

**TERMS OF REFERENCE**

COMMITTEE	<b>Council Risk, Audit and Compliance Committee</b>
PURPOSE	In accordance with Section 16 of the University of Wollongong Act 1989, the Council is charged with overseeing risk management and risk assessment across the University. The Council Risk, Audit and Compliance Committee assists the Council in fulfilling its corporate governance and independent oversight responsibilities in relation to the University's management of risk, compliance with legislation and standards, its internal control structure and audit requirements, and its external reporting responsibilities.
TERMS OF REFERENCE	<p>The Council Risk, Audit and Compliance Committee shall:</p> <ol style="list-style-type: none"> <li>1. Monitor risk and internal controls <ol style="list-style-type: none"> <li>a. Oversee the processes for the identification and assessment of the general risk spectrum, review the outcomes of risk management processes and monitor emerging threats based on changes in the internal and external environments;</li> <li>b. Review and recommend to Council new and significant amendments to policies and related items, in the areas of risk management, business continuity, compliance management and fraud, and monitor compliance with applicable laws and regulations;</li> <li>c. Oversee the adequacy of measures taken to mitigate organisational exposure to fraud and corruption, including receiving a report at least annually detailing all significant incidents and the manner in which they were dealt with;</li> <li>d. Monitor the process for the receipt, retention and treatment of notifications received under the Public Interest Disclosures Act or complaints referred to external authorities;</li> <li>e. Oversee "risk" reporting in all areas of University operations including but not limited to commercial activities, workplace health and safety, security and staff and student conduct;</li> <li>f. Receive a report at least annually detailing all business continuity activity which includes scenario planning and critical/crisis incidents;</li> <li>g. Oversee the operation of delegations at the University, including receiving a report at least annually detailing all significant changes to the Delegations of Authority;</li> <li>h. Provide an annual report outlining the University's risk profile to University Council.</li> </ol> </li> <li>2. Oversee Compliance <ol style="list-style-type: none"> <li>a. Oversee the processes of compliance with external compliance obligations and reporting, including but not limited to TEQSA requirements;</li> <li>b. Oversee the University's legal compliance framework and supporting processes to identify, monitor and manage compliance with laws and regulations, and reports by the General Counsel on legislative compliance and legal proceedings.</li> </ol> </li> <li>3. Oversight of Internal Audit <ol style="list-style-type: none"> <li>a. Review and approve the Internal Audit Charter;</li> <li>b. Review adequacy of resources and budget of the Internal Audit function;</li> </ol> </li> </ol>

	<ul style="list-style-type: none"> <li>c. Be consulted (via the Chair) on the appointment, career development and, if applicable, any intention to remove the Chief Risk and Assurance Officer or the Senior Manager, Internal Audit;</li> <li>d. Approve the selection of the primary contracted Internal Audit provider (if a co-source arrangement is to be entered into);</li> <li>e. Review and approve the annual and three-yearly Internal Audit Plans and monitor progress against the plans;</li> <li>f. Review Internal Audit reports and findings, including management response in terms of content, appropriateness and timeliness;</li> <li>g. Monitor closure of management actions;</li> <li>h. At least once per year meet with the Chief Risk and Assurance Officer and the Senior Manager, Internal Audit in the absence of management;</li> <li>i. At least once per year meet with the contracted Internal Audit provider in the absence of management, if applicable;</li> <li>j. Meet with the Vice-Chancellor 'in-camera', if and when required;</li> <li>k. Periodically review the performance of the Internal Audit function.</li> </ul> <p>4. Controlled Entities and Major Joint Ventures</p> <ul style="list-style-type: none"> <li>a. The risk management, audit and compliance functions for all UOW controlled entities and major joint ventures will be overseen by the Risk, Audit and Compliance Committee;</li> <li>b. Each controlled entity or major joint venture (through its own Board and/or Audit Committee), where appropriate, is responsible for its risk management, audit and compliance functions, however: <ul style="list-style-type: none"> <li>- At least annually, each controlled entity / major joint venture partner will provide a report to the Risk, Audit and Compliance Committee outlining the entity's approach to risk management, audit and compliance as well as providing an up-to-date version of its general risk assessment;</li> <li>- At least annually, the Chairperson, or representative, of the Board or Audit Committee of each controlled entity / major joint venture partner will attend a Risk, Audit and Compliance Committee meeting to provide an update on the status of key risks, risk management, audit and compliance activities;</li> <li>- The internal audit plans of each controlled entity / major joint venture partner will be incorporated into the overall UOW internal audit plan and the minutes of each controlled entity's Risk and Audit Committee will be provided to the Risk, Audit and Compliance Committee.</li> </ul> </li> <li>c. The Chief Risk and Assurance Officer, in conjunction with the Senior Manager, Internal Audit and Senior Manager, Risk and Assurance will work with each controlled entity / major joint venture partner to develop consistent risk and compliance registers and a consistent approach to risk management.</li> </ul> <p>5. External Financial Reporting</p> <ul style="list-style-type: none"> <li>a. Review any significant accounting and reporting issues, including professional and regulatory announcements, and understand their effect on the University's financial statements, in particular: <ul style="list-style-type: none"> <li>- The consistency of accounting policies and appropriate adoption of new accounting standards;</li> <li>- Considering the need for appropriateness of, and correct disclosure of, any changes made to the University's accounting policies;</li> <li>- The treatment and disclosure of complex or unusual transactions;</li> <li>- Significant judgements made by management in preparing the financial statements, including any significant accounting estimates;</li> </ul> </li> </ul>
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	<ul style="list-style-type: none"> <li>- Going concern assumptions.</li> <li>b. Review the annual financial statements of the University and recommend their acceptance to Council;</li> <li>c. Obtain written representations from the Vice-Chancellor and Chief Operating Officer/Vice-President Operations that:             <ul style="list-style-type: none"> <li>- The University’s financial records have been properly maintained;</li> <li>- The University’s financial statements and notes present a true and fair view (in all material respects) of its financial condition and are in accordance with relevant accounting standards;</li> <li>- The financial statements are founded on a sound system of risk management and internal compliance and control, and that the system is operating effectively (in all material respects) in relation to financial reporting risk;</li> <li>- The University’s risk management and internal compliance and control systems are operating efficiently and effectively in respect to its material business risks.</li> </ul> </li> <li>d. Obtain written representations from the most senior responsible officer of the Controlled Entities and other major joint ventures that:             <ul style="list-style-type: none"> <li>- The financial records have been properly maintained;</li> <li>- The financial statements and notes present a true and fair view (in all material respects) of its financial condition and are in accordance with relevant accounting standards;</li> <li>- The financial statements are founded on a sound system of risk management and internal compliance and control, and that the system is operating effectively (in all material respects) in relation to financial reporting risk;</li> <li>- The risk management and internal compliance and control systems are operating efficiently and effectively in respect to its material business risks;</li> <li>- All other relevant information has been provided to RACC as required.</li> </ul> </li> </ul> <p>6. External Audit Activity</p> <ul style="list-style-type: none"> <li>a. Act as a mechanism for the External Auditor of the Annual Financial Statements to communicate with Council;</li> <li>b. Review and endorse the External Auditor’s proposed audit plan and audit approach, including materiality levels;</li> <li>c. Discuss the appropriateness of accounting policies, estimates and judgements;</li> <li>d. Review the External Auditor’s summary management report which details the results and significant findings from the audit, and management responses thereto;</li> <li>e. At least once per year meet with the External Auditor of the Annual Financial Statements in the absence of management;</li> <li>f. Review other External Audit reports relating to any aspect of University operations, including management response in terms of content, appropriateness and timeliness;</li> <li>g. Monitor management’s implementation of recommendations arising from all external audit reports.</li> </ul>
CHAIR	Appointed by Council from Council Members <sup>1</sup>
MEMBERSHIP	The Council Risk, Audit and Compliance Committee is comprised of the following:

<sup>1</sup> Not a staff or a student council member

*Council Risk, Audit and Compliance Committee Terms of Reference*

	<ol style="list-style-type: none"> <li>1. four (4) external Council members nominated by Council, at least one of whom has recognised professional financial, risk management or commercial qualifications and expertise;</li> <li>2. one (1) elected staff member of the University Council appointed by Council;</li> <li>3. up to two (2) external members (external to the Council and not a current staff member or current student of the University of Wollongong) with appropriate professional expertise and experience who will be recommended by the Chair and approved by Council;</li> </ol> <p>Unless otherwise provided, the term of office of all Committee members shall be two (2) years. Reappointments are permitted. Wherever possible, both genders shall be represented on the Committee;</p>
TERM OF OFFICE	All members, including the Chair, are appointed for a term of office of two years. Terms of office are staggered where possible so that expertise and continuity can be maintained.
ATTENDEES	<p>Invited attendees as non-voting observers shall be:</p> <ul style="list-style-type: none"> <li>• The Vice-Chancellor and President;</li> <li>• The Chair of Academic Senate in relation to matters of academic risk;</li> <li>• The Chief Risk and Assurance Officer;</li> <li>• Any others as determined by the Chair when necessary.</li> <li>• The Senior Manager, Internal Audit</li> <li>• The Senior Manager, Risk and Assurance;</li> <li>• Representatives of the contracted Internal Audit provider (if applicable).</li> <li>• Representatives from the NSW Audit Office.</li> </ul>
QUORUM	At any meeting of the Committee three (3) members shall form a Quorum.
SECRETARIAT	Governance and Policy Division
REPORTING	<p>The Committee will receive a report from the Cybersecurity Subcommittee at the next available meeting.</p> <p>A report will be provided to University Council following each meeting.</p>