



Finance, Audit and Risk Committee

Terms of Reference

Role of the Committee

The Finance, Audit and Risk Committee is appointed by the Board of Australian Osteopathic Accreditation Council Limited (ACN 142 289 049) (AOAC) pursuant to clause 13(n) of the Constitution of AOAC. The role of the Committee is to assist the Board by overseeing the financial reporting, risk management and audit processes of AOAC. The responsibilities, membership and operations of the Committee are set out in the Terms of Reference.

Responsibilities of the Committee

The Finance, Audit and Risk Committee has the following responsibilities:

1. Monitoring quarterly, and annual financial statements including monitoring the balance sheet, profit and loss statement, cash flow statement and any noted variances;
2. reviewing the annual capital and operating budgets;
3. providing oversight and review of the external audit process including assessing the terms of engagement and remuneration of the auditor; recommending to the Board the appointment of the auditor; considering the scope and quality of external audits; and reviewing audit reports;
4. reviewing the effectiveness of internal audits and internal control systems;
5. overseeing the risk management practices and conducting annual review of key risks to AOAC;
6. periodically reviewing the risk management plan, insurances, delegations policy, procurement policy, business continuity plan of AOAC and other high level policies relevant to the purpose of the Committee;
7. Review the annual budget submission to OsteoBA and recommend the proposed budget to the Board;
8. attending to any matters as directed by the Board; and
9. reviewing the contract and performance of the service provider providing executive and administrative services to AOAC and making recommendations to the Board in respect of the contract.

The Chair of the Finance, Audit and Risk Committee has authority to approve certain payments for AOAC in accordance with the delegations policy.

Structure and Composition of the Committee

Membership

All members of the Committee must be non-executive Directors of the Board. The minimum number of members is three and the maximum number is five.

Expertise

At least one member of the Finance, Audit and Risk Committee must be able to demonstrate a significant understanding of financial and risk management as relevant to AOAC.

Appointment

The Board appoints, replaces or removes members to and from the Finance, Audit and Risk Committee and reviews the composition of the Committee at least annually.

Chair and Deputy Chair

The Chair and Deputy Chair of the Finance, Audit and Risk Committee are appointed by the Board; must be non-executive Directors of the Board; and must not be the Chair of the Board. The Board reviews the appointments of the Chair and Deputy Chair annually.

Operation of the Committee

Secretariat support

Secretariat support to the Finance, Audit and Risk Committee is provided by the Executive Officer and secretariat staff of the Service Provider. All records of the Committee, including the agendas, minutes and all reports and recommendations, are prepared and kept by the Executive Officer and secretariat staff.

Frequency of meetings

The Finance, Audit and Risk Committee may meet as frequently as necessary to undertake its role effectively and, in any event, at least four times per year.

Notice for meetings

The Chair of the Finance, Audit and Risk Committee may call a meeting of the Committee if required by any Committee member, the Chair of the Board, the Executive Officer, or any member of the Board. A notice of each meeting confirming the date, time, venue and agenda will be provided to each member of the Committee as soon as practicable prior to the meeting date. Committee meetings may be held through means other than in person, as appropriate.

Agenda and minutes

The secretariat staff will coordinate with the Chair of the Finance, Audit and Risk Committee to draft and prepare the agenda for the Committee meeting. The secretariat staff will also coordinate with the Chair of the Committee to ensure that the minutes of the meeting are promptly drafted and distributed to Committee members as soon as practicable after each meeting. The agenda for each meeting includes a standing item for Committee members to approve the minutes of the previous Committee meeting.

Attendees

Members of the Finance, Audit and Risk Committee are required to attend all Committee meetings. There is a minimum attendance requirement of at least three of the four meetings per year as scheduled. The Executive Officer and secretariat staff attend all Committee meetings. Any Director of the Board and any invitee of the Committee may attend and speak at a Committee meeting.

Quorum for meetings

The minimum quorum for a meeting of the Finance, Audit and Risk Committee is two directors.

Committee member interests

Members of the Finance, Audit and Risk Committee must not participate in discussions and must not vote on any issues in respect of which there is an actual or perceived conflict of interest. The agenda for each meeting includes a standing item for Committee members to declare any conflicts of interests in relation to any items on the agenda.

Access to advice

The Finance, Audit and Risk Committee has the authority to investigate any matters within the Terms of Reference, with the resources it needs to do so and with the right of access to information including external professional advice, as necessary.

Formal mechanisms for reporting key matters to the Board

The minutes of the Finance, Audit and Risk Committee meetings are included in the papers for the next Board meeting. The Chair of the Committee will report any findings and recommendations of the Committee to the Board after each Committee meeting or as appropriate.

Review of the Committee

The Finance, Audit and Risk Committee will perform a bi-annual review of its performance and the Terms of Reference for the Committee. Following any review, the Committee may make recommendations to the Board, as necessary. The Board will evaluate the performance of the Committee as required.