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Superseded Documents	Treasury Policy v1.0 approved 25 November 2010		
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Associated Documents	Investment Policy Treasury Procedure		
Version	Authorisation	Approval Date	Effective Date
2.0	President and Vice-Chancellor	31 July 2015	1 August 2015

1. Purpose

The Treasury Policy (the 'Policy') provides rules and guidance for the management of the UNSW Treasury & Investment Services function, specifically in relation to treasury risks.

The primary objective is to ensure that the treasury activities and risks are managed in a clear, prudent, cost-effective and comprehensive manner, reflecting the needs of all stakeholders, as well as being aligned to the strategic objectives of UNSW.

2. Scope

This Policy applies to all operations of UNSW including

- Faculties, Schools, Departments, Research Centres and Divisions; and
- Nominated Controlled Entities of the UNSW Group.

The Policy governs the management of the following areas of treasury risk:

- Credit Risk;
- Short Term Liquidity Risk;
- Funding and Refinancing Risk;
- Interest Rate Risk;
- Foreign Exchange Risk; and
- Operational Risk relating to treasury activities.

Areas specifically out of scope of this Policy:

- Non-financial institution credit risk exposures, for example general suppliers contracted via the procurement team, and
- Investment activities governed by the UNSW Investment Policy (unless specifically stated otherwise).

3. Definitions

Controlled Entity: An Entity that is subject to the control of UNSW in terms of section 50AA of the Corporations Act.

Nominated Controlled Entity: A Controlled Entity approved by the Director of Finance in accordance with the listing included in the Treasury Procedure .

4. Policy Statement

Treasury and Investment Services ('T&IS') will:

- 4.1 Operate as a risk management and service function with responsibility for managing exposures to certain market and operational risks as listed under Section 2 of this Policy.
- 4.2 Manage the overall level of counterparty credit exposure, from treasury activities to individual financial institutions that T&IS transacts with, to acceptable levels of credit risk through institution selection, diversification, monitoring and related decisions.
- 4.3 Ensure that UNSW has the capacity to meet its financial obligations as they fall due.
- 4.4 Ensure that UNSW is able to obtain new credit facilities or renegotiate existing credit facilities in order to meet its financial requirements in a timely manner.
- 4.5 Minimise the impact of unfavourable movements in interest rates on UNSW's interest income earned or interest expense incurred.
- 4.6 With respect to foreign exchange risk management, T&IS will:
 - Identify all material foreign exchange exposures;
 - Engage with Divisions and Faculties, Schools, Departments, Research Centres and Nominated Controlled Entities in explaining T&IS role in the identification and management of foreign exchange risks; and
 - Ensure foreign exchange exposures are tracked, managed and reported in accordance with the limits and policies.
- 4.7 When managing operational risk, T&IS will:
 - Minimise risk through an appropriate level of internal controls and segregation of duties (taking into consideration the size of the T&IS function);
 - Ensure that well documented procedure manuals are updated and readily available; and
 - Ensure that T&IS applications have adequate disaster recovery procedures documented and in place.

5. Legal & Policy Framework

- Treasury Procedure; and
- Investment Policy.

6. Implementation

6.1 Roles & Responsibilities

The Director of Treasury and Investment Services will ensure that appropriate systems and procedures are in place to support this Policy.

6.2 Support & Advice

Ongoing support and advice on the application of this Policy may be sought from the Director of Treasury and Investment Services.

6.3 Communication

This Policy will be communicated to targeted managers across the University.

7. Review

This Policy will be reviewed two years from the effective date.

8. Acknowledgements

This Policy was developed in consultation with the specialist Treasury practice of PricewaterhouseCoopers.

9. History

Version	Authorised by	Approval Date	Effective Date	Sections modified
1.0	President and Vice-Chancellor	25 November 2010	1 December 2010	New policy
2.0	President and Vice-Chancellor	31 July 2015	1 August 2015	Divided into a Policy document and Procedure document