

EASTERN CAPE DEPARTMENT OF EDUCATION
RISK MANAGEMENT COMMITTEE CHARTER AND TERMS OF REFERENCE

PROVINCE OF THE EASTERN CAPE

DEPARTMENT OF EDUCATION



Risk Management Committee Charter and Terms of Reference

Effective: 2025/26

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1. Legal Context

In terms of Section 38 (1)(a)(i) of the PFMA, "The accounting officer must ensure that the DoE has and maintains effective, efficient and transparent systems of financial and risk management and internal control.

Furthermore, Treasury regulation 3.2.1 published in terms of the PFMA expands on the PFMS requirement and stipulates that:

1.1 The accounting officer must ensure that a risk assessment is conducted regularly to identify emerging and significant risks of the department.

1.2 A risk management strategy, which must include a fraud prevention plan, must be used to direct internal audit effort and priority, and to determine the skills required of managers and staff to improve controls and to manage these risks.

1.3 The strategy must be clearly communicated to all officials to ensure that the risk management strategy is incorporated into the language and culture of the "department.
Include King IV principle 11 under the legal context.

2. Purpose

The primary objective of the Risk Management Committee (Committee/RMC) is to assist the Accounting Officer in discharging his/her accountability for risk management by reviewing the effectiveness of the department's risk management systems, practices and procedures, and providing recommendations for improvement.

3. Membership

3.1 Permanent members of the Committee shall be formally appointed by the Accounting Officer. The members, as a collective, shall possess the blend of skills, expertise and knowledge of the department, including familiarity with the concepts, principles and practice of risk management, such that they can contribute meaningfully to the advancement of risk management within the department.

3.2 The RMC will consist of the following members:

3.2.1 The Risk Management Committee (RMC) shall include a maximum of two (2) external members. One of these members will serve as the Chairperson and must also be a member of the Audit Committee. The second external member will serve as the Deputy Chairperson and will assume all responsibilities of the Chairperson when required. All Deputy Directors-General (DDGs);

3.2.2 Eleven Chief Directors: Executive Governance & Support, HRM&D, SCM, Corporate Strategic Management, Employee Relations and Wellness Services, Exam and Education Related Services, Financial Accounting, Management Accounting, Resourcing and School Administration, Learner Development & Social Services & Support and Physical Resource Management or any proxy appointed as such. .

3.2.3 Directors Legal, HRA, Internal Control Unit and IT or any proxy appointed as such.

3.3 The following persons will be compulsory members t:

3.3.1 Chief Audit Executive (CAE);and

3.3.2 Director: Risk Management.

3.4 One member from Provincial Treasury (PT). will be the standing invitee.

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3.5 The Chairperson of the RMC and with the assistance of the Director: Risk Management shall be responsible for reporting on behalf of the RMC to the Audit Committee. In the absence of the chairperson of the RMC the deputy chair will fulfill roles of the chairperson of the RMC.

3.6 The Chairperson of the Risk Management Committee shall report directly to the Head of Department (HOD) following each RMC meeting. In addition, the Chairperson is responsible for promptly escalating any significant risk-related matters, emerging issues, or concerns that require the HOD's attention outside of scheduled meetings. This ensures that the HOD remains informed of the department's risk profile and any developments that may impact strategic or operational decision-making.

4. Quorum

4.1 A quorum will be 50% plus 1 of members present at the start and throughout the duration of the meeting of each RMC meeting.

4.2 In the event where one of the above listed RMC members is unable to attend, he/she shall appoint a designated proxy to represent him/her.

5. Meetings

5.1 Meetings of the RMC shall be held at least four (4) times a year and an additional/special meeting may be convened to consider governance documents or for any other reasons as circumstances require.

5.2 The office of the Director: Risk Management shall be functionally responsible to provide the RMC with administrative support services, while operationally reports to the HOD.

5.3 Meeting agendas and minutes shall be prepared by the Risk Management Directorate and provided to members at least seven (7) days before the date of the meeting and should be accompanied by the appropriate briefing materials.

5.4 Draft minutes shall be prepared and circulated to members for comments within (fifteen) 15 days after each meeting.

6. Duties and Responsibilities of the Risk Management Committee

6.1 Discharging its governance responsibilities relating to risk management, the RMC shall review and recommend for the Approval of the Accounting Officer the:

- Risk Management Policy;
- Enterprise Risk Management Framework;
- Risk Management and Fraud Prevention Implementation plan; and
- Fraud Prevention and Anti-Corruption Policy.

6.2 Institution's Risk Appetite & Tolerance Framework.

6.3 Evaluate the extent and effectiveness of the integration of risk management within the Institution.

6.4 Assess the implementation of the risk management policy and framework (including plan).

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- 6.5 Evaluate the effectiveness of the mitigating strategies implemented to address the material risks of the Institution.
- 6.6 Review the material findings and recommendations by assurance providers on the system of risk management and monitor the implementation of such recommendations.
- 6.7 Develop its annual workplan with goals, objectives and key performance indicators for the Committee for approval by the Accounting Officer.
- 6.8 Interact with the Audit Committee to share information relating to material risks of the Institution.
- 6.9 Provide timely and useful reports quarterly to the Accounting Officer and Audit Committee on the state of risk management, together with accompanying recommendations to address any deficiencies identified by the Committee.
- 6.10 Review the Department's fraud risk management processes and fraud risk register, and evaluate the Department's exposure to fraud.
- 6.11 Review reports on the prevention, detection and investigation of fraudulent activities or misconduct within the Department and the related management responses.
- 6.12 Regularly, meet separately with the Director: Risk Management to discuss any matters that the RMC or the Director: Risk Management requires to be discussed privately; and
- 6.13 The Chairperson of the Risk Committee shall attend the Risk Management Committee Chairperson Forum biannually.

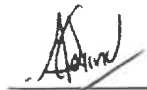
7. General

- 7.1 These terms of reference shall be reviewed on an annual basis and/ or may be amended as and when required, subject to the approval of the Accounting Officer.
- 7.2 . The Committee and the Accounting Officer acknowledge that Risk Management encompasses the management of fraud and anti-corruption activities. This includes overseeing the Eastern Cape Department of Education's (ECDOE) approach to fraud prevention, the implementation of fraud detection strategies, and the department's response to incidents of fraud and corruption reported by employees or external parties

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Compiled by:
Ms. B Ndabambi

Reviewed by:

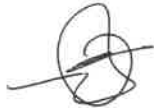


Mr. S Govind
Director: Enterprise Risk and Integrity Management

24 June 2025

Date

Recommended by:




Ms. FN Kobo
Chairperson: Risk Management Committee

24 June 2025

Date

Approved by:



Ms. S Maasdorp
Accounting Officer: Department of Education

07 JUL 2025

Date