

GOVERNMENT NOTICE

DEPARTMENT OF HEALTH

NATIONAL HEALTH LABORATORY SERVICE ACT, 2000

GENERAL RULES MADE IN TERMS OF THE NATIONAL HEALTH  
LABORATORY SERVICE ACT, 2000

The National Health Laboratory Services Board, with the approval of the Minister of Health, intends, in terms of section 27 of the National Health Laboratory Service Act, 2000 (Act No. 37 of 2000), to make the rules set out in the Schedule.

Interested persons are invited to submit any substantiated comments or representations on the proposed rules to the National Health Laboratory Services Board, PO Box 1038, Johannesburg, 2000 (for the attention of the Chief Executive Officer) within three months of the date of publication of this notice.

Chapters

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## CHAPTER I

### DEFINITIONS

#### Definitions

1. In these rules any word or expression defined in the Act and not defined herein bears the same meaning as in the Act and unless the context otherwise indicates-

"academic pathology" means teaching and research in the pursuance of improved laboratory services and pathology as a health science;

"accreditation" means a review process by which an authorised external body gives formal recognition that an organisation, or part thereof, complies with the required standards for provision of laboratory services;

"advisory panel" means a panel of expert professionals appointed to advise the head of the quality assurance unit;

"analytical goals" means indications of the required performance of tests as laid down from time-to-time in international scientific publications;

"approved establishment" means the posts that the Chief Executive Officer has approved to carry out the core and support functions of the Service;

"approved budget" means the final operational budget of the Service that has been approved by the Minister;

"Audit Committee" means an audit committee referred to in rule 9;

"auditors" means the auditors appointed in terms of section 23 of the Act;

"bargaining structure" means the bargaining structure for the Service as established in terms of the Labour Relations Act, 1995;

"career ladder" means a professional career progression system for a specific profession that is designed independent of grades;

"Committee" means a committee of the Board appointed in terms of section 12 of the Act;

"competence" means the blend of knowledge, skills, behaviour and aptitude that a person can apply in the work environment, which indicates a person's ability to meet the requirements of a specific job;

"component" means any cost or profit centre, including any laboratory in the organisational design of the approved establishment;

"executive manager" means a member of the executive management;

"executive management " means members of the executive management committee appointed by the Board in terms of section 13 of the Act;

"external quality assessment" means a system for objectively checking laboratory results by a quality control provider that is independent of the laboratory;

"faculty of health sciences" means the faculty of a university whose functions include the training of pathologists, medical technologists, medical technicians and other health students and health practitioners;

"financial manager" means a member of the executive management responsible for financial matters;

"Finance Committee" means a finance committee referred to in rule 11;

"grade" means the relative value of a particular job as reflected by the job weight, which is linked to a salary range in a salary scale used by the Service;

"head of the unit" means the head of the Quality Assurance Unit;

"Health Professions Act" means the Health Professions Act, 1974 (Act No 56 of 1974);

"inherent requirements of a job" means competencies that, according to evidence, an employee needs in order to carry out a job;

"institutional committee" means an Institutional Academic Pathology Committee referred to in rule 8;

"internal audit unit" means an internal audit unit established by the Service for the Service;

"internal quality assurance" means the set of procedures undertaken by the staff of a laboratory for continuously assessing work and the actual performance compared with standards, in order to decide whether the results are reliable enough to be released and to act on the difference;

"job" means the basic duties, tasks, functions, competency requirements and responsibilities according to which one or more positions of the same grade are established;

"job weight" means a numerical value assigned to reflect selected characteristics of a job as measured by a job evaluation instrument;

"Labour Relations Act" means the Labour Relations Act, 1995 (Act No. 66 of 1995);

"medium term expenditure framework" means the budget for one financial year accompanied by the projections for two subsequent years;

"national academic pathology committee" means the national academic pathology referred to in rule 7;

"National Treasury" means the National Treasury as defined in section 1 of the Public Finance Management Act, 1999;

"persons historically disadvantaged" means persons or categories of persons who have suffered unfair discrimination in the past;

"proficiency testing" means any method or scheme for comparing testing results between laboratories or even between individuals;

"Public Finance Management Act" means the Public Finance Management Act, 1999 (Act No. 1 of 1999).

"quality assurance " means the activity of providing to all concerned the evidence needed to give confidence that the quality activity is being performed properly;

"quality assurance executive manager" means the member of the executive management committee responsible for quality assurance;

"quality assurance unit" means the quality assurance unit contemplated in annexure III;

"Regional Executive Manager " means the employee of the Service appointed as the head of a region of the Service;

"Remuneration and Human Resources Committee" means the Remuneration and Human Resources Committee referred to in rule 10;

"representativeness" means the extent to which employment in the service broadly reflects the composition of the South African population, including composition according to race, gender and disability;

"salary range" means a set of salaries that form part of a salary scale linked to a specific grade or career ladder and, by extension, a set of job weights;

"SANAS" means the South African National Accreditation System;

"the Act" means the National Health Laboratory Service Act, 2000 (Act No. 37 of 2000);

"Treasury regulations" means the regulations made in terms of the Public Finance Management Act, 1999

## **CHAPTER II**

### **MEETINGS OF THE BOARD**

Accountability, decisions of the Board, and voting powers

- 2 (1) The Board is the accounting authority of the Service in terms of section 49(2) of the Public Finance Management Act, 1999.

(2) The Board must strive to arrive at its decisions by consensus.

(3) In instances where consensus cannot be reached, members must vote on the matter and a decision agreed upon by a majority of the members present at any meeting of the Board constitutes a decision of the Board. Minority views shall be recorded at the request of the member(s) concerned.

(4) The majority of the members of the Board present at a meeting of the Board constitute a quorum.

(5) Voting shall be by open ballot.

(6) The Board may invite any member of the executive management to attend and participate in any of its meetings or to participate in discussions on a specific item on the agenda.

(7) The executive management committee must implement the decisions of the Board.

#### Duties, Functions, Responsibilities and powers of the Board

3 (1) In addition to the responsibilities of the Board referred to in section 6 of the Act, the Board shall:

(a) consider and approve the strategic plan of the Service;

(b) review the proposed annual consolidated budget scenarios presented by the Finance Committee and submit the budget to the Minister;

- (c) ensure, through the Minister, that the budget is approved by the Minister of Finance;
  - (d) consider recommendations made by the committees of the Board and take decisions thereon;
  - (e) ensure that the Chief Executive Officer executes his or her duties in accordance with the policies of the Service as determined by the Board;
  - (f) review significant cases of executive employee misconduct referred by the Chief Executive Officer, the Remuneration and Human Resource Committee or the Audit Committee and decide on appropriate interventions;
  - (g) consider and decide on all major capital acquisitions and transactions that have not been delegated to the executive management;
  - (h) prepare reports on any major issues to the Minister; and
  - (i) conduct any business that is required for the proper maintenance and development of the Service.
- (2) Members of the Board must exercise their duties with utmost care to ensure protection of the assets and records of the Service.
- (3) Members of the Board must act with fidelity, honesty, integrity and in the best interests of the Service in managing its financial affairs.

(4) Members of the Board must familiarise themselves with current developments and practices regarding corporate governance.

(5) The Board may obtain outside professional advice on any matter when required.

#### Meetings of the Board

4. (1) The Board's meetings shall be held on such dates and at such times and places as may be determined by resolution of the Board whenever it is necessary so as to conduct its business expeditiously, but not less than four times in each financial year.

(2) The Board must set the meeting dates for each financial year at the last meeting of the previous financial year.

(3) The Board's meeting dates must be set to accommodate the reporting of the Audit Committee on the results of the financial quarter.

(4) Special meetings of the Board may be called by the Chairperson upon a written request by the Minister or a member of the Board.

(5) Notwithstanding the setting of the dates for the meetings for the year, notice of each meeting of the Board shall be given to all the members in writing at least fourteen (14) days prior to the date of the meeting.

(6) Meeting agendas shall be prepared and distributed at least fourteen (14) days prior to the date of the meeting together with sufficient background information to enable members of the Board to appropriately prepare for the meetings.

(7) The Chairperson shall ensure that a minute secretary records the proceedings of every meeting of the Board and that minutes are prepared and entered in a book kept for that purpose.

(8) Only members of the Board may vote at the meetings.

(9) The Chairperson shall have the right to exclude from the meeting, or from any item of the agenda, any member of the Board, should in his or her opinion there be any conflict of interest evident.

(10) If any Board member is aware of any personal conflict of interest then he or she must recuse himself or herself from the deliberations and decisions related to that item on the agenda.

#### Reimbursement for expenditures incurred by members of the Board

5 (1) A member of the Board who is not in the full-time employment of the State or the Service may be paid such remuneration and allowances determined by the Minister after consultation with the Minister of Finance.

(2) A claim for payment or reimbursement for expenses must be submitted to the Chief Executive Officer within 30 days of a meeting. Claims received after 30 days may not be considered for payment.

(3) The financial costs of the Board shall be budgeted and paid for by the Service.

## CHAPTER III

### COMMITTEES

#### A. EXECUTIVE MANAGEMENT COMMITTEE

##### **Appointment, business and decisions of the executive management committee**

- 6 (1) The Board determines which positions in the Service, other than that of the Chief Executive Officer, constitute part of the executive management.
- (2) The Board may appoint an employee to a position on the executive management for a period not exceeding four years.
- (3) The contract of employment of all executive managers may, at the end of the term, be extended by a further period of a maximum of four years at a time if, in the Board's opinion, the extension of the contract is in the interests of the Service.
- (4) Decisions of the executive management committee must be made after thorough investigation of a matter and due deliberation by the committee.
- (5) The Chief Executive Officer is responsible for the implementation of the decisions of the executive management committee.
- (6) The executive management committee may invite any employee of the Service to attend and participate in its meetings or discussions on a specific item on the agenda.

(7) The executive management committee is responsible for the implementation of the Board's decisions.

B. NATIONAL ACADEMIC PATHOLOGY COMMITTEE

**Composition, functions and duties of the National Academic Pathology Committee**

7 (1) The National Academic Pathology Committee shall comprise:

- (a) Two persons who shall not be members of the executive management committee;
- (b) the Chief Executive Officer;
- (c) the executive manager responsible for managing relationships with tertiary education institutions;
- (d) the directors of the National Institute for Communicable Diseases and the National Institute for Occupational Health respectively;
- (e) one representative from each university with a faculty of health sciences;
- (f) one representative from each technikon with a training programme in health laboratory science;
- (g) one representative from the education committee of the Health Professions Council; and
- (h) any other person who in the Board's opinion will add value to the work of the Committee.

(2) The functions of the Committee are to facilitate and manage:

- (a) the conduct of basic research in association or partnership with any tertiary education institution;

(b) co-operation with persons and institutions undertaking basic research in the Republic, and in other countries, by the exchange of scientific knowledge and the provision of access to the resources and specimens available to the Service;

(c) participation in joint research operations with departments of State, universities, technikons, colleges, museums, scientific institutions and other persons;

(d) co-operation with educational authorities and scientific or technical societies or industrial institutions representing employers and employees, respectively, for the promotion of the instruction and training of pathologists, technologists, technicians, scientists, researchers, technical experts and other supporting personnel in universities, technikons, and colleges; and

(e) any other matter as may be referred to the Committee from time to time by the Board.

(3) As some of its duties, the committee shall monitor and manage the agreements entered into between the Service and each tertiary education institution, including:

(a) determination of the numbers of registrars for each discipline and the distribution of the registrar posts between the laboratories associated with each university health science faculty;

(b) determination of the numbers of technologist training posts for each discipline and the distribution of the posts between the laboratories identified for this purpose;

- (c) proposing guidelines relating to part-time, honorary and guest appointment of employees of the Service by tertiary education institutions;
- (d) proposing guidelines for consultant appointments of personnel of tertiary education institutions in the Service;
- (e) ensuring that the process of continuing professional development programmes provided by tertiary education institutions in the Service is managed;
- (f) reviewing and managing arrangements for research being undertaken by tertiary education institutions in the laboratories of the Service;
- (g) advising the executive management on matters relating to indemnity for employees of the Service or a tertiary education institution working between the facilities of both partners;
- (h) advising the executive management on matters relating to discipline of personnel of the Service or a tertiary education institution working between the facilities of both partners;
- (i) advising the executive management on financial matters, such as subsidies, bursaries and payment for services;
- (j) monitoring, evaluating and managing service level agreements and performance measures;
- (k) management of the resolution of disputes if they should arise;

- (l) ensuring the integrity of the process of managing the partnerships;
  - (m) ensuring that professional ethics are adhered to; and
  - (n) ensuring that the Service complies with the requirements of the Health Professionals Council in respect of registration requirements.
- (4) The committee may make recommendations to the Board on any matter falling within the scope of its functions and powers.
- (5) The committee shall be assisted by the management of the Service in the fulfilment of its functions and duties.

#### C. INSTITUTIONAL ACADEMIC PATHOLOGY COMMITTEES

##### **Establishment, composition, functions and duties of institutional academic pathology committees**

- 8 (1) The National Academic Pathology Committee-
- (a) must establish an institutional academic pathology committee for the management of the relationship between each university health science faculty and the Service regional management;
  - (b) may establish an institutional academic pathology committee for the management of the relationship between any technikon health science faculty and the Service regional management; and

- (c) may decide on the reporting procedures of the institutional academic pathology committees.
- (2) An institutional academic pathology committee shall comprise:
  - (a) the regional executive manager of the Service;
  - (b) the manager of the tertiary laboratory complex associated with the Faculty of Health Sciences;
  - (c) other managers of the Service as may be determined by the regional executive manager;
  - (d) a representative of the Faculty of Health Sciences; and
  - (e) any other person who in the opinion of the National Academic Pathology Committee will add value to the work of the institutional academic pathology committee.
- (3) Members of an institutional academic pathology committee must be employees of the Service or the tertiary education institution.
- (4) The following are the functions and duties of an institutional academic pathology committee:
  - (a) the monitoring and management of an agreement entered into between the Service and the tertiary education institution for which it is established; and

(b) advising the regional manager of the Service with regard to:

(i) the management of the rotation of the registrars for each discipline through the appropriate laboratories associated with the health science faculty and any other laboratory in the Service;

(ii) the identification of posts of either the Service or the health science faculty as a post of mutual interest;

(iii) the composition and chairing of interviewing and selection panels of incumbents to the identified posts of mutual interest to the Chief Executive Officer and the tertiary education institution;

(iv) the appointment of Service employees to part-time, honorary and guest academic positions in the health science faculty;

(v) the appointment of health science faculty employees as consultants in the Service in the region;

(vi) the management of continuing professional development programmes provided by the health science faculty to the Service in the region;

(vii) the review and management arrangements for research being undertaken by the health science faculty in the laboratories of the Service;

(viii) the discipline of personnel of the Service or the health science faculty working in the facilities belonging to both;

(ix) management of financial matters, such as subsidies, bursaries, lease of offices and payment for services in the region; and

(x) the monitoring, evaluation and management of compliance with the service level agreements and performance measures.

(5) The Service regional financial manager and regional human resource manager must attend the institutional academic pathology committee meetings.

(6) There shall be no voting at institutional academic pathology committee meetings and decisions shall be made by the Regional Executive Manager.

(7) The Service and the Faculty of Health Sciences will bear the costs of their employees attending meetings of either the Committee or an institutional academic pathology committee.

(8) Members of the Committee not employed by either the Service or a tertiary education institution Faculty of Health Sciences may be paid the remuneration and allowances determined by the Board.

## D. AUDIT COMMITTEE

### **Composition, functions and duties of the Audit Committee**

9 (1) The Audit Committee shall comprise at least three but not more than five members, the majority of whom, including the Chairperson, shall be from outside the Service.

(2) The term of office of the members shall not exceed two years unless re-appointed.

(3) Upon the expiration of a member's term of office, he or she shall be eligible for re-appointment for a further term of office provided that no Committee member may be appointed for more than two consecutive terms.

(4) The Board may prematurely terminate the appointment of a member of the Committee only after consultation with the Auditor General and with the concurrence of the Minister.

(5) The following are the functions and powers of the Audit Committee:

(a) to report and make recommendations to the Board;

(b) to report on the effectiveness of the internal controls in the annual report;

(c) to ensure that an internal audit unit is established and, in consultation with the head of internal audit, oversee the internal audit function of the Service, including:

(i) approving the internal audit charter to guide the internal audit approach and the functioning of the

Committee in accordance with the standards of the Institute of Internal Auditors or its successor;

(ii) promoting the appropriate standing of the internal audit function in the Service and ensuring that this function is adequately resourced;

(iii) ensuring that a three year internal audit plan is developed and that the goals and objectives, staffing plans, financial budgets and audit plans of the internal audit function provide adequate support for the goals and objectives of the Service;

(iv) reviewing the results of work performed by the internal audit function and the management response received thereto in relation to reliable financial reporting, corporate governance and effective internal control;

(v) considering the appointment or removal of the head of the internal audit function and making recommendations in this regard to the Board;

(vi) ensuring that the head of the internal audit function has reasonable unrestricted access to the Chairperson and members of the Committee.

(vii) overseeing the external audit function of the Service, including:

(aa) recommending the appointment, retention, resignation or termination of the

external auditors to the Board for consultation with the Auditor General;

(bb) reviewing the nature and scope of the audit engagements;

(cc) approving estimated fees;

(dd) co-ordinating audit firms' activities where more than one audit firm performs the audit;

(ee) ensuring that a professional relationship is maintained between the Service and the external auditors;

(ff) considering problems and reservations arising from the external auditor's interim and final audit reports, in the absence of executive and management if necessary;

(gg) ensuring that all transactions that require the approval of the Minister in terms of section 54(2) of the Public Finance Management Act, 1999, are reported on;

(hh) ensuring that all details of any material loss through criminal conduct and any irregular and fruitless and wasteful expenditure is reported on in the annual financial statements; and

(ii) reviewing letters to the management and management's response thereto which

may have to be considered in the absence of the management where necessary.

(d) ensuring that in instances where the internal audit unit is contracted out to a private firm, that private firm is never managed by the same audit firm as the external audit or consulting firm that is providing services to the Service.

(e) to ensure co-ordination between the internal and external audit functions;

(f) To examine the interim and annual financial statements before submission to the Board and prior to any press announcements, focussing particularly on:

(i) any changes in accounting policies and practices;

(ii) significant financial estimates based on judgement which is included in financial statements;

(iii) the propriety of major adjustments processed at the end of the year;

(iv) the going concern assumptions;

(v) compliance with accounting standards, local and international;

(vi) compliance with legal and other relevant requirements;

(vii) whether the annual financial statements present a balanced and understandable assessment of the Service's performance and prospects; and

(viii) significant transactions not directly related to the Service's normal business which the committee might deem appropriate.

(g) to include any comments with the annual financial statements in the annual report;

(h) to review significant cases of employee conflicts of interest, misconduct or fraud and make recommendations to the Board;

(i) to investigate any activity which the Committee, in its sole discretion, considers to fall within the powers delegated to it;

(j) to consider any other matter as may be referred to the Committee from time to time by the Board;

(k) the Committee may:

(i) obtain the information required from any employee of the Service, in which case such employee may be directed by the Chairperson of the Board to co-operate with any request made by the Committee;

(ii) within the budgetary limits set by the Board, obtain outside professional advice when required; and

- (iii) obtain requisite resources for the effective discharge of its responsibilities by ensuring that provision is made for its expenses in the budget;
- (l) The Committee shall:
  - (i) ensure that the systems of internal control within the Service are effective;
  - (ii) ensure the integrity and reliability of the financial reporting process;
  - (iii) ensure that the Service complies with the requirements as set out in current reports on corporate governance;
  - (v) If it deems it necessary, report any of its concerns to the Minister, the Auditor General and, if appropriate, to the external auditor;
  - (vi) in evaluating whether the systems of internal control are effective and that the Service's Code of Ethics is adhered to, it may be assisted by line management, external audit and the internal audit;
- (m) the chairperson of the Committee shall:
  - (i) report in person on the activities and functioning of the Committee at least once per annum to the Board, and
  - (ii) at all times have full access to the chairperson of the Board, and to all the information and documentation of the Service.

E. REMUNERATION AND HUMAN RESOURCE COMMITTEE

**Composition, functions and duties of the Remuneration and Human Resource Committee**

- 10 (1) The Remuneration and Human Resource Committee comprises at least five members.
- (2) The term of office of a member of the Committee is two years unless such member is reappointed.
- (3) The Committee shall:
- (a) provide a mechanism that will enable the Board to interrogate matters relating to remuneration, benefits and other human resources issues and to assist the Board in establishing, implementing and monitoring appropriate human resource policies, in particular for remuneration and benefits;
  - (b) facilitate the process of recruitment of incumbents to the positions of Chief Executive Officer and executive management and make proposals to the Board regarding appointments to these positions.
  - (c) review, assess and make recommendations to the Board on the following matters:
    - (i) the management structure, job descriptions and performance criteria for executive management positions;

(ii) positions in the establishment of the Service that should be excluded from the bargaining unit, in particular those positions that the Board will regard as executive management positions, and therefore which employees should be excluded from labour negotiations on behalf of the employees;

(iii) interview panels and procedure for employing incumbents into executive management positions;

(iv) remuneration packages, including salaries, benefits, pension contributions and incentive schemes of executive management;

(v) measurement criteria for measuring the performance of the executive management;

(vi) mandates for the annual substantive wage negotiations for all staff included in the bargaining unit;

(vii) composition of the employer negotiating team at the wage negotiations;

(viii) relating to remuneration policies and all benefits for all employees including proposed amendments to rules relating to personnel matters;

(ix) employment equity;

- (d) review the proposed annual personnel budget prior to submission of the consolidated budget by the Finance Committee to the Board;
- (e) review significant cases of employee misconduct and where the misconduct is of a financial nature refer the matter to the Audit Committee; or
- (f) attend to any other matter the Board requests it to attend to.

## F. FINANCE COMMITTEE

### **Composition, functions and duties of the Finance Committee**

- 11 (1) The Finance Committee comprises:
- (a) at least five members;
  - (b) the Chief Executive Officer and the Financial Manager both of whom shall have no voting powers;
  - (c) The term of office of the members of the Committee shall not exceed two years unless they are re-appointed;
- (2) The following are the functions of the committee:
- (a) to ensure that all Board members and the executive management are fully aware of, and understand the implications of, the contents and requirements of the Act, the Public Finance Management Act, 1999 and its regulations;

- (b) recommend the budget format to the Board and prepare the budget and corporate plan of the Service;
- (c) develop, implement and monitor the application of a procurement policy;
- (d) develop a policy for the setting and application of fees, and to motivate fee and tariff adjustments to the Department;
- (e) develop, implement and monitor the application of a policy for managing debtors and creditors;
- (f) recommend to the Board the appointment and discharge of auditors in accordance with the provisions of the Act, Public Finance Management Act, 1999 and these regulations;
- (g) develop, implement and monitor the application of a risk management policy and plan;
- (h) develop, implement and monitor the application of an investment policy in accordance with the provisions of the Public Finance Management Act, 1999.;
- (i) advise the Board on setting of policies and execution of functions, powers and duties of the service contained in section 5 of the Act that have financial implications or content, including but not limited to, asset management, sale and purchase of property, management of intellectual property rights, setting of fees for laboratory and other services; or

- (j) consider any other matter or perform such other function as may be referred or assigned to the Committee from time to time by the Board.
- (3) The Committee may:
- (a) require that any Board member or specific employees attend a corporate governance course;
  - (b) obtain any information required from any employee, in which case such employee may be directed by the Chairperson of the Board to co-operate with any request made by the Committee;
  - (c) obtain external professional or expert advice when required; or
  - (d) obtain the requisite resources for the effective discharge of its responsibilities by ensuring that provision is made for its expenses in the budget.
- (4) The Committee must interview candidates for the position of Financial Manager and make recommendations to the Board.

## APPOINTMENT OF COMMITTEES

- 12 (1) When the Board appoints a committee in terms of section 12 of the Act, it shall appoint one of the committee's members as the chairperson of that committee.
- (2) Upon the expiration of a member's term of office, the member shall be eligible for re-appointment for a further term of

office provided that no Committee member may be appointed for more than two consecutive terms.

(3) A vacancy which occurs in a Committee shall be filled by a person appointed by the Board, and the person shall hold office for the unexpired portion of the period of office of his or her predecessor, and may on expiry of his or her period of office be re-appointed to the Committee.

(4) The Board shall appoint the members of the Committee on such terms and conditions as it may determine.

(5) A Committee may, within budgetary limits set by the Board, obtain outside professional advice when required.

(6) Committee members shall be independent of management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement as Committee members.

(6) The Committees do not make binding decisions but only recommendations to the Board which makes decisions.

## MEETINGS OF COMMITTEES

13 (1) A meeting of a Committee shall be held on such dates and such times and places as may be determined by resolution of the Committee whenever it is necessary so as to conduct its business expeditiously, but not less than four times in a year.

- (2) Special meetings may be called by any member of the Committee, the external auditors and legal advisors, or at the instance of the Board.
- (3) When the chairperson is not available to chair the Committee the members present will select a member to chair the meeting.
- (4) Notice of each meeting of the Committee shall be given to all the members in such manner and form as the Committee may from time to time determine.
- (5) Meeting agendas shall be prepared and distributed 14 days before the meeting with sufficient background information to enable Committee members to appropriately prepare for the meetings.
- (6) The chairperson or any other person who acts as chairperson, shall determine the procedure at the meeting over which he or she presides.
- (7) The majority members of the Committee present at a meeting of the Committee constitute a quorum;
- (8) Minutes of all Committee meetings shall be kept and such minutes shall be approved at the next meeting of the Committee and submitted to the Board.
- (9) The Committee shall designate an employee of the Service as a secretary of the Committee and the secretary shall-
  - (a) compile the agenda for every meeting with the concurrence of the chairperson of the Committee;
  - (b) record the proceedings of the meeting; and

(c) ensure that all the documents relating to the meeting are kept safe.

(10) The chairperson or any other person who acts as chairperson, shall determine the procedure to be followed at the meeting .

(11) Minutes of the proceedings of a Committee meeting must be submitted at the next meeting and, if necessary, amended to the satisfaction of those who attended the meeting. Such minutes must then be passed as correct and confirmed by the signature of the chairperson.

#### ATTENDANCE OF MEETINGS

14 (1) A Committee shall be entitled to invite one or more members of the executive management to attend and be heard at meetings of the Committee.

(2) Board members shall have the right of attendance at all meetings of the Committee.

(3) Legal advisers, external auditors and other persons who may be in a position to make meaningful input to the Committee's activities shall be allowed, by invitation, to attend meetings.

(4) Only Committee members may vote at meetings.

(5) The chairperson of the Committee shall have the right to exclude from the meeting, or from discussion of any item of the agenda, any executive, or all executives, should, in his or her opinion there be any conflict of interest.

(6) At least once a year the Financial Committee shall meet with the external auditors and internal auditors, separately if it so requires, without executives present.

## DECISIONS AT MEETINGS

15 (1) A decision agreed upon by a majority of the members present at any meeting of the Committee shall constitute a decision of the Committee.

(2) In the event of an equality of votes in regard to any matter, the chairperson of the Committee or the person acting as chairperson shall have a casting vote in addition to his or her deliberate vote.

(3) In the event that the Board does not accept a decision of the Committee, the Board must refer the decision back to the Committee for further consideration with reasons for rejecting the decision.

## FEES AND REIMBURSEMENTS FOR COMMITTEE MEMBERS

16 (1) A member of a Committee who is not in the full-time employment of the State or the Service may be paid the remuneration and allowances determined by the Board.

(2) A claim for payment of a fee or reimbursement of expenses must be submitted to the Chief Executive Officer within 30 days of a meeting and claims received after 30 days may not be considered for payment.

- (3) The financial costs of the Committees shall be budgeted and paid for by the Service.

#### PERSONNEL RULES

17. Personnel rules of the Service are as outlined in Annexure I.

#### FINANCIAL RULES

18. Financial rules of the Service are as outlined in Annexure II.

#### QUALITY ASSURANCE RULES

19. Quality assurance rules of the Service are as outlined in Annexure III.

#### **CHAIRPERSON**

#### **NATIONAL HEALTH LABORATORY SERVICE BOARD**