AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER
Approved at meeting of Board of Trustees 30 July 2008

1 Powers and Responsibilities

1.1 The UWS Audit and Risk Management Committee (ARMC) is a Committee of the UWS Board of Trustees. It is responsible to the Board for monitoring the adequacy of internal control systems, review processes and for providing a policy framework for an effective and independent audit and risk assessment function for the University of Western Sydney (UWS) and its related entities and to carry out such functions of the Board of Trustees as directed from time to time.

1.2 The Committee has the authority to request any information it requires from any UWS employee, including staff of the Audit and Risk Assessment Unit and to discuss any matter with the external auditors. The Committee has the authority to request such information from related entities as is specified in the constitutions of those bodies.

1.3 The Committee is authorised to seek independent, professional advice as it considers necessary.

1.4 The Committee has no executive powers, supervisory functions or decision-making authority in relation to the operations of the University or its related entities. It functions in an oversight and review role.

1.5 Committee members are responsible for ensuring the efficient and effective operation of the ARMC and for taking appropriate steps to ensure they have the requisite knowledge and training to undertake their role.

1.6 The Committee must report any significant matters of concern which may impact on the operations of the University or its related entities to the Board of Trustees.

2 Membership

2.1 Its membership is appointed by the Board of Trustees and consists of a minimum of 3 and a maximum of 5 members all of whom are external to the University (i.e. not staff or students). The Chair will be appointed by the Board of Trustees.

2.2 Members will normally be appointed for a term of two years. The Board of Trustees will review the membership on an annual basis.

2.3 Members will be appointed on the basis of their relevant experience and, for the majority, this should encompass broad business, public sector or finance sector experience in management, risk assessment or audit areas.

2.4 New members of the Audit and Risk Management Committee will receive relevant information and briefings on their appointment to assist them to meet their Committee responsibilities.
2.5 At least one member shall be a member of the Board of Trustees. Unless the Board specifically decides otherwise, a member of the Board will be Chair of the Committee.

2.6 The Committee will meet at least four times a year. Additional meetings may be held as required. The Chair is required to convene a meeting if requested to do so by another Committee member or by the Board of Trustees. A quorum will be as specified generally by the Board of Trustees for its committees.

2.7 The Vice-Chancellor will attend Audit and Risk Management Committee meetings as the point of direct contact between the Committee and the University Executive. The Deputy Vice-Chancellor, Corporate Strategy and Services, is executive officer to the Committee and is responsible for providing the Audit and Risk Assessment Unit reports to the Audit and Risk Management Committee. The Division of Corporate Strategy and Services is responsible for providing secretarial support to the Committee.

2.8 The staff of the Audit and Risk Assessment Unit will be invited to attend Committee meetings regularly but only as appropriate, to allow direct discussion of issues relating to audit and risk management.

3 Specific Terms of Reference

In fulfilling its broad responsibilities, the ARMC will carry out the following functions:

3.1 Internal audit and risk management
3.1.1 Assist the University in developing and maintaining effective risk assessment and risk management processes by providing strategic oversight and advice and by monitoring the University’s management of risk.
3.1.2 Oversee the implementation and maintenance of systems and procedures to assist in the identification and prevention of fraud.
3.1.3 Monitor the implementation and maintenance of a legal compliance framework.
3.1.4 Assist the University in maintaining an effective and independent internal audit capacity.
3.1.5 Monitor the University’s and its related entities’ financial and accounting controls and reporting frameworks to ensure they are comprehensive and effective and in compliance with recognised standards.
3.1.6 Monitor the University’s and its related entities’ application of and compliance with statutory and other government or University policies and requirements relating to financial matters, procurement, etc.
3.1.7 Advise on and approve the University’s annual Audit and Risk Assessment Plan.
3.1.8 Monitor the implementation of the Audit and Risk Assessment Plan and the annual budget, and the University’s management response to issues raised by the Audit and Risk Assessment Unit.
3.1.9 Advise on the scope and conduct of special reviews or audits that are originated by the Vice-Chancellor.
3.1.10 Initiate special reviews and audits as deemed necessary.
3.1.11 Monitor the University’s management response to the findings of any special reviews or audits.
3.2 **External audit**
   3.2.1 Liaise with the external auditors for discussion of the scope and timing of the annual audit and proposed audit fee.
   3.2.2 Review the annual financial statements for the University (including the entities), meet with the external auditor, and recommend the approval or otherwise to the Board of Trustees. The members of the SRC will also be in attendance at this meeting.
   3.2.3 Monitor the University’s and the entities’ responses to any issues raised in the Auditor’s management letters.

3.3 **Quality Assurance and Improvement**
   3.3.1 Review and advise on the University’s process for assessing and improving the effectiveness of its audit and risk assessment functions.

3.4 **Ethics and Organisational Climate**
   3.4.1 Assist the University in the development of an organisational climate that demands, values and supports high standards of probity and ethical behaviour.

3.5 **Reporting to Board of Trustees**
   3.5.1 Report to the Board of Trustees on a regular basis and as needed.
   3.5.2 Advise the Board of Trustees on any matters of concern relating to audit and risk management within the University and its related entities.
   3.5.3 Provide the Board of Trustees with an annual report on the activities and operations of the Committee and the achievements against its Charter and the annual Audit and Risk Assessment Plan.

4 **Conflict of Interest**
   4.1 Audit Committee members must declare any conflicts of interest at the start of each meeting or before discussion of the relevant agenda item or topic. Details of any conflicts of interest should be appropriately minuted. Where members or observers at Audit Committee meetings are deemed to have a real, or perceived, conflict of interest it may be appropriate that they are excused from committee deliberations on the issue where a conflict of interest exists.

5 **Performance Review**
   5.1 The Chair of the Audit Committee, in consultation with the Chief Executive, will initiate a review of the performance of the committee at least once every two years. The review will be conducted on a self-assessment basis the internal and external auditors, management and any other relevant stakeholders, as determined by the Chair.

6 **Review of Charter**
   6.1 The ARMC will review this Charter at two yearly intervals to ensure it remains relevant and effective and will advise the Board of Trustees on any recommended changes.
ADDENDUM

Inter-relationship between ARMC and SRC

Annual Financial Statements

The financial statements will be considered each year at a joint meeting of the ARMC and the SRC with the external auditor attending. Following the meeting the ARMC is responsible for the recommendation to the Board of the annual financial statements of the University. The ARMC is responsible for consideration of the external auditor’s management letter and the initiation of any necessary action or advice to the Board.

Oversight of UWS Controlled Entities

The ARMC is responsible for monitoring the financial controls of UWS controlled entities and consideration of risk management issues.

The SRC is responsible for the oversight of the financial performance of UWS controlled entities. The SRC also monitors the governance of UWS controlled entities on behalf of the Board with respect to the requirements of section 22A(5A) of the University’s Act and provides periodic reports to the Board.