



focused



Corporate Governance Statement

Charles Sturt University is committed to delivering the highest standards of governance and to establishing the culture required to assure our stakeholders of our strategic focus, operational performance and institutional accountability.

The University Council

The Council is constituted to ensure the proper stewardship and strategic direction of the University and is directly accountable to the members of the University for creating and delivering value through effective governance.

The Council currently has 18 members who reflect the perspectives and capabilities of our various stakeholders – our staff, students, graduates and our communities.

During the year Mr Ian MacIntosh, AM (former Deputy Chancellor) retired from the Council (30 June 2007).

Dr Geoffrey Wise and Dr Phillip Towers also retired from the Council on 31 December 2007. Mr Mitchell Elks and Ms Geraldine Kennett have indicated an intention to retire from the Council when their terms expire on 30 June 2008.

The members of the Council are:

- Mr Lawrie Willett, AO (Chancellor)
- Ms Kathryn Pitkin (Deputy Chancellor)
- Professor Ian Goulter (Vice-Chancellor)
- Professor Kevin Robards (Chair, Academic Senate)
- Mr Neville Page (Chair, Audit and Risk Committee)
- The Hon Tony Catanzariti, MLC
- Mr Ian Macintosh, AM (retired)
- Mr Richard Hattersley
- Mr Gerard Martin, MP
- Mrs Patricia Murphy
- Mr Christopher Hancock
- Mr Angelos Frangopoulos
- Mr Peter Hayes
- Dr Geoffrey Wise (retired)
- Ms Heather Bell
- Associate Professor Robert Macklin
- Dr Philip Towers (retired)
- Mr Mitchell Elks
- Ms Geraldine Kennett

Attendance

Member	Max	Attended
Mr Lawrie Willett, AO	6	6
Ms Kathryn Pitkin	6	5 (1)
Professor Ian Goulter	6	6
Professor Kevin Robards	6	6
Ms Heather Bell	6	6
Mr Peter Hayes	3	3
Mr Antonio Catanzariti	5	3 (2)
Mr Mitchell Elks	6	3 (3)
Mr Angelos Frangopoulos	6	5 (1)
Mr Chris Hancock	6	5 (1)
Mr Richard Hattersley	3	2 (1)
Ms Geraldine Kennett	6	3 (3)
Associate Professor Robert Macklin	6	6
Mr Gerard Martin	6	3 (3)
Ms Patricia Murphy	6	4 (2)
Mr Neville Page	3	2 (1)
Dr Philip Towers	6	6
Mr Ian Macintosh	3	3
Dr Geoffrey Wise	6	6
Ms Susan Benedyka	3	3
Mr William Hanrahan	3	3

"Maximum" refers to the number of meetings the member was eligible to attend.

"Attended" refers to the number of meetings the member attended, with the number in parentheses being the number of meetings for which apologies were received.

Charter

The Council has approved the Charter of University Governance which is a statement of the practices and processes that the Council has adopted to discharge its responsibilities. The statement is supplemented by rules and policies approved by the Council for major strategic and governance functions.

The Charter of University Governance sets out the responsibility of members including: actively maintaining awareness of factors affecting the higher education sector and the governance of the University; informing themselves about their obligations as members; spending the time needed and meeting as frequently as necessary to discharge their responsibilities properly; reading, questioning and understanding the written materials and financial statements distributed to the Council; challenging, where necessary, assumptions or recommendations presented to the Council, and participating openly in the Council's self-evaluation process and the evaluation of senior management.

Skills, qualifications and experience

The Council regularly reviews and updates a public statement of the skills, qualifications and experience required by the Council for the proper stewardship and strategic direction of the University. The current members have a range of skills that are necessary to enable it to effectively govern the University and drive it towards the achievement of the University Strategy.

Members are drawn from a diversity of professional backgrounds, including corporate, academic and government, with senior level experience and skills in the areas relevant to the governance and strategic performance of the University.

Chancellor

The Chancellor is Mr Lawrie Willett, AO. He was appointed as chairman of the Council in 2003 and is responsible for:

- ensuring the Council focuses on its key tasks
- ensuring an appropriate separation of governance and management responsibilities
- acting in conjunction with the Vice-Chancellor as the University's representative which will involve the presentation of the University's aims to the outside world, including officiating at University ceremonies
- chairing meetings of the Council ensuring that the Council is fully informed and receives proper information
- keeping track of the contribution of individual members and ensuring that they are all involved in discussions and decision making

- directing discussions towards the emergence of a consensus view and summing up discussions so that everyone understands what has been agreed
- taking a leading role in determining the composition and structure of the Council through the Corporate Governance and Nominations Committee
- advising and supporting members in the performance of their responsibilities.

Independence

The Council believes it is important to have an appropriate balance of independent members to ensure that decision making is informed and tested from a range of expert perspectives and to promote the interests of the stakeholders.

At present, 11 of the 18 members are independent. The Charles Sturt University Act 1989 and the Council require a majority of the members to be independent and, in addition to the requirements set out in the Act, has approved a policy on the determination of independence and declaration of interests.

Tenure and Succession Planning

The Charles Sturt University Act 1989 requires that the Council include a balance of experienced and new members. Members may not serve a term that exceeds 12 years unless otherwise approved by the Council in exceptional circumstances. The Council has approved a succession planning protocol that provides a framework through which the Corporate Governance and Nominations Committee identifies potential candidates for nomination to the Council in the future.

Appointment and Election

Members are appointed to the Council for a specified term not exceeding four years. At the expiry of the term, members must re-apply for appointment to the Council.

The Corporate Governance and Nominations Committee is responsible for undertaking an evaluation of the skills, qualifications and experience required for appointment to the Council. Prior to vacancies arising, the Committee reviews the existing composition of the Council and identifies any gaps in the skills, qualifications and experience and the future needs of the Council relative to the University Strategy. The Council approves the appointment criteria on recommendation of the Committee.

The Committee conducts searches for potential candidates for appointment to the Council. All nominations for appointment are submitted to the Corporate Governance and Nominations Committee and only applications that are viewed as meeting the relevant criteria by the Committee are advanced for further consideration by the Council. A statement demonstrating how the nominee meets the criteria is provided to the Council in support of the nomination.

The same process is followed whether the nominee is appointed by the Minister for Education and Training on recommendation of the Council or by the Council itself.

In addition to the appointed members, five members of the Council are elected from among the stakeholders.

Induction and training

All new members are required to attend an induction program at the commencement of their term conducted by the Chancellor and University Secretary. New members are introduced to the operation of the Council and the business of the University. Members receive a detailed Induction Manual containing material about the operations of the University and the Council, and participate in seminars around key strategic areas presented by senior executives of the University. Other members of Council are encouraged to attend the induction program to provide insight into the operations of the Council and University and to supplement their existing knowledge.

Meetings

The Council meets five times a year and conducts a retreat every two years to focus on strategic performance and to review the governance processes of the University.

University Secretary

Mr Mark Burdack was appointed University Secretary in 2003 and is also Director, Corporate Affairs. The University Secretary supervises the Corporate Governance Unit which provides secretariat support to the Council and its Committees, excluding the Academic Senate (a separate Office of Academic Governance provides support to the Academic Senate). Committee meeting papers, agendas and minutes are available to all members of the Council. The Unit is managed by Ms Linda Breen. To ensure the independence of the office in support of the work of the Council, the University Secretary is appointed by the Council and his appointment may only be determined by the Council.

Performance Assessment

The Council undertakes a regular assessment of its own performance. In general, the Corporate Governance Unit commissions a survey of members and reports back to the Corporate Governance and Nominations Committee on any issues identified. This information is used to identify training and development opportunities for members and process reform.

The Chancellor meets with the chairs of committees annually to discuss the performance of committees based on responses received from the survey.

All members are entitled to nominate for training and development opportunities in addition to training opportunities notified to members by the Corporate Governance Unit.

Council Committees

The Council has established Committees to assist it in exercising its responsibilities, including monitoring the performance of the University against the objects and performance indicators set out in the University Strategy and other institutional planning documents. Each of the Committees has a terms of reference set out in a Rule approved under the Charles Sturt University Act 1989 and are granted authority to require any information or report from any officer or employee of the University.

Executive Committee

The Executive Committee comprises of the Chancellor, Deputy Chancellor, Vice-Chancellor and Chair of the Academic Senate. The Executive Committee acts for and on behalf of the Council on urgent matters that arise between meetings of the Council. The Executive Committee also approves recommendations for the conferral of awards on graduands of the University. The Executive Committee meets as required.

Membership

- Mr Lawrie Willett, AO (Chair)
- Ms Kathryn Pitkin (Deputy Chair)
- Professor Ian Goulter
- Professor Kevin Robards

Academic Senate

The Academic Senate is the principal academic body of the University and provides advice to the Council and the Vice-Chancellor on all academic matters relating to teaching, scholarship and research. It is responsible, for and on behalf of the Council, for assuring the quality of learning and teaching by developing and implementing appropriate policies (including course accreditation and periodic reviews), and providing advice on the teaching and research profile of the University. The Academic Senate has established a number of sub-committees to assist it with specialist functions. The Academic Senate framework provides a system for policy formulation and implementation through faculties, schools and research centres.

Membership

- Professor Kevin Robards (Chair);
- Professor Ben Bradley (from 12 December 2007) (Deputy Chair)
- Professor Ian Goulter
- Professor Lyn Gorman
- Professor Ross Chambers
- Professor Paul Burnett
- Associate Professor Tracey Green (until 2 December 2007)
- Professor Anthony Cahalan (from 3 December 2007)
- Professor John Hicks
- Professor Toni Downes
- Professor Mark Burton (until 3 June 2007)
- Professor Nick Klomp (from 4 June 2007)
- Ms Shirley Oakley
- Mr Gary Shipp
- Associate Professor Marian Tulloch
- Associate Professor Leonora Ritter
- Associate Professor Greg Walker (until 7 August 2007)
- Ms Jenny Kent (from 8 August 2007)
- Professor Jo-Anne Reid (until 1 May 2007)
- Associate Professor Louise Hard (from 31 May 2007)
- Associate Professor Geoff McKenzie (until 7 August 2007)
- Associate Professor Lyn Angel (from 8 August 2007)
- Ms Saide Gray (until 7 August 2007)
- Mr Greg Adamson (from 8 August 2007)
- Ms Heidi Varis (until 7 August 2007)
- Mr Jordan Emery (from 8 August 2007)

Resource and Investment Committee

The Resource and Investment Committee meets monthly to review performance against the Annual Budget, Capital Management Plan and Information Technology Plan. The Committee also acts as the principal investment decision-making body of the University.

Membership

- Mr Lawrie Willett, AO (Chair)
- Professor Ian Goulter
- Professor Kevin Robards
- Ms Patricia Murphy
- Mr Richard Hattersley

Audit and Risk Committee

The Audit and Risk Committee meets quarterly and is responsible for oversight of risk management policies and procedures within the University and receiving reports against the Internal Audit Plan.

Membership

- Mr Neville Page (Chair) (from 31 August 2007)
- Mr Angelos Frangopoulos (Deputy Chair)
- Ms Kathryn Pitkin (until 21 November 2007)
- Mr Bill Hanrahan (former Chair) (until 30 June 2007)

Corporate Governance and Nominations Committee

The Corporate Governance and Nominations Committee has scheduled meetings twice yearly and is responsible for the nominations processes of the Council, executive remuneration, performance review of the Vice-Chancellor, corporate governance performance and training and recommendation of honorary awards.

Membership

- Mr Lawrie Willett, AO (Chair)
- Ms Kathryn Pitkin (Deputy Chair)
- Professor Ian Goulter
- Mr Chris Hancock
- Mr Peter Hayes (from 1 July 2007)
- Ms Susan Benedyka (until 30 June 2007)

The Vice-Chancellor

The Council delegates day to day management responsibility to the Vice-Chancellor, as Chief Executive Officer, reserving specific matters for itself or its committees including:

- the appointment of the Vice-Chancellor and approval of senior officers
- approval of the overall strategy, annual business plans and annual budgets of the business
- approval of capital plan, information architecture plan, workforce plan and related enabling plans
- approval of risk management policies and principles and other governance policies such as corruption prevention and complaint management
- approval of major strategic investments and commercial activities
- approval of matters relating to the governance of the University.

Within the limits of the delegation conferred on the Vice-Chancellor, he or she has the authority to make decisions and approve actions which are necessary or convenient to the interests of the University and the achievement of the University Strategy.

The Vice-Chancellor is accountable to the Council at all times for the authority that is delegated, and for meeting key performance indicators in the University Strategy. The Council actively monitors the performance of the Vice-Chancellor and the University to obtain assurance that progress is being made towards meeting the targets set out in the University Strategy.

The Vice-Chancellor is required to report quarterly to the Council on performance against the objectives set out in the University Strategy. The Vice-Chancellor reports to the Committees with respect to their respective functions, which in turn report to the Council.

The Vice-Chancellor is supported in the day to day management of the University by a Senior Executive Committee. The members are:

- Professor Ross Chambers, Deputy Vice-Chancellor (Academic)
- Professor Paul Burnett, Deputy Vice-Chancellor (Research)
- Professor Lyn Gorman, Deputy Vice-Chancellor (Administration)
- Mr Jim Hackett, Executive Director, Finance
- Mr Michael Knight, Executive Director, Human Resources

Risk Management

The Council believes that the identification and effective management of risk are essential to achieving the University Strategy. The Council has approved a Risk Management Policy and has adopted the definitions provided in the Australian/New Zealand Standard AS/NZS 4360:2004: Risk Management. The Council annually reviews and publishes a corporate level risk assessment that is prepared by the University Auditor in consultation with the Audit and Risk Committee and Vice-Chancellor. Oversight of risk management is delegated to the Audit and Risk Committee.

The Risk Management Policy clarifies a range of expectations and accountabilities for the management of opportunities and risk within the University. The Policy requires monitoring, assessment and treatment of operational risks and the upward reporting of any unacceptably high risk exposures. A risk register encompassing risk identification, assessment, treatment and reporting must be completed by each academic and business centre annually, and approved by the Vice-Chancellor, in support of strategic planning processes.

Conduct

The University's Code of Conduct and Conflict of Interest Policy was established in December 1992 and last reviewed and amended in November 2005, and is due for review in November 2008. The Code reflects community and University expectations of ethical conduct and behaviour of staff and service providers to the University. All employees have access to the Code on the University's website and all new employees are issued with a copy.

Complaints and consumer response

The Council recognises complaint management as an opportunity for process improvement and risk identification. The Council approved a new Complaints Policy and related procedures in August 2007 to streamline the management of concerns within the University. A University Ombudsman position was established as an independent contact point for student and staff feedback. The details for the University Ombudsman are contained on each main page of the website of the University, to facilitate access to resolution of concerns. The University Ombudsman reports to the Audit and Risk Committee on systemic issues arising from complaints and actions taken to address these.

Complaints regarding grading of assessment tasks and subjects make up 25% of total complaints. The University Ombudsman continues to work collaboratively with the Academic Secretary and Chair of the Academic Senate for management and process improvement. Complaints have been generated at all campuses and across all Faculties and Divisions. Complaints have arisen from both students and staff and from both the internal and external student bodies, including international students.

Key Performance Indicators have been developed and reporting is made through the Director, Office of Planning and Audit. The University Ombudsman developed, from the complaints database, reports for each Faculty Dean or Division Director identifying complaints, management processes and resolutions for complaints arising in their area of responsibility, further supporting the philosophy of using complaints management as a quality improvement tool.

The Council has also approved a Policy on Fraud, Corruption, Maladministration and Waste and has designated officers of the University, including the Chancellor, as Protected Disclosures Officers for the purpose of receiving complaints and concerns. This system is monitored by the University Auditor who reports to the Audit and Risk Committee, or the Chancellor, on matters arising under the Policy.

2007 Key Highlights

- In 2006 the NSW Treasurer granted Charles Sturt University Part 4 Investment Powers under the Public Authorities (Financial Arrangements) Act 1987 as set out in the Charles Sturt University (Investment Powers) Order 2006. The new authorities significantly expanded the investment options available to the Council. Considerable work was undertaken by the University's Division of Finance and Corporate Governance Unit to define and implement a rigorous governance framework for the management of a more diverse investment portfolio. Following on from the review, a Resource and Investment Committee and Investment Management Committee were established and an Investment Policy approved setting out the parameters for responsible growth of the University's reserves into the future.
- During 2007, the Council requested the University Secretary to undertake a review of its committees, taking into account the expansion of investment powers and issues raised by members in consultations on the performance of the Council. Arising from the review, it was recommended that the committee structure be reorganised to group related oversight activities together and to segment 'approving' functions from 'oversight' functions more effectively. Under the reforms, the Compliance and Commercial Activities Committee was disestablished and compliance oversight was incorporated into the terms of reference of the Audit and Risk Committee. A new Resource and Investment Committee was established assuming the commercial activity oversight and review functions of the disestablished committee and incorporating the monitoring functions of the Executive Committee in relation to the monthly financial statements, investment activities, capital plan, information architecture and workforce planning. The Executive Committee's role, and its membership, was reorganised to focus this

committee on 'approval' of urgent matters arising between meetings of the Council for and on behalf of the Council. An Investment Management Committee was also established with direct oversight responsibility for investment managers.

- The Council approved a new rule during 2007 for the conduct of meetings of the Council and its committees to clarify governance processes, allow for greater use of technology in meetings and to allow the use of flying minutes. The aim was to promote greater accountability in decision making, while recognising the need for increased flexibility to make decisions in a timely and effective manner.
- The Council reviewed the Charter of University Governance during 2007 and adopted amendments to further refine governance practice and processes.
- The Council approved the establishment of a Student Senate and Student Representative Committees on each campus to ensure continued student representation in the decision making of the University following the introduction of voluntary student unionism legislation by the Commonwealth Parliament.
- With the retirement of Deputy Chancellor Ian Macintosh, AM, in June 2007 the Council welcomed the election of Ms Kathryn Pitkin as its new Deputy Chancellor. Ms Pitkin has served on the Council for eight years and has extensive experience in the vocational education sector.
- The Council appointed Mr Richard Hattersley, Mr Neville Page and Mr Peter Hayes during 2007:
 - ♦ Mr Richard Hattersley is currently a Director of RG & H Investments Pty Ltd and an advisor to Chancellor Hattersley Lloyd Pty Ltd. He is the owner of Belgravia Wines and the Union Bank in Orange where the University operates one of its major campuses. Richard has extensive business and investment experience over many years, having been a Director of Hattersley Lloyd & Co Pty Limited, private investment managers & advisor from 1997-2004, and a Private Client Advisor at K J Polkinghorne & Co Pty Ltd 1981-1997. Prior to this, Mr Hattersley worked in various roles in Australia and the United Kingdom. Mr Hattersley is also a member of the Board of Directors of the Charles Sturt Foundation Ltd, the University's charitable fundraising arm.
 - ♦ Mr Neville Page is a non-executive Director of the Wilshire Private Markets Group's Asia/Pacific operation and an advisor to Wilshire Private Market Group. He is also a member of the Board and Chairman of the Compliance Committee of Wilshire Global Advisors Limited and a Trustee Board member of five associated companies. Prior to this, Mr Page was Managing Director of Wilshire Global Advisors

Limited. Prior to joining Wilshire, he was CEO of Total Risk Management Pty Limited, and CIO of Commonwealth Funds Management Limited. Mr Page serves on the trustee/advisory boards of partnerships managed by Allen & Buckeridge and Equity Partners. He received both his Bachelor and Master degrees in Commerce from the University of New South Wales, is a Certified Practising Accountant and an Affiliate of the Financial Services Institute of Australia. He is Chairman of the Trustee Board of the Friends of the Australian National Botanic Gardens Public Fund, a member of the Board and Honorary Treasurer of the National Dance Council of Australia (Ausdance), Director of Australian Venture Capital and Private Equity Association (AVCAL), a Director and Treasurer of the Commonwealth Club Limited and Executive Director of Abels Music Associates Pty Limited (Abels Music).

- ♦ Mr Peter Hayes is an Independent Wine Industry Strategist and Advisor. He held various positions with Southcorp Wines/Fosters Wine Estates, including winemaker and owner/operator of 8000ha of vineyard in Australia. He was Director of Viticulture at Rosemount Estate, Director of Viticulture of the Grape and Wine Research and Development Corporation, Executive Director of the Cooperative Research Centre for Viticulture and Acting Director, Department of Agriculture. He is currently President of the International Organisation of Vine and Wine (OIV), Board Member of the Board of the Grape and Wine Research and Development Corporation (GWRDC), Chairman of the Cooperative Research Centre for Irrigation Futures, Board Member of the Cooperative Research Centre for Internationally Competitive Pork, Member of the Agricultural and Environment sub-Panel of the Cooperative Research Centres Appraisal Panel, member of the National Vine Health Steering Committee, member of the Knowledge Development Advisory Committee of AWBC, Member of the Winemakers Federation of Australia R&D Committee, Member of the School of Agriculture, Food and Wine Advisory Board Member at the University of Adelaide, Member of the Industry Reference Group for the CRC for Viticulture, Member of the Management Committee of the National Program for Sustainable Irrigation and Chairman of the Steering Committee of the Wine Innovation Cluster (WIC) Initiative at Adelaide University Waite Campus. Previously, he was also a member of the Council of The Australian Wine Research Institute, Member of the Executive Committee of the South Australian Wine Industry Association, Member of the Planning Committee of the Australian Wine Industry Technical Conference, Chairman of the National Phylloxera Technical Reference Group, Chairman of

the National Vine Accreditation Committee, Member of the Course Advisory Committee Charles Sturt University, Viticulture and Wine Science, Chairman of the Management Committee of the Australian Journal of Grape and Wine Research, President of the Australian Society of Viticulture and Oenology (ASVO), Member of the Review Committee of the Bureau of Sugar Experiment Stations and member of the Board Selection Committee of the Cotton Research and Development Corporation.

In 2007, the Academic Senate:

- commenced a review of the system of academic governance within the University. The review will report to the Council in late 2008 with recommendations for changes to the system of academic assurance within the University and to enhance the interaction of the Council and the Academic Senate
- established an Indigenous education working group to develop and recommend a CSU Indigenous Education Strategy and then endorsed the recommendations of the working group which included a reconciliation statement and key objectives for Indigenous education at CSU
- approved the integration of the subject outlines into CSU Interact to provide an opportunity for dynamic engagement between students and the University and the provision of highly accessible information in relation to subjects and courses
- approved the 2008 performance based funding criteria for Professional Development in Learning and Teaching, Expectations of Charles Sturt University for Research Activities and Professional Activity
- established an early intervention process for onshore international students in accordance with the provisions of the ESOS Act
- approved that the Code of Conduct for Research be replaced by the Principles and Practices to Encourage Responsible Research Conduct in the Australian Code for Responsible Conduct of Research issued by the National Health and Medical Research Council, the Australian Research Council and Universities Australia
- disestablished the Special Consideration for Admission Committee and reassigned the responsibilities of the Committee to the Divisions of Student Administration and Student Services for administration in accordance with academic regulations
- approved revised role descriptions for Course Coordinators/Course Managers
- endorsed the establishment of the CSU Degree initiative which will review the University's current curriculum structure for undergraduate degrees
- established a policy for the conferral of aegrotat and posthumous awards.



Dr Jill Ker Conway, conferred in November with a Doctor of Arts (honoris causa) in recognition of her achievements in educational leadership in Northern America, for her contribution to Australian society and business, and as a champion of social justice and women's rights, is congratulated by Deputy Vice-Chancellor (Academic), Professor Ross Chambers, and Deputy Chancellor, Kathryn Pitkin.



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