



Audit & Risk Committee Terms of Reference

Mission

The Council of the University of Canterbury has established an Audit and Risk Committee to maintain on its behalf, independent oversight of the University's risks management, external reporting process, the internal control framework and statutory compliance of the University.

Membership

The Audit and Risk Committee will comprise not less than four Council members, including the option of electing up to two external co-opted members. The Chancellor and Pro-Chancellor are ex officio members of the Audit and Risk Committee.

All members will be appointed by the Council. At least one member of the Committee must have relevant accounting and financial experience. Any member vacancy may be filled by the Council at any time during the year. No member of staff (including the Vice-Chancellor), nor a student of the University of Canterbury shall be a member of the Committee.¹

Members are appointed for an initial term of no more than two years. They may be eligible for an extension or reappointment.

Three members of the Committee will form a quorum. The Chair of the Audit and Risk Committee (who will not be the Chancellor) will be appointed by the Council.

Refer to Appendix 1 for the current Audit and Risk Committee membership.

Terms of Reference

Without limiting the Audit and Risk Committee's responsibility to fulfil its mission, the terms of reference for the Committee are to assist the Council to discharge its responsibility in relation to the oversight of:

Internal Audit

1. Review and evaluate the internal audit plan and delivery of the internal audit programme to ensure effectiveness of internal controls and reviews.
2. Review the status (including management action taken) of all recommendations of the internal audits annually and on a quarterly basis monitor the high-risk recommendations.
3. Engage with the internal auditors regularly and review the quality of internal audits conducted to monitor any difficulties encountered and confirm the independence of the internal auditors.

¹ This is on the basis that members of the Committee should not have a significant interest in the business of the University and are required to be independent. Staff and students of the University have an actual or perceived personal interest in the business of the University.

External Audit

4. Review the external audit programme, timelines, audit scope, plans and fees to ensure quality external audits.
5. Review the management response to external audit reports and on a quarterly basis the status (including management action taken) of all recommendations.
6. Engage with the external auditors regularly and review the quality of external audits conducted to monitor any difficulties encountered and confirm the independence of the external auditors.
7. Where appropriate, provide feedback to the Office of the Auditor-General regarding their selection of external auditors.

Statutory Reporting

8. Review and monitor the integrity of the annual report including the annual financial statements and other financial reports that are to be publicly released to ensure compliance with reporting requirements.
9. Review and monitor the consistency of application of accounting policies as well as changes to accounting policies, disclosures, assumptions and practices that may affect the way that accounts are presented.
10. Be cognisant of and monitor any legal proceedings involving potential or contingent liability.

Risk

11. Review the University's full strategic risks register annually and on a quarterly basis monitor the high risks and emerging risks through an in-depth review, including reviewing the cyber security quarterly report.
12. Review the overall effectiveness of the risk and assurance-related systems, frameworks, policies, strategies and plans.
13. Review the adequacy of insurances, including insurance strategy, policy terms and market comparison.
14. Evaluate and monitor the adequacy of the University's business continuity planning and processes.

Compliance

15. Review the effectiveness of the systems for monitoring the University's compliance with applicable laws, regulations, standards, codes and best practice guidelines for tertiary education sector entities (including matters relating to privacy and conflicts of interest);
16. Monitor any investigations related to protected disclosures and fraud.

Other Matters

17. any other matters as requested by Council, from time to time.

Note: Neither academic risk nor overseeing health and safety is the responsibility of the Audit and Risk Committee. Council is ultimately responsible for the University's health, safety and wellbeing framework.

In order to give effect to its advice, the Committee should report and make recommendations to the Council. The Committee does not make decisions on behalf of Council.

The Committee Chair shall communicate with the relevant members of Management before each Committee meeting and at other times as required.

The Committee may request expert external advice through the Vice-Chancellor, where necessary.

The Committee Chair shall review the expenses of the Chancellor and confirm compliance with University policies.

Meetings

The Audit and Risk Committee will hold at least four regular meetings per year and shall hold such additional meetings as the Committee Chair shall decide to fulfil its duties.

Members of Management, through the Vice-Chancellor, the UCSA Student President and any other Council members (including staff members) can attend Audit and Risk Committee meetings.

The External Auditor and the Internal Auditor(s) and their associates will be invited to attend meetings as required, as determined by the Committee Chair. The Committee should meet the internal and external auditors without Management present, as a standing agenda item at each meeting where external reporting is approved, and at other meetings if requested by any of the parties.

Meeting agendas will be drawn up by the University Registrar (or delegate) and the Committee Chair in consultation with the Chancellor, Vice-Chancellor and Senior Management responsible for internal and external audit (and other staff as required). The agenda and accompanying papers shall be circulated at least one week prior to the meeting of the Committee, but where circumstances require and with the consent of the Committee Chair, papers may be circulated nearer to the meeting date.

At the discretion of the Committee Chair, meetings may be conducted in person, by audio, audio-visual or other electronic communication.

The Committee Secretary will be the University Registrar (or delegate) who will be responsible for minuting the meetings.

Reporting

The Audit and Risk Committee shall report back to the next Council meeting via a verbal briefing from the Committee Chair and, where appropriate, by providing Council a written report(s) requesting Council feedback or approval.

The Committee Chair is responsible for raising any issues with the Chancellor for further and full Council consideration.

Review of Terms of Reference

These terms of reference will be reviewed at least every three years (earlier if necessary). Any proposed changes will be put to Council for approval. A Committee self-assessment process should take place at least every three years.

Appendix 1 – Committee Membership

The current Audit and Risk Committee has the following membership:

(Committee will be made up of a minimum of four members)

Ex officio members

Chancellor – Hon. Amy Adams

Pro-Chancellor – Hon. Poto Williams

Elected members of Council

Ms Keiran Horne

Mr Bruce Irvine (Chair)

Ms Lisa Tumahai

Up to two further external members co-opted by the Council

None at this time.

In attendance

University Registrar (Council Secretary) and/or delegate

Vice-Chancellor

Executive Director – Planning, Finance & Digital Services

Any other Council Member

and when required:

- Senior Leadership Team members presenting papers
- Other relevant parties as requested by the Committee Chair