Audit, Finance and Risk Committee

Terms of Reference

Effective Date: October 2026

TYPE	Terms of Reference
GOVERNANCE REQUIREMENT	To comply with and manage a Company Constitution requirement.
PURPOSE	**These Terms of Reference determine how Public Skills Australia will:** establish and maintain an Audit, Finance and Risk Committee.
AUDIENCE	Public Skills Australia employees, company members, board directors, company office holders, sub-contractors, governance group members, working group members, technical advisory committee members.
APPROVER	Board
EXECUTIVE SPONSOR	Company Secretary
POLICY OWNER	OES, Governance
REVIEW CYCLE	Within five years or as requested (if sooner)
POLICY PRINCIPLES	• Identify and manage financial and non-financial risks. • Monitor and review Public Skills Australia's business resilience including business continuity.
INTERACTING DOCUMENTS	*This policy should be read in conjunction with:* Public Skills Australia Company Constitution Public Skills Australia Conflict of Interest Policy Jobs and Skills Councils Code of Conduct ACNC Act 2012 and Corporations Act 2001 (Cth). Stage 2 Grant Agreement in Relation to the Jobs and Skills Councils – Strengthening Australia's National Vocational Education and Training System Program

Committee Remit

1. The Public Skills Australia Company Constitution:
    a) permits the Board to establish committees with powers delegated by the Board and comprising of only Directors.
    b) requires that the Board establishes and maintains an Audit and Risk Committee.
2. The Board has approved the formation of the Audit, Finance and Risk Committee as a committee of the Board.
3. The Committee provides assistance to the Board in fulfilling its oversight responsibility and will include monitoring the:
    a) Risk Management Framework
    b) financial statements, finance policies and procedures
    c) Grant Agreement reporting
    d) legal and regulatory requirements
    e) audit and acquittal reports
4. The Committee may also:
    a) report to the Board as and when required on any other relevant matters that the Committee considers warrants the Board's attention
    b) make recommendations to the Board about the appointment and remuneration of the external auditor
    c) undertake any other matters, as referred to the Committee by the Board.

Membership

5. The Committee will comprise of a maximum of 4 positions (three Board Directors and the Chair).
6. The Committee must be chaired by an Independent Director, who is not the Chair of the Board.
7. The Board appoints the Chair and Directors to the Committee's membership who collectively are to hold finance, audit and risk management expertise.
8. Committee Members are appointed for a two-year period and are eligible for reappointment for a further two terms of two years each, which may be extended at the Board's discretion.

Chair

9. In addition to the leadership role of an office bearer, the Chair is responsible for the efficient functioning of the Committee and must:

   a) be familiar with contemporary standards, practices and concepts in risk management

   b) understand the statutory financial reporting requirements of Public Skills Australia as a Not-for-Profit organisation in respect of financial record keeping and legal requirements of reporting.

Process

Meeting Procedures

10. Where the Chair is absent from a meeting, the Committee must nominate an attending Committee Member to chair that meeting.

11. The Committee will hold regular meetings during the course of the year. Additional ad hoc meetings may also be called by the Chair of the Committee.

12. Meetings may be held in person, or by using any means of audio or audio-visual communication through which each Committee Member participating can hear and be heard by each other Committee Member participating.

13. The agenda and supporting papers must be distributed at a reasonable time before each meeting, with an aim of receiving Committee papers at least five working days prior to each meeting.

Quorum

14. Quorum is to equal at least half of Committee Members.

Voting

15. A resolution of the Committee is passed if a majority of the votes cast by Committee Members on the resolution are in favour of it.

16. The Chair of a Committee meeting does not have a casting vote.

17. If an equal number of votes is cast for and against a resolution of the Committee, the matter is decided in the negative.

Appendix A: Definitions

For the purposes of this Terms of Reference:

- **Committee Member** means a Director appointed by the Board to be a member of the Committee.
- **Director** means a Board Director of Public Skills Australia**.**
- **Grant Agreement** means the Stage 2 Grant Agreement in Relation to the Jobs and Skills Councils – Strengthening Australia's National Vocational Education and Training System Program entered into between the Commonwealth of Australia as represented by the Department of Employment and Workplace Relations and Public Safety Skills Australia, trading as Public Skills Australia.
- **Independent Director** means a Director who is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual Member or other party.

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