

FINANCE AND BUSINESS AFFAIRS COMMITTEE'S FULFILMENT OF ITS 2018 BUSINESS SCHEDULE

The Finance and Business Affairs Committee fulfilled all of its responsibilities in 2018 as set out in the below table.

In particular in 2018 the Committee:

- recommended to Council the participation in three commercialisation matters
- provided effective governance oversight of the University's controlled entities, including the consideration of annual board and quarterly performance reports and the approval of 2019 business plans for Deakin Residential Services Pty Ltd and Unilink Limited
- monitored the budgets, financial accounts and financial sustainability of the Deakin University Student Association, and considered the discharge of obligations under the University provided Student Services and Amenities Fee funds
- endorsed the plans for the development, maintenance and utilisation of physical infrastructure at each campus, and considered three proposals to purchase buildings and land
- considered:
 - financial reports, and contributed to and endorsed the strategy for the development of the 2019-2021 Financial Plan
 - Major Projects reports, and three change requests and four business cases for major projects that comprise the capital expenditure program
 - the nature, scale and rationale of the University's equity investments in companies
 - a new Delegations policy and a revised Contracts policy and procedure.

All of the Committee's recommendations to Council were approved.

6 December 2018

Terms of reference	Actions	Outcomes	Achieved
1. To advise and make recommendations to Council on matters concerning the University's consolidated finances, investments, borrowings and fixed assets including (but limited to):	At Meeting 1, 2018 the Committee considered a report on the administration of the Student Loan and Grant Fund in 2017.	The Committee monitored the administration of the Student Loan Fund in 2017 and was satisfied that the Fund had been administered appropriately.	Yes
	In accordance with the Financial Delegations policy, the Committee received a report on appointment in 2018 of Financial Delegates with general expenditure limit of >\$100k.	The Committee noted that the Chief Financial Officer had appointed 20 Financial Delegates with general expenditure limit of >\$100k in 2018.	
	At Meeting 1, 2018 the Committee considered a report on performance of companies which Deakin University has significant shareholdings.	The Committee reviewed the performance of equity investments in companies and noted the nature and scale of the investments and rationale for making and maintaining each investment.	
a) annual consideration of the University's Financial Plan and recommendation to Council for receipt, consideration and, if appropriate, approval.	At Meeting 6, 2018 the Committee considered the proposed Deakin University Financial Plan 2019-2021, comprising of the 2018 Budget.	The Committee endorsed the Deakin University Financial Plan 2019-2021 and forwarded the Plan to Council for consideration. At its meeting on 1 November Council approved the Financial Plan 2019 and noted the budget projections for 2020 and 2021.	Yes
b) consideration of business cases for the individual major ¹ projects that comprise the capital expenditure program and their recommendation to Council for receipt, consideration, and if appropriate, approval	<p>The Committee considered the following business cases for major projects in 2018:</p> <ul style="list-style-type: none"> • School of Exercise and Nutrition Science (SENS) building change request (Meeting 1) • Geelong Future Economy Precinct Stage 1 business case (Meeting 3) and change request (Meeting 6) • Building KA change request (Meeting 3) • Building Façade Remediation Works Stage 2 business case (Meeting 6) • Institute for Intelligent Systems Research and Innovation business case (Meeting 5) • Research Innovation Science and Engagement (RISE) Precinct business case (Meeting 7). 	The Committee endorsed four business cases and three change requests that comprise the capital expenditure program which were all subsequently approved by Council.	Yes
c) consideration at each meeting of the University's financial report including cash flow projections, reports of performance against the budget for project expenditure and a summary of	At Meeting 1, 2018 the Committee comprehensively reviewed 2017 end of year financial report, including capital expenditure performance and investment performance for the period ending 31 December 2017.	The Committee noted the University's favourable surplus and reasons for variations to income and expenditure between 2016 and 2017 and forwarded the 2017 financial report to Council for consideration at its meeting on 15 March.	Yes

¹ Major capital projects are defined as being individual projects for which expenditure will be \$10 million or greater.

Terms of reference	Actions	Outcomes	Achieved
<p>investment performance and their recommendation to Council for consideration.</p>	<p>At each meeting the Committee reviewed Financial Reports, including cash flow projections for the year and capital expenditure performance and Major Project reports for the most recent monthly reporting period for 2018.</p>	<p>The Committee monitored the University's financial position and the progress of major and ICT projects. Any variations from expected performance were analysed, and any issues arising were addressed, particularly regarding the delivery of projects.</p> <p>The reports were forwarded to each meeting of Council for consideration.</p>	
<p>2. To review, approve and report to Council as appropriate on policies relating to the University's Financial Plan and the management of the University's fixed assets.</p>	<p>The Committee considered a revised Contracts policy and procedure and a proposal to adopt a new Delegations policy.</p>	<p>The Committee endorsed amendments to the Contracts policy to simplify the contracts approval process; and recommended to Council to adopt a new Delegations policy. The Committee noted that the Delegations policy would replace the existing Delegations of Authority policy and procedure and Financial Delegations policy and would remove existing ambiguities and the need to cross-reference between the policies and also set out the role and powers of the Portfolio Board.</p>	<p>Yes</p>
<p>3. To provide effective governance oversight of university entities, incorporated and unincorporated, and report any issues to Council, and to consider other reports as determined appropriate.</p>	<p>At Meeting 1, 2018 the Committee reviewed reports of reviews by the boards of University controlled entities, of their own performance, for 2017.</p>	<p>The Committee determined that that each of the boards had satisfactorily fulfilled their obligations during 2017.</p>	<p>Yes</p>
	<p>The Committee considered a report on performance of companies which Deakin University has significant shareholdings.</p>	<p>The Committee reviewed the performance of the University's associate and non-associated entities, and noted the nature, scale and rationale of the University's equity investments in companies.</p>	
	<p>Review the draft 2019 Business Plans for Deakin Residential Services Pty Ltd and Unilink Limited.</p>	<p>The Committee approved the 2019 Business Plans for Deakin Residential Services Pty Ltd and Unilink Limited.</p>	
	<p>At each meeting the Committee reviewed quarterly reports (quarter 4, 2017 and quarters 1, 2, 3, 2018) of performance against Business Plans, from University controlled entities: Deakin Residential Services Pty Ltd and Unilink Limited.</p>	<p>The Committee monitored the performance of the controlled entities. Any variations from expected performance were analysed. Performance of each of the entities was reported to Council for noting following each meeting.</p> <p>Quarter 4, 2018 reports are to be submitted to Meeting 1, 2019 for consideration.</p>	
	<p>The Committee considered the performance of DeakinCo.</p>	<p>The Committee monitored the amalgamation of DeakinDigital and DeakinPrime to ensure that the activities set out in the DeakinDigital 2017-19 budget and business plan were delivered under DeakinCo. At Meeting 6, 2018 the Committee noted DeakinCo's year to date 2018 financial performance and 2019 budget projections, and endorsed DeakinCo.'s revised marketing strategy.</p>	

Terms of reference	Actions	Outcomes	Achieved
4. To receive and monitor the budgets, financial accounts and financial sustainability of student associations pursuant to service level agreements or other agreements with the University.	The Committee reviewed Deakin University Student Association's (DUSA) financial statements for the year ended 31 December 2016.	At Meeting 2, 2018 the Committee and noted the performance of DUSA for year ended 31 December 2017 and reported to Council that expenditure had been well managed and the strong cash position of DUSA.	Yes
	The Committee reviewed the Financial report for DUSA as at 30 June 2018.	The Committee monitored the financial performance and cash flow projections for DUSA at Meeting 6, 2018.	
	The Committee considered DUSA's draft 2019-2021 financial forecast.	The Committee endorsed DUSA's 2019 budget and planned use of the Student Services and Amenities Fee (SSAF) funding.	
	The Committee reviewed a report of the discharge of obligations under University provided funds (i.e. Student Services and Amenities Fund).	The Committee considered the report and advised Council that all funds were allocated and utilised by DUSA in accordance with Government requirements and University Service Level Agreements.	
5. To consider plans for the development, maintenance and utilisation of physical infrastructure at each campus and make recommendations to Council for their approval and/or amendment as required.	The Committee considered reports and a presentation by the Chief Operating Officer on Campus Infrastructure and Utilisation Plan as it relates to campus development.	The Committee monitored the development, maintenance and utilisation of physical development and endorsed the campus development plans. The Committee considered the Campus Infrastructure and Utilisation Plan 2019-2023 at its meeting on 27 November.	Yes
6. To receive an annual report on the utilisation of University buildings for teaching, research and other purposes.	The Committee considered a report and presentation by the Chief Operating Officer on Campus Infrastructure and Utilisation Plan as it relates to the utilisation of University buildings.	The Committee monitored the utilisation of University buildings and noted the current challenges, opportunities and broad plans for each campus; and endorsed the utilisation strategy.	Yes
7. To review an asset management report and upon identification of any issue, propose actions to Council.	The Committee considered the University asset management report for 2018.	The Committee noted the management and utilisation of Deakin University's assets, and monitor the risk responses.	Yes
8. To advise and make recommendations to Council on any matters referred to it by Council.	To consider recommendations as required.	No items were referred from Council for consideration during 2018.	Yes
9. To make such recommendations to Council as the Committee considers appropriate in respect of the matters referred to in the foregoing paragraphs.	The Committee considered three commercialisation matters and three proposals to strategically acquire land and property.	The Committee endorsed the participation in three commercialisation matters. Two matters were subsequently approved by Council and one matter was approved by the Chancellor on behalf of Council. The Committee endorsed two proposals to purchase land and buildings, however only one acquisition was approved by Council.	Yes

Other items

Item/Action	Outcomes
The Committee received a report on the fulfilment by the Finance and Business Affairs Committee of its 2018 business schedule, including an oral report from the Chair on her assessment of the effectiveness of the Committee during 2018.	The Committee determined that it had fulfilled all of its responsibilities in 2018.
The Committee received the proposed 2019 Finance and Business Affairs Committee business schedule.	The business schedule was endorsed subject to the inclusion of two items, and revised timing of one item. The business schedule will be made available on the Council website.
The Committee received and noted its 2019 Finance and Business Affairs Committee meeting schedule at its meeting on 5 June 2018.	The committee meeting details are available on the University committee meeting schedule on DeakinSync, and on the Council website.
Finance and Business Affairs Committee review of terms of reference.	The Committee recommended amendments to its terms of reference to authorise the Committee to approve and report to Council variations of up to 10 per cent to the budget of approved major projects, provided that the variation is fully covered by the Financial Plan and does not exceed \$10 million. Council approved the amendments on 15 March.
Finance and Business Affairs Committee biennial review of performance.	Last conducted end of 2017.
Membership.	Dr Simon Eassom resigned from Council effective end of 2018. The Committee acknowledged the contribution Dr Eassom made to the Committee from 1 January 2016. A replacement for Dr Eassom will be considered by Council in early 2019.