behaviour within the public sector.</b>	
An understanding of ethics and values is demonstrated	<ul style="list-style-type: none"> <li>• Protocol on Corporate Governance in the Public Sector. Section 6, pages 53 – 54</li> <li>• King IV: Part 5.1, pages 43 – 46</li> <li>• Betrayal of the Promise. How the Nation is Being Stolen.</li> <li>• PFMA: Chapter 10: Financial Misconduct</li> <li>• MFMA: Chapter 15: Financial Misconduct</li> <li>• SOE Governance Unmasked: Chapter 5: Conflict management</li> </ul>
An understanding of rule-based and principle-based approaches is demonstrated	
An understanding of individual values, attitudes and beliefs is demonstrated	
An understanding of the impact of corporate governance codes, regulatory requirements and principles on ethical behaviour is demonstrated	
An explanation of the importance of ethical behaviour in a professional environment is provided	
An explanation of the effect of globalisation on ethical decision making is provided	
Ethical principles and decision-making are applied to specific scenarios	
An understanding of the consequences of unethical behaviour is demonstrated (including fraud, corruption)	
Codes of ethics and/or conduct are identified and described	
Conflicts of interest and political association are identified and analysed	
<b>The role of decision-makers</b>	
An understanding of the structure of public sector entities is demonstrated [Range: Governing boards; Advisory boards; Role of CEO or head of department or agency; Role of chairman within public sector entities; Role of board members (committees: tender committee; audit committee; remco; risk); composition; induction; education and training; ex-officio members]	<ul style="list-style-type: none"> <li>• Protocol on Corporate Governance in the Public Sector, Section 5, pages 9 – 31.</li> <li>• CGSOE Toolkit, Chapter 6: Board of Directors, pages 159 – 203.</li> <li>• SOE Governance Unmasked: Chapter 3: Boards and their sub-committees; Chapter 4: Committees and decision-making</li> </ul>
Charters or terms of reference are evaluated	
An understanding of board performance and evaluation is demonstrated	
Directors' duties are identified [Range: risk management; internal audit; compliance; insurance and indemnity]	
<b>Shareholders and stakeholders</b>	

Associated assessment criteria	Resource material
The principles of stakeholder theory are applied to specific scenarios	<ul style="list-style-type: none"> <li>• CGSOE Toolkit: Chapter 3: State Ownership Arrangements: pages 69 – 100.</li> <li>• CGSOE Toolkit: Chapter 4: Performance Monitoring, pages 101 – 132.</li> <li>• Protocol on Corporate Governance in the Public Sector, Sections 4 and 5, pages 7 – 50.</li> </ul>
The various stakeholders of public entities are identified	
An understanding of compacts and other performance agreements is demonstrated	
Shareholders (the government as shareholder)	
The complexity of interdepartmental relationships and interactions is identified and evaluated	
<b>Public sector accountability mechanisms</b>	
The role of the oversight structures such as the Auditor General and National Treasury and the Public Protector, is explained	<ul style="list-style-type: none"> <li>• The Machinery of Government: Chapter 5: Integrated Planning Framework &amp; Budgeting Cycle, pages 46 – 55.</li> <li>• Protocol on Corporate Governance in the Public Sector, Section 5: pages 31 – 50.</li> <li>• CGSOE Toolkit, Chapter 5: Financial and Fiscal Discipline, pages 153 – 158</li> <li>• SOE Governance Unmasked: Chapter 6: Reporting and disclosures; Chapter 8: SOE reform and what’s next?</li> <li>• PFMA <ul style="list-style-type: none"> <li>○ Chapter 2: National Treasury and National Revenue Fund</li> <li>○ Chapter 3: Provincial Treasuries and Provincial Revenue Funds</li> <li>○ Chapter 4: National and Provincial Budgets</li> <li>○ Chapter 8: Loans, Guarantees and Other Commitments</li> </ul> </li> <li>• MFMA <ul style="list-style-type: none"> <li>○ Chapter 2: Supervision over Local Government Finance Management</li> <li>○ Chapter 3: Municipal Revenue</li> <li>○ Chapter 4: Municipal Budgets</li> <li>○ Chapter 11: Goods and Services</li> <li>○ Chapter 12: Financial Reporting and Auditing</li> <li>○ Chapter 13: Resolution of Financial Problems</li> </ul> </li> </ul>
An understanding of the role of commissions of enquiry is demonstrated	
An understanding of the role of an ombudsman is demonstrated	
Other commissions are identified and their work is explained	
An understanding of records and reporting in terms of relevant legislation is demonstrated [Range: PFMA; MFMA]	
An understanding of supply chain management is demonstrated [Range: PFMA; MFMA]	