A. Current membership as at 1 July 2018

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Brian Long</td>
<td>Presiding Member</td>
<td>to 30 June 2020</td>
</tr>
<tr>
<td>Ms Jillian Segal AM</td>
<td>Deputy Chancellor (ex officio)</td>
<td>N/A</td>
</tr>
<tr>
<td>Mr Aaron Magner</td>
<td>Council Member</td>
<td>to 30 June 2018</td>
</tr>
<tr>
<td>Mr Michael Wright</td>
<td>External Member</td>
<td>to 30 June 2020</td>
</tr>
<tr>
<td>Mr Mark Johnson</td>
<td>External Member</td>
<td>1 July 2018 to 30 June 2020</td>
</tr>
</tbody>
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B. Terms of Reference

*Last reviewed and authorised by UNSW Council, August 2016*

1. Purpose
   The purpose of the Audit Committee is to assist Council discharge its obligations for accurate and timely financial reporting and the integrity of financial systems by:

   a. overseeing financial reporting;
   b. assessing internal control, including fraud control by a process of reporting and dialogue with management, internal and external auditors; and
   c. evaluating the audit process;

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

2. Composition – Total: up to six (6)
   Three (3) members of Council who are neither the Presiding Member of the Finance Committee nor the Presiding Member of the Risk Committee.

   Up to three (3) persons with relevant expertise who are neither members of Council nor employees of the University.

   *The Vice-Chancellor 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, as an observer.*

   The Auditor-General or nominee (who may be the Director of Audit, Audit Office of NSW) will be invited to attend all meetings.
3. **Presiding Member**  
   Appointed by Council, from the Council members who are not employees of the University.

4. **Attendees**  
   The Committee may, with the consent of the Presiding Member, invite any person or persons to all or part of its meetings to assist the Committee in its work.

   The Director, Internal Audit, will normally attend for all or part of each meeting. Others attending as required include Deputy Vice-Chancellors; Vice-President, Finance and Operations; Director of Finance; and relevant members of the Finance team.

5. **Quorum**  
   Quorum for the Audit Committee is three and should include at least one Council member of the Committee. Attendance by teleconference shall be counted in quorum.

6. **Meetings**  
   Meetings are scheduled to meet statutory reporting deadlines, and after each meeting the Presiding Member will report to the immediately following Council meeting.

   The Committee’s agendas will be approved by the Presiding Member. Any member may suggest items for consideration.

   From time to time, the committee may meet in a ‘members only’ session.

   Periodically, private sessions will be held individually with the Vice-President, Finance and Operations; the Director, Internal Audit; and the external Auditor.

   The Committee may meet via teleconference at the discretion of the Presiding Member.

   The Audit Committee may have a combined meeting with the Risk Committee of Council, to be decided following consultation with the Presiding Members of both committees.

7. **Reporting to Council**  
   The minutes and relevant documentation of each meeting will be referred to Council, and the Presiding Member shall draw any urgent or special matters to the attention of Council as the Committee suggests.

   The Committee will refer matters with relevance 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.

8. **Resolutions without meetings of the Committee (Circular resolutions)**

   a. Subject to this clause, if a majority of the members for the time being of the Committee sign and return to the Presiding Member a document circulated by, or on behalf, of the Presiding Member containing a statement that those members are in favour of a resolution in terms set out in the document, a resolution in those terms shall be deemed to be the decision of the Committee, but only if:

      (i) the document, signed by the majority of members, is received by the Presiding Member no later than the deadline for response stipulated in the circulated document; and
(ii) no two or more members notify the Presiding Member in writing, before that deadline, that the members wish to have the proposed resolution listed for discussion at the next meeting of the Committee.

A resolution made by the procedure stated in this clause shall be deemed to be the decision of the Committee, effective from the day on which the document is signed or, if the members do not sign it on the same day, on the day on which the last member of the requisite majority to sign the document does so.

b. If a decision of the Committee is made by a resolution without meeting under clause [a], the Presiding Member shall cause a copy of the terms of the resolution to be promptly notified to all members and the resolution shall appear in the agenda for the next meeting of the Committee for the purpose of forming a record in the minutes of that meeting.

c. For the purposes of clause [a]:

(i) two or more separate documents containing a statement in identical terms, each of which is signed by one or more members, shall be taken to constitute one document;

(ii) 'sign', in relation to a document, means apply, affix or cause to be applied or affixed a member's signature or facsimile thereof; and

(ii) 'return to/notify the Presiding Member' means send to the Presiding Member or the person nominated by the Presiding Member by post, facsimile or email.

9. Role and responsibilities

(a) To oversee the University's (and its controlled entities') financial reporting; assess internal control (including fraud control), and evaluate the audit process.

(b) To oversee that timely and accurate financial information is presented to Council, including 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.

(c) To advise Council on auditing, internal control and financial reporting matters that will promote the objects and interests of the University.

(d) To report to Council on audit and compliance aspects of the annual financial statements.

(e) To review and consider any matters raised by the Vice-Chancellor on auditing, internal control and financial reporting matters.

(f) To review and advise on any matters raised by Council, the Finance Committee and the Risk Committee that are relevant to the Audit Committee Terms of Reference.

(g) To exercise such powers as Council may delegate that are relevant to the Audit Committee Terms of Reference.

(h) In furtherance of these terms of reference, the Committee shall:

i Monitor and review the auditing, internal control policies and procedures and financial reporting of the University and its controlled entities;

ii Access the Internal Audit Office, and relevant External Auditors, and oversee the Internal Audit and External Audit activities as appropriate;
iii. Monitor and review the independence, objectivity, and effectiveness of the Internal Audit Office and the External Auditors;

iv. Monitor and review the planning and activities of the Internal Audit Office, including a review of annual planning and the scope of coverage;

v. Monitor and review the adequacy and effectiveness of internal controls of the University and its controlled entities via the review of reports from the Management, Internal Audit Office and from the External Auditors, and liaise with the Vice-Chancellor to ensure that appropriate and timely action is taken;

vi. Review the 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;

vii. Review the engagement processes for External Auditors of the University and its controlled entities, approve their proposed fees, review their audit approach (scope and timing), performance and results, and liaise with the External Auditors in an adequate and timely manner;

viii. Monitor compliance with financial regulations and accounting standards, and relevant financial and control risks of the University and its controlled entities;

ix. Review and monitor compliance with the fraud control plan of the University and of its controlled entities; and

x. Monitor and review the University’s and its controlled entities’ oversight of major litigation and claims.

(i) The Committee will refer any matters concerning non-compliance with the UNSW Risk Management Framework to the Risk Committee.

Notes

i. The Audit Committee does not have executive powers or authority to implement actions over which the Vice-Chancellor or nominee has delegated responsibility; it does not have any delegated financial powers, and it does not have any management function.

ii. These Terms of Reference and the functioning of the Committee should be subject to a periodic review by Council, including self-assessment by the Committee, to ensure that it is operating effectively and fulfilling its functions.