

GOVERNANCE, FINANCE AND AUDIT COMMITTEE

TERMS OF REFERENCE	
Last amended	New Policy
Board Endorsement	16 November 2016
Proposed Review Date	16 November 2018
Related Documents	ARMS Constitution, ARMS By-Laws, ARMS Strategic Plan 2016-2018

BACKGROUND

Pursuant to ARMS By-Law 4.1, the Board has the power to create Standing Committees pursuant to the Constitution. The Board may also from time-to-time create an ad hoc committee in respect of a specific matter.

PURPOSE

The purpose of this committee is to ensure that there is a robust and effective process for evaluating the performance of the Board and Board Standing Committees, and to ensure the Board fulfils its legal and functional responsibilities. Further, the committee supports the Board with maintaining the By-Laws and reviewing or developing other policies as necessary. It shall oversee the rigour and independence of the election processes as well as assist the Board in fulfilling their financial responsibilities by overseeing the development and review of financial reports, assessing systems of internal controls and adequacy of risk management as well as facilitating auditing processes.

SCOPE AND RESPONSIBILITIES

The committee is authorised by the Board to:

1. Monitor the Society's governance and financial arrangements.
2. Take any actions to enable the committee to fulfil its responsibilities.
3. Seek independent advice to perform its duties where necessary, including the engagement of external accounting, auditing and/or legal expertise.
4. Establish ad hoc sub-committees to assess Board or Standing Committee election nominations.
5. Make recommendations to the Board on matters within the Committee's remit, as necessary.

The committee is responsible for advising the Board on effective governance and financial management of the Society through:

6. Developing and reviewing governance policies and procedures.
7. Overseeing election processes for membership of the Board and its Standing Committees.
8. Ensuring adequate induction and training for new Board and Standing Committee members.
9. Regularly reviewing the performance of the Board.
10. Ensuring compliance with statutory reporting requirements.

11. Enabling auditors to communicate any concerns to the Board.
12. Assessing the adequacy of accounting, financial and operating controls.
13. Ensuring that the Society's financial statements and reports are accurate and use fair and reasonable estimates.
14. Reviewing the Society's investments and assessing the adequacy of financial reserves.
15. Assessing the effectiveness of the management of business risk.
16. Reporting to the Board any significant deficiencies identified above.

ESTABLISHMENT AND COMPOSTION OF STANDING COMMITTEE

17. The Governance, Finance and Audit Committee is a Standing Committee of the Society (By-Law 4.4.3).
18. The Committee will consist of a Convenor appointed by the Board and any additional persons appointed by the Board as may be deemed desirable.
19. The Board's Office Holders of Secretary and Treasurer are both default ex-officio members of the Committee and act as Board liaison.
20. The ARMS Chief Operating Officer (COO) and Finance Office are also ex-officio members of the Committee, however they do not participate in election nominations discussions.
21. The Board will call for nominations from members to serve on the Committee on a rolling 2 year basis for 50% renewal of Committee positions. Nominations will be considered against the following skills and experience criteria:
 - a. More than five (5) years' experience in the research management profession;
 - b. A track record of demonstrated governance and/or finance expertise; and
 - c. A willingness to commit at least two days per month to the activities of the Committee.
22. Nominees will be assessed against these skills and experience criteria and if the number of nominees considered suitable exceeds the number of vacancies available then a ballot must be held. Otherwise the suitable nominees will be deemed elected.
23. The Committee must comprise at least four, but no more than nine, members such that the Committee consists of a maximum of ten members.
24. The Committee will nominate one of its members to act as Convenor for a two-year term, following endorsement by the Board.
25. All Committee members must declare any conflicts of interest in accordance with the Society's [Conflict of Interest Policy](#).
26. All Committee members must be current financial members of the Society.
27. The term of membership shall be two years for no more than two consecutive terms (i.e. 4 years maximum term). A member may be re-elected to the Committee following a period of at least one year outside the Committee. This requirement may be waived where a need under exceptional circumstances has been identified by the Convenor to co-opt a member for a period longer than four years.
28. Induction will be provided to new members of the Committee.

MEETING FORMAT AND FREQUENCY

29. The Committee will meet a minimum of four (4) times each year, prior to Board face-to-face meetings, such that the objectives of the Committee can be met.
30. Meetings will take place by teleconference or Skype/Zoom. As a minimum, one face-to-face meeting per annum is permitted provided that expenditure is within the budget. Where possible, the Committee shall endeavour to align a face-to-face meeting with the ARMS annual conference or other event.
31. Committee members will attend at least 75% of scheduled meetings and not miss more than two consecutive meetings without an apology. If a Committee member is unable to commit to this level of participation they will stand down as soon as this is known or at the discretion of the Convenor.
32. Proxy delegations are not permitted.
33. A meeting quorum shall be half of the Committee membership including the Convenor plus one other member who is not an ex-officio member. When a quorum is not present no resolution may be made, however members present may discuss matters and make recommendations which will then be reported to, and ratified by, the next meeting when the quorum is in attendance.
34. Decisions should be based on a thorough, fair and inclusive process of discussion and deliberation by members present at the meeting. Where consensus cannot be reached, the Committee should proceed to a majority decision of full members present.
35. If necessary, extraordinary meetings may be held to address urgent matters.
36. The ARMS Executive Office shall provide dedicated secretariat support to the Committee.

ROLE OF CONVENOR

Specific responsibilities of the Convenor, with support of the ARMS Executive Office secretariat, include:

37. Schedule and run regular meetings;
38. Prepare and distribute an Agenda for each meeting and formally document decisions and actions in Minutes with dedicated support from the ARMS Executive Office;
39. Circulate Minutes and papers to Committee members and ensure records of the Committee are stored centrally by the ARMS Executive Office;
40. Develop an annual Operational Plan and budget, and monitor progress and expenditure as approved by the ARMS Board;
41. Prepare and submit regular progress reports to the Board;
42. Ensure relevant information is made available to Society members through the website;
43. Regularly liaise with Convenors of the other Standing Committees and Special Interest Groups as required.

VERSION CONTROL

Version	Date of Approval	Date for review	Circulation	Document owner
Final (New Policy)	16 November 2016	16 November 2018	ARMS Board	Executive Office