University Entities Governance Framework Policy

Responsible Officer
University Secretary

Approved by
University Council

Approved and commenced
December, 2014

Review by
March, 2015

Relevant Legislation,
Ordinance, Rule and/or
Governance Level Principle
University of Tasmania Act 1992
Corporations Act 2001
Associated Incorporations Act 1964
Maritime Legislation Amendment Act 2007 (Cth)
Governance Level Principle 1 – University Governance
Ordinance 12 – Menzies Research Institute
Ordinance 15 – Australian Maritime College
Ordinance 17 – Institute for Marine and Antarctic Studies

Responsible Organisational Unit
University Secretary

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1 Objective

The objectives of this Policy are to:

- provide a comprehensive framework for the effective governance of all University of Tasmania entities
- provide a system of classifying University of Tasmania entities, and to regulate the establishment, administration, approval and review of those entities.

2 Scope

This policy applies to all University of Tasmania entities. There will be no exceptions.

3 Policy Provisions

3.1 Classification of Entities

The University recognises six types of entity:

- University-controlled entities
- Non-controlled entities
- College/Academic UnitCentres or Institutes
- Collaborative research centres
- Co-operative research centres
- University institutes.

3.2 University-controlled Entities

3.2.1 Classification

This category includes entities incorporated for commercial or other business activities under the Corporations Act 2001 or the Associations Incorporations Act 1964 over which the University has control.

For the purposes of this policy, the University has control over an incorporated entity when it has the capacity to determine the outcome of decisions about the entity’s financial and operating policies (Section 50AA of the Corporations Act) or meets the criteria of AASB 10 Consolidated Financial Statements. The University will control an entity where it has all the following:

- power over the entity
- exposure, or rights, to variable returns from its involvement with the entity and
- the ability to use its power over the entity to affect the amount of the University’s returns.

3.2.2 Establishment/Disposal/Approval of a University-controlled Entity
The establishment or acquisition or subsequent disposal of a controlling interest in an entity by the University, either directly or indirectly, requires the approval of Council.

The constitutional documents of a University-controlled entity, and any amendments to them, have no effect until approved by Council.

3.2.3 Governing Body, Monitoring, Review and Reporting

The University will implement and oversee appropriate structures and measures to ensure good governance of each established University-controlled entity, as set out in the procedures supporting this policy.

3.3 Non-controlled Entities

3.3.1 Classification

This category includes entities incorporated for commercial or other business activities under the Corporations Act 2001 or the Associations Incorporations Act 1961 where the University has a part ownership of an entity, or significant interest in or significant association with an entity, but does not have control of that entity.

3.3.2 Establishment/Disposal/Approval of a Non-controlled Entity

Council approval is required for:
- the establishment or acquisition of a non-controlling interest in an entity by the University, either directly or indirectly
- the disposal of, or increase or decrease in, the University’s level of interest in a non-controlled entity.

3.3.3 Monitoring, Review and Reporting

The University will implement and oversee appropriate structures and measures to ensure good governance of each established non-controlled entity, as set out in the procedures supporting this policy.

3.4 College/Academic Unit Centres or Institutes

3.4.1 Classification

Entities in this category are located in the College/Academic Unit structure of the University. Their distinguishing feature is that the governance and management is exclusively controlled by the University under the College/Academic Unit structure, with the responsible Head being accountable for the entity through the Provost or the Deputy Vice-Chancellor (Research) in respect of research Centres. These entities are established predominantly for research and research training purposes but, in some cases, also have an undergraduate teaching role.
Where the entity involves more than one organisational area, the Dean of one of the participating organisational areas will be identified as taking responsibility for reporting to the Deputy Vice-Chancellor (Research) on the activities of the entity.

For the purposes of this policy, the Cradle Coast Campus will be considered to have the same governance and reporting requirements as a college/academic unit/centre or institute.

3.4.2 Establishment/Disposal/Approval of a College/Academic Unit/Centre or Institute

Any proposal for the creation or disposal by the University of an entity in this category should be submitted to the Head of the respective organisational area for consideration and endorsement and then by that Head to the Provost or Deputy Vice-Chancellor (Research) in respect of research centres, for approval.

3.4.3 Monitoring, Review and Reporting

An entity in this category may have an advisory board, but the entity reports through the normal University reporting line to the Organisational Head.

The Organisational Head must submit an annual report to the Deputy Vice-Chancellor (Research) on all institutes and centres within the College, to facilitate ongoing monitoring and recording of achievements.

3.5 Collaborative Research Centres

3.5.1 Classification

This category includes:
- Special Research Centres
- Centres of Excellence.

They are established primarily for research and research training purposes.

These centres, which are normally at least partially funded externally, involve one or more external partners and may involve one or more University Colleges or Academic Units.

3.5.2 Establishment/Disposal/Approval of a Collaborative Research Centre

Any proposal for the establishment or disposal of, or participation in, a collaborative research centre must be approved by the Head of the relevant Academic Unit or College.

3.5.3 Governing Body
Collaborative research centres must have a board, comprising both University members and external members.

The board’s role would include ensuring that appropriate governance and administrative arrangements are put in place and that there is a regular monitoring and reporting process on the centre’s activities. The board should meet at least annually to review the performance of the centre and proffer advice on its activities.

3.5.4 Monitoring, Review and Reporting

The University will implement and oversee appropriate structures and measures to ensure good governance of each collaborative research centre or institute, as set out in the procedures supporting this policy and with reference to any external requirements (e.g. Commonwealth Government or other funding bodies).

3.6 Co-operative Research Centres

3.6.1 Classification

The CRC Program is a Commonwealth Government-funded program which promotes co-operative research involving government, industry and universities. CRCs established under this program have a variety of governance and organisational structures.

3.6.2 Establishment/Disposal/Approval of a CRC

Any proposal for the establishment of a CRC or participation in, or the termination of participation in, a CRC must be approved by Council.

The Deputy Vice-Chancellor (Research) must submit any proposal for participation in a CRC to Finance Committee and Council for approval before any commitment to participate is made. A recommendation from the Head of the College/or Chief Executive of the University Institute where the majority of the UTAS CRC activity is to take place must be submitted with the proposal.

The Deputy Vice-Chancellor (Research) must not submit a proposal unless satisfied that any research project allocated to the University under a CRC is acceptable to the University and is compliant with the University’s policies on matters such as ethics, risk management and safety.

3.6.3 Governing Body

The governance structure will depend on the requirements of the various partners and the funding agencies. The University may not be able to control the direction or activities of the company. Appropriate reporting procedures to Council will be agreed with the CRC before University participation in the CRC begins, and will include the provision to Council of the CRC’s annual report.
3.6.4 Monitoring, Review and Reporting

The University will ensure that appropriate structures and measures are in place to ensure good governance of a CRC, as set out in the procedures supporting this policy and with reference to any external requirements (e.g. those of the Commonwealth government or other funding bodies), before University of Tasmania participation in the CRC begins.

3.7 University Institutes

3.7.1 Classification

University institutes, while part of the University, exist outside of the college/structure and report through a board to the Vice-Chancellor and on to Council. Council may determine that initial reporting occurs through a Council committee (e.g. Finance Committee).

Existing University institutes are The Menzies Institute for Medical Research (created by Ordinance No 12), Australian Maritime College (created by Ordinance No 15) and Institute for Marine and Antarctic Studies (created by Ordinance No 17).

3.7.2 Establishment/Approval

Any proposal for the establishment of a University institute must be submitted by the Vice-Chancellor to Finance Committee for recommendation to Council for approval.

3.7.3 Monitoring, Review and Reporting

The affairs of the University institute are overseen by a governing board. Specific monitoring, review and reporting responsibilities of the governing board are specified in the Ordinance which creates the University institute. Generally, the chief executive reports to the board, which in turn is accountable to Council through the Vice-Chancellor.

4 Responsibilities

The University Secretary is responsible for:

- Implementation, compliance, monitoring and evaluation, development and review and interpretation and advice of this Policy.

University Organisational Units are responsible for:

- Compliance with this Policy.
## Definitions and Acronyms

<table>
<thead>
<tr>
<th>Term/Acronym</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Academic Unit</td>
<td>Means the secondary organisational unit in the academic structure of the University, reporting directly to the College Executive Deans, as per Ordinance 14 – Academic Structure.</td>
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<tr>
<td>AMC</td>
<td>Australian Maritime College</td>
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<td>Chief Executive</td>
<td>In relation to a University Institute, means the Executive Director, Director or Principal of that Institute</td>
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<tr>
<td>College</td>
<td>Means (a) the primary organisational unit in the academic structure of the University, as per Ordinance 14 – Academic Structure (b) the University College</td>
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<td>CRC</td>
<td>Co-operative Research Centre</td>
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<td>Entity</td>
<td>Includes: a body (whether incorporated or unincorporated) associated with the University, including a company, a joint venture, an association, a partnership, a trust, a foundation, a centre and an institute an organisational unit within the University, such as a centre or an institute, outside the normal College/Academic Unit or Division/Section structure.</td>
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<tr>
<td>Executive Dean</td>
<td>Means: (a) the Executive Dean of the relevant College, or (b) in relation to the University College, the Principal of the University College</td>
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<td>Head of Academic Unit</td>
<td>Means the head of the relevant Academic Unit</td>
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<td>IMAS</td>
<td>Institute for Marine and Antarctic Studies</td>
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<td>Organisational Unit</td>
<td>College, Faculty, School, Centre, University Institute, other University Entity, Division, Section or University Business Enterprise.</td>
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<td>Menzies</td>
<td>Menzies Research Institute</td>
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<td>Non-controlled Entity</td>
<td>Means an entity (other than a University-controlled entity): of which the University has part-ownership or in which the University has a significant interest or with which the University has a significant association.</td>
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| Non—controlling interest | For the purposes of this policy a non-controlling interest is a part-ownership of, significant interest in, or significant association with an entity that does not constitute control over
that entity as defined in Section 50AA of the Corporations Act, but which may still involve
- A significant risk to the University, whether financial, reputation or in other respects or
- The granting of intellectual property licences or
- The creation of agreements, particularly where significant duties, responsibilities, obligations and commitments will be legally binding on the University or
- The imposition of legislative, statutory or regulatory requirements on the University.

A decision or action arising from treasury operations or cash investment of available University funds, or from bequest, trusts and other restricted funding arrangements, does not necessarily constitute a controlling interest.

University Institute
Means an entity referred to in clause 3.7 and includes:
- Menzies Research Institute
- Australian Maritime College
- Institute for Marine and Antarctic Studies

University-controlled Entity
Means an entity in which the University has control as defined in Section 50AA of the Corporations Act, through any or all of:
- Shareholding or membership
- Control of the board of management
- Control of the trustee
- Rights in constitutional documents

6 Supporting Documentation

7 Versioning

| Current version | Version 3 – University Entities Governance Policy (current document); approved December 2014, amended in December 2017 to incorporate the finalised academic structure. |