

**UNIVERSITY OF ST ANDREWS STUDENTS' ASSOCIATION BOARD
FINANCE, AUDIT AND RISK COMMITTEE - TERMS OF REFERENCE**

Terms of Reference

1. Membership

The members of the Committee shall be:

- 1.1. Association President (*ex officio*)
- 1.2. Director of Student Development and Activities (*ex officio*)
- 1.3. One other student trustee appointed by Board
- 1.4. Chair of Board
- 1.5. One non-student trustee appointed by Board
- 1.6. One other student non-trustee appointed by Board (President of the Athletic Union)
- 1.7. One non-student trustee who is a senior staff member of the University

2. Chair

- 2.1. The Chair of the committee shall be the Association President.
- 2.2. The Chair of the Committee shall be responsible to SAB for ensuring that the Committee meets at required intervals, functions appropriately, and reports to SAB.
- 2.3. The Chair of the Committee should regularly meet with the Chair of SAB to keep apprised of matters relating to the Committee's remit.

3. Role and Duties

The role of the Committee is to provide oversight and challenge of, and advice to, the Board on:

- Financial matters including finance reporting, budgets and material financial decisions.
- Review and approval of the annual report and accounts in line with the audit work carried out by the external auditors.
- The management of risk within the organisation ensuring there is appropriate focus and attention to such management of risks, and that it is reviewed and reported regularly.

The committee shall carry out the duties below as appropriate:

3.1 Finance

3.1.1 Monitor and Report on financial matters within the Association, ensuring legal compliance and promoting good practice in these areas.

3.1.2 Consider in depth, review and recommend to the Board an annual budget for the Association.

3.1.3 Consider in depth and make recommendations to Board on major capital expenditure and any other significant financial undertakings that do not form part of the annual budget.

3.1.4 Monitor and report on the performance of the Association's annual investments.

3.1.5 Receive quarterly reports on the Association's finances and the annual audited accounts.

3.2 Audit and Risk

3.2.1 Monitor and review the integrity of the financial statements of the Association and the policies and standards used to produce those statements.

3.2.2 Review the effectiveness of the Association's internal control mechanisms including the effectiveness and efficiency of financial control measures, fraud-prevention regimes and health and safety controls.

3.2.3 Review the effectiveness of the Association's risk management procedures.

3.2.4 Review legal compliance in all areas and make recommendations to promote best practice in these areas.

3.2.5 Review the effectiveness of the Association's procedures for protected disclosures and act as a reporting mechanism of last resort for protected disclosures.

3.2.6 Review and monitor the independence of the external auditor.

3.2.7 Make recommendations annually to SAB on the appointment of the external auditor.

3.2.8 Receive the annual report of the external auditor and review issues raised therein. Report to SAB on the above including findings and recommendations about areas of concern.

3.2.9 Receive the annual report of the external health and safety consultant and review issues raised therein. Report to SAB on the above including findings and recommendations about areas of concern.

3.2.10 Review annually its own performance and structure and recommend to SAB any changes it considers necessary to ensure maximum effectiveness.

4. Meetings

- 4.1. At the end of each academic year, the Chair of the Committee shall circulate a schedule of regular Committee meetings for the forthcoming academic year.
- 4.2. The Committee shall additionally meet as required to complete its proposed annual work programme.
- 4.3. The quorum necessary for the transaction of business shall be three members including at least one non-student trustee.

5. Authority of the Committee

The Committee shall have the authority to:

- 5.1. Seek any information it requires from any trustee, officer, or employee of the Association in order to perform its duties.
- 5.2. Require the production of any record and document of the Association.
- 5.3. Obtain outside legal or other professional advice on any matter within its terms of reference.
- 5.4. Report findings and recommendations to SAB.
- 5.5. Report findings and recommendations to the external auditor when disagreements between SAB and the committee cannot be resolved.