

TERMS OF REFERENCE

COMMITTEE	FINANCE AND AUDIT COMMITTEE
PURPOSE	<p>The role of the Senate Finance and Audit Committee is to monitor and advise Senate on:</p> <ul style="list-style-type: none"> a) issues relating to the financial performance and sustainability of the University, by reviewing and evaluating information provided by management on the financial impact of strategic proposals, budget and planning priorities, resource and capital allocation, and commercial activities; b) the University's Annual and Three-Year Audit Plans and Program, including reliability of financial management and reporting and compliance with laws and regulations and the maintenance of an effective and efficient audit capability; and, if necessary, taking reasonable steps to obtain independent audit reports of entities in which the University has an interest but which it does not control or with which it has entered into a joint venture; c) ensuring the effective management of financial risk across the University, including the financial risks of subsidiaries and controlled entities; d) ensuring the effective management of non-financial risk in areas covered by the Committee's Terms of Reference; e) effective management of the University's short-term portfolio, cash flow and liquidity positions; and f) conducting reviews in the areas covered by the Committee's Terms of Reference.
TERMS OF REFERENCE	<p>The Committee's Terms of Reference are reflected in the <i>University of Sydney Delegations of Authority Rule 2020</i> ('the Delegations'). The Committee is authorised by Senate to:</p> <ul style="list-style-type: none"> a) make decisions on the University's Future Fund; b) approve major capital expenditure projects and strategic initiatives which are funded entirely from the Future Fund, including advice on the investment mandate for the Future Fund, which balances support for a broad range of core University objectives with seeking to achieve appropriate commercial returns; c) receive recommendations as to the appointment and retirement, as appropriate, of consultants and external managers, and make such decisions subject to reporting to Senate after the event; d) investigate any activity within its Terms of Reference; e) seek any information it requires from any employee. All employees are directed to cooperate with any requests made by the Committee; f) obtain external professional advice with regard to matters within its Terms of Reference, and to secure the attendance of external advisers with relevant experience and expertise if it considers this necessary, after consultation with the Chancellor (see also Delegation 6.4.4, below); g) in accordance with Delegation 6.15.9, approve business case or capital expenditure projects within approved University budget total valued above

	<p>\$20M, which are within the approved University budget total, after consultation with the Chief Financial Officer, Chief Procurement Officer, Category or Portfolio Manager – Procurement Services;</p> <p>h) in accordance with <u>Delegation 6.19.1</u>, approve the acquisition of goods and services from a supplier, other than an independent contractor or a labour hire agency (above \$20M);</p> <p>i) in accordance with <u>Delegation 6.27.1</u>, approve the acquisition of real property valued above \$20M and <u>Delegation 6.27.4</u>, approve any other dealing with real property where the authority is not retained by Senate under the Act;</p> <p>j) in accordance with <u>Delegation 6.4.4</u>, appoint external lawyers, approve costs agreements, and authorise payments;</p> <p>k) in accordance with <u>Delegation 6.4.5</u>, approve expenditure on external lawyers (between \$5M and \$10M);</p> <p>l) in accordance with <u>Delegation 6.24.6</u>, approve acceptance of sponsorship from third parties (other than sponsorship of chairs), valued above \$10m, after consultation with the Vice-Chancellor, Vice-President (Advancement), relevant Executive Dean, Dean or Head of School and Dean (a University school), relevant Head of School or Head of Clinical School; Chief Financial Officer; and General Counsel;</p> <p>m) in accordance with <u>Delegation 6.24.2</u>, approve acceptance of a gift, bequest or devise valued above \$20M, which is made to the whole or to a part of the University (such as Faculty), and establish the terms for its management after consultation with the Vice-Chancellor, Executive Dean, and with the relevant Dean or Head of School and Dean (University school); Gift Acceptance Committee; Gift Administration Board (where applicable);</p> <p>n) in accordance with <u>Delegation 6.18.2</u>, revise the approved capital budget if the total allocation across the University would materially change as a result of the revision, after consultation with the Vice-Chancellor, University Executive, Vice-President (Operations), and Chief Financial Officer;</p> <p>o) in accordance with <u>Delegation 6.15.10</u>, approve agreements for expenditure for infrastructure works or services (above \$20M); and</p> <p>p) in accordance with <u>Delegation 6.23.1</u>, borrow money and raise capital (including issuance of securities or debentures), subject to approval by the Governor on the recommendation of the Treasurer, after consultation with the Chief Financial Officer and Investment Subcommittee.</p>
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	<p>The Committee is to:</p> <ul style="list-style-type: none"> a) maintain oversight of the University's Annual and Three-Year Audit Plans and Program, including operational effectiveness and efficiency, compliance with laws and regulations and the maintenance of an effective and efficiency audit capability b) engage with other Committees of Senate prior to finalising both Annual and Three-Year Audit Plans c) monitor the performance and independence of Internal Audit ("IA") including: <ul style="list-style-type: none"> • reviewing and approving the IA Charter and the University's Annual and Three-Year Audit Plans and Program • reviewing IA reports including significant findings and recommendations • monitoring management's response to and follow-up of findings and recommendations • reviewing adequacy of resources and budget of the IA function • reviewing and approving the appointment of the Chief Internal Auditor • reviewing the performance and independence of the IA function. d) refer completed audits to the relevant Senate Committee for information and monitoring as appropriate. <p>The Finance and Audit Committee shall form an Investment Subcommittee.</p>
CHAIR	Appointed by Senate from the Fellows of Senate ¹
MEMBERSHIP	<p>The Finance and Audit Committee is comprised of the following members:</p> <p>Ex-officio members:</p> <ul style="list-style-type: none"> • Chancellor • Deputy Chancellor • Vice-Chancellor. <p>Three Fellows² of Senate appointed by the Nominations Committee. Up to three external members with appropriate professional expertise and experience, appointed by the Nominations Committee on the recommendation of the Chair of the Committee.</p>
TERM OF OFFICE	All members, including the Chair, are appointed for a term of office of two years. Terms of office are staggered where possible so that expertise and continuity can be maintained.
ATTENDEES	Any others as determined by the Chair when necessary.
QUORUM	At any meeting of the Committee four members shall form a quorum.
SECRETARIAT	Chief Governance Officer.
MEETINGS	The Committee meets six times per year or at the Chair's discretion, including at least one meeting with the external auditor.
REPORTING	The Committee reports to Senate following each meeting.
MINUTES	Available on Diligent.

¹ Not a staff or student Fellow

² One of whom must be a Fellow identified in section 8C(1)(a) of the University of Sydney Act 1989 (as amended) as having financial expertise