**Oxford University Student Union**

 **Terms of Reference for Finance and Risk Committee**

1. **Purpose and Powers**

The purpose of the Finance and Risk Committee is responsible for advising the Board on the finances of the organisation and assists the making of financial and risk decisions, advising the Board on appropriate courses of action in this area. The committee is responsible for the matters set out in Bye-Laws 29.

The Finance and Risk Committee is a subcommittee of the Trustee Board which compromises knowledgeable Trustees and other members and has delegated authority to consider, make decisions and recommendations for the organisation on a range of subjects, as determined by the Board.

This will include, but not exclusively:

* Financial stewardship;
* Financial audit process, including the monitoring of external auditors’ performance and approve their appointment;
* Review staff remuneration and pay matters with People & Culture Committee;
* ICT & capital investment;
* Scrutiny and oversight of financial performance including review of management accounts;
* Oversee Oxford SU’s tax affairs;
* Detailed review of budgets before recommending to the Board for their approval;
* Effective use of resources – financial and otherwise;
* Property & estate management;
* Risk management and business continuity planning;
* Oversight of internal Health and Safety management.
1. **Membership**

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| **Role** | **Appointment / Terms** | **Position** |
| External Trustee  | * Board member recruited specifically because of financial specialism and expertise – reviewed annually by Board.
 | Chair |
| The President | * Appointed annually by Board at June meeting.
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| A Sabbatical Trustee | * Appointed annually by Board at June meeting based on recommendation of Chair of the Board
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| Student Trustee  | * Appointed annually by Board at June meeting.
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| A Student Member  | * Appointed if Finance & Risk Committee so decides.
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In the absence of the Chair or an appointed deputy or both, the remaining members present shall elect one of themselves to chair the meeting.

1. **Other Attendees**
* Chief Executive;
* Management Accountant;
* People and Compliance Manager (minutes);
* External Auditors (as required);
* External Advisers (as required);
* Other Union staff (as required).
1. **Activities**

The committee is to discuss and will be required to approve or reject items that come to the meetings in relation to:

* Managements Accounts of the Union (including those of its subsidiary company)
* Strategic Risk register;
* Annual budget for the Board to approve;
* Review staff remuneration and pay matters with People & Culture Committee;
* Receive and approve audited accounts prior to sign off by the Board;
* Approve auditors’ management letter;
* Approve annual Cost of Living pay award based on recommendation by People and Culture Committee;
* Approve accounting policies, the financial procedures manual and shall keep under review the effectiveness of Oxford SU’s internal controls and management systems (to include mitigating fraud).

The committee shall review and challenge where necessary:

* the methods used to account for significant or unusual transactions where different approaches are possible;
* whether Oxford SU has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;
* the clarity of disclosure in Oxford SU’s financial reports and the context in which statements are made; and
* all material information presented with the financial statements, such as the operating and financial review.

The committee shall consider and make recommendations the Board, in relation to the appointment, re-appointment and removal of the Company’s external auditors. The committee shall oversee the relationship with the external auditor, meet regularly with them and approve the annual audit plan.

1. **Reporting**

The committee will submit its minutes for information and a short report to each meeting of the Board of Trustees, outlining the key actions and decisions it has taken on behalf of the Board as well as any points of information or recommendations for the Board.

The committee must send to Council:

* Each proposed Oxford SU budget, on which Council may make recommendations to the Committee, and
* Oxford SU’s audited accounts, annually for information.
1. **Committee Proceedings**
* Meetings will usually be held at least termly. Additional meetings may be called as required;
* The scheduling of meetings should allow for decisions and recommendations agreed to be reported to the next available meeting of the Board;
* Meetings of the committee shall be called by the secretary at the request of the Chair or of two other members of the committee, or at the request of external or internal auditors if they consider it necessary.
* Papers will be communicated electronically at least one full week prior to the meeting wherever possible;
* Guests or Observers can attend the meetings at the discretion of the Chair;
* Attendees are entitled to attend the meeting through telephone or videoconference if they are unable to attend in person, this does not affect quorum;
* Minutes of the committee shall be circulated promptly to all members, and once agreed to the Board.
* Between meetings decisions can be made via electronic or virtual communication provided quorum is still met.
1. **Quorum**

The quorum of the committee for the transaction of business shall be two members. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretions vested in or exercisable by the Committee.

1. **Resources, Budget and Data**
* Meetings will usually be held in the Students’ Union offices;
* Travel and other expenses will be reimbursed provided they are submitted in time to the relevant staff support and follow the agreed procedure;
* Training will be provided for new members and on an ongoing basis for all members;
* The committee shall have access to sufficient resources in order to carry out its duties.
1. **Review**

The committee shall at least once a year, review its own performance and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.