



University College Dublin
Audit and Risk Management Committee
Terms of Reference

Approved by the Governing Authority on 14 December 2023

1. Purpose

- 1.1. In accordance with Section 18 of Chapter 5 of Statute 25 of the University it shall be the duty of the Audit and Risk Management Committee to advise the Governing Authority on the audit of the resources of the University, to review the annual financial statements of the University and their format, and to advise the Governing Authority on matters relating to risk management. Where appropriate the Audit and Risk Management Committee will recommend that the Governing Authority approve a recommendation.
- 1.2. The Audit and Risk Management Committee will also advise the Governing Authority on the strategic processes deployed by the University Management Team in the delivery of risk, internal control and governance across the University.
- 1.3. The Audit and Risk Management Committee will approve matters relating to the scope and programme of internal audit activity within the University.

2. Membership

- 2.1. Under Section 10 of Chapter 5, Statute 25, the Audit and Risk Management Committee is established as a standing Committee of the Governing Authority.
- 2.2. The Chair shall not be an employee of the University.
- 2.3. The Chair of the Committee shall be appointed by the Governing Authority on the recommendation of the President. Until such time as an external Chair has been appointed by the Governing Authority, the President will recommend an existing Committee member who is also an external member of the Governing Authority to act as Chair in the interim.
- 2.4. The Committee shall be appointed by the Governing Authority on the recommendation of the President. Subject to the Committee having a maximum membership of six individuals, the President shall recommend no more than four external members of the Governing Authority, excluding the Chair of the Governing Authority and no more than three external members being people who are not members of the Governing Authority, employees or students of the University.
- 2.5. In accordance with Section 19 of Chapter 5 of Statute 25, the term of each member of the Audit and Risk Management Committee shall be specified by the Governing Authority. Such term may not be more than four years and they may serve no more than two such periods.

3. Conduct of Business

- 3.1. Subject to any express provisions in these terms of reference, the provisions of any standing orders approved by the Governing Authority will be applied with any necessary changes to the conduct of business of the Committee.
- 3.2. A quorum shall be three members.
- 3.3. Meetings shall be held not less than four times a year. The external auditors may request a meeting if they consider that one is necessary.
- 3.4. At least once a year the Committee shall meet with each of (1) the external auditors, (2) the Head of Internal Audit, (3) the Chief Risk Officer, and (4) the Secretary to the Governing Authority/Director of the University Secretariat, without members of management in attendance.
- 3.5. The Audit and Risk Management Committee may direct any part of the University to provide it with the necessary information, in the format it reasonably desires, to enable it to discharge its responsibilities.

4. Authority

- 4.1. The Committee must operate within the limits set by the Governing Authority in the Schedule of Reserved Decisions and Delegated Authority.
- 4.2. The Committee is authorised by the Governing Authority to obtain outside legal or other independent professional advice in accordance with the procedures for obtaining such advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary, at the reasonable expense of the University.

5. Duties

The duties of the Committee are set out in Sections 5.1 to 5.6.

5.1. Financial Statements

- a) To review the draft annual consolidated financial statements of the University and their format before submission to the Governing Authority focusing particularly on:
 - i) the accounting policies to be adopted for financial statements;
 - ii) any changes in accounting policies and practices;
 - iii) major judgmental areas;
 - iv) significant adjustments resulting from the audit;
 - v) the “going concern” assumption;
 - vi) compliance with accounting standards;
 - vii) compliance with legal requirements.
- b) To recommend the draft annual consolidated financial statements for approval by the Governing Authority.

5.2. External Audit

- a) To consider, advise and, if appropriate, make recommendations to the Governing Authority on the appointment, resignation or dismissal of the external auditor and on the audit fee.
- b) To discuss with the external auditor before the audit commences the nature and scope of the audit.
- c) To discuss problems and reservations arising from the audit and any other matters requested by the external auditor (in the absence of management, where necessary).
- d) To review the external auditor's Management Letter and all other audit letters from the external auditor and to consider management's response thereon.
- e) To monitor the performance and quality of the external auditor's work and the external auditor's independence from the University.

5.3. Internal Control

- a) To assess management procedures and provide direction and advice to management and the Governing Authority to ensure that the quality of the internal control environment is adequate.
- b) To consider the major findings of internal investigations and management's response.

5.4. Internal Audit

- a) To satisfy itself that the arrangements made for and resources available to Internal Audit are suitable, and to monitor the performance of Internal Audit.
- b) To approve matters relating to the scope and programme of internal audit activity within the University, to review Internal Audit reports and to consider major findings and management's response.

5.5. Audit Coordination

- a) Ensure cooperation and consultation between the Internal Audit function, external auditors and the Comptroller and Auditor General.

5.6. Risk Management

- a) To keep under review and advise on the effectiveness of the risk management system and processes and report regularly to the Governing Authority.
- b) To advise the Governing Authority on the Risk Management Framework.

5.7. Other Matters

- a) To consider other topics, as requested by the Governing Authority or initiated by the Committee.
- b) To advise the Governing Authority on anti-fraud policies, protected disclosure processes and arrangements for special investigations.
- c) To advise the Governing Authority on assurances relating to corporate governance requirements for the University, including the Annual Governance Statement and the review of effectiveness of systems of internal control.

6. Reporting Procedures

- 6.1. The Committee shall submit an annual report to the Governing Authority. The report will include the Committee's opinion on the adequacy of the systems of internal control and risk management.
- 6.2. The Committee will report on each meeting to the subsequent meeting of the Governing Authority, and on such other occasions as requested.
- 6.3. The Committee shall periodically review its own effectiveness as a committee and report results of that review to the Governing Authority.

7. Approvals

- 7.1. These Terms of Reference were approved by the Governing Authority on XX 2023 and shall remain in effect until such time they are amended or revoked by the sitting Governing Authority.
- 7.2. These Terms of Reference shall be reviewed by the Governing Authority on an annual basis.