

## **LYCEUM CAMPUS AUDIT COMMITTEE**

Audit Committee of the Lyceum Campus is an advisory body and is a Committee constituted by the Council of the Campus.

### **1. Purpose**

Audit committee is to advise and provide assurance to the Council on:

- The effective operation of the campus's processes and systems;
- The adequacy, effectiveness, and efficiency of the campus's internal control and risk management arrangements; and
- The satisfactory maintenance of accountability, integrity and ethical behaviour in all of its operational functions.

This aligns with the UGC-HETC 'STANDARD' *'Governance and management based on principles of transparency and participation and are monitored through internal and external auditing'* Standard 1.11 pp52 *Manual for Institutional Review of Sri Lankan Universities and Higher Education Institutions* (2015).

### **2. Functions**

#### **2.1 Overseeing the internal audit process**

- Determine the scope and responsibilities of the internal audit division of the Campus;
- Review and recommend the annual audit plan and the work programme;
- Review internal audit queries, paragraphs, report findings, recommendations and responses for remedial actions; and
- Satisfy itself as to internal audit independence, cooperation received from the management and interaction with external audit.

#### **2.2 Overseeing the external audit process**

- Review external audit queries, paragraphs, report findings, recommendations and responses for remedial action;

- Liaise with external auditors and follow up on Auditor General's /external auditor's management letters;
- Resolve disagreements between management and the external auditors regarding financial reporting; and
- Discuss with external auditors, the scope and purpose of the upcoming audit and the policies to be followed.

## **2.3 Integrity of financial reporting**

- Review and recommend the annual financial statements of the Campus;
- Review the audit report received by the Campus and recommend suitable action, where appropriate to the Council;
- Review and evaluate internal control systems for all activities of the Campus;
- Review performance at regular intervals for cost-effectiveness and to eliminate wasteful expenditure;
- Ascertain whether rules, regulations, by-laws and codes of practices are complied with:
- Review financial statements to ensure compliance with accounting standards;
- Review implementation of recommendations /directives of the Committee of Public Enterprises (COPE);
- Prepare reports on the findings of the committee for inclusion in the annual report; and
- Inquire the management, internal auditor, and the external auditor about significant financial risks or exposures to the Campus and assess the steps the management has taken to mitigate such risks and exposures.

## **2.4 Other matters**

- Establish procedures for the receipt , retention, and treatment of complaints received by the Campus regarding confidential/anonymous submissions made by parties of concern regarding questionable accounting and audit matters including procedures;
- Monitor the Campus policies and related procedures which have conflict of interest; and
- Submit its observations on the above matters to the Council of the Campus with recommendations for necessary action.

### **3. Authority of the Committee**

The committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Campus.

### **4. Membership**

Membership shall consist of :

- Two external members of the Council (One will be selected as the chair).
- Registrar.
- Officer in charge of the internal audit division of the campus (also function as the secretary to the committee).
- Finance Manager (Observer).
- Representative from the external Auditors for the Lyceum group (Observer).

### **5. Method of Operation**

The committee shall meet on a regular basis, at least once in three months in each financial year. The committee may request any officer, employee, outside counsel or independent auditor to attend a meeting of the committee.

The committee shall meet annually with the external auditor, internal auditor and the management.

### **6. Quorum**

A majority of the members of the committee will constitute a quorum for the transaction of business.

Category	Administration & Management
Type	Regulation
Approved By	President
Effective Date	25/07/2022
Last Approved Revision	
Sponsor	Registrar
Responsible Officer	Deputy Registrar