Position Description
Audit Committee Member

<table>
<thead>
<tr>
<th>Position:</th>
<th>Audit Committee Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incumbent:</td>
<td></td>
</tr>
<tr>
<td>Key Result Area:</td>
<td>Organisational improvement</td>
</tr>
<tr>
<td>Remuneration:</td>
<td>$300 per meeting attended</td>
</tr>
<tr>
<td>Award name:</td>
<td>NA</td>
</tr>
<tr>
<td>Hours:</td>
<td>Preparation and attendance for quarterly meetings and other special meetings as agreed</td>
</tr>
<tr>
<td>Employment term:</td>
<td>Four years</td>
</tr>
<tr>
<td>Employment type:</td>
<td>Committee Member</td>
</tr>
<tr>
<td>Location:</td>
<td>NA</td>
</tr>
<tr>
<td>Reports to:</td>
<td>NA</td>
</tr>
<tr>
<td>Supervises:</td>
<td>NA</td>
</tr>
<tr>
<td>Approved by:</td>
<td>Mayor</td>
</tr>
<tr>
<td>Date approved:</td>
<td>24 June 2013</td>
</tr>
<tr>
<td>Document type:</td>
<td>Position Description</td>
</tr>
<tr>
<td>Reference:</td>
<td>Personnel</td>
</tr>
</tbody>
</table>

Position Objectives

As part of Council’s governance obligations to its community, Council has constituted an Audit Committee to facilitate:

- the enhancement of the credibility and objectivity of internal and external financial reporting;
- effective management of financial and other risks and the protection of Council assets;
- compliance with laws and regulations as well as use of best practice guidelines;
- the effectiveness of the internal audit function;
- the provision of an effective means of communication between the external auditor, internal audit, management and the Council.
Duties and Responsibilities

The audit committee will carry out the following responsibilities:

Financial Report
- Review significant accounting practices and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the financial report.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual financial report, and consider whether it is complete, consistent with information known to audit committee members, and reflects appropriate accounting principles.
- Review with management and the external auditors all matters required to be communicated to the audit committee under the Australian Auditing Standards.

Internal control
- Understand the scope of internal and external auditors’ review of internal controls over financial reporting, and obtain reports on significant findings and recommendations, together with management’s responses.

Risk management
- Monitor the systems and process via the LGE’s risk profile to ensure that material operational risks to the LGE are dealt with appropriately.
- Monitor the process of review of the LGE’s risk profile.
- Consider the adequacy of actions taken to ensure that the material business risks have been dealt with in a timely manner to mitigate exposures to the LGE.

Business continuity
- Monitor processes and practices of the LGE to ensure for effective business continuity.

Internal audit
- Review with management and the internal auditor the charter, activities, staffing, and organisational structure of the internal audit function.
- Review and recommend the annual audit plan for approval by the LGE and all major changes to the plan.
- Monitor processes and practices to ensure that the independence of audit function is maintained.
- As part of the audit committee’s annual assessment of performance, determine level of satisfaction with internal audit function having consideration of the Institute of Internal Auditors’ International Standards for the Professional Practice of Internal Auditing.
- Monitor that the internal auditor’s annual plan is linked with and covers the material business risks.
- Provide an opportunity for the audit committee to meet with the internal auditor to discuss any matters that the audit committee or internal auditor believes should be discussed privately.

External audit
- Note the external auditor’s proposed audit scope and approach, including any reliance on internal auditor activity.
• Provide an opportunity for the audit committee to meet with the external auditors, to discuss any matters that the audit committee or the external auditors believe should be discussed privately.

Compliance
• Review the systems and processes to monitor effectiveness of the system for monitoring compliance with legislation and regulations and the results of management’s investigation and follow-up (including disciplinary action) of any instances of non-compliance.
• Keep informed of the findings of any examinations by regulatory agencies, and any auditor (internal or external) observations and monitor management’s response to these findings.
• Obtain regular updates from management about compliance matters.

Reporting responsibilities
• Report regularly to the LGE about audit committee activities, issues, and related recommendations through circulation of minutes and annual report. Additional updates may be appropriate should issues of concern arise.
• Monitor that open communication between the internal auditor, the external auditors, and the LGE occurs.
• Report annually to stakeholders, describing the audit committee’s composition, responsibilities and how they were discharged, and any other information required by regulation, including approval of non-audit services.
• Consider the findings and recommendations of relevant Performance Audits undertaken by the Victorian Auditor-General and to ensure the LGE implements relevant recommendations.

Other responsibilities
• Perform other activities related to this charter as requested by the LGE.
• Review and assess the adequacy of the audit committee charter annually, requesting LGE approval for proposed changes, and ensure appropriate disclosure as might be required by legislation or regulation.
• Confirm annually that all responsibilities outlined in this charter have been carried out.
• Evaluate the audit committee’s performance annually.
• The Audit Committee in conjunction with Council and the Chief Executive Officer should develop the Committee’s performance indicators.
• The Audit Committee, through the Chief Executive Officer and following authorisation from the Council, and within the scope of its responsibilities, may seek information or obtain expert advice on matters of concern.

Risk Management
• Ensure Council’s Risk Management Policy and Procedures are observed and complied with at a personal level.
• Ensure compliance with the Information Privacy Act 2000 and treat all information of a sensitive nature concerning the business of Council, Ratepayers or Residents in a professional and confidential manner.

Occupational Health and Safety
• Ensure Council’s Occupational Health and Safety Policy and Procedures are observed and complied with at a personal level.
• Ensure that no actions taken by the officer interfere with or place at risk the health and safety of any person at the workplace.
Qualification and Experience

- Senior business or financial management/reporting knowledge and experience.
- Conversant with the financial and other reporting requirements

Accountability andExtent of Authority

- Advisory committee to Council

Interpersonal Skills

- Excellent written and oral skills.
- Ability to work as a team member, and maintain effective communication with staff.
- Ability to communicate within all levels of Council, community and external sources as required.

Physical Working Conditions

<table>
<thead>
<tr>
<th>Type of Hazard</th>
<th>Frequency</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Noise eg. chainsaw</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manual Handling eg. lifting</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operation of heavy machinery eg. tractor</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Confined spaces eg. sewerage lines</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hazardous substances eg. herbicide</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heat and exposure eg. outdoors</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Isolation eg. tip supervision</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sedentary eg. computer operation</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dusty environment eg. quarry</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Key: Rarely: once monthly for say ½ hour
      Regularly: once weekly for say 1 - 2 hours
      Often: once daily for say at least 3 hours

This position description has been read, understood and agreed upon.

Juliana Phelps
Chief Executive Officer

Incumbent

Date: Date: