

Australia's world-class university system is underpinned by a robust foundation of sound university governance, drawing from best practice in both not-for-profit and corporate governance standards to ensure universities remain accountable to the Australian community.

On behalf of the University of Newcastle, we welcome the opportunity to contribute to the review by the Expert Council on University Governance. We stand ready to work with the government to ensure that Australia's higher education sector continues to maintain the highest standards of quality through rigorous oversight and representation that reflects the diversity of our community.

The Hon Patricia Forsythe AM
Chancellor

Professor Alex Zelinsky AO
Vice-Chancellor and President

Principles for university governance

Established in 1965, the University of Newcastle is an anchor institution in our regional communities, with campuses in Newcastle, the Central Coast, Sydney and Singapore, and a significant presence in Tamworth and Taree. Each year we welcome more than 37,000 students. We are the second-largest employer in the Hunter region, with more than 2700 FTE academic and professional staff. Our students represent our regions: more than half are first in family, more than half are mature age, and about one in five enter the university via a pathway program. We are proud each year to welcome the largest cohort of Aboriginal and Torres Strait Islander students of any university in Australia. We also enrol the largest number of students with a disability nationally.

The University also has a number of wholly owned subsidiaries, including NUServices Pty Ltd (which provides services and amenities across the University's campus footprint for the student experience), Newcastle University Sport (which delivers world class sports and recreation facilities to the Hunter community), The University of Newcastle Research Associates – TUNRA (providing industry collaboration and commercialisation services) and the Newcastle Australia Institute of Higher Education in Singapore, delivering academic programs in Singapore.

As a public university located within regional Australia, we are acutely aware of our responsibility to maintain a high level of public trust and accountability for the communities we serve. Our governing *University of Newcastle Act 1989* specifically charges the University of Newcastle with the obligation to exercise its functions with respect to the needs of the Hunter Region, Central Coast and surrounding areas.

In setting consistent standards for governance excellence for Australian universities, it is important that institutions such as Newcastle can also continue to meet the local requirements of our Act and align to the expectations of our communities. This reflects the needs to balance governance excellence with local autonomy and driving innovation.

The 10 priority areas adopted by the Education Ministers on 26 April 2024 remain a sound foundation for universities to provide this assurance to our communities. We note these points have been integrated into the updated and expanded University Chancellors' Committee Code of Practice for University Governance released in December 2024, which the University of Newcastle strongly supports and which we have made an institutional commitment to adopt in full. We further note that there has been broad adoption of the 10 priority areas across the 14 NSW and ACT universities, supported by the NSW Vice-Chancellors' Committee and NSW Chancellors' Committee.

We are pleased to note our University already had in place most of the recommendations included in the updated Code, including in respect to composition of governing body, performance reviews, and risk management of controlled entities. For those remaining, the University is working toward meeting the recommendations contained in the updated Code, building on our own strong history of 60 years as a university of and for our regions.

We further note that Australia is fortunate to have a world-class, internationally recognised system of corporate governance, backed by a highly effective independent voice of governance in the Australian Institute of Company Directors (AICD). As the largest director membership organisation in the world and a home for leadership, research and best practice in good governance, AICD is ideally placed to advise the Expert Council on how contemporary governance excellence can continue to thrive in Australian universities.

Without prescribing the work of the Expert Council, the University of Newcastle would support a design approach that takes this best practice and harmonises with the existing regulatory and governance frameworks in the best interests of students, staff and the community. However, we question whether developing a new set of standards that are separately regulated, separately reported on, and potentially separately implemented risks leading to unintended outcomes. In considering how best to ensure governance excellence, the overall coherence of the system should be a key consideration as the Expert Council continues its work.

Composition and membership – a fine balance

The broad composition and membership of University Councils is set by establishing Acts at state level, including requirements for staff and student representation and Ministerially appointed external members. Reflecting this and the unique conditions associated with individual university establishment, University governing bodies tend to be substantially larger than equivalent corporate board equivalents.

Contemporary university operations are highly complex, spanning not only core academic functions such as teaching and research but also management of multiple campuses and significant commercial operations (including the operation of student accommodation). In some cases, universities may also operate campuses and entities in international jurisdictions. Australian universities are on average substantially larger than equivalent institutions internationally, teaching tens of thousands of students. As a mid-size Australian

university of 37,000 students, the University of Newcastle is three times larger by enrolments than the average institution in the UK, and five times larger than the equivalent US average. Size drives complexity, and complexity necessitates expert oversight.

In addition, most Australian universities no longer receive the majority of their revenue from government grants, with philanthropy, international student fees, commercial & investment income and student contributions increasingly providing the base to fund university operations. In 2023, the [NSW Auditor General reported](#) that aggregated Commonwealth, State and local government grants revenue to NSW universities had decreased to 32.5% of the total revenues of all universities, down from 35.3% in 2022. With federal infrastructure funding for universities withdrawn since the abolition of the Education Investment Fund, universities must increasingly fund capital development of teaching and research infrastructure from their own balance sheets, and tightly manage the associated risks and costs.

To adequately discharge the governing body's obligations in this context, membership of governing bodies must include the skills and expertise to oversee this breadth and complexity. These must include high level financial acumen, commercial experience, and risk management expertise, as well as specialist expertise where required. In a context of constrained public funding, it is especially important for governing bodies as custodians of Australian public universities to oversee university finances responsibly, prudently and with a view to long-term sustainability.

Representing a diverse community involves striking a balance between efficient governance (as measured by the size of governing bodies), and the appropriate mix of skills and experience, including appropriate representation from the communities we serve. At the University of Newcastle, we seek to ensure our governing body includes strong representation from staff, students, alumni, regional stakeholders and First Nations leaders, in line with our institutional mission as a regional university.

Elected members make up more than one-third of our 17-member University Council, including two students, three staff members and a President of Academic Senate elected from the academic staff of the institution. In 2024, the University of Newcastle Council determined that it would add an additional student representative to the Council (exceeding the requirements of our governing Act) to ensure the student voice in University decision-making was strengthened. Our elected members make robust and highly valued contributions to the Council and its constituent Committees.

We are committed to continuous improvement and ensuring that representation on our Council reflects the needs and expectations of our community. In line with [AICD guidance on optimal board size](#), we caution against further expansion of the size of University governing bodies, which would substantially impact the effectiveness, efficiency and timeliness of University governance. The Expert Council should also give consideration to ensuring that the skills and expertise matrix for university governing bodies adequately contends with the size and complexity of contemporary university operations.

First Nations representation

The 10 Priority Areas highlight the importance of First Nations representation on university governing bodies, as well as separate, transparent processes to capture First Nations leadership and engagement on University strategy, policies and performance.

The University of Newcastle has a long history of national leadership in Indigenous education and research, with Newcastle enrolling the highest number of Aboriginal and Torres Strait Islander students in the country. We were also the first institution in Australia to achieve the rigorous World Indigenous Nations Higher Education Consortium (WINHEC) accreditation.

This success is based on a foundation of deep engagement with our local Aboriginal communities, and community-led First Nations input into University strategy and operations through the University's Board of Aboriginal and Torres Strait Islander Education and Research (BATSIER). We note that building true community-led First Nations engagement in University governance takes time and genuine consultation, and encourage the Expert Council to look to models that take this into account.

Complexity arising from overlap of state and federal requirements

For most Australian public universities, the functions and composition of university governing bodies is set through state-based establishing legislation. However, universities are subject to a broad range of governance compliance and assurance obligations through legislative and regulatory requirements at both federal and state level, as well as adherence to Codes of Practice and best practice corporate governance through expert bodies such as the Australian Institute of Company Directors.

At the high level, Universities' compliance with corporate governance standards is tested externally both at federal level – through the higher education regulator TEQSA's assessment of institutions against the Higher Education Standards Framework and TEQSA Corporate Governance Standards– and via annual audits conducted by State Audit Offices, which among other matters review university governance. Universities enrolling international students are also required to be accredited against the CRICOS Code and the ESOS Act, as well as various other federal legislation. As not for profit entities, universities must also comply with the mandatory Australian Not-For-Profit and Charities Commission (ACNC) governance standards.

As organisations classified as public agencies, Universities are also subject to significant additional regulation and corporate governance oversight at state level, in addition to financial audits. In NSW, this includes:

- *Government Sector Finance Act*
- NSW Treasury Standards and Guidelines, including Financial Reporting Code & Internal Controls Framework
- Records Maturity Assessments – State Records NSW

As an indicative NSW view, a summary of these obligations and the significant penalties for non-compliance is attached at Appendix 1 – noting that these will differ from jurisdiction to jurisdiction.

In New South Wales, the NSW Auditor-General also undertakes a detailed annual review of universities against a range of matters including financial reporting, internal controls and governance, teaching and enrolments, and cybersecurity, publishing the consolidated results and any recommendations publicly in the annual [Universities Report](#). Where matters are highlighted for improvement, these are not only taken up by individual universities but also via collective engagement through the NSW Vice-Chancellor's Committee and (where appropriate) the NSW Chancellor's Committee.

We note that the National Higher Education Code for Prevention and Response of Gender Based Violence includes substantial recommendations in relation to university governance and reporting. The University strongly supports transparent reporting and engagement on this and other important community issues (including racism, antisemitism and discrimination), but notes to the Expert Council that this will further add to the density of the governance compliance environment.

With multiple overlapping regimes, substantial complexity arises from the combination and overlap of state and federal requirements. Where issues arise, it can be difficult to pinpoint precisely where reform may be needed. A simplified national approach could provide clarity for not only the sector and government but also the broader community.

Recommendation: A simplified national approach to consolidated university governance reporting, to support greater comparability between institutions in different states, and to ensure that governance trends are captured, identified and reported on across state borders. This could incorporate key elements drawn from an updated University Chancellor's Committee Code together with state obligations, TEQSA governance standards, Australian Charity and Not-For-Profit Commission Governance Standards, and state-based Audit Office Governance Lighthouse standards.

External review and continuous improvement

In addition to state and Federal governance oversight, university governance bodies voluntarily participate in regular self-review & performance assessments, through annual assessments of skills & expertise for Council and its committees and regular external independent reviews, which consider the quality and effectiveness of the governing body's processes, practices and decision-making.

For example, since 2014 the University of Newcastle has commissioned biennial external reviews of its university governance from corporate governance expert (and former Senior Deputy Vice-Chancellor at the University of Notre Dame) Emeritus Professor Geoffrey Kiel, of Strategic Governance Pty Ltd. These reviews assess board performance & effectiveness, compliance with governance standards, stakeholder engagement, gap analysis, and identification of emerging matters for the governing body to consider (such as emerging risks in AI or cybersecurity). The reviews provide recommendations which are implemented and reported on regularly to the Council and its Committees.

Examples of continuous improvement practices implemented at the University of Newcastle as a result of the most recent review include:

- A review and update to the skills matrix for Council members, taking into account Priority Action 5 from the Universities Accord and guidance from the NSW Minister for Skills, TAFE and Tertiary Education (Appendix 2) regarding inclusion in the matrix of an understanding of equity cohorts and expertise in higher education or other education.
- The provision for Council Committees to include independent members (for example community members) who are not members of Council, to ensure that the relevant skills and experience are available to discharge specific functions relevant to the University

Senior Executive Remuneration

The University of Newcastle recognises the importance of ensuring the remuneration of Vice-Chancellors and senior executive staff at Australian universities is appropriate, transparent and competitive. As significant recipients of public funding, university senior remuneration should be subject to high standards of transparency and accountability, which also take into account the size and complexity of contemporary university operations.

We note the recommendation in the 10 Point Education Ministers Summary to ‘*Demonstrate and maintain a rigorous and transparent process for developing remuneration policies and settings for senior university staff, with consideration given to comparable scale and complexity public sector entities and ensure remuneration policies and packages are publicly reported*’.

In 2021 the University of Newcastle adopted the Vice-Chancellor and Senior Staff Remuneration Code developed by the University Chancellors’ Council (UCC), which set out standards for University governing bodies in determining appropriate remuneration. The University has documented policies and procedures in relation to remuneration and performance of the Vice-Chancellor and members of the Executive.

The [Chancellor’s Committee](#), chaired by the Chancellor, and including non-executive members of the University’s governing body, undertakes a senior executive performance review through its annual workplan. This review includes consideration of both institutional and individual performance; detailed independent benchmarking of salary for each role against institutions of similar scale, complexity and regional location; and analysis of remuneration by gender. The University of Newcastle – as with other NSW universities – reports on the remuneration of executive leaders publicly through its Annual Report, which is tabled annually in NSW Parliament and also published on the [University of Newcastle website](#). We have participated for a number of years voluntarily in the Workplace Gender Equality Agency reporting, providing both cross-institution and cross-sector transparency on gender pay equity, including at senior executive level.

Recommendation: To further enhance public confidence in university governance, we would support the adoption of a unified, updated national code to provide guidance to University governing bodies on remuneration of senior leaders, aligned to the reporting threshold for public sector agencies.

Universities as good employers

As educators, employers and contributors to knowledge through research, universities hold a unique position within Australia’s social fabric. We also acknowledge that – despite

significant efforts over the last several years – universities have not always achieved consistent implementation of their full workplace obligations, with impacts on current and former staff.

It is important to note that in the main universities have worked proactively and collaboratively with regulators and the Fair Work Ombudsman to resolve identified issues and remediate these swiftly. This is reflected in the number of voluntary undertakings made, and the relatively small number of contrition payments (fines) imposed on institutions as a consequence of identified issues.

The University of Newcastle has been one of the most proactive institutions in the sector in addressing wage and superannuation underpayments, self-reporting to the Fair Work Ombudsman in February 2020 and swiftly implementing remediation solutions, including new training procedures in August 2020 and back payments in November 2020. Payments to former staff continued until August 2022, and all remediation actions under the FWO Enforceable Undertaking were completed in 2023, with no contrition payment or penalties imposed. This proactive approach - and positive outcome - is a direct function of the engaged, active governance and oversight applied to this issue.

As with any sector, individual employers who do not cooperate appropriately with Fair Work should face the appropriate sanctions. It is important to separate individual non-compliance from potential systemic issues.

There is of course more to do, and universities must do better to ensure that the systems, processes and implementation of these obligations meets the high standards of public trust and accountability.

However, a comprehensive approach to prevention must go further than this to take a clear-eyed view of the root causes of workplace issues. The current industrial relations framework for our sector is no longer fit for purpose. As highlighted by AHEIA in its submission to the Universities Accord, the current system is inflexible, outdated and contains numerous disincentives for more secure forms of employment. The complexity and rigidity of the industrial arrangements underpinning employment in universities is poorly suited to a contemporary teaching and learning experience, where students may undertake study in various modes at different times. In addition, enterprise agreements encode conditions and benefits which are increasingly out of step with community expectations, and contribute to the perverse policy outcome of less secure employment for many staff.

Secure employment for university staff should be a priority, to ensure the ongoing strength, diversity and sustainability of our higher education system. However, this must be balanced against the affordability of conditions (particularly against community expectations) and placed in the context of a fit-for-purpose industrial relations system that sets Australia up for future success. We would support a comprehensive review of the industrial arrangements to ensure this balance can be appropriately struck, alongside a tripartite examination between unions, employers and government of the industrial settings applying to higher education.

Recommendation: A comprehensive review of the industrial arrangements for higher education should be undertaken, with the view of reducing the complexity, ambiguity and inflexibility of the current system of Enterprise Agreements in higher education and supporting more secure & sustainable employment arrangements for the future.

Campus safety and student welfare

Sexual harm on campus

The University of Newcastle is committed to a safe and respectful culture on our campuses, in our online spaces and in our wider community.

Building on the work already undertaken as part of the Respect.Now.Always campaign, our *Action Plan for the Prevention of Sexual Assault and Sexual Harassment at the University of Newcastle 2022 - 2025* was created after consultation with key stakeholders, including students, staff, subject matter experts, and those with lived experience of sexual harm. The Action Plan sets out our whole-of-university approach to prevention and response, as well as our commitment to broader social and cultural change to address the underlying drivers of sexual harm.

Strong, proactive governance and leadership make up the first core pillar of the Action Plan. Overseen directly by the University's Council through its People and Culture Committee, our work is led through the Sexual Assault and Sexual Harassment Advisory Group, chaired by our Deputy Vice-Chancellor (Equity and Engagement) and with membership including our Vice-Chancellor, researchers with expertise in gender-based violence, student representatives, and victim-survivors. The group reports to the University Council regularly on prevalence and distribution of disclosures and reports of sexual harm, as well as education and prevention.

Ahead of Parliament's consideration of the legislation introducing National Higher Education Code to Prevent and Respond to Gender-Based Violence, we continue to work with external expert organisations – such as Our Watch - to refine our approaches to governance and leadership of the response to gender-based violence, including increased representation of victim-survivors. The University reaffirms its strong support for the principles outlined in the Australia Government's *Action Plan Addressing Gender-based Violence in Higher Education*, including the establishment of a National Student Ombudsman and a whole-of institution approach to prevent and respond to gender-based violence.

As highlighted in the principles section above, it will be important to ensure that the proposed standards and compliance approach not only supports the Government to achieve the aims of the National Code but ensures coherent alignment with existing regulatory obligations and instruments. For example, obligations under the proposed National Code Standard 1 'Accountable Governance and Leadership' should align with Higher Education Standard Framework Domain 6 – Corporate Governance and Accountability.

Recommendation: In implementation of new or expanded governance frameworks to address specific issues (such as the National Code), consideration should be given to intersections and potential overlaps with existing obligations, regulatory requirements and reporting. The implementation of the National Code should be reviewed periodically to ensure that this balance is struck correctly.

Antisemitism, antiracism and social cohesion

The current conflict in the Middle East – triggered by the events of 7 October 2023 - has highlighted existing divisions within our community, including on university campuses.

The University of Newcastle is committed to fostering an inclusive and respectful environment for all members of our community, regardless of background or belief. As an educational institution, we champion free speech and support our students' right to protest, providing it is within the limits of freedom of expression in law and in the University's policies and procedures. We have a zero tolerance for any form of racism, antisemitism, Islamophobia, threats to safety, hate speech, intimidation, threatening speech, bullying or harassment.

In May last year, our University saw a peaceful encampment set up on campus in protest of the conflict in the Middle East. Specifically, students called for our University to disclose and cut ties with defence and weapons companies. In October, after months of engagement, protest organisers agreed to pack down and remove the encampment, with the University agreeing to disclose information about our financial relationships with defence-related organisations. The peaceful resolution of this encampment – without instances of major disruption to teaching, research or operational activities – reflects the University's commitment to engagement with all impacted groups, as well as a consistent institutional position which prioritised student and staff safety. A new Campus Access Policy was introduced, which outlines appropriate use and access to University property and lands, with clear expectations around conduct on campus and the appropriate conduct of demonstrations.

Among other support services, we have an active and engaged interfaith chaplaincy service to support students and staff. Among our university chaplains are the Rabbi of the Newcastle Hebrew Congregation and his wife, who support the Jewish community, and the Imam of the Islamic Centre of Newcastle, who is also a PhD student of our University. Maintaining these strong grassroots community linkages supports stronger social cohesion, and is a focus of the University's efforts.

In February 2025, in response to the rise of antisemitism, the University of Newcastle – along with other Universities Australia members - agreed to the recommendation of the Parliamentary Joint Committee on Human Rights to adopt a clear definition of antisemitism that aligns closely with the International Holocaust Remembrance Alliance definition. The University agreed to endorse the working definition of antisemitism prepared by the Group of Eight in consultation with the Special Envoy to Combat Antisemitism.

Over the coming months, the University of Newcastle will work to incorporate this definition into relevant policies, complaints schemes and disciplinary processes, in consultation with our University and broader community.

Our commitment to prevent and respond to antisemitism sits within a broader framework of antiracism, including combatting racism against Aboriginal and Torres Strait Islander Australians. We work actively with community partners on initiatives that promote safe communities. With the City of Newcastle, the University joined the 'Racism not Welcome' campaign: a community-led, grassroots initiative that acknowledges the existence of racism, validates people's lived experiences with racism and normalises conversations about racism

while igniting change. Signage on the University campus is consistent with those in our home city, indicating our zero tolerance approach to racism and discrimination. We have also partnered with the City of Newcastle on a Welcome program for international students, promoting intercultural respect and community understanding.

Recommendation: In considering universities' response to these issues, we encourage the Expert Council to recognise and highlight good practice where it occurs, to support an understanding of how institutions can navigate these complex societal issues while meeting the expectations of the Australian community.

Appendix 1 – State Government Governance Obligations

Obligations under Government Sector Finance Act

NSW universities have obligations under the Government Sector Finance Act 2018 (GSF Act). As of July 1, 2023, universities, along with other Government Sector Finance (GSF) agencies, are required to prepare their annual reports in accordance with the GSF Act^[1]. This includes adhering to principles of sound financial management, transparency, and accountability^[2].

References

[1] [Government Sector Finance Act 2018 | NSW Treasury](#)

[2] [Government Sector Finance Act 2018 No 55 - NSW Legislation](#)

Under the Government Sector Finance Act 2018 (GSF Act), NSW universities have several key reporting requirements:

1. **Annual Reports:** Universities must prepare annual reports in accordance with the GSF Act, starting from the financial year ending June 30, 2023, or the calendar year ending December 31, 2023^{[1][2]}.
2. **Financial Statements:** These reports must include comprehensive financial statements that adhere to the principles of sound financial management, transparency, and accountability^[1].
3. **Compliance with Treasurer's Directions:** Universities must follow specific guidelines and directions issued by the Treasurer, which detail the mandatory information to be included in the reports^[2].

These requirements ensure that universities maintain high standards of financial governance and provide transparency to both the Parliament and the community.

References

[1] [Government Sector Finance Act 2018 | NSW Treasury](#)

[2] [TPG23-10 Annual Reporting Requirements | NSW Treasury](#)

If NSW universities are non-compliant with the Government Sector Finance Act 2018 (GSF Act), they may face several consequences:

1. **Financial Penalties:** Non-compliance can result in financial penalties or sanctions imposed by the government
2. **Reputational Damage:** Failure to comply with the GSF Act can harm the university's reputation, affecting its credibility and trust with stakeholders
3. **Increased Scrutiny:** Non-compliant universities may be subject to increased oversight and scrutiny from regulatory bodies and auditors

4. **Operational Restrictions:** There could be operational restrictions or limitations placed on the university's activities until compliance is achieved

These measures ensure that universities adhere to high standards of financial governance and accountability.

Obligations under NSW Treasury Standards and Guidelines (including appointments to governing bodies e.g. fit and proper person)

Under the NSW Treasury Standards and Guidelines, NSW universities have several obligations, including those related to financial reporting and governance:

1. **Financial Reporting:** Universities must comply with the mandates of options and major policy decisions under Australian Accounting Standards as outlined by NSW Treasury[1]. This includes adhering to specific accounting policies and ensuring accurate financial reporting.
2. **Governance and Appointments:** When it comes to appointments to governing bodies, universities must ensure that individuals meet the "fit and proper person" criteria. This involves assessing the suitability of candidates based on their integrity, competence, and financial soundness[2].
3. **Compliance with Treasury Policies:** Universities are required to follow mandatory policies set out by NSW Treasury, which include best practice standards and additional guidance to ensure clarity and compliance[2].

These obligations help maintain high standards of financial management and governance within NSW universities.

References

[1] [Mandates of options and major policy decisions under Australian ...](#)

[2] [Policy and Guidelines Paper TPP - New South Wales Treasury](#)

What Treasury policies do NSW universities need to comply with:

NSW universities need to comply with several NSW Treasury policies and guidelines to ensure proper financial management and governance. Some key policies include:

1. **Financial Reporting Code:** This policy outlines the requirements for financial reporting by NSW universities, ensuring consistency and transparency in financial statements[1].
2. **Treasurer's Directions:** These directions provide detailed instructions on financial management practices, including budgeting, accounting, and reporting standards[1].
3. **Public Private Partnerships (PPP) Guidelines:** These guidelines govern the management and reporting of public-private partnerships, ensuring that universities engage in these partnerships responsibly and transparently[1].

4. **Cost Benefit Analysis Guidelines:** This policy requires universities to conduct thorough cost-benefit analyses for major projects and investments to ensure they are economically viable and beneficial^[1].
5. **Internal Control Framework:** Universities must establish and maintain robust internal control systems to safeguard assets, ensure accurate financial reporting, and comply with relevant laws and regulations^[1].

These policies help maintain high standards of financial governance and accountability within NSW universities.

References

[1] [Treasury Policies and Guidance | NSW Treasury - New South Wales Treasury](#)

University reports submitted to State Parliament:

NSW universities provide several key reports to the state parliament, primarily through the Audit Office of New South Wales. These reports include:

1. **Annual Financial Statements:** Each university submits detailed financial statements, which are audited by the Audit Office. These statements provide a comprehensive overview of the university's financial position and performance^[1].
2. **Auditor-General's Reports:** The Auditor-General produces an annual report for parliament that includes the results of financial audits of all NSW universities and their controlled entities. This report provides analysis, observations, and recommendations on financial management, governance, and compliance^{[1][2]}.
3. **Performance Audits:** These audits assess whether the activities of universities are being carried out effectively, economically, and efficiently, and in compliance with relevant laws. The findings are reported to parliament to ensure transparency and accountability^[1].

These reports help maintain high standards of financial governance and provide transparency to both the parliament and the public.

References

[1] [Universities 2023 - Parliament of New South Wales](#)

[2] [Universities - Audit Office of New South Wales](#)

Other Governance Reporting that takes place at a State Level:

NSW universities undertake several governance reporting activities at the state level, including:

1. **Annual Financial Statements:** These are audited by the Audit Office of New South Wales and submitted to the state parliament. They provide a comprehensive overview of the university's financial position and performance[1].
2. **Internal Controls and Governance Reports:** These reports include assessments of internal controls, cyber risk management, and compliance with governance standards. The Audit Office of New South Wales publishes findings and recommendations based on these assessments[1][2].
3. **Performance Audits:** These audits evaluate the effectiveness, efficiency, and economy of university operations. The results are reported to the state parliament to ensure transparency and accountability[1].
4. **Records Maturity Assessments:** Universities may also conduct records maturity assessments to evaluate their records management practices and ensure compliance with state regulations[2].

These reports and assessments help maintain high standards of governance and accountability within NSW universities.

References

[1] [Universities 2021 | Audit Office of New South Wales - audit.nsw.gov.au](#)

[2] [Universities 2020 audits | Audit Office of New South Wales](#)

Assessment principles for making Ministerial appointments to public university governing bodies

The following principles and assessment criteria have been prepared with regard to the [Appointment Standards – Boards and Committees in the NSW Public Sector](#) (Appointment Standards) and [NSW Government Boards and Committees Guidelines](#).

Ministerial appointments are confirmed by Cabinet. All Cabinet appointments must follow the Appointment Standards and Guidelines.

Legislative criteria for Ministerial appointments to university governing bodies is detailed in each university's establishing Act:

- *Charles Sturt University Act 1989* (NSW)
- *Macquarie University Act 1989* (NSW)
- *Southern Cross University Act 1993* (NSW)
- *University of Newcastle Act 1989* (NSW)
- *University of New England Act 1993* (NSW)
- *University of New South Wales Act 1989* (NSW)
- *University of Sydney Act 1989* (NSW)
- *University of Technology Sydney Act 1989* (NSW)
- *University of Wollongong Act 1989* (NSW)
- *Western Sydney University Act 1997* (NSW)

In addition to meeting any specific requirements in the enabling legislation, appointments to NSW Government boards and committees must demonstrate compliance with the principles of **Merit**, **Fairness**, **Diversity** and **Integrity** that the Public Service Commission promotes.

Appointment principles

Merit: All potential appointees will be assessed against the criteria in this document, based on the skills, experience and knowledge required for the role.

Fairness: The same criteria will be used to assess all persons being for considered for an appointment. The process used to assess potential appointees will be transparent, without bias, and open to qualified persons.

Diversity: To the extent reasonable, all appointments to NSW Government boards and committees should reflect the diversity of NSW communities and should be mindful of the entity's purpose and focus.

Assessment will take into account opportunities to appoint people from diverse backgrounds where possible, including:

- Aboriginal people;
- People with a disability;
- Young people;
- People from culturally and linguistically diverse backgrounds.

Particular attention will also be given to the representation of women where there is less than a 50 per cent balance on the relevant governing body.

Integrity: only persons of sound reputation, who are prepared to discharge their responsibilities diligently and with the public interest only in mind, may be appointed. Appointees will be asked to complete relevant documentation confirming they have been subject to the appropriate probity checks.

Additional selection criteria

Preference will be given to candidates that demonstrate their capacity to meet the following criteria:

Equity: Candidates must have an understanding of the needs of the higher education community, including the needs of both students and staff. This includes an understanding of the needs of priority groups, particularly indigenous students, students in regional, rural and remote areas, and students who experience educational disadvantage.

Higher education or other education expertise: Candidates must be able to demonstrate sufficient expertise, knowledge and commitment to the goals and aspirations of higher education and/or other education sectors. This could include:

- Recent experience in the university sector;
- Experience with schools, vocational institutions, or other organisations that provide or support pathways into higher education;
- Experience on an education-related board or committee.

Legislative criteria

Under the establishing Acts of all ten public universities in NSW, candidates must have **an appreciation of the object, values, functions and activities of the university**. That is, an appreciation that the object of the university is the promotion of scholarship, research, free inquiry, the interaction of research and teaching, and academic excellence.

Specific universities also have particular regard to serving the **needs of their local regions and communities** (CSU, SCU, UoN, UOW, WSU).

Depending on the balance of the governing body, assessment will also take into account:

- **Financial expertise:** at least two members of the governing body must have financial expertise, as demonstrated by relevant qualifications and by experience in financial management at a senior level in the public or private sector.
- **Commercial expertise:** at least one member of the governing body must have commercial expertise, as demonstrated by relevant experience at a senior level in the public or private sector.
- There is to be a **balance of experienced and new members** on the governing body.

All appointed members must have expertise and experience relevant to the functions exercisable by the Council. To support the assessment of these criteria, the university may be asked to provide information and expertise of their other members.

Appointment process

Universities should write to the Minister at least four months before a vacancy falls due, to allow sufficient time for the assessment process and Cabinet approval.

The university seeking an appointment should write to the Minister with the details of its proposed candidate/s. This should include specific information that demonstrates how the candidate/s meet the appointment principles, additional selection criteria, and legislative criteria for that specific institution. Supporting documentation should also include a curriculum vitae for the candidate/s.

The Department of Education will assess the candidate/s against the principles and criteria in this document and advise the Minister on the outcome.

If the proposed candidates do not meet the above principles, the Minister may instruct the department to seek alternative candidates through other mechanisms, including using the Department of Premier and Cabinet's Boards and Committees Register.

Once a candidate has been assessed and approved by the Minister, the department will then submit appropriate documentation to Cabinet for approval and confirmation. Confirmation letters will then be shared with the university and the candidate.