Finance



Policy

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**Custodian(s)** Chief Financial Officer

**Administrator(s)** AD Financial Compliance and Business Services

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# Purpose

#### The purpose of this **Policy** is to —

##### express the financial practices of the **University**; and

##### contribute to maintaining a University culture of integrity.

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#### This Policy is to be read in conjunction with the following —

##### Assets and Attractive Items FCD;

##### Assets and Attractive Items Schedule;

##### Delegations of Financial Authority FCD;

##### Expenditure FCD;

##### Expenditure Schedule;

##### Financial Reporting FCD;

##### Procurement FCD;

##### Revenue FCD;

##### Strategic Investment Funds FCD;

##### Student Travel Expenditure FCD;

##### Tax FCD;

##### Travel Expenditure FCD; and

##### Treasury and Cash Management FCD.

# Scope

## Institutional Scope

#### The scope of this Policy applies to the entire University except —

##### **Controlled Entities** and **Affiliates** where they have their own finance policy or similar; and

##### **Unafiliated Groups**.

## Individual Scope

#### The scope of this Policy applies to —

##### **Senate Members**;

##### **Employees**;

##### **Casual Employees**;

##### **Contractors**;

##### **Clinical Academics**;

##### **Clinical Consultants**;

##### **Honorary, Adjunct or Emeritus Appointments**; and

##### anyone acting in the name of the University on a **Financial Commitment**.

# Financial Management

#### **Financial Commitment** means **Expenditure**, **Assets** and **Attractive Items** acquisition and disposal, contract authorisations, quotations waivers, tender waivers and related variations or adjustments.

#### The University must meet its ethical and legal obligations in conducting efficient, economical and appropriate Financial Commitment, including but not limited to —

##### reviewing the financial status of the University;

##### capturing recording and banking Revenue;

##### approving and recording Expenditure;

##### securing and monitoring Assets and Attractive Items;

##### ensuring appropriate tax treatments; and

##### managing financial Risks.

#### The University must maintain financial management systems and controls to bring all Financial Commitments to account and enable its obligations.

#### Financial controls will be developed and managed in accordance with the Financial Control Documents.

# University Funds

#### **University Funds** means any Revenue or Investment Assets that are stored and/or held by the University.

#### University Funds must be treated as public monies regardless of the funding source and managed in accordance with the Financial Management Act 2006 (WA).

# Financial Risk Management

#### All **Risk Management**, including internal auditing must be performed in accordance with the Risk Management Policy.

#### Finance will develop and manage finance controls in response to Risk as set out in the Finance Risk Assessment.

# WA Government Treasurer Instructions

#### The University will comply with the Treasurers Instructions where they apply to University in accordance with section 41 of the University of Western Australia Act 1911 (WA).

# Financial Controls

## Assets and Attractive Items

#### Asset means any object or resource, tangible or intangible —

##### that exceeds the capitalisation threshold for that category of object or resource;

##### that represents an economic value to the University; and/or

##### the right or access to which is legally enforceable by the University.

#### **Intangible Asset** means an Asset that usually does not have a physical substance but is expected to provide future economic benefits to the University.

#### Attractive Item means any portable object of value —

##### that does not exceed the capitalisation threshold for that category of object or resource;

##### that cannot be consumed; and/or

##### the right or access to which is legally enforceable by the University.

#### All Assets and Attractive Items must be managed in accordance with Assets and Attractive Items Financial Control Document and the Assets and Attractive Items Schedule.

## Delegation of Financial Authority

#### **Delegation of Financial Authority** means the formal assignment of powers, authorities, duties, functions or commitments to a Delegate or group of Delegates, to enter into official and legitimate commitments on behalf of the University.

#### Finance will maintain the Delegation of Financial Authority Matrix and make it available to Employees.

#### Delegates must only approve a Financial Commitment in accordance with their delegation and where the total cumulative value of that Financial Commitment falls within their Authority Band or below.

#### The Vice-Chancellor, Chief Operating Officer or Chief Financial Officer may modify the Delegation of Financial Authority Matrix or request restrictions across the Delegation of Financial Authority from below **Authority Band** 2 at any time, for any period of time.

#### Only the Senate may modify Authority Bans 2 of the Delegation of Financial Authority Matrix.

#### Delegation of Financial Authority must be managed in accordance with the Delegation of Financial Authority Financial Control Document.

## Expenditure

#### Expenditure means all payments of University Funds.

#### Expenditure must be managed in accordance with the Expenditure Financial Control Document and the Expenditure Schedule.

## Financial Reporting

#### All Financial reporting must be managed in accordance with the Financial Reporting Financial Control Document.

## Procurement

#### **Procurement** means the approved process of assessing potential experience on the supply of goods and/or services in accordance with the requirements of the Strategic Plan.

#### Procurement must make use of Nominated Suppliers unless exceptional circumstances justify the use of another supplier.

#### Nominated Supplier means an individual or organisation that has been through an approved selection process.

#### Procurement must be managed in accordance with the Procurement Financial Control Document unless goods and/or services are financed by multiple funding sources and:

#### another university is the procuring agent, in which case, the other university controls the procuring; or

#### a private sector organisation is the procuring agent, in which case the Chief Financial Officer (CFO) may allow the private sector organisation to control the procuring.

## Revenue

#### Revenue means the amount of University Funds received by the University from individuals and organisations in one financial year.

#### Revenue must be managed in accordance with the Revenue Financial Control Document.

## Specific Funds

#### Specific Funds mean University Funds that are set aside annually by Senate for specific purposes as part of the annual budget process.

#### The Executive is responsible for the allocation of Specific Funds against the priorities of the University.

### Strategic Investment Funds

#### Strategic Investment Funds (SIF) means Specific Funds set aside for the funding of projects that progress performance against the priorities of the Strategic Plan.

#### The allocation and monitoring of SIF projects must be in accordance with the Strategic Investment Funds Financial Control Document.

## Tax

#### Tax treatments must be managed in accordance with the Tax Financial Control Document.

## Travel Expenditure

#### **Travel** means the approved movement of a **Traveller** to conduct **University Business** or **University Activity** on behalf of the University, regardless of the source of funding, and does not include **Private Travel**.

#### **Travel Expenditure** means the expenditure related to approved movement of a Traveller to conduct University Business or University Activity on behalf of the University, regardless of the source of funding, and not include Private Travel.

#### **Traveller** means a member of the **University Community** authorised to undertake Travel.

#### Private Travel means the movement of a member of the University Community other than to conduct University Business of University Activity.

#### Travel must be managed in accordance with the Travel Expenditure Financial Control Document.

## Treasury and Cash Management

#### Treasury management activities will include but are not limited to managing —

##### investments and other holdings;

##### liquidity; and

##### related risks.

#### Cash management activities include but are not limited to managing —

#### cash at bank accounts; and

#### petty cash and other cash reserves.

#### Treasury and cash management must be managed in accordance with the Treasury Management Financial Control Document.

## Student Travel Expenditure

#### Student Travel Expenditure means funds provided wholly or in part by a **Student** for the purposes of Travel.

#### Student Travel Expenditure must be managed in accordance with the Student Travel Expenditure Financial Control Document.

Definitions

**Asset** is defined in section 7.1

**Attractive Item** is defined in section 7.1

**Authority Band** is defined in the Policy Framework Policy.

**Business Unit** means any academic or administrative area of the University with its own University cost centre.

**Casual Employee** is defined in the Policy Framework Policy.

**Clinical Academic** is defined in the Policy Framework Policy.

**Clinical Consultant** is defined in the Policy Framework Policy.

**Contractor** is defined in the Policy Framework Policy

**Controlled Entity** is defined in the Policy Framework Policy.

**Delegate** is defined in the Delegations Framework Policy.

**Employee** is defined in the Policy Framework Policy.

**Expenditure** is defined in section 7.3

**Financial Commitment** is defined in section 3

**Honorary, Adjunct, Clinical (excluding Clinical academic) or Emeritus Appointment** is defined in the Policy Framework Policy.

**Instrument of Delegation** is defined in the Policy Framework Policy.

**Intangible Asset** is defined in section 7.1

**Private Travel** is defined in section 7.9

**Revenue** is defined in section 7.6

**Risk** is defined in the Risk Management Policy.

**Risk Management** is defined in the Risk Management Policy.

**Senate** is defined in Policy Framework Policy.

**Senate Member** is defined in Policy Framework Policy.

**Student** is defined in Policy Framework Policy.

**Student Travel Expenditure** is defined in section 7.11

**Travel** is defined in section 7.9

**Travel Expenditure** is defined in section 7.9

**Unaffiliated Group** is defined in Policy Framework Policy.

**University** is defined in Policy Framework Policy.

**University Activity** is defined in Policy Framework Policy.

**University Business** is defined in Policy Framework Policy.

**University Community** is defined in Policy Framework Policy.

**University Funds** is defined in section 4

**University Property** is defined in Policy Framework Policy.

End