

Audit Committee

Date of Meeting	Wednesday 18 September 2019
Paper No.	AC1-E
Agenda Item	8
Subject of Paper	Committee Terms of Reference
FOISA Status	Disclosable
Primary Contact	Paul Clark, College Secretary/Planning
Date of production	9 September 2019
Action	For Discussion/Decision

1. Recommendations

1. To review the Committee Terms of Reference, and recommend for Board approval subject to any proposed changes.

1. Purpose of report

2.1 To provide the Committee with an opportunity to review the Committee Terms of Reference.

2. Context

3.1 It is a matter of good governance for all Board Committees to review their Terms of Reference (ToRs) on a regular basis.

3.4 The Board of Management, at its meeting in June 2019, approved the Audit Committee Terms of Reference.

3. Impact and implications

4.1 Regular review of Committee Terms of Reference will ensure that this important aspect of governance is appropriate to the delegated responsibilities of Committees, and reflects Board and Board Committee practice.

4.2 The Terms of Reference require updating to reflect recommendations within CDN training, including explicit reference to the Code of Good Governance.

4.3 The amendments as drafted ensure full compliance with the Code of Good Governance.

Appendix:

Current Committee Terms of Reference

CITY OF GLASGOW COLLEGE

Audit Committee of the Board of Management

TERMS OF REFERENCE

1. To review the processes for ensuring the effectiveness of the financial, and other internal control and governance systems of the College.
2. To advise the Board on the criteria for the selection and appointment of the internal auditor, and to select and recommend the appointment of the provider of an internal audit service.
3. To review the scope and effectiveness of internal audit's work including planning and operation of the work and the internal audit annual report, and to hold an annual closed meeting.
4. To ensure that the College has systems and procedures to promote economy, efficiency and effectiveness, including where appropriate the identification of specific value for money studies.
5. To advise the Board of the process for the appointment of the external auditor, who is currently appointed by the Auditor General for Scotland, for his/her remuneration.
6. To agree the scope of the external auditor's work and determine any non-audit services to be provided.
7. To consider the College's annual financial statements after review by the Finance Committee and prior to submission to the Board focusing in particular on any changes in accounting policy, major judgemental areas, significant audit adjustments, the going concern assumption and compliance with accounting standards and the Scottish Funding Council's Financial Memorandum.
8. To review the external auditor's Management Letter and management's response, and having direct access to the external auditor, including an annual closed meeting.
9. The committee may sit privately without any non-members present for all or part of a meeting if they so decide.
10. To review relevant reports from the Scottish Government, Auditor General for Scotland, Scottish Funding Council and other organisations.
11. To monitor the performance and effectiveness of external and internal audit.
12. To monitor and review the College's Strategic Risks and Risk Management Strategy, and review Risk Management Action Plans as appropriate, to ensure that the College's approach to managing the risks is appropriate and adequate.

13. To maintain oversight of whistleblowing, anti-fraud, anti-money-laundering, and anti-bribery policies
14. To maintain oversight of the management of Data Protection (including GDPR).
15. To ensure that all significant losses, including those in excess of the delegated limits set out in Financial Memorandum, have been properly investigated, and that the internal and external auditors and the Scottish Funding Council have been fully informed of all such losses.
16. To ensure the committee operates in compliance with the terms of the Scottish Public Finance Manual and the Glasgow Colleges' Regional Board Financial Memorandum.
17. The Committee will report annually to the full Board of Management.
18. Undertake a self-evaluation exercise annually to ensure that the Audit Committee complies with best practice in relation to governance and that the internal and external audit service is satisfactory.