

# Audit and Risk Committee

## Terms of Reference

### Purpose

1. IIBIT AHE Pty Ltd (the Company) is established under the IIBIT AHE Pty Ltd Constitution with educational activities as its principal purpose.
2. Under the IIBIT AHE Pty Ltd Constitution, the Board of Directors (“Board”) is delegated as the corporate governing body of IIBIT AHE Pty Ltd, trading as Global Higher Education (GHE), to deliver higher education courses.
3. The Board’s Terms of Reference provides for the Board to delegate such powers and establish committees of the Board, as are necessary for the efficient governance, management and monitoring of those delegations.
4. The Board establishes the Audit and Risk Committee under these terms for the purposes of overseeing and reporting to the Board, the Company’s risk, it’s control measures, and the internal and external audit program and outcomes.

### Definitions

5. Definitions for key terms are presented in the Glossary of Terms which may be accessed on the GHE website at <https://www.globalhe.edu.au/policy>

### Principles

6. The Audit and Risk Committee operates according to the following principles at all times.
  - a) **Accountable:** The Committee is accountable to the Board to provide accurate and timely reports that assists the Board in monitoring and managing risk.
  - b) **Compliant:** The Committee will take into account all relevant legislative and regulatory requirements when considering risk management including material academic risks
  - c) **Transparent:** The Committee will consider all relevant information and clearly document and report to the Board all information as necessary and in line with its terms of reference including disclosing conflicts of interest where relevant.

### Membership

7. The Audit and Risk Committee will comprise the following.
  - a) No less than three members and not more than eight members.
  - b) One independent member of the Board of Directors with financial/risk management experience, who shall be the Chair.
  - c) The Chief Executive Officer or delegate (ex officio).
  - d) Independent member/s may be appointed by the Chair of the Audit and Risk Committee as required commensurate with the skills required by the Committee to discharge its purpose, principles and terms of reference.

## Appointment

8. The Chair, Audit and Risk Committee is appointed by the Board and will have an established track record and experience in the purpose and functions of the Committee.
9. The Chair's appointment is aligned with their appointment to the Board of Directors.
10. The appointment of other members who are also Directors shall be aligned with their appointment to the Board of Directors.
11. Independent member/s will serve for three years and shall not serve more than three consecutive terms unless a resolution is passed by the Board of Directors enabling that person to do so.
12. The terms of appointment may be adjusted to ensure that positions do not become vacant at the same time. Such adjustments must be approved by the Chair and reported to the Board of Directors.
13. Ex officio members shall remain members of the Audit and Risk Committee for the period they hold specific office.

## Code of conduct

14. All members must meet the 'Fit and Proper Persons Requirements' as required by the *Tertiary Education Quality and Standards Agency Act 2011* and the *Education Services for Overseas Students Act 2000*.
15. All members must declare any real or perceived conflict of interest through a declaration of interests and conflicts prior to their appointment or as arises.
16. All members must act in the best interest of the Company and perform their duties in line with the interests of the Company.
17. All members agree to undertake induction and professional development activities as directed by the Board.

## Terms of reference

18. The Audit and Risk Committee will be accountable for the following.
  - a) Assisting the Board in providing advice and recommendations and monitoring of issues and risks associated with all business and academic operations.
  - b) Providing oversight in the design and deployment of internal risk identification, mitigation, controls and treatment within a risk management framework.
  - c) Ensuring that the risk management plan reflects compliance requirements with all applicable external regulatory and legislative standards.
  - d) Overseeing, monitoring and providing advice including the suitability of authorising plans associated with, and taking corrective actions and reviewing management responses associated with internal and external minor and major reviews, internal and external audit.
  - e) Reviewing and providing advice to management on the control framework including the risk register on an annual basis.
  - f) Providing guidance on the risk appetite, risk likelihood, risk mitigation actions, determination of residual risk and assuring that accountabilities have been assigned to all risks for amelioration.
  - g) Ensuring an annual program of reporting is encapsulated in its work plan providing for the receipt, review and actioning of reports from the Board, the Academic Board or management, where material risk presents.

- h) Provide a report to the Board at each meeting which may include but may not be limited to:
  - i. regulatory and legislative compliance;
  - ii. financial performance;
  - iii. analysis of regular written reports from the Academic Board including the work of its committees as to the nature of academic risk and the mitigating actions being used, or contemplated;
  - iv. critical Incidents involving student safety and wellbeing;
  - v. sexual assault and harassment incidents;
  - vi. OHS matters involving staff or students;
  - vii. the monitoring of third parties including education agents;
  - viii. accuracy of public information including registration and details on its website, CRICOS register and activity within PRISMS;
  - ix. review of the company's performance in formal, external measures such as the SSVF Risk Rating, QILT, TEQSA Provider Risk Assessment.
- i) Reviewing all incoming and outgoing correspondence associated with political, legal, insurance, ASIC, TEQSA, or other regulatory bodies.
- j) Monitoring, reviewing and providing advice on all material legal and insurance related proceedings.
- k) Oversee the appointment and performance of both external and internal audit functions.
- l) Serve as the vehicle for formal communication between the Board, Academic Board and its committees and management in relation to matters of risk and compliance.

## **Subcommittees**

- 19. The Audit and Risk Committee does not have the authority to establish sub-committees or delegate powers.

## **Quorum**

- 20. At least three members including the Chair form a quorum.
- 21. In the case of a deadlocked decision, the Chair may exercise a casting vote to enable a decision being made.

## **Meetings**

- 22. Audit and Risk Committee meetings will be held prior to each Board meeting and will report to each Board meeting. A minimum of four meetings a year of the Audit and Risk Committee will be held.
- 23. All meetings must be scheduled through an Annual Audit and Risk and Board of Directors' Work Plan.
- 24. Meetings can take place via electronic / digital communication tools or face-to-face.
- 25. Committee papers must be distributed at least 7 days prior to all meetings, although late papers may be circulated on a need's basis.
- 26. A dedicated minute taker must attend and take minutes at every meeting.
- 27. The Chair may appoint an acting Chair during an absence.

## Associated information

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| <b>Related Internal Documents</b>               | IIBIT AHE Pty Ltd Constitution<br>Governance Framework<br>Terms of Reference Board of Directors<br>Terms of Reference Academic Board<br>Terms of Reference Teaching, Learning and Quality Committee<br>Terms of Reference Course Development and Advisory Committee<br>Delegation of Authority Policy and Schedule<br>Glossary of Terms   |
| <b>Related Legislation, Standards and Codes</b> | <i>Corporations Act 2001</i><br><i>Tertiary Education Quality and Standards Agency Act 2011</i><br><i>Higher Education Standards Framework (Threshold Standards) 2021</i><br><i>Education Services for Overseas Students (ESOS) Act 2000</i><br><i>National Code of Practice for Providers of Education and Training to Overseas Students 2018</i><br><i>Australian Qualifications Framework 2013</i> |
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| <b>Approval Authority</b>                       | Board of Directors  |
| <b>Policy Custodian</b>                         | Governance Officer  |
| <b>PinPoint DocID</b>                           | 2507  |

## Change history

|                        |             |  |
|------------------------|-------------|--|
| <b>Version Control</b> | Version 1.6 |  |
| <b>Change Summary</b>  | 22-Oct-19   | V1.0 Draft approved by Board of Directors meeting with minor amendments  |
|                        | 7-Nov-19    | V1.1 Revised version incorporating Board of Directors requested amendments plus administrative updates approved by Chair BoD                         |
|                        | 13-Jan-20   | V1.2 Editorial revisions to harmonise with other documents for ARC consideration 31-Jan-20, ARC recommends membership and reporting revisions to BoD |
|                        | 10-Mar-20   | V1.3 Revised version approved by BoD 21-Feb-20 plus minor amendments (cl. 1, 2, 24) plus administrative updates                                      |
|                        | 25-Sept-20  | V1.4 amendment transfer approval responsibility for financial statements to BoD (remove cl k) approved by BoD 25-Sept-20                             |
|                        | 2-Jun-22    | V1.5 amendments (amd cl. 9, add cl.10-12) to Terms of Appointment approved by the BoD 2-Jun-22   |
|                        | 10-Oct-23   | V1.6 administrative updates following TEQSA registration   |

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