

TERMS OF REFERENCE

TITLE OF COMMITTEE

Finance, Audit and Risk Committee

ESTABLISHMENT

The Finance, Audit and Risk Committee is established under the authority of the Australian Council of State School Organisations Ltd (ACSSO) Board.

FUNCTIONS AND RESPONSIBILITIES

The functions and responsibilities of the Finance, Audit and Risk Committee are to assist the Board in assessing, ACSSO's financial position and performance; its assets and liabilities; its strategies relating to income, budget allocations, due care, diligence and skill in relation to discharging the following broad duties:

Financial Reporting

- Reviewing the annual financial statements, key performance indicators and Annual Report, considering whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles and standards;
- Reviewing management processes for ensuring and monitoring compliance with laws, regulations and other legislative requirements;
- Reviewing the management of non-financial information in documents to ensure consistency with the financial statements or other related documents;
- Reviewing the appropriateness of the accounting principles and policies adopted and any amendments, the methods of applying those principles and policies, and ensuring that they are in accordance with the approved financial reporting framework;
- Monitoring the reliability and integrity of financial and related information systems; and
- Reviewing the annual financial statements and authorising whether they should be signed.

Internal Control and Risk Management

- Reviewing the internal processes for determining and managing key risk areas, particularly:
 - Compliance with laws, regulations, standards and best practice guidelines;
 - Risk assessments and associated accounting estimates;
 - Insurance;
 - Litigation and claims against or involving ACSSO;
 - Fraud and theft;
 - Work health and safety; and
 - Relevant business risks.
- Reviewing the effectiveness of the risk management system in ensuring that significant or material risks are reported to the Board and monitored appropriately; and
- Reviewing the effectiveness of internal control, risk management and performance management systems in consultation with the ACSSO CEO and the external auditors.

MEMBERSHIP

The membership of the Finance, Audit and Risk Committee shall comprise the

following:

- At least 1 ACSSO Board director other than the Chair
- Up to 2 co-opted members
- The President/Chair Ex-officio
- CEO Ex-officio

CHAIR

The Chair of the Finance, Audit and Risk Committee will be a member of the ACSSO Board and will be reviewed annually. If the appointed Chair is not available, the members present will elect a chair for that meeting.

SECRETARY

The ACSSO CEO (or nominee) shall act as secretary for the Committee.

TERM OF OFFICE

The objectives and membership of the Finance, Audit and Risk Committee will be reviewed by the Board on an annual basis, in February of each year.

QUORUM

A quorum shall comprise three (3) members of the Finance, Audit and Risk Committee.

MEETINGS

The Committee will meet as required, and at least four (4) times per year.

RESOLUTIONS OF THE FINANCE, AUDIT AND RISK COMMITTEE

Matters requiring resolution by the Committee are to be determined by consensus of the members present. The Chair shall have a deliberative and casting vote should a vote be required to determine a matter where consensus has not been achieved.

AGENDA

The agenda is to be distributed with supporting documentation at least seven (7) days prior to the meeting date.

REPORTING

The report from the meeting of the Finance, Audit and Risk Committee will be provided to the next meeting of the Board.