

Tshwane University of Technology

Council Risk Committee Charter

July 2007

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1 Constitution

The TUT Council Risk Committee (Risk Committee) has been established by the Council of the Tshwane University of Technology University to assist it with regard to matters set out below.

2 Purpose

The primary purposes of the Risk Committee are:

- 2.1 To establish and maintain a common understanding of the risk universe, which needs to be addressed in order to meet strategic academic objectives;
- 2.2 To ensure that a comprehensive business risk assessment, throughout the TUT, is carried out and that a risk profile is compiled by management;
- 2.3 To identify on an ongoing basis the fifteen most significant strategic risks;
- 2.4 To satisfy the corporate governance reporting requirements;
- 2.5 To monitor the University's risk management and assurance related efforts; and
- 2.6 To report to the Council on the risk management work undertaken and the extent of any action taken by management to address areas identified for improvement.

3 Responsibilities and duties

The responsibilities and duties of the Risk Committee include:

- 3.1 The periodic facilitation and review of risk assessments to determine the risks to which the University may be exposed and to consider, note and if necessary, comment on the strategy for managing the material risks;
- 3.2 Establishing and monitoring the implementation of the University's risk management strategy;
- 3.3 Consider, note and if necessary, comment on management responses to significant risks;
- 3.4 Keeping abreast of all changes to the risk universe and related control environment and to ensure that the risk profile and common Enterprise Risk Management understanding is updated, as appropriate;
- 3.5 Reporting to the Council on the work undertaken in establishing and maintaining the understanding of the risks that need to be managed and on the actions taken by management to address identified areas for improvement;
- 3.6 To respect the confidentiality of all sensitive and classified information placed before it; and
- 3.7 Any other activity as formally requested by the Chairperson of Council.

4 Authority

The Council supports and endorses the establishment and functioning of the Risk Committee.

The Risk Committee is authorised by the Council to:

- 4.1 Fulfill its responsibilities and duties as set out in this charter;
- 4.2 Investigate any activities within its terms of reference;
- 4.3 Have unrestricted access to all information, including records, property and personnel of the University, required to meet its mandate;
- 4.4 Seek outside legal or other independent professional advice;
- 4.5 Secure the attendance of third parties with the relevant experience and expertise where necessary according to an engagement letter when at the University's expense;
- 4.6 Seek any information it requires from any employee, and all employees are directed to co-operate with any requests made by the Risk Committee; and
- 4.7 Have full and free access to the Council, EMC and Audit Committee.

The Council has a responsibility to monitor and review the risk management strategy of the University and the Risk Committee assists the Council in fulfilling this responsibility.

5 Membership

5.1 Composition

- (a) Council shall appoint the Risk Committee.
- (b) The Risk Committee must be representative of Council and senior management of the University.
- (c) The Risk Committee shall have a maximum of five (5) members, namely:
 - Two non-executive members of the Council, elected by the Council, one of whom shall be elected by the Risk Committee to chair the Risk Committee
 - The Vice-Chairperson of the Audit Committee. (Alternatively, a non-executive and independent member of the Audit Committee).
 - The Vice-Chancellor (*ex officio*).
 - A Deputy Vice-Chancellor in the line function of the academic environment who is a member of the Council, designated by the Executive Management Committee. This person shall act as the TUT's Chief Risk Officer (CRO).
 - Other members of senior management, including the Chief Financial Officer and the Chief Internal Auditor, shall attend meetings by invitation.

5.2 Experience

- All members of the Risk Committee shall have a working familiarity with risk assessments and risk management. Induction of Risk Committee members shall be the responsibility of the Chairperson of the Risk Committee, at the expense of the TUT.

- The members of the Risk Committee shall be knowledgeable about the affairs of the University and where appropriate specific skills shall be represented on the Risk Committee.
- Committee members may enhance their familiarity with risk management by participating in educational programmes conducted by the University or an outside consultant, with the directive of the Chairperson of the Risk Committee.

6 Meetings

6.1 Frequency

The Risk Committee should meet as often as required, but at least on a quarterly basis, back-to-back with the Audit Committee, if feasible. The meetings should also be planned to precede Council meetings.

6.2 Minutes

- The Office of the Vice Chancellor should nominate a secretary for the Risk Committee.
- The nominated Secretary must attend and minute all meetings.
- The minutes of the meetings shall be completed within fourteen days of such meeting and shall be circulated to all members of the Committee and other relevant Committees and / or members of management as directed by the Chairperson of the Risk Committee.
- The minutes shall be available to the Council as required by them.

6.3 Quorum

A quorum will constitute attendance of 50% plus one of the permanent members.

7 Approval

This charter will be reviewed on an annual basis and submitted to Council for approval. This charter was approved by:

Designation	Signature	Date
Mr RV Mathlare Chairperson of Council		
Prof M S Mokgokong Chairperson of the Risk Committee		