



PORTFOLIO AUDIT COMMITTEE

Department of Agriculture, Water and the Environment
Director of National Parks
Sydney Harbour Federation Trust

Charter

February 2020

Introduction

The Portfolio Audit Committee is established by the Accountable Authorities of the Department of Agriculture, Water and the Environment, the Director of National Parks, and the Sydney Harbour Federation Trust (the entities) in compliance with section 45 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)* and section 17 of the *Public Governance, Performance and Accountability Rule 2014 (PGPA Rule)*.

Functions

The Committee supports the Accountable Authorities to meet their broader duties and responsibilities under the PGPA Act. The functions of the Committee are to review and provide advice on the appropriateness of the entities':

- financial reporting
- performance reporting
- system of risk oversight and management
- system of internal control.

Membership

The Committee will consist of up to seven members. The majority of members will be independent. Collectively, members will have a broad range of skills and experience relevant to the operations of the Portfolio. At least one member will have accounting or related financial management experience, with an understanding of accounting and auditing standards in a public sector environment.

Members are appointed by the Secretary of the Department of Agriculture, Water and the Environment for a term determined by the Secretary. The Secretary appoints an independent member as Chair. The Committee appoints a Deputy Chair.

A member may resign at any time by giving written notice to the Secretary (copied to other Accountable Authorities, the Chair and Chief Audit Executive). The resignation will take effect when the notice is received by the Secretary, or later if stated in the notice.

Members must not include an Accountable Authority, a Chief Financial Officer, Chief Operating Officer, or Chief Audit Executive.

Members will declare any conflict of interest, actual or perceived, as outlined in the Committee's Operating Protocol.

Members of the Committee must operate in the best interests of the entities and understand and observe the legal requirements of the PGPA Act and PGPA Rule and any official guidance relevant to performing their functions.

Sub-committees

Sub-committees may be established by the Committee in consultation with Accountable Authorities to assist the Committee in meeting its responsibilities.

The responsibilities, membership and reporting arrangements for each sub-committee will be documented and approved by the Committee.

The sub-committees do not assume any management functions. Management should not exert inappropriate influence over the work of sub-committees.

Authority

The Accountable Authorities of the entities authorise the Committee, within the scope of its role and responsibility, to:

- obtain information from any official, employee or external party (subject to legal obligation to protect information)
- discuss any matters with internal or external auditors (subject to confidentiality considerations)
- refer audit reports or other information to management committees or boards of the entities as required
- request the attendance of any official, employee, including an Accountable Authority, or external party at meetings
- obtain independent legal or other professional advice to meet its responsibilities if necessary, at the Department's expense and approved by the Secretary or delegate.

Conduct of the Committee

The Committee is responsible to the Accountable Authorities for the performance of its functions.

It has no executive powers in relation to the operations of the Portfolio. The Committee may only review the appropriateness of particular aspects of entity operations, consistent with its functions and advise the Accountable Authorities accordingly.

To support entities achieve better business outcomes, the Committee will engage with management in a timely, constructive and professional manner in discharging its advisory responsibilities and formulating advice to the Accountable Authorities.

Each entity's internal audit function will assist the Committee discharge its responsibilities by providing access to all internal audit reports.

The Committee may request attendance or reporting from management at meetings, within the scope of its functions.

Reporting

The Chair will report to the Accountable Authorities after each meeting.

The Committee may report as often as necessary to the Accountable Authorities and entities' governance committees on its view on the appropriateness of the functions it reviews. The Committee may report (collectively or individually) to the Accountable Authorities at any time on any matter it deems sufficiently important.

The Committee will report annually to the Accountable Authorities. The annual report will include the Committee's operation and activities including that all functions outlined in this Charter have been satisfactorily addressed.

Consultation

The Committee will develop and maintain open and constructive relationships with Portfolio Executive committees, internal audit and the Committee secretariat. The Committee will collaborate to ensure a strategic approach is taken to provide assurance on the appropriateness of each entity's accountability and control frameworks.

Administrative arrangements

Meetings

The Committee will meet at least four times a year. One or more special meetings may be held to review annual financial statements and performance statements or to meet other specific responsibilities.

The Chair is required to call a meeting if asked to do so by an Accountable Authority, and decide if a meeting is required if requested by another member, internal audit or the ANAO.

Quorum

A quorum will consist of a majority members, including at least two independent members. The quorum must be in place at all times during the meeting.

Attendance

Accountable Authorities, Chief Operating Officer, Chief Financial Officer, General Counsel, Chief Risk Officer, Chief Audit Executive, and Chief Information Officer, and Senior Executive Officers, may attend meetings as observers or advisors, as determined by the Committee.

Representatives of the ANAO may attend as observers.

Planning

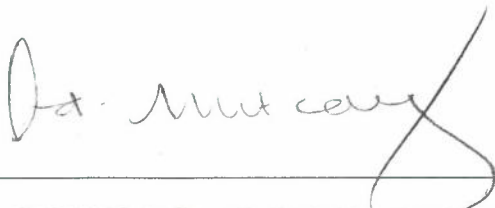
The Committee will contribute to, and approve, an annual work plan and meeting schedule that includes the date, location, and proposed agenda items for each meeting for the forthcoming year and covers all the functions outlined in the Portfolio Audit Committee Charter and Operating Protocol.

Assessing Performance

The Committee's, sub-committees and member performance, will be reviewed at least every two years. The review, conducted on a self-assessment basis, will seek input from Committee members, advisors and observers, senior management and any other relevant stakeholders.

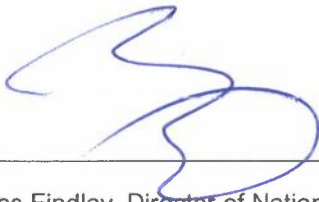
Review of the Charter

At least once a year, the Committee will review this Charter. Any substantive changes will be recommended by the Committee and formally approved by the Accountable Authorities.



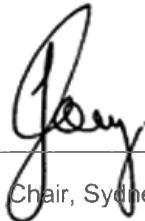
Andrew Metcalfe AO, Secretary, Department of Agriculture, Water and the Environment

19/12/2020



Dr James Findlay, Director of National Parks

26/12/2020



Mr Joseph Carrozzi, Chair, Sydney Harbour Federation Trust

9/3/2020