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<b>Superseded Documents</b>	Treasury Policy v1.0 approved 25 November 2010		
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<b>Associated Documents</b>	<a href="#">Investment Policy</a> <a href="#">Treasury Procedure</a>		
<b>Version</b>	<b>Authorisation</b>	<b>Approval Date</b>	<b>Effective Date</b>
2.0	Authorised by the 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