Workplace Gender Equality Agency

Audit Committee Charter

Reviewed details

Version	Amendment detail	Edited by	Reviewed
1.0		WGEA	28.08.18
1.1	Review of committee tenure	WGEA	03.05.19
1.2	Review of committee tenure	WGEA	07.04.20
1.3	Changes to audit committee membership	WGEA	30.06.21
1.4	Update to Agency Head title	WGEA	15.05.23
1.5	Revise responsibilities of the Committee	WGEA	04.09.24

Introduction

The Chief Executive Officer (CEO) of the Workplace Gender Equality Agency (Agency) has established the Audit Committee in compliance with Section 45 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act) and PGPA Rule Section 17 Audit Committees for Commonwealth Entities.

Role of the Committee

The role of the Committee is to provide advice and independent assurance to the CEO on the Agency's financial and performance reporting responsibilities, risk oversight and management and system of internal control.

Responsibilities of the Committee

The Committee is responsible and accountable to the CEO and will undertake the following functions:

- Financial reporting review
  - provide input and feedback on financial statement audit coverage proposed by external audit and provide feedback on external audit services
  - review all external audit plans and reports in respect of planned or completed audits and monitor management's response to, and implementation of, audit recommendations
  - provide advice to the CEO on action to be taken on significant issues raised in external audit reports
  - satisfy itself about the adequacy of key internal controls and that the financial statements are supported by appropriate management sign-off
  - review the financial statements and provide advice to the CEO (including whether appropriate action has been taken in response to audit recommendations and proposed adjustments) and recommend (or otherwise) their signing by the CEO
  - review the processes in place designed to ensure that financial information included in the Agency's annual report is consistent with the signed financial statements
- Performance reporting
  - review the Agency's system and procedures for developing, measuring and reporting the Agency's performance measures that are used to assess the achievement of the objectives of the Agency's operations
  - review the proposed reporting of the Agency's performance to ensure it is consistent with the Agency's reported financial information
  - satisfy itself that appropriate records of performance are maintained by the Agency
- Risk oversight and management
  - review whether management has in place a current and sound enterprise risk management framework and associated procedures for effective identification and management of the Agency's business and financial risks
  - review whether management has appropriately considered legal and compliance risks as part of the Agency's enterprise risk management framework
  - satisfy itself that a sound approach has been followed in managing the Agency's major risks associated with individual projects, program implementation and activities
  - satisfy itself that management has assessed the impact of the Agency's enterprise risk management framework on its control environment and insurance arrangements
  - review the process of developing and implementing the Agency's fraud control arrangements and satisfy itself that the Agency has appropriate processes and systems in place to detect, capture and respond effectively to fraud risks
- Internal control
  - review whether management's approach to maintaining an effective internal control framework, including in relation to external parties such as contractors and advisers, is sound and effective

- review whether management has in place relevant policies and procedures including Accountable Authority Instructions, and that these are periodically reviewed and updated
- assess whether management has taken steps to embed a culture that promotes the proper use of Commonwealth resources and is committed to ethical and lawful behaviour
- satisfy itself that a sound approach has been followed in establishing the Agency's business continuity plan including whether the plan has been periodically updated and tested
- review the effectiveness of the system for monitoring the Agency's compliance with the laws, regulations and government policies with which it must comply.

Composition of the Committee and responsibilities of Committee members

The Committee must consist of at least three members.

All committee members must not be officials of the Agency, and a majority must not be officials of any Commonwealth entity.

The Committee members and Committee Chair will be appointed by the CEO of the Agency. The Chair must be a person independent of the Agency.

Committee members will be appointed for an initial period not exceeding three years and may be appointed for a further period not exceeding four years.

New Committee members will receive relevant information and briefings on their appointment to assist them meet their responsibilities.

Committee members, taken collectively, will have a broad range of skills and experience relevant to the Agency's operations and at least one member of the Committee will have accounting or related financial management experience with, or understanding of, accounting and auditing standards in a public sector environment.

Committee members are expected to:

- understand and observe the relevant requirements of the PGPA Act and rules
- act in the best interests of the Agency
- apply good analytical skills, objectivity and good judgement
- express opinions constructively and openly, raise issues that relate to the Committee's responsibilities and pursue independent lines of enquiry
- commit the time required to review the papers provided

Committee members must not use or disclose confidential information obtained by the Committee except in meeting the Committee's responsibilities, or unless expressly agreed by the CEO.

In relation to conflicts of interest

- each Committee member must provide annually a declaration in writing setting out any potential or actual conflicts of interest they may have in relation to their responsibilities and also declare at the beginning of each Committee meeting any potential or actual conflicts that may apply to specific matters on the meeting agenda
- details of potential or actual conflicts of interest declared by Committee members and the action taken will be appropriately minuted
- where required by the Chair, a Committee member will be excused from the meeting or from the Committee's consideration of the relevant agenda item where a potential or actual conflict exists.

Authority of the Committee

The CEO authorises the Committee, within the scope of its responsibilities, to

- obtain any information it requires from any Agency employee or relevant external party (subject to any legal obligation to protect information)

- discuss any matters with the external auditor or other relevant external parties (subject to confidentiality considerations)
- request the attendance of any Agency employee and the external auditor at its meetings
- obtain legal or other professional advice, as considered necessary to meet its responsibilities, at the Agency's expense to a pre-approved limit of $5,000
- meet privately with the external auditor at least once a year

Meetings

The Committee will meet as required but should meet at least twice a year.

The Committee will develop a forward meeting schedule that includes the dates and proposed agenda items for each meeting for the forthcoming year at its last meeting of the year. This schedule will include all responsibilities outlined in this charter.

The quorum for a Committee meeting is two members, one of whom must be an independent member.

The CEO, the Agency's COO and the Agency's Operations Executive Manager and the Agency's Finance Manager should attend all Committee meetings unless otherwise directed by the Chair.

Committee Secretary

The CEO, in consultation with the Committee, will appoint a person to provide secretarial support to the Committee.

The Committee Secretary will ensure

- the agenda for each meeting is approved by the Chair
- the agenda and supporting papers are circulated at least one week before the meeting
- minutes of the meeting are prepared and maintained

Review of Committee performance

The Committee will review its performance periodically and, in doing so, seek feedback from relevant internal and external stakeholders and pay particular attention to the extent to which it has met the responsibilities set out in this charter.

Review of charter

The Committee will review this charter periodically and recommend any proposed changes to the CEO for approval.