UMSU Finance, Audit & Risk Policy

Effective date	May 2025
Review Date	May 2028
Policy Owner	CEO

1. Purpose

1.1 The purpose of this Policy is to detail the responsibilities of the UMSU Finance, Audit & Risk (FAR) Sub-committee and should be read in conjunction with the UMSU *Finance, Audit & Risk Sub-committee Terms of Reference*.

2. Internal Audit

2.1 It is the responsibility of the FAR Sub-committee to

2.1.1 Provide overall strategic oversight of internal audit activities at UMSU.

2.1.2 Review and advise the Students' Council:

2.1.2.1 If UMSU is providing the resources necessary to successfully deliver the internal audit function.

2.1.2.1 If the Students' Council is complying with UMSU's Financial Regulations and related policies.

2.1.2.2 Whether the internal audit policies and procedures and audit/risk methodologies used by UMSU are suitable.

2.1.2.3 If UMSU's internal audit activities are effective.

2.1.2.4 Of the findings and recommendations of internal audits conducted, and corrective actions needed to address issues raised.

2.1.2.5 Of the implementation by UMSU of these corrective actions.

3. External audit

3.1 Act as a forum for communication between the Students' Council, UMSU management, the internal audit function and external auditors.

3.2 Coordinate as far as is practicable, the work programs of internal audit and external audit.

3.3 Provide input and feedback on the financial statement and performance audit coverage proposed by external audit and provide feedback on the audit services provided.

3.4 Review all external plans and reports in respect of planned or completed audits and monitor UMSU's implementation of audit recommendations.

3.5 Provide advice to the Students' Council on action taken on significant issues raised in relevant external audit reports and better practice guides.

4. Risk management

4.1 Review and advise the Students' Council:

4.2 If UMSU has in place a current and appropriate risk management framework that is consistent with the Australian risk management standard, including its Occupational Health and Safety Policy, Risk Register and related policies and procedures.

4.3 Whether UMSU is providing the resources necessary to successfully implement its risk management framework.

4.4 Whether UMSU's risk management framework is adequate and effective for identifying and managing the risks UMSU faces, including those associated with individual projects, programs and other activities.

4.5 Strategies to integrate risk management across all levels of UMSU and across all processes, operations, services, decision-making, functions and reporting.

4.6 Recommendations in respect of the adequacy of risk reports and documentation, for example, UMSU's Risk Register.

4.7 Recommendations in respect of the efficacy of risk management plans for major projects, events or undertakings.

4.8 Evaluation and review of policies and procedures are in place for the management and exercise of expenditure management and delegations.

4.9 Recommendations to ensure UMSU has taken steps to embed a culture which is committed to ethical and lawful behaviour.

4.10 Evaluation and review of the workplace culture that supports effective risk management between student representatives and staff.

4.11 Of the adequacy of training and induction for elected student representatives and staff in risk management.

4.12 Evaluation and review of UMSU's risk management approach and its impacts on insurance arrangements and management of its assets.

4.13 Of the effectiveness of business continuity arrangements, including development and review of business continuity plans, and the periodic testing of these plans.

5. Internal controls

5.1 Review and advise the Students' Council:

5.2 Whether the UMSU's approach to maintaining an effective internal audit framework, including over external parties such as contractors and advisors, is sound and effective.

5.3 Whether UMSU has in place relevant policies and procedures and that these are periodically reviewed and updated.

5.4 Whether appropriate policies and procedures are in place for the management and exercise of delegations.

5.5 How staff, student representatives and volunteers are informed of their

responsibilities and review of the processes and procedures to implement controls to ensure compliance.

5.6 If UMSU's monitoring and review of controls is sufficient, and if internal and external audit recommendations to correct internal control weaknesses are implemented appropriately.

6. Compliance

6.1 Review and advise the Students' Council of the adequacy and effectiveness of the UMSU's compliance framework, including:

6.2 The extent to which UMSU has appropriately considered legal and compliance risks as part of UMSU's risk management framework, and make recommendations to ensure:

6.3 UMSU manages its compliance with applicable laws, regulations, policies, procedures, codes, and contractual arrangements.

6.4 Appropriate processes are in place to assess compliance.

7. Fraud and corruption

7.1 Review and advise the Student's Council of the adequacy and effectiveness of UMSU's fraud and corruption prevention framework and activities, including whether UMSU has appropriate processes and systems in place to capture and effectively investigate fraud-related information.

8. Financial management

8.1 Review and advise the Student's Council any recommended action to ensure:

8.2 UMSU is complying with accounting standards and external accountability requirements.

8.3 The appropriateness of UMSU's accounting policies and disclosures.

8.4 The implications for UMSU of the findings of external audits and performance audits and the Students' Council's responses and implementation of recommendations.

8.5 UMSU's financial statement preparation procedures and timelines are sound.

8.6 The accuracy of UMSU's annual financial statements prior to external audit, including:

8.6.1.1 Management compliance/representations.

8.6.1.2 Significant accounting and reporting issues.

8.6.1.3 Methods used by UMSU to account for significant or unusual transactions and areas of significant estimates or judgements.

8.6.1.4 Appropriate management signoff on the statements.

8.7 Effective processes are in place to ensure financial information included in UMSU's annual report is consistent with signed financial statements.

8.8 UMSU's financial management processes are adequate.

8.9 Adequacy of cash management policies and procedures.

8.10 Adequacy of controls over financial processes, for example:

8.10.1.1 appropriate authorisation and approval of payments and transactions.

8.10.1.2 adequate segregation of duties.

8.10.1.3 timely reconciliation of accounts and balances.

8.10.1.4 review of unusual and high value purchases.

8.11 Adequacy of policies and procedures for management review and consideration of the financial position and performance of UMSU

8.12 Whether UMSU's grants policies and procedures are sound, including regular review of all student department grants and the method of disbursement and related reporting and accountability.

9. Governance

9.1 Review and advise the Student's Council of recommendations regarding its governance framework, including UMSU's:

9.2 Decision-making processes about financial decisions, safety and risk mitigation across student and staff departments.

9.3 Implementation of governance policies and procedures.

9.4 Reporting lines and accountability, including volunteer accountability and relationship to UMSU.

9.5 Assignment of key roles and responsibilities, such as department and committee structures and activity areas delegated to student representatives, committee members and volunteers.

9.6 Management oversight responsibilities, including human resources and performance management activities.

9.7 Reporting and communication activities, including information and communications technology (ICT) governance.

9.8 Management and governance of the use of data, information and knowledge, including record keeping.

9.9 Any gaps, adverse outcomes or areas of risk in respect of the above.

Approver	CEO and Students' Council
Responsibility for Implementation	• CEO • President • CFO
Definitions	• **CEO** is the Chief Executive Officer of UMSU. • **CFO** is the Chief Financial Officer of UMSU.
Related Policy and Procedures	• UMSU *Asset Policy* • UMSU *Complaints Policy* • UMSU *Conflicts of Interest Policy* • UMSU *Corporate Governance Policy* • UMSU *Financial Controls Policy* • UMSU *Fraud Risk Management Policy* • UMSU *Investment Policy* • UMSU *Procurement and Use of Credit Card Policy & Procedures* • UMSU *Workplace Conduct Policy*
Related documents	• UMSU *Constitution* • UMSU *Council Charter* • UMSU *Finance, Audit & Risk Sub-committee Terms of Reference* • UMSU Financial Regulations • UMSU Enterprise Bargaining Agreement or equivalent
Status	Final – in force

10. Change Table

Version #	Issue Date	Amendment Details	Approval Date	Approved By
1.Consultation Draft	March 2025	First iteration	-	-
2. Final Policy	May 2025	-	16 May 2025	CEO & Students' Council