

Capital expenditure

The University has continued to invest in major infrastructure. The total amount capitalised on property, plant and equipment during 2018 was \$152.9m (2017: \$92.1m).

Major capital projects commenced in 2018 include the construction of a solar farm in Warwick, a new chemical engineering building and new childcare centre at St Lucia, and a central chiller station at Gatton.



Architectural rendering of the Andrew N Liveris (chemical engineering) building at UQ St Lucia.



Construction of the new substation and chiller plant at UQ Gatton began during the year.

UQ Investment Fund Performance			
	Return Of Portfolio	Average CPI plus 6%	Above/(Below) Target
Return over past year	(2.13%)	7.93%	(10.06%)
Return over past 3 years	5.15%	7.71%	(2.56%)
Return over past 5 years	7.52%	7.82%	(0.30%)
Return over past 7 years	12.16%	7.90%	4.26%

UQ Socially Responsible Investing (SRI) Green Fund Performance			
	Return Of Portfolio	Average CPI plus 6%	Above/(Below) Target
Return over past year	(8.06%)	7.93%	(15.99%)

Investment Portfolio

UQ Investment Fund

The University has a total of \$224.3m in a long-term investment portfolio that is managed by external specialist fund managers. Known as the UQ Investment Fund, it holds portfolio trust and bequest funds received in past years.

The fund managers are required to operate within designated asset allocation benchmarks and each has responsibilities for investments in cash and fixed interest, listed property, Australian shares, overseas shares, tactical asset allocation, and private equity.

The investment strategy of the UQ Investment Fund is to achieve a long-term return of the Consumer Price Index (CPI) plus an additional 6 per cent. The portfolio produced a negative return of 2.1 per cent for the year to 31 December 2018.

UQ Socially Responsible Investment (SRI) Green Fund

The University has a total of \$3.4m in another long-term investment portfolio managed by external fund managers. Known as the UQ Socially Responsible Investment (SRI) Green Fund, this fund was established in 2016 and provides an alternative to those providing donations and bequests. The University contributed \$3m towards the establishment of this fund.

The fund managers are required to operate within designated asset allocation benchmarks and each has responsibilities for investments in cash and fixed interest and Australian shares. The fund will not invest in companies involved with tobacco, armaments, gaming or pornography as they are not deemed socially responsible investments. Further, the fund will not invest in companies excluded from the FTSE All-World ex Fossil Fuels Index.

The investment strategy of the UQ SRI Green Fund is to achieve a long-term return of the Consumer Price Index (CPI) plus an additional 6 per cent. The portfolio produced a negative return of 8.1 per cent for the year to 31 December 2018.

CFO Statement

In preparing the financial statements, the UQ Chief Financial Officer has fulfilled the reporting responsibilities as required by the *Financial Accountability Act 2009*. He has provided the accountable officer with a statement that the financial internal controls of the University were operating efficiently, effectively and economically in accordance with section 57 of the *Financial and Performance Management Standards 2009*.

OUR GOVERNANCE

UNIVERSITY GOVERNING BODY

The governing body of the University is the Senate, as constituted by the *University of Queensland Act 1998*. Senate has 22 members, comprising official members, appointed members, elected members and additional members.

Members serve a four-year term, except student members who serve for two years. A casual vacancy arose on 2 October 2018 following the resignation of the undergraduate elected member. The 34th Senate began its term on 1 January 2018 and will expire on 31 December 2021. Senate met seven times during 2018.

The University complies with the *Voluntary Code of Best Practice for the Governance of Australian Public Universities*, as amended at the Universities Australia and University Chancellors Council joint meeting on 15 May 2018.

Senate achievements

In 2018, UQ Senate:

- under the Seal of the University, conferred 13,902 awards to 12,692 students—including 578 PhD candidates
- approved the *Reconciliation Action Plan 2019–2022*
- participated in the University's brand refresh
- adopted the revised version of the *Voluntary Code of Best Practice for the Governance of Australian Universities*
- approved the UQ Governance and Management Framework, UQ Senate Charter, and updated UQ Standing Orders
- concluded the changes required as a consequence of the passing of the *University Legislation Amendment Act 2017*, in particular the updating of the Senate and Academic Board Elections Policy

- noted the *Mental Health Strategy 2018–2020* and the *Mental Health Implementation Plan 2018*
- invited eight nominees to receive an honorary doctorate from UQ and one to receive a Gatton Gold Medal.

Financial reporting

The financial statements are general purpose financial reports prepared in accordance with prescribed requirements. The University of Queensland is a statutory body and is audited by the Queensland Audit Office.

Remuneration

The option of remunerating members was introduced in 2018 by way of the University's Policy on Senate Remuneration and due to the passing of the *University Legislation Amendment Act 2017*. See also: uq.edu.au/about/year-ended-december-31-2018.



2018 UQ Senate

Front row, from left: Professor Greg Hainge; Anne Cross, AM; Professor Peter Høj, AC (Vice-Chancellor and President); Peter N Varghese, AO (Chancellor); Tonia Dwyer (Deputy Chancellor); Professor Peter Adams; Julieanne Alroe. Back row: Philip Hennessy, AO; Dr Sally Pitkin; Grant Murdoch; Michelle Tredenick; Adjunct Associate Professor Dimity Dornan, AO; Associate Professor Douglas Cavaye; Thomas Mackay; Timothy Crommelin. Absent: Kathy Hirschfeld; Dr Zelle Hodge, AM; Rebecca Hurst; Jamie Merrick; Associate Professor Tony Roberts; Cecile Wake.

Senate remuneration
Approved fees
The Chancellor is eligible to receive \$80,000 per annum; the Deputy Chancellor \$40,000; all other members \$25,000. An additional fee of \$10,000 may also be paid to the Chairs of the Finance Committee, the Risk and Audit Committee, and the Campus Infrastructure Committee. Senate members can choose whether or not to accept full or part payment of fees and/or pay them to a scholarship or other University philanthropic fund; UQ staff Senate members can also salary sacrifice their fees or pay them to their UQ School.
Actual fees received
Official members: \$80,000 Appointed members: \$170,000 Elected members: \$193,886 Additional members: \$90,000
Out of pocket expenses paid
\$2639.72

Senate meeting attendance		
Position	Name	Meeting attendance
Chair	Peter N Varghese, AO (Chancellor)	7 of 7
Deputy Chair	Tonianne Dwyer (Deputy Chancellor)	7 of 7
Member	Professor Peter Adams	7 of 7
Member	Julianne Alroe	5 of 7
Member	Associate Professor Douglas Cavaye	6 of 7
Member	Timothy Crommelin	4 of 7
Member	Anne Cross, AM	6 of 7
Member	Adj Associate Professor Dimity Dornan, AO	7 of 7
Member	Professor Greg Hainge	7 of 7
Member	Philip Hennessy, AO	5 of 7
Member	Kathy Hirschfeld	6 of 7
Member	Dr Zelle Hodge, AM	6 of 7
Member	Professor Peter Høj, AC	7 of 7
Member	Rebecca Hurst	4 of 7
Member	Thomas Mackay	6 of 7
Member	Jamie Merrick	3 of 7
Member	Grant Murdoch	3 of 7
Member	Dr Sally Pitkin	5 of 7
Member	Associate Professor Tony Roberts	7 of 7
Member	Zachary Thomas	4 of 7
Member	Michelle Tredenick	4 of 7
Member	Cecile Wake	5 of 7

Senate membership

Official members

- Chancellor Peter N Varghese, AO, BA (Hons), H.DLitt *Qld* (leads the University's governing body, the Senate)
- Vice-Chancellor and President, Professor Peter Høj, AC, MSc, PhD *Copenhagen*, DUniv (Honoris Causa) *Copenhagen* and *S.Aust*, FTSE, FNAI (US)
- President of the Academic Board, Professor Peter Adams, BSc (Hons), BComm, PhD *Qld*

Members appointed by the Governor-In-Council

- Timothy B Crommelin, BCom *Qld*, AdvMgmtProg *Hawaii*, FSIA
- Julianne Alroe, BEc *Qld*, GAICD
- Philip Hennessy, AO, BBusAcc *QUT*
- Dr Zelle Hodge, AM, MBBS *Qld*, FRACGP, FAMA, FAICD
- Jamie Merrick, BA, MSc
- Grant Murdoch, BCom, MCom *Cant*, FCA, FAICD
- Dr Sally Pitkin, LLB, LLM *QUT*, PhD *Qld*
- Cecile Wake, BEcon, LLB (Hons) *Qld*, ExecDevptProg *Wharton*

2018 Vice-Chancellor's Committee



Professor Aidan Byrne, Provost and Senior Vice-President; Professor Bronwyn Harch, Deputy Vice-Chancellor (Research); Professor Peter Høj, Vice-Chancellor and President; Professor Joanne Wright, Deputy Vice-Chancellor (Academic); Greg Pringle, Chief Operating Officer; and Rongyu Li, Deputy Vice-Chancellor (External Engagement).

Elected members

- One member of the Academic Board, Professor Greg Hainge, BA (Hons), MA, PhD *Nott*, GCELead *Qld*, FAHA, SFHEA
- One member of the full-time or part-time academic staff of the University, Associate Professor Tony Roberts, BSc (Hons I), MComm *Qld*, PhD *ANU*, FAustMS
- One member of the full-time or part-time general staff of the University, Rebecca Hurst, BA (Hons) *Griffith*
- One postgraduate student, Thomas Mackay, BSc, GCEBusLead, MPH *Qld*
- One undergraduate student, Zachary Thomas (resigned on 2 October 2018)

Three (elected) graduates of the University

- Associate Professor Douglas Cavaye, MBBS *Qld*, FRACS
- Adjunct Associate Professor Dimity Dornan, AO, DipSpTh, BSpTh PhD *Qld*, HonDUniv *USQ*, FSPAA, FTSE, CpSp, LSLs Cert AVT
- Kathy Hirschfeld, BE (Chem) *Qld*, FTSE, FICHEM, Hon FIEAust, FAICD

Appointed by Senate

- Anne Cross, AM, BSocWk, MSocWk *Qld*, FAICD, FIML
- Deputy Chancellor Tonianne Dwyer, BJuris (Hons), LLB (Hons) *UWA*, GAICD (acts as Chancellor in the absence of the Chancellor, or if the office of the Chancellor is vacant)
- Michelle Tredenick, BSc *Qld*, FAICD.

EXECUTIVE MANAGEMENT

While the Chancellor and Deputy Chancellor lead the University Senate, the Vice-Chancellor and President is the University's Chief Executive Officer, responsible to Senate for overall strategic planning, finance and external affairs direction.

The Vice-Chancellor* is supported by the Senior Management Group to whom the University's organisational units report:

- Provost and Senior Vice-President*
- Deputy Vice-Chancellor (Academic)*
- Deputy Vice-Chancellor (External Engagement)*
- Deputy Vice-Chancellor (Research)*
- Chief Operating Officer*
- Pro-Vice-Chancellor
- Pro-Vice-Chancellor (Advancement)
- Pro-Vice-Chancellor (Future Students)
- Pro-Vice-Chancellor (Indigenous Engagement)
- Pro-Vice-Chancellor (Research)
- Pro-Vice-Chancellor (Research Infrastructure)
- Pro-Vice-Chancellor (Research Partnerships)
- Pro-Vice-Chancellor (Research Training) and Dean, Graduate School
- Pro-Vice-Chancellor (Teaching and Learning)
- Director, Australian Institute for Bioengineering and Nanotechnology
- Director, Institute for Molecular Bioscience
- Director, Queensland Brain Institute
- Director, Sustainable Minerals Institute
- Executive Dean, Faculty of Business, Economics and Law
- Executive Dean, Faculty of Engineering, Architecture and Information Technology
- Executive Dean, Faculty of Health and Behavioural Sciences
- Executive Dean, Faculty of Humanities and Social Sciences
- Executive Dean, Faculty of Medicine
- Executive Dean, Faculty of Science
- President of the Academic Board
- Chief Financial Officer**
- Chief Human Resources Officer**
- Chief Marketing and Communication Officer**
- Deputy Chief Operating Officer.

* Members of the Vice-Chancellor's Committee.

** Members from 1 August 2018.

Vice-Chancellor and President Professor Peter Høj, AC

MSc, PhD *Copenhagen*, DUniv (Honoris Causa) *Copenhagen* and *S.Aust*, FTSE, FNAI (US)

– Chief Executive Officer (CEO), responsible to Senate for UQ's strategic direction, performance and external affairs.

Provost and Senior Vice-President Professor Aidan Byrne

BSc, MSc *Auck*, PhD *ANU*

– Standing deputy to the Vice-Chancellor and President of the University, providing leadership for the University's overall strategic planning, academic quality, and budget. Provides executive leadership for the academic, research and financial performance of six faculties and four research institutes.

Deputy Vice-Chancellor (Academic) Professor Joanne Wright

BA Joint Honours *Kent*, MLitt *Aberdeen*, PhD *ANU*, GAICD

– Responsible for preserving the University's commitment to high-quality learning and teaching; promoting a culture of excellence across the student experience; leading initiatives aimed at student success and retention, and integration of services for students; blended learning and quality standards.

Deputy Vice-Chancellor (External Engagement)

(Acting from 12 March–27 November 2018, appointed from 28 November 2018)

Rongyu Li

MA *City UK*
(1 January–22 March 2018)

Professor Iain Watson

BA (Hons), MSc, PhD *Ulster*

– Responsible for leading the University's overall student recruitment and engagement strategy, with a particular focus on expanding the quality and scale of engagement, both nationally and internationally, with prospective students, industry, government, alumni, and Aboriginal and Torres Strait Islander communities.

Deputy Vice-Chancellor (Research) (from 16 July 2018)

Professor Bronwyn Harch

BSc(Hons) *Griffith*, GradDipTeach(Sec) *QUT*, PhD *Qld*, FTSE, FQAAS, GAICD, AStat
(1 January–29 June 2018)

Professor Robyn Ward, AM

MBBS (Hons I), PhD *UNSW*, FRACP, FAHMS
– Responsible for enhancing the University's performance and reputation in research, research training, and research collaboration with external stakeholders, nationally and internationally.

Chief Operating Officer Greg Pringle

BA, LLB, GradDip (Industrial Relations) *Natal*, MBA *Qld*, Advanced Management Program *Harv*

– Coordinates management of the University's finance, business, human resources, legal, governance and risk, property and facilities, health, safety and wellness, investigations, internal audit and information technology functions. Advises the Senate on governance, and is the University Secretary and its Public Officer.

Pro-Vice-Chancellor (Office of the Provost)

Professor Tim Dunne

BA (Hons) *East Anglia*, MPhil, DPhil *Oxford*, FASSA

– Provides executive leadership with a particular focus on strategic and operational planning, employee relations, and general academic and research performance.

Pro-Vice-Chancellor (Advancement) Jennifer Karlson

BSc *Wisconsin-Madison*, MSc *Nebraska Methodist*, CFRE

– Responsible for the University's philanthropic agenda that incorporates extensive donor, community and alumni engagement.

Pro-Vice-Chancellor (Future Students) (8 January–27 November 2018)

Rongyu Li

MA *City UK*

– Responsible for the recruitment of domestic and international coursework students, developing and overseeing UQ's strategy for engagement with secondary schools across Australia, and determining the pathway offerings provided by UQ.

Pro-Vice-Chancellor (Indigenous Engagement)

(from 23 April 2018)

Professor Bronwyn Fredericks

DipT (Sec) *BCAE*, BEd, MEd *QUT*, MEdSt *Tas*, PhD *CQU*, JP, CertIV (TAE) *GTC*
(1 January–22 April 2018)

Shane Drahm (Acting)

– Responsible for leading the development, implementation and monitoring of the University's approach to Indigenous learning, discovery and engagement.

Pro-Vice-Chancellor (Research) Professor Mark Blows

BSc, PhD *La Trobe*, FAA

– Responsible for research ethics and integrity, and supporting the University's research performance.

Pro-Vice-Chancellor (Research Infrastructure)
(from 26 February 2018)

Professor Joe Shapter
BSc (Hons) *Memorial Newfoundland*,
PhD *Toronto*

– Provides strategic leadership to the University’s research infrastructure (including eResearch)— operations, development and financial sustainability, as well as supporting large-scale new purchases.

Pro-Vice-Chancellor (Research Partnerships)

Professor Mohan Krishnamoorthy
BSc *Bangalore*, MSc *Delhi and Imperial*,
PhD *Imperial*

– Ensures a strategic approach to the stewardship of the University’s research partnerships, supporting the development of research relationships with industry, government and other institutions.

Pro-Vice-Chancellor (Research Training) and Dean, Graduate School
Professor Alastair McEwan

BSc (Hons) *Leeds*, PhD *Birmingham*
– Provides leadership for the direction, development and improvement of the University’s higher degree by research program, and oversight of researcher development and training for all research-engaged staff.

Pro-Vice-Chancellor (Teaching and Learning)

Professor Doune Macdonald
BHMS (Ed) (Hons) *Qld*, PhD *Deakin*, FNAK, FAIESEP, GAICD
– Responsible for achieving teaching and learning objectives, including innovation in teaching and learning, digital learning, development and recognition of excellent teaching, quality assurance and enhancement, curriculum reform and renewal, and research in teaching and learning centring on improving student learning.

Director, Australian Institute for Bioengineering and Nanotechnology
Professor Alan Rowan

BSc, PhD *Liverpool*, FRSC, ALF
– Oversees a team of 500 research and professional staff working in an integrated, multi-disciplinary research institute that brings together world-class researchers and cutting-edge technology with a focus on translational research.

Director, Institute for Molecular Bioscience

Professor Brandon Wainwright, AM
BSc (Hons), PhD *Adel*
– Responsible for advancing IMB’s research initiatives; strengthening its global connections; and leading its 500 scientists, postgraduate students and support staff in order to achieve IMB’s mission of advancing scientific knowledge and delivering new health and industry applications.

Director, Queensland Brain Institute
Professor Pankaj Sah

BMSc, MBBS *UNSW*, PhD *ANU*
– Leads and administers the Institute, which works to understand the development, organisation and function of the brain.

Director, Sustainable Minerals Institute
Professor Neville Plint

BSc (Hons), MDP, MBA, PhD *Witwatersrand*
– Delivers improved operational performance on mining sites by developing and implementing new technologies, while establishing a global network of research professionals in academic institutes, mining companies and research organisations.

Executive Dean, Faculty of Business, Economics and Law

Professor Andrew Griffiths
BA (Hons) *Griffith*, PhD *UNSW*
– Oversees academic and administrative matters in the faculty’s schools of business, economics and law.

Executive Dean, Faculty of Engineering, Architecture and Information Technology
(from 1 August 2018)

Professor Vicki Chen
BSc *MIT*, PhD *Minnesota*
(24 February–27 July 2018)

Professor Michael Brünig (Acting)
Dipl.-Ing, Dr.-Ing. (PhD) *RWTH-Aachen*
(1 January–2 March 2018)

Professor Simon Biggs
BSc (Hons), PhD *Bristol*
– Responsible for the academic and administrative leadership of the Faculty.

Executive Dean, Faculty of Health and Behavioural Sciences

Professor Bruce Abernethy
BHMS (Ed) (Hons) *Qld*, PhD *Otago*,
FAAKPE, FASMF, FESSA
– Responsible for the academic and administrative leadership of the faculty.

Executive Dean, Faculty of Humanities and Social Sciences
(from 2 October 2018)

Professor Heather Zwicker
BA (Hons) *Alberta*, PhD *Stanford*
(1 January–1 October 2018)

Professor Julie Duck (Acting)
BA (Hons), DipEd, PhD *UNE*, GCHED *UQ*,
PFHEA

– In partnership with the faculty’s organisational unit heads, has overall responsibility for the academic and administrative leadership and management of the faculty’s seven schools, and its research centres and institutes, to achieve the goals of the faculty and to further the mission and strategic aims of the University.

Executive Dean, Faculty of Medicine
(from 30 June 2018)

Professor Geoff McColl
MBBS, PhD, MEd *Melb*, FRACP
(1 January–29 June 2018)

Professor Robyn Ward, AM (Acting)
MBBS (Hons 1), PhD *UNSW*, FRACP, FAHMS
– Leads the faculty, which combines medical education with two research-intensive schools, three clinical medical schools and five hospital-based institutes and centres.

Executive Dean, Faculty of Science

Professor Melissa Brown
BSc (Hons), PhD *Melb*
– Responsible for faculty’s academic leadership and management; accountable for all aspects of academic programs (teaching and research), staff management and resource allocation for faculty schools and centres; as well as representation role to the wider community.

President of the Academic Board
Professor Peter Adams

BSc (Hons), BComm, PhD *Qld*
– Oversees the business of the Academic Board and its committees and provides independent advice to the Vice-Chancellor and President and Senate on matters relating to the academic functions of the University.

Chief Financial Officer
Andrew Betts

BCom, MBA (Advanced) *Qld*, CA, GAICD
– As Head of Finance, provides financial management services to the University, with direct reports including Corporate Finance, Financial Planning and Analysis, Financial Operations, and the Finance Professional Service teams for the faculties, institutes and central divisions.

Chief Human Resources Officer
Dr Alister Jury

BSc (Hons), PhD *Qld*
– Responsible for providing strategic leadership to consolidate Human Resources Services as a provider of professional advice and planning on a broad range of matters, together with the implementation of HR strategy and policy that supports the strategic direction of the University.

Chief Marketing and Communication Officer

Kelly Robinson
BBus (Comn), MBA *QUT*
– Leads UQ’s marketing and communication function responsible for increasing domestic and global awareness and support for the University.

Deputy Chief Operating Officer
(1 January–9 November 2018)

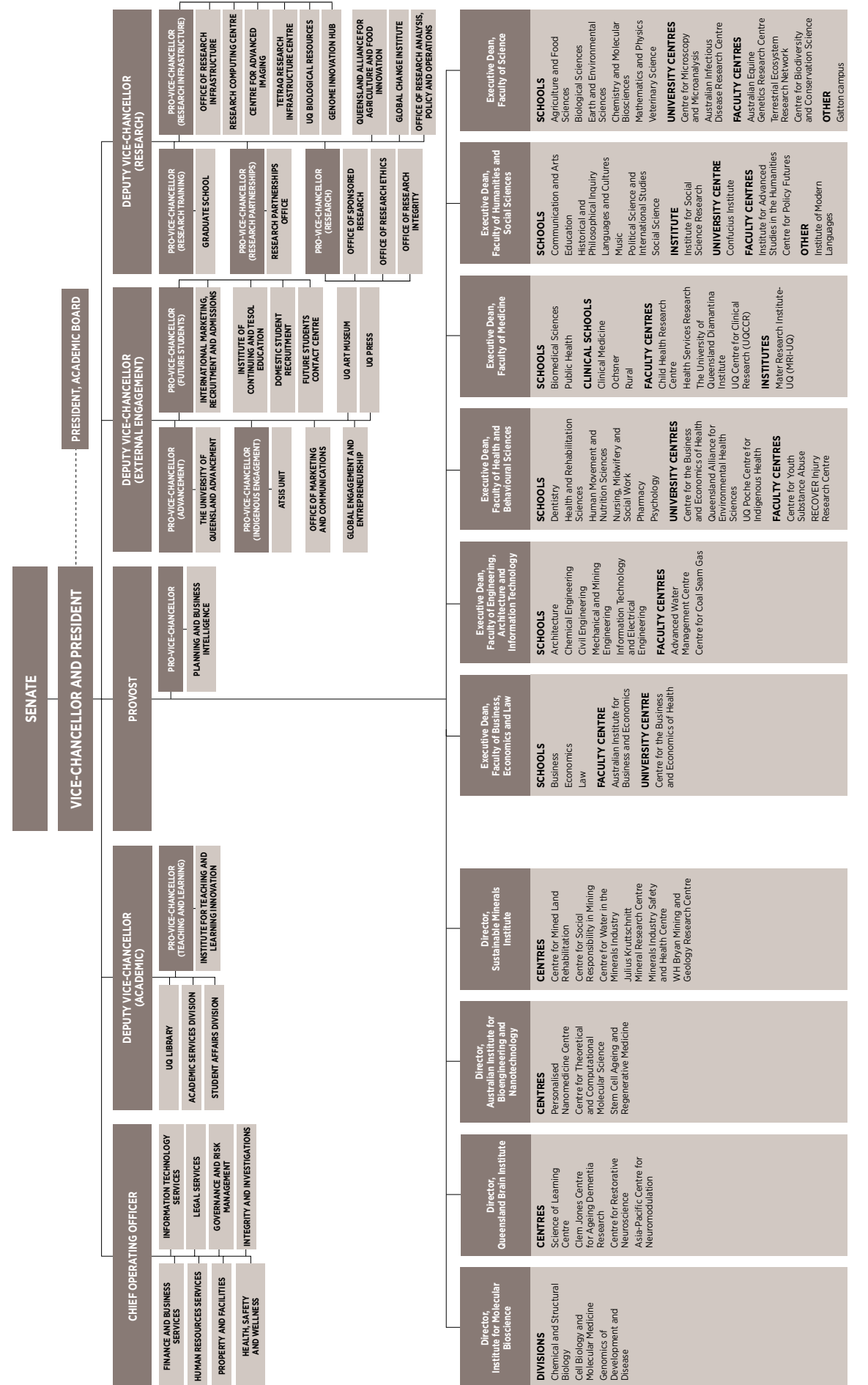
Saveria Dimasi
BA (Econ) (Hons), LLB, LLM *Melb*
– Supports the Chief Operating Officer in managing the University’s professional services and implementing the capital planning framework and transformation processes; also coordinates and oversees teams to plan and deliver major strategic cross-divisional projects.

ORGANISATIONAL STRUCTURE / LINES OF RESPONSIBILITY

Issued by the Office of the Chief Operating Officer
uq.edu.au/about/docs/org-chart

As at November 2018

As at November 2018



PUBLIC SECTOR ETHICS ACT 1994

In terms of its obligations under the *Public Sector Ethics Act 1994*, the University has a Code of Conduct that sets out the expectations for University staff in relation to professional conduct. All continuing and fixed-term staff are required to complete an assessable online course to learn how the Code of Conduct applies to them; casual staff are also strongly encouraged to complete the course.

The training is consistent with the University's obligations under the *Public Sector Ethics Act 1994*, which requires the University to provide appropriate education about public sector ethics. Given the high profile of the Code of Conduct, administrative procedures and management practices across the University reflect the objectives and requirements set out. It is also referenced in position descriptions and offers of appointment, forms part of employee induction programs, and is incorporated into relevant training and development programs.

RISK MANAGEMENT

The University has a Senate Risk and Audit Committee that assists Senate in discharging its risk management, and internal compliance and control oversight responsibilities.

The role of this committee is to exercise oversight of the University's governance, risk and compliance frameworks, including policies, procedures, information systems, and systems of internal control surrounding key financial and operational processes. The Committee also provides oversight of the leadership and direction in terms of organisational culture and ethical behaviour.

The Committee receives advice and assurance from senior management across the following functions and activities:

- Enterprise Risk
- Occupational Health and Safety
- Governance
- Compliance
- Internal Audit
- Integrity and Investigations
- Research Integrity.

To assist the Senate Risk and Audit Committee gain further insights into the operational risks of the University, senior managers attend committee meetings on a rotating basis to discuss specific risks faced within their areas of responsibility.

All members of the Senate Risk and Audit Committee are appointed by Senate. The Committee met on four occasions during the 2018 financial year and the members were:

- **Grant Murdoch**, BCom *Cant*, MCom *Cant*, FCA, FAICD (Chair)
- **Professor Peter Adams**, BSc(Hons), BComm, PhD *Qld*
- **Anne Cross, AM**, BSocWk, MSocWk *Qld*, FAICD, FIML
- **Philip Hennessy, AO**, BBusAcc *QUT* (as Chair of Finance Committee)
- **Kathy Hirschfeld**, BE (Chem) *Qld*, FTSE, FICHEM, FIEAust, GAICD
- **Michelle Tredenick**, BSc *Qld*, FAICD
- **Peter N Varghese, AO**, BA (Hons) *Qld*, H.DLitt *Qld* (Chancellor, ex officio).

No members were remunerated for their attendance apart from Grant Murdoch, who received \$10,000 in his role as Chair.

The University has adopted a 'three lines of defence' assurance model as part of its governance, risk and compliance frameworks.

During 2018, the committee provided direction and oversight of the following key initiatives:

- **top risks:** reporting continued on the University's top academic and non-academic risks, including their insurance status and follow-up of the timely implementation of proposed risk treatments
- **key risks to the Strategic Plan:** the key risks to achieving the objectives of the new *Strategic Plan 2018-2021* were assessed and reported
- **emerging risks:** UQ's key emerging risks were reported, including those risks that have not yet occurred but are at an early stage of becoming known and/or are expected to grow greatly in significance
- **faculty, institute and controlled entity risk profiles:** all faculties, four research institutes and five controlled entities self-assessed and nominated their top risks, consistent with the new Enterprise Risk Management Framework
- **specific risk exposures:** reports were provided on specific risk exposures requested by management and/or the Senate Risk and Audit Committee. Of particular importance was the cybersecurity risk assessment undertaken during the year
- **Key Risk Indicators (KRIs):** these were identified for monitoring each Risk Appetite Statement (RAS), including an assessment of the status of the current KRI level against the RAS as well as the KRI's development trend over time. Relevant strategic KPI metrics and targets were also cross-referenced to the RAS
- **Risk Appetite Statement (RAS):** the Senate-approved RAS was reviewed and updated to ensure continued relevance, alignment with the new *Strategic Plan 2018-2021*, and improvement through innovation
- **Enterprise Risk Management Framework:** the Senate-approved framework was reviewed and updated to improve practicality in implementation, re-alignment with updated RAS, and innovation via continuous improvement
- **Incident Management Framework:** a new enterprise incident management framework was developed to aid and guide management in its response to and recovery from disruptive incidents impacting the University
- **Compliance Assurance Program:** a new program was implemented and assurance provided on key compliance obligations
- **safety:** continued focus on safety risk management and culture.

The Senate Risk and Audit Committee has operated effectively as per its charter and had due regard to Treasury's Audit Committee Guidelines.

Integrity and Investigations Unit

The Integrity and Investigations Unit is responsible for the management and conduct of investigations into breaches of policies, activities directed against the University and/or its people, misuse of public money and public interest disclosures. The unit also leads the delivery of misconduct prevention strategies, including training, information and advice.

The Associate Director, Investigations and Integrity, reports administratively to the Chief Operating Officer and has direct access to the Vice-Chancellor and President, Chair - Senate Risk and Audit Committee, and Chancellor, as required.

Internal Audit

The Internal Audit function adds value by assisting Senate and University management with the effective execution of their responsibilities by providing assurance on the effectiveness of governance, risk management and internal controls. Internal Audit also assesses and provides assurance on the quality of financial, managerial and operating information, and whether resources are acquired economically, used efficiently and managed effectively.

Internal Audit operates under an Internal Audit Charter, last reviewed and approved by the Senate Risk and Audit Committee in June 2017. As per this Charter, the Internal Audit function is independent of management and, as such, has no direct responsibilities for, or authority over, any of the activities it audits.

Internal Audit functionally reports to the Senate Risk and Audit Committee and has direct access to the Vice-Chancellor and President, Chair - Senate Risk and Audit Committee, Chair - Vice-Chancellor's Risk and Compliance Committee, and Chancellor.

Internal Audit activities take into account applicable legislative requirements, such as the *University of Queensland Act 1998*, the *Financial Accountability Act 2009*, *Financial and Performance Management Standard 2009* and *Tertiary Education Quality and Standards Agency Act 2011* (TEQSA Act). Internal Audit activities also consider the *Queensland Treasury Audit Committee Guidelines 2017*.

An annual risk-based planning process is undertaken in consultation with management and the Annual Audit Plan is approved by the Senate Risk and Audit Committee.

During 2018, Internal Audit completed 18 engagements across the University, including assurance services, grant certifications, advisory services and ongoing input into several projects.

EXTERNAL SCRUTINY

In 2017, a former employee of the Global Change Institute and a former academic title holder were charged with fraud relating to their employment with the University. Their case had been referred to the Crime and Corruption Commission (Queensland) following an internal investigation and is still being processed in the court system.

In 2018, another fraud case relating to a former administration officer was referred to the Crime and Corruption Commission (Queensland) and is also being dealt with by the courts. The University of Queensland maintains a zero tolerance attitude towards fraud.

Three health researchers were investigated for academic misconduct; no misconduct finding was made.

Following the release in August 2017 of the HR Commission's *Change the course: National Report on Sexual Assault and Sexual Harassment at Australian Universities (2017)*, UQ developed a Sexual Misconduct Policy (outlined at respect.uq.edu.au) and established a Sexual Misconduct Support Unit and First Responder Network. In 2018, UQ continued its commitment to fostering a safe and respectful environment on all campuses, developing strategic prevention techniques that included improved education campaigns and updated training initiatives, such as the Consent Matters online training module.

On 16 May 2018, the Queensland Audit Office tabled in Parliament its *Education: 2016-17 results of financial audits—Summary Report 15: 2017-18*, in which it reported being satisfied that entities (including UQ) were preparing financial statements in accordance with legislative requirements and standards, and that financial statement results could be relied on.

INFORMATION SYSTEMS AND RECORDKEEPING

The University continues to promote compliance with the *Public Records Act 2002*, *Information Standard 18 (2018)* and the *ISO27001* information security management system.

In 2018, UQ made the following improvements to recordkeeping and information systems:

- developed and communicated an Information Management Policy and Procedure to support effective accountability and governance of UQ information
- developed a new Cyber Security Policy and Information Security Classification Procedure to support the confidentiality, integrity and availability requirements of UQ information
- developed a procedure to support the destruction of physical source records following their conversion to an appropriate digital format
- completed a significant review of the electronic Document Management and Records Management System configuration to improve performance
- applied a records disposal freeze on any records that are, or may be relevant to, allegations of child sexual abuse, following recommendations of the Royal Commission into Institutional Responses to Child Sexual Abuse
- transferred more than 700 boxes of records (dating from 1970 to 2001) to the custody of Queensland State Archives for ongoing management and public accessibility.