

26 February 2026



Restoring Public Trust Through Ethical Public Financial Management

"Umuntu ngumuntu ngabantu" - A person is a person through other people



www.cigfaro.co.za

Roscoe Miller AGA (SA)
CFO Northern Cape Provincial Treasury

SAQA Recognised Professional Body

Presentation Roadmap



01

Setting the Scene

The moment we are in

02

The Trust Deficit

What went wrong & why

03

Ethical PFM Defined

Beyond compliance

04

Leadership & Culture

Ubuntu-centred stewardship

05

Day-to-Day Practice

CFO, practitioner, manager

06

Strategic Framework

4 pillars to restore trust

07

Personal Commitment

Your role — starting today



01 Setting the Scene: The Crisis in Numbers

41 (16 %)

Clean Municipal Audits

Out of 257 — 2023/24 (AGSA)

**R500bn–
R1.5tn**

Cost of State Capture

*Estimated total economic
impact*

22%

Trust in Police

*Lowest since 1998 (HSRC
survey)*

53%

Distrust in Courts

Trust 'just a little' or not at all

The frameworks exist. The PFMA is sound. The oversight structures are in place.

So why and how do we arrive here — year after year — discussing the same failures?

The challenge is not technical. It is ethical. It is cultural. It is about the will to lead.

02 Three Scandals — One Lesson

Steinhoff International

R106bn

fictitious transactions

Board sophistication ≠ board effectiveness. 3 PhDs in accounting — SA's worst scandal.

Tongaat Hulett

R3.5–4.5bn

accounting irregularities

Red flags were everywhere. Fraud models flagged warnings. They were simply ignored.

KPMG & State Capture

R500bn–

R1.5tn

estimated state capture cost

Professional ethics are not self-enforcing when profit incentives override integrity.

02 Systemic Factors Behind Ethical Failure



Tick-Box Compliance

Formal structures exist independently of actual ethical practice - 'decoupling'



Informal Norms Win

Loyalty, reciprocity & political pressure override formal rules when consequences are absent



Weak Consequence Management

Delayed justice, inadequate penalties, differential treatment undermine credibility



Power Without Oversight

Boards & audit committees exist but fail to provide meaningful constraint on executives

03 Ethical PFM: Beyond Compliance



COMPLIANCE ASKS...

Did we follow the process?

Was the payment properly approved?

Did we submit the report on time?

What does the regulation require?

ETHICS ASKS...

Did we get value for the community's money?

Should this payment have been made at all?

Does the report reflect reality & honesty?

What do the people we serve need and deserve?

V
S

Compliance without ethics is dangerous theater.

03 The Four Pillars of Ethical Public Financial Management



Integrity

Decision-making free from conflicts of interest.

Transparent procurement.

Ethical tone at the top — not for the audit, but because the public deserves no less.



Accountability

Clear financial delegations.

Performance-linked accountability.

Consequence management that applies regardless of seniority or political connection.



Transparency

Accessible financial reporting citizens can understand.

*Open budgeting.
Genuine public participation — not performative disclosure.*



Stewardship

Every rand managed belongs to citizens who depend on government services.

Public funds are a public trust, not a political resource or personal asset.

04 Leadership & Organisational Culture

Culture eats strategy for breakfast.

You can have sophisticated systems, the best policies, and detailed SCM procedures. But if the tone at the top signals that corners can be cut, the culture will reflect that.

In our provincial context, when the MEC, HOD, CFO & Senior management team are misaligned on ethical commitment, the institution fractures.

The ethical burden falls on individuals rather than being structurally supported.

THREE LEVELS OF ETHICAL LEADERSHIP

Political (MEC)

Not to use finance as a political tool; to back consequence management visibly

Administrative (HOD)

Exercise PFMA authority independently; resist political capture of financial decisions

Financial (CFO)

Advise honestly even when unwelcome; build ethical culture within the finance unit

"Umntu ngumntu ngabantu" — I am because we are

UBUNTU-CENTRED ETHICAL STEWARDSHIP



Consultation Before Action

Major policy and financial changes should involve those affected — even when it takes longer. Decisions made with communities, not for them.



Collective Responsibility

When things go wrong, the question is 'how do we fix this as a team?' - not 'whose fault is this?'
Accountability is communal.



Long-Term Thinking

Resist pressure for quick fixes that create future problems. Sustainable financial stewardship honors the next generation.



Systems Perspective

Individual financial decisions ripple across the whole. A budget cut here creates a service failure there. See the whole picture.

05 Ethical Financial Management: Day-to-Day Practice



Budget Manager

- Ask whether procurement requests make programmatic sense - not just if they're approved
- Flag commitments that exceed budget before they escalate
- Resist pressure to approve payments that feel wrong - even from above
- 'The director told me to' does not absolve responsibility under the PFMA



Financial Practitioner

- Flag tender specifications written to favour a specific supplier or manufacturer
- Report internal audit findings accurately - without softening to protect seniors
- Ensure financial statements reflect reality, not what management prefers
- Document concerns - in writing - when raising an issue with a superior



The CFO

- Advise the accounting officer honestly - even when the advice is unwelcome
- Sign off on statements that accurately reflect the department's position
- Escalate concerns through appropriate channels when misconduct is occurring
- Build and model the ethical culture of the entire finance unit

06 Strategic Framework for Restoring Public Trust

PILLAR 1

Governance & Oversight

- Strengthen audit committees
- Enforce performance contracts
- Digitise procurement systems
- Independent internal audit units

PILLAR 2

Ethics Institutionalisation

- Mandatory ethics training
- Whistleblower protection
- Lifestyle audits for senior mgmt
- Peer accountability structures

PILLAR 3

Transparency & Citizen Engagement

- Public budget dashboards
- Community budget hearings
- Simplified financial reporting
- Open data initiatives

PILLAR 4

Consequence Management

- Real-time irregular expenditure tracking
- Debt recovery units
- Collaboration with SIU & NPA
- Visible, consistent, fair accountability

06 The Role of CIGFARO in Building Ethical Culture



Professional Standards

A CIGFARO designation gives practitioners an external reference point when facing improper instructions — the authority to say: this compromises my professional standing.



Systemic Advocacy

Professional bodies can advocate for member protection, minimum competency standards for AOs, and adequate resourcing of internal audit functions.



Ethics-Focused CPD

CPD that works through real dilemmas — drawn from SA audit outcomes — builds ethical reasoning, not just compliance knowledge.



Mentorship Pipeline

Structured mentorship passes on not just technical knowledge, but professional values and moral courage to the next generation of finance leaders.



Peer Community & Identity

Membership creates a horizontal community across institutions. Colleagues who normalise ethical behaviour become your reference point for what is acceptable.



Measurement & Accountability

CPD requirements ensure ongoing development. Bodies must enforce designations - membership without consequence management loses moral authority.

07 Personal Commitment: Your Role — Starting Today

DAILY PRACTICES OF ETHICAL LEADERSHIP

- Question your own work: would you be comfortable explaining this decision at a community meeting?
- Speak up when something feels wrong — small compromises normalise unethical behavior.
- Mentor others — share your reasoning when making difficult decisions.
- Document your concerns in writing — this protects you and enables future accountability.
- Build coalitions for integrity — collective action is safer than isolated heroism.

WHEN FACING AN ETHICAL DILEMMA

- 1 Seek counsel from trusted colleagues or mentors
- 2 Consult CIGFARO for guidance on professional obligations
- 3 Document everything — protect yourself, enable accountability
- 4 Think long-term: what kind of professional do you want to be?
- 5 Remember: protecting corrupt systems ultimately undermines the institutions you serve

Protecting corrupt systems to keep your job undermines the very institutions whose payroll you're on.

CONCLUSION

The Path Forward

- Compliance without ethics is dangerous theater
- Boards and auditors must have the courage to challenge power
- Red flags must be heeded — not rationalized away
- Consequences must be swift, fair, and consistent
- Rebuilding institutional trust takes decades; destroying it takes only years

TRANSFORMATION REQUIRED AT:

- **Individual** - moral courage & daily ethical choices
- **Organisational** - cultures that protect integrity
- **Professional** - bodies that enforce real standards
- **Systemic** - structures that enable accountability
- **Cultural** — Ubuntu wisdom for collective responsibility

Our work is not just about numbers and compliance - it is about honouring the collective trust of millions of South Africans who depend on us.

The question is not whether this work is difficult — it is. The question is whether we have the courage to begin.

"Umntu ngumuntu ngabantu"

A person is a person through other people.

Roscoe Miller, AGA(SA)

Chief Financial Officer | Northern Cape Provincial Treasury

CIGFARO PFMA Workshop | Panel Discussion | 26 February 2026





Thank You!



CIGFARO
Chartered Institute of
Government Finance, Audit & Risk Officers

www.cigfaro.co.za

SAQA Recognised Professional Body