

Audit Committee, Department of Foreign Affairs Charter

Purpose and Authority

The Audit Committee of the Department of Foreign Affairs (the Department) is formally appointed by, and advises, the Secretary General of the Department, who is the Accounting Officer for Votes 27 (International Cooperation) and 28 (Foreign Affairs). As appropriate, it will advise the Minister for Foreign Affairs, and the Minister of State for Overseas Development and the Diaspora.

The Audit Committee is part of the governance and assurance framework, appointed to provide independent advice to the Accounting Officer regarding the suitability and robustness of the organisation's frameworks, systems and procedures for:

- (1) governance, risk management, internal controls and
- (2) evaluation of the Department's policies and strategies

and is responsible to him / her for its performance in this regard.

The Audit Committee has an advisory role with no executive functions, responsibilities or powers and has no role in approving evaluation and audit reports.

Membership

The Committee will have a Chairperson and at least four ordinary members, all of whom will be drawn from outside the Department. The quorum for meetings will be three members, including the Chairperson. The Secretary General shall endeavour to ensure that membership of the Committee reflects the Department's commitment to gender balance, equality, diversity and inclusion, in accordance with relevant Government policies and guidelines.

The Secretary General will appoint the Chairperson and members of the Committee. Members may be appointed for three years, with the option to extend by up to three years, subject to the approval of the Secretary General.

Skills / Competencies

Members of the Committee should collectively possess sufficient knowledge relevant to the Committee including audit, finance, law, governance, risk and internal controls. At least two members of the Committee should be qualified accountants. The Committee membership should also ideally include at least one person with

experience at a senior level of the civil or public service and some members with professional experience of development cooperation and evaluation of civil and public sector and official development assistance programmes. Additional experience may be co-opted on a consultancy basis, as required.

Functions

The Committee will provide advice and an independent appraisal of the audit and evaluation arrangements, with a view to strengthening governance, risk management and internal controls, as well as helping to enhance the effective operation of the audit and evaluation function within the Department. In particular, the Committee will undertake to:

- review the Department's evaluation and audit strategy and the work programmes arising from this
- review the implementation of these programmes
- review the adequacy of resources available for the evaluation and audit function
- support the role and independence of the Evaluation and Audit Unit in carrying out its work
- examine internal audits and reviews of the Department's governance, risk management and internal controls systems and provide advice, as necessary, to the Secretary General with the completion of the Annual Statement on Internal Financial Control to the Comptroller and Auditor General
- examine evaluations of performance carried out by the Evaluation and Audit Unit
- examine other reviews and analytical exercises carried out by the Evaluation and Audit Unit
- monitor the follow up and implementation of recommendations made in reports of the Evaluation and Audit Unit.
- support the implementation of the Department's Counter Fraud Policy¹.

In carrying out these functions the Committee will be cognisant of best practices and relevant guidelines².

Role requirements will be clearly communicated to new members of the Committee at the outset of their appointment, including time commitments and an indication of frequency of meetings.

¹ Department of Foreign Affairs Counter Fraud Policy, 19 December 2017

² These include for example: Department of Public Expenditure and Reform (DPER) Audit Committee Guidance, relevant audit and accounting standards, DPER IGEEES and OECD DAC guidance and other best practice on spending reviews and policy evaluation.

Meetings

To facilitate regular engagement with the organisation, the Audit Committee will normally meet six times per annum, with the authority to convene additional meetings as circumstances require.

As necessary, the Audit Committee may invite members of management, the Evaluation and Audit Unit, or others to attend meetings and provide information.

The Secretary General will meet with the full Committee at least once per annum. In addition, the Chairperson will have the right of access to the Secretary General, and will meet with him / her at least twice per annum.

On at least an annual basis, the Committee will meet with the Comptroller and Auditor General, or his/her nominee, with regard to external audit, to ensure cooperation, and avoid duplication and potential gaps in audit coverage.

Conflict of interest

All members will be obliged to disclose any conflicts of interest. Where a conflict of interest arises in the course of the work of the Audit Committee, the member will bring this to the attention of the Chairperson and, where necessary, leave the room for the duration of the discussion and not take part in any decisions relating to the discussion. A note to this effect will be included in the minutes of the meeting.

Secretariat

The Audit Committee will be assisted and supported by an appropriately resourced Secretariat.

Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.

Minutes will be prepared and circulated to the Secretary General and to the Management Board (including its sub-committees the Executive Management Group, and the Senior Management Group of Development Cooperation and Africa Division). Appropriate records of the work of the Audit Committee will be maintained by the Secretariat.

Annual Report

The Audit Committee will provide an annual report to the Secretary General and, subject to his / her approval, the report will be published on the Department's website

and circulated to key stakeholders as appropriate.

This report will outline the work of the Audit Committee during the year, and include observations and recommendations of the Audit Committee, together with a brief prospective for the coming year.

Amendments to Charter

This Charter may be amended or updated following consultation and agreement between the Secretary General and the Chairperson and, in any case, will be reviewed at least every five years.

Review of Committee Performance

The performance and operation of the Audit Committee should be reviewed at least every three years.

Protected Disclosures

The Audit Committee will refer any protected disclosures made to them to the Head of Evaluation and Audit who will comply with organisational policy regarding receipt and investigation of protected disclosures, in line with existing guidelines.

Chairperson, Audit Committee
Department of Foreign Affairs
May 2021

Secretary General
Department of Foreign Affairs
May 2021