

UNSW Audit Committee

Membership and Terms of Reference

Authorised by UNSW Council 4 December 2023

A. Current membership as at 4 December 2023

Name	Role	Term
Mr Mark Johnson, Chair	<i>Council member</i>	to 30 June 2025
Dr Raji Ambikairajah	<i>Council member</i>	to 30 June 2024
Mr Steve Ferguson	<i>External member</i>	to 30 June 2024
Ms Robin Low	<i>External member</i>	to 30 June 2025

B. Terms of Reference

1. Purpose

The Audit Committee assists Council in discharging its obligations to monitor accurate and timely financial reporting and the integrity of financial systems by:

- Overseeing financial reporting;
- Assessing internal controls, including fraud control by a process of reporting and dialogue with management, internal and external auditors; and
- Evaluating the audit process;

noting that Council has delegated to management responsibility for managing all risks of the University and its controlled entities.

2. Authority

The Audit Committee has authority to conduct or authorise investigations into any matters within its scope of responsibility. It is empowered to:

- Resolve any disagreements between management and the external auditor regarding financial reporting;
- Approve proposed auditing fees for External Auditors;
- Seek independent, professional advice to assist it to carry out its responsibilities;
- Seek any information it requires from employees, all of whom are expected to cooperate with the committee's requests, or external parties; and
- Meet with company officers, external auditors, or outside counsel, as necessary.

The Audit Committee has unrestricted access to all records and staff of the University for the purposes of exercising its functions and discharging its responsibilities.

The Audit Committee does not have executive powers or any delegated financial powers.

3. Composition

- a) The Audit Committee will consist of:
 - At least two (2) members of Council who are neither the Chair of the Finance Committee nor the Chair of the Risk Committee; and
 - Up to two (2) persons with relevant expertise who are neither members of Council nor employees of the University.
- b) The Vice-Chancellor and President is excluded from membership by Council, as permitted under the UNSW By-law 2005, Part 2, 5, (d) but is entitled to attend Audit Committee meetings in their entirety (except for any items about them), as an observer.
- c) The Chair is appointed by Council, from the Committee members who are not employees of the University.

4. Attendance

- a) The Committee may, with the consent of the Chair, invite any person or persons to all or part of its meetings to assist the Committee in its work. The following officers will normally attend each meeting:
 - Vice-Chancellor
 - Vice-President, Operations
 - Deputy Vice-Chancellor, Transformation, Planning and Assurance
 - Director, Internal Audit
 - General Counsel
 - Chief Financial Officer
- b) The Auditor-General or nominee will be invited to attend all meetings.

5. Meetings

- a) Meetings are scheduled throughout the year, and in particular, to meet statutory reporting deadlines, and after each meeting the Chair will report to the immediately following Council meeting. The Committee may meet via teleconference at the discretion of the Chair.
- b) The quorum for the Audit Committee is two and must include the Chair appointed by Council and at least one External member of the Committee. Attendance by teleconference shall be counted in quorum.
- c) The Committee's agenda will be approved by the Chair. Any member may suggest items for consideration. The minutes and relevant documentation of each meeting will be provided to Council, and the Chair shall draw any urgent or special matters to the attention of Council as the Committee suggests.
- d) The Committee will hold a Members Only session at each meeting. Members Only sessions will be held individually with senior officers including, but not limited to: the Vice-Chancellor and President, the Deputy Vice-Chancellor, Transformation, Planning and Assurance; the Vice-President, Finance and Operations; and the General Counsel.
- e) The Committee will also meet at least annually, on a Members Only basis, with the Director, Internal Audit and the External Auditor.
- f) The Deputy Vice-Chancellor, Transformation, Planning and Assurance will attend meetings of the Members Only sessions to provide information relating to Public Interest Disclosures.
- g) The Committee will provide a meeting outcome report relevant to the areas of risk management other than internal control (including fraud control, financial reporting and the audit process) that come to its attention directly to the Risk Committee.
- h) As required, the Committee may establish and constitute sub-committees or working parties to assist the Committee in carrying out its functions.

6. Resolutions without meetings of the Committee (Circular resolutions)

- a) The Chair may approve that a matter is urgent and cannot wait until the next scheduled meeting of the Audit Committee. In such cases, a circular resolution and relevant documentation will be circulated electronically to all Committee members for consideration and approval.



- b) The resolution will be passed if a majority of members approve the resolution unless two or more members request that the issue raised in the circular resolution be discussed at the next meeting instead.
- c) The Committee will be informed of the result and the circular resolution will be tabled at the next meeting of the Committee for incorporation into the formal record.

7. Role and responsibilities

- a) To oversee the University's (and its controlled entities') statutory financial reporting, assess internal control (including fraud control) and evaluate the audit process.
- b) To exercise such powers as Council may delegate that are relevant to the Audit Committee Terms of Reference and to advise and report to Council on:
 - Auditing, internal control and statutory financial reporting matters;
 - Any anticipated exposure to financial and internal control risk that could materially affect the reputation and/or operation of the University and its controlled entities; and
 - Any relevant Public Interest Disclosures.
- c) To review and consider any matters raised by Council, the Finance Committee, the Risk Committee, or the President and Vice-Chancellor that are relevant to the Audit Committee Terms of Reference.
- d) To monitor and review the auditing, internal control policies and procedures and statutory financial reporting of the University and its controlled entities, including:
 - Reviewing and approving the activities for the Internal Audit function, including the Internal Audit Plan, and overseeing the Internal Audit activities as appropriate;
 - Monitoring and reviewing the adequacy and effectiveness of internal controls of the University and its controlled entities via the review of reports from Management, Internal Audit Office and the External Auditors, reviewing compliance with recommendations contained in those reports and liaising with the President and Vice-Chancellor so that appropriate and timely action is taken;
 - Reviewing the audited financial statements of the University and its controlled entities with attention to compliance with relevant accounting standards, and the quality of the University accounting, financial management, information reporting, and internal controls;
 - Reviewing the engagement processes for External Auditors of the University and its controlled entities, approving their proposed fees, and monitoring and reviewing the independence, objectivity, and effectiveness of the External Auditors;
 - Reviewing and monitoring:
 - compliance with financial regulations and accounting standards, and relevant financial and control risks of the University and its controlled entities;
 - compliance with the fraud control plan of the University and of its controlled entities;
 - the University's and its controlled entities' oversight of major litigation and claims; and
 - the University's compliance with laws and regulations.
- e) To refer any matters concerning non-compliance with the UNSW Risk Management Framework to the Risk Committee.
- f) The Chair of the Audit Committee is the designated officer to receive a report relating to the President and Vice-Chancellor under the Public Interest Disclosures Procedure.
- g) For the purpose of supporting the independence of the Internal Audit function, the Director, Internal Audit has a direct reporting line to the Chair of the Audit Committee.

8. Review

To enable the Committee to operate effectively and fulfil its functions, it will:

- Undertake an annual review of its Terms of Reference; and
- Conduct a self-assessment every two years, unless an external review of Council and its committees is scheduled in that year.

