



## LIBRARIES BOARD OF SOUTH AUSTRALIA

### Finance and Risk Committee Terms of Reference

Established as a Committee of the Libraries Board of South Australia (Board) at the 21 February 2000 meeting of the Board under the provisions of Section 13A of the *Libraries Act 1982 (Act)*.

#### 1 Role of the Committee

1.1 The Finance and Risk Committee (Committee) provides advice and recommendations to the Board on:

- Proposed financial plans and budgets of Board activities including investments, bequests and donations in accordance with Board Policies. This includes assessing the compliance of bequest funding proposals with relevant policies.
- Ensuring that robust systems and processes are in place for management to monitor and report on progress and compliance with the annual, quarterly, capital, and cash budgets throughout the financial year.
- Annual Financial Statements of the Board.
- The financial, reputational and risk implications for the Board of significant projects and any other matters referred to the Committee by the Board.
- Oversight of risk policy and strategy, and how effective risk management supports the Board's performance against its strategic priorities.
- Legislative compliance, including adherence to laws, standards and community expectations of probity, accountability, transparency and openness.

1.2 The Committee will report to the Board the findings of its:

- Annual review of the performance of the Board's Investment Manager.
- Annual review of the financial performance of the Board's investments with agreed benchmarks.

#### 2 Authority

2.1 The Committee, in consultation with the State Library of South Australia Director (Director), has authority to acquire any information it sees as relevant to the Committee's activities within the Board's control.

2.2 The Committee, in consultation with the Director may request information it believes relevant to its role from external agencies such as the Department of the Premier and Cabinet (DPC), Shared Services South Australia (SSSA) and Crown Solicitors Office (CSO).

2.3 The Committee, in consultation with the Director, is authorised to obtain independent advice as it is considered necessary in accordance with the Committee's Role and Responsibilities and these Terms of Reference.

### **3 Membership**

- 3.1** Membership of the Committee is by Board appointment to ensure appropriate experience, skills and knowledge associated with the Role and Responsibilities of the Committee and the strategic focus of the Board and the State Library of South Australia.
- 3.2** In the capacity as a member of the committee, Members are expected to contribute their professional expertise and specialised knowledge of the committee's objectives. Personal interests and affiliations, including those related to the current employer, must not influence or determine the decision-making process.
- 3.3** The Committee will comprise seven members in total, five of whom are voting members:
- At least three members of the Board including a chairperson appointed by the Board
  - Two external members appointed by the Board
  - Director of the State Library (ex-officio, non-voting), and
  - Manager Finance, Risk and Compliance (ex-officio, non-voting).
- 3.4** Members will be appointed for a three-year Term with the option of the Board to renew a member's appointment for a further two, three-year Terms. Members may serve a maximum of nine years on the Committee.
- 3.5** In exceptional circumstances, the Board may approve a further three-year Term for external appointees, where it is considered such an extension to be in the Board's Interests.
- 3.6** There are no sitting fee provisions for any Members of the Committee.
- 3.7** The occupants of the Director (ex-officio) and the Manager, Finance, Risk and Compliance (ex-officio) are permanent positions on the Committee.
- 3.8** Staff from DPC, SSSA and the State Library and Public Service (PLS) may attend meetings as necessary
- 3.9** The Board's Executive Officer will be the Committee's Executive Officer
- 3.10** Members will acknowledge in their Terms of Appointment and Confidentiality Agreement that they may receive or create information which is to remain confidential and must agree not to use or disclose any confidential information.
- 3.11** Membership of the Committee becomes vacant if the Member:
- Resigns by written notice to the Chairperson of the Committee
  - Is absent from three consecutive meetings without approval from the Chairperson.
  - Breaches any terms of these Terms of Reference or any requirements of the DPC, Board or State Library Policies, Procedures or associated processes
  - Conclude their appointment as a Board Member, where relevant.

## **4 Responsibilities of the Committee**

### **4.1** The responsibilities of the Committee are to:

- Participate in the review of the proposed operating and cash budgets for the Board.
- Provide advice and recommendations to the Board on the annual Financial Statements for the Libraries Board.
- Receive reports from the Public Libraries Committee and One Card 2.0 Collections Reform Committee on funding recommendations
- Review quarterly progress against the annual budget and the financial aspects of the performance agreements with DPC. Propose corrective actions where variations to the budget require it.
- Monitor the financial performance of the investment funds and make recommendations to the Board in accordance with the Board's Investment Policy.
- Review proposals for bequest and donation funding and advise the Board whether they comply with the Board's Bequest and Donated Funds Policy.
- Review and make recommendations to the Board regarding the potential financial impact and associated risk of proposed policy changes.
- Review the financial implications and risks of any matter referred to the Committee by the Board.
- Review all purchase and expenditure delegations annually.
- Review audit reports provided by the Auditor-General and the responses of the Executive Team of the State Library.
- Recommend to the Board the undertaking of financial investigations, to be conducted either by staff or an external organisation, into any matters of potential concern to the Board.
- Review the implementation and effectiveness of the Risk Management Framework including associated processes and arrangement for identifying and managing business, financial and fraud risks, including risks of fraudulent behaviour.
- Review strategic and individual risk profiles within the Risk Register and monitor risks exposures outside the Board's agreed Risk Appetite Statement.
- Review and provide advice on the implementation and effectiveness of Business Continuity Management Plan and associated Disaster Recovery Plans.
- Consider identified legislative and operational compliance incidents and recommend appropriate improvements and resolutions where required.

## **5 Meetings**

### **5.1** The Committee will meet at least quarterly to ensure progress against the budget and the performance of investment funds is monitored.

### **5.2** The Chairperson may schedule additional meetings of the Committee as required.

### **5.3** The Chairperson will call a meeting of the Committee where requested by a Committee Member, Board Chairperson, or the Director.

### **5.4** Meetings will be recorded and transcribed to assist with noting actions and preparing minutes. The recordings will not be shared outside of the Committee. If a discussion takes place that should not be recorded, the Committee can raise this with the Executive Officer and the recording, and transcription can be paused. If any Member has any concerns, these must be raised with the Executive Officer.

## **6 Agenda Items**

- 6.1** Committee Agenda items must be forwarded to the Executive Officer ten working days prior to the next scheduled meeting.
- 6.2** Any Member of the Committee can submit an item/report for consideration for inclusion of an Agenda.
- 6.3** The Committee Agenda, with attached meeting papers, will be distributed at least five working days prior to the next scheduled meeting unless otherwise advised.
- 6.4** The Committee Chairperson has the right to refuse an Item on the Agenda, but Members may raise an Item under 'Other Business' if necessary and as time permits.

## **7 Minutes**

- 7.1** The Committee Minutes will be recorded on the approved Board template.
- 7.2** The Minutes of each Committee meeting will be prepared by the Executive Officer.
- 7.3** The Minutes of each Committee meeting will be reviewed by the Manager, Finance, Risk and Compliance and the Director, then forwarded to the Chairperson as a complete record as required under provisions of the *State Records Act 1997*.
- 7.4** A final version of the Minutes will be attached to the next meeting's Agenda and provided to all Committee Members in preparation for approval at the next meeting.
- 7.5** Once approved, all Committee meeting Minutes will be provided to the DPC and SSSA and entered and managed within the State Libraries Record Manager System and OnBoard.

## **8 Quorum and Voting**

- 8.1** A quorum shall equal half the committee members plus one, ignoring any fraction and must include one Board member.
- 8.2** The Committee will make decisions by consensus wherever possible. If a member dissents or requests a formal vote, all voting members (excluding ex-officio members) are required to vote. The Chairperson of the meeting holds a deliberative vote only
- 8.3** All business put to the Committee will be brought forward to a meeting by motion, recommendation, Member or Staff Report or other business. Every Member must vote on every matter that is before the Committee for decision

## **9 Review and Evaluation**

The Committee will review its own performance and these Terms of Reference annually to ensure it is operating effectively and within the intent and scope of its Terms of Reference. The Committee will recommend changes, which it considers necessary, to the Board for approval.

## **10 Statutory Financial Reporting Obligations**

- 10.1** The *Public Finance and Audit Act 1987* section 23 (1) requires public authorities to submit draft financial statements that comply with the Treasurer's Instructions to the Auditor General within 42 days after the end of financial year. The draft statements are required to be signed by the Chair of the Board, Director and Associate Director, Public Library & Corporate Services.
- 10.2** The final audited financial statements are required to be submitted to DPC before 30 September along with the annual report. Therefore, the September meeting may be changed to enable the final statements and annual report to be tabled and approved.

**11 Agenda Items for All Meetings (excluding September):**

To maintain consistent financial oversight and compliance, the following items will appear on every Committee meeting agenda, except for the September meeting. Additional items may be included by the Executive Officer or Committee Members as required throughout the year.

- Quarterly Investment Manager Update and Recommendations
- Quarterly Budget vs. Actual Report
- Treasurer's Instruction 11 – Payment of Invoices and Claims
- Review of Impacts from New Accounting Standards (as required)
- Summary Report of Finance and Risk Committee Meeting for the Board

<b>Annual Agenda Items</b>	
<b>February/March</b>	
Bequest and Donated Funds Policy Review	
Financial Management Compliance Program	
Investment Policy Review	
Procurement Compliance – Departures, Complaints and Contract register	
<b>May/June</b>	
Budget – Draft	
Budget – Bequest Funds	
Capital Budget	
Fees and Charges Review	
Financial Authorisations (Delegations)	
Internal Procurement and Contract Management Framework Review	
IPCF Biennial Review (every second year)	
Risk Register	
<b>July/August</b>	
Budget – Final**	
Budget – Trading Account	
Risk and Business Continuity Update (to include cyber security update)	
<b>September*</b>	
Financial Statements	
<b>November</b>	
Finance and Risk Committee Terms of Reference Review	
Procurement Action Plan Update	

\*Additional meeting to endorse the Financial Statements

\*\* Timing of budget approvals may vary depending on advice from DPC

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**DOCUMENT CONTROL**

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Endorsed by: Finance and Risk Committee      Date of Endorsement: 14 November 2025

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Approved by: Libraries Board of South Australia      Date of Approval: 1 December 2025

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**Review List**

<b>Team/Committee</b>	<b>Actions</b>
Governance and Risk Officer	Review and Update
Manager, Finance, Risk and Compliance	Review and Endorse for FRC
Associate Director PLS and Corporate Services	Review and Endorse for FRC
Finance and Risk Committee	Review and Endorse for Board Review
Libraries Board of South Australia	Approve