

AUDIT AND RISK COMMITTEE TERMS OF REFERENCE

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The terms of reference of the Audit and Risk Committee are:

Financial and Statutory Reporting

1. To advise Council whether the accounting, control and reporting practices of the University comply with relevant or prescribed standards.
2. To consider and, if appropriate, recommend to Council for approval and inclusion in the University's Annual Report:
 - a. the audited financial statements of the University and its controlled entities, to determine that that they comply with prescribed statutory responsibilities and accounting standards
 - b. other non-financial sections of the annual report including statutory and risk management reporting requirements set down by Government.

Audit

3. To review accounting policies for compliance with standards and to consider (and where appropriate, to instigate the preparation of) reports on the effectiveness of management information systems with a view of ensuring that there is an effective control framework.
4. To consult on the external audit strategy with representatives of the Auditor-General's Office, reporting to Council accordingly, and to:
 - a. review reports and management letters from the Auditor-General's Office including reviews of accounting procedures and recommendations for improvements in internal controls and management responses
 - b. consider any relevant external audit reports (including those by the Auditor-General) and responses and matters related to such reports
 - c. ensure compliance with any recommendations contained in these reports.
5. To consider and report to Council as appropriate on the University's internal audit coverage and approve the Internal Audit Plan, ensuring that it covers the University's significant business risks.
6. To monitor progress of the Internal Audit Plan, reviewing management responses to internal and external audit findings and ensuring compliance with recommendations contained in those reports, and report to Council accordingly.
7. To approve the Internal Audit Charter.
8. To liaise with the Vice-Chancellor regarding the performance of the internal audit function (which includes internal audit tasks undertaken by Internal Audit, the external co-sourcing partner and/or any other external party) and the adequacy of resources allocated to the internal audit function.
9. To approve the appointment of an external firm as the University's co-source audit provider of internal audit services to the University.

10. To meet with the internal and external auditors in private at least once a year to encourage open discussion on any matters that the Committee members or auditors believe should be discussed.

Fraud and Corruption

11. To consider reports on fraud and corruption control to ensure that an appropriate framework is maintained by the University.

Risk Management

12. To oversee and report to Council on the University's overall risk management strategy to ensure that the University maintains an appropriate risk management framework, internal controls and effective practices and that the framework accords with University policies.
13. To consider reports and advise Council as appropriate on the governance and oversight of the University's controlled and associated entities.
14. To consider and, if appropriate, recommend to Council for approval the University's risk appetite and risk appetite statement.
15. To monitor the University's risk culture to ensure it supports Deakin's risk appetite.
16. To consider reports and advise Council as appropriate on how the University ensures the security and integrity of its information and computer systems and applications.
17. To consider the adequacy of the University's insurance coverage, having regard to the University's business and claims trends, to ensure it is appropriate.

Governance, Legislative and Regulatory Compliance and Breaches

18. To monitor and report to Council as appropriate on matters pertaining to the adequacy of University compliance management, ensuring compliance with relevant laws, regulations, industry codes and standards.
19. To consider management reports on compliance breaches, ensuring that significant breaches are investigated and corrective actions and improvements are implemented.
20. To monitor and report to Council on the University's compliance with applicable occupational health and safety legislation, regulations and standards, and the University's health and safety policies and procedures.
21. To consider and, if appropriate, recommend to Council for approval University policies and procedures relating to audit, fraud and corruption, risk management and compliance.

Complaints

22. To consider and report to Council as appropriate on the handling of complaints within the University (students and litigation and external complaints).

Matters referred by Council

23. To advise and make recommendations to Council as the Committee considers appropriate in respect of the matters referred to in the above terms of reference, or on any matters referred to the Committee by Council.

COMPOSITION

A minimum of three and up to five Council members appointed under ss 11(1) and 11(1(c) of the *Deakin University Act*, i.e. neither being official members of Council nor staff or students of the University. Of the Committee members the Chair must hold a formal accounting and/or audit qualification and have a strong financial and accounting background.

Attendance

The Vice-Chancellor, Executive Vice-President Resources and Director Internal Audit, Risk and Business Continuity may attend meetings of the Committee with rights of audience and debate.

RULES OF OPERATION

The Committee will conduct its business in accordance with the *Operating Provisions for Committees of Council*.

In accordance with normal Council procedures Council shall satisfy itself that each member of the Audit and Risk Committee is independent of management and does not have any business or other relationship which could interfere with or be reasonably perceived to have the potential to interfere with their capacity to exercise independent judgement. Members must be objective in their deliberations, decisions and advice.

Approved by Council on 15 December 2023