

Revenue Policy

Section 1 - Introduction

(1) In accordance with the [University of Newcastle Act 1989 No 68](#) (the Act) the University of Newcastle (University) may generate revenue for the purpose of funding the promotion of its object and the carrying out of its principal functions.

(2) As a public institution it is vital the University generates revenue in a manner that is ethical, legal, and in the best interests of the broader University community.

Section 2 - Purpose

(3) This Policy sets out the University's position in relation to revenue generation and debtor management.

(4) This Policy establishes the University's key revenue principles that:

- a. govern the University's revenue generating activities;
- b. meet the University's business and strategic requirements; and
- c. promote fair and equitable treatment of all current and potential customers.

(5) This Policy must be read in conjunction with:

- a. [Staff Code of Conduct](#);
- b. [Projects and Consultancy Procedure](#);
- c. [Commercial Activities Policy](#);
- d. [Donated Assets \(in-specie\) Transfer Procedure](#); and
- e. [Donation Acceptance and Management Policy](#).

(6) This Policy supports the University's compliance with the following legislation:

- a. [University of Newcastle Act 1989 No 68](#) (the Act);
- b. [Government Sector Finance Act 2018 No 55](#);
- c. [Competition and Consumer Act 2010](#);
- d. [Government Sector Finance Regulation 2018](#);
- e. [A new Tax System \(Goods and Services Tax\) 1999](#);
- f. [Australian Charities and Not for Profits Commission Act 2012](#).

Section 3 - Scope

(7) This Policy applies to the generation of revenue by the University and its controlled entities.

(8) This Policy does not apply to income derived from investments administered under the [Investment Policy](#).

Section 4 - Audience

(9) This Policy should be read and understood by all staff, including staff of controlled entities, who undertake or are involved in revenue generating activities outside of student recruitment activities.

(10) This Policy is available to customers and potential customers for their information.

Section 5 - Definitions

(11) In the context of this Policy and associated Procedures the following definitions apply:

- a. business units – means any organisational structural element of the University including but not limited to divisions, Colleges, Schools, Research Centres, Institutes, Academies, controlled entities, and units;
- b. contract – means an instrument that outlines the obligations of the customer and the University in respect of the revenue generating activity;
- c. customer – means individuals or organisations providing revenue to the University including but not limited to, students, grant funding bodies, donors, community groups, companies, and tenants.
- d. revenue – means any inflow of money to the University, including but not limited to student fees, government funding, donations, sponsorships and philanthropic income, consultancy or project income, grants and research income, commercialisation of intellectual property including royalties, trademarks and licences, funds from sale of assets, but excluding inflows defined as investment returns.
- e. Supply Owner means the staff member responsible for leading the revenue generation and for seeking delegate approval of the associated binding commitment.

Section 6 - Key Revenue Principles

(12) The University will undertake all revenue generating activities in accordance with the following principles:

Strategic Alignment

(13) Revenue generating activities will align to the University's object, as detailed in [the Act](#), and strategic plan.

Financial Sustainability

(14) Revenue generating activities will support long term financial sustainability.

Social Responsibility

(15) Revenue generating activities must be consistent with our commitment to the Sustainable Development Goals and the needs of our community.

Compliance

(16) Revenue generating activities must be consistent with all relevant policy and legislative requirements, in both nature and how they are undertaken.

Section 7 - Authority and Compliance

(17) Every binding commitment that is associated with revenue generation must be authorised in accordance with the University's delegations of authority (see [Delegations Register](#)).

(18) Delegates who authorise revenue generating commitments or approve revenue generating activities on behalf of the University must do so within the Object and Function of [the Act](#), including where relevant, commercial activities allowed under the [Commercial Activities Policy](#).

(19) Revenue generating activity must give due consideration to the University's compliance requirements, including but not limited to: work health and safety, [Staff Code of Conduct](#), government legislation, and relevant University policy and procedure, and any other relevant compliance requirements.

(20) It is the responsibility of all business units and committees to ensure revenue generating activities within their respective areas comply with the requirements of this Policy.

(21) It is the responsibility of the Supply Owner to ensure monies are collected in full and on time in accordance with any contractual or other sales terms.

Section 8 - Risk Management

(22) Risk management, as it relates to the engagement of customers and delivery of revenue generating activities, is a primary consideration and risks associated with the supply of goods and services and the extension of credit, must be identified, analysed, evaluated, treated and monitored across the lifetime of the revenue generating activity in accordance with the [Risk Management Policy](#), [Risk Management Framework](#) and their associated documents. The effort directed to risk assessment and management should be commensurate with the scale, scope and risk of the revenue generating activity.

Section 9 - Financial Management

(23) The University will exercise responsible financial management in all revenue generating activities, including:

- a. assessing customers to determine their support of the University's key revenue principles, staff and students;
- b. approval of revenue generation activity by authorised delegates within their delegation limits and according to any conditions of authority;
- c. applying University resources appropriately;
- d. obtaining payment in advance or at the time of delivery for customers with uncertain credit credentials or for ad hoc low value goods and services;
- e. performing appropriate credit checks on customers where payment is on invoice after delivery of goods and services by the University;
- f. monitoring and evaluating the performance of ongoing contracts to ensure the University meets its obligations to receive the associated revenue;
- g. undertaking debt monitoring and debt collection procedures that minimise the risk of financial loss to the University;
- h. adhering to the [Governance Framework for Controlled Entities](#), ensuring appropriate management of controlled entity revenue; and
- i. taking measures to mitigate financial loss as a result of the customers we engage with and / or the non-delivery of obligations by the University.

(24) The obligations of the University that are required to be met to receive the associated revenue must be clearly defined and documented prior to resources being applied.

(25) The payment method will be limited to approved University payment mechanisms and where there is a choice, the most efficient method will be used.

Section 10 - Monitoring, Support and Non-Compliance

(26) Supply owners are responsible for monitoring the performance of customers to ensure ongoing compliance with the Key Revenue Principles. This includes acting upon advice from Financial Services and ceasing deliverables where there are overdue debts and/or risk of non-payment.

(27) Controlled entities are subject to and must comply with the [Governance Framework for Controlled Entities](#).

(28) Corporate Accounting and Treasury, in collaboration with subject matter experts from the business unit, provide support and guidance for debtor management activities across the University and are available to assist all University staff with any queries, concerns, or advice in undertaking those activities.

(29) Corporate Accounting and Treasury may undertake an evaluation of a debtor relationship at the cessation or renewal of a revenue generating arrangement to assess the outcome of the activity against the Key Revenue Principles.

(30) Corporate Accounting and Treasury will monitor compliance with this Policy and associated Procedures via any lawful means deemed necessary.

(31) Breaches of this Policy may be recorded within the University [Breach Register](#), having regard to the severity of the breach, and may be subject to appropriate escalation process.

Section 11 - Complaints Resolution

(32) Any complaints arising from the University's revenue generating activities will be handled in accordance with the University's [Complaint Management Policy](#) and [Complaint Management Procedure](#).

Status and Details

Status	Not Yet Approved
Effective Date	To Be Advised
Review Date	To Be Advised
Approval Authority	Chief Financial Officer
Approval Date	To Be Advised
Expiry Date	Not Applicable
Responsible Executive	Paul McCubbin Chief Financial Officer
Enquiries Contact	Paul McCubbin Chief Financial Officer <hr/> Financial Services

Glossary Terms and Definitions

"University" - The University of Newcastle, a body corporate established under sections 4 and 5 of the University of Newcastle Act 1989.

"Risk" - Effect of uncertainty on objectives. Note: An effect is a deviation from the expected, whether it is positive and/or negative.

"Risk assessment" - The overall process of risk identification, risk analysis, and risk evaluation.

"Asset" - Any tangible or intangible item (or group of items) that the University owns or has a legal or other right to control and exploit to obtain financial or other economic benefits.

"Controlled entity" - Has the same meaning as in section 16A of the University of Newcastle Act 1989.

"Student" - A person formally enrolled in a course or active in a program offered by the University or affiliated entity.

"Intellectual property" - Intellectual property (IP), as defined by the World Intellectual Property Organisation, refers to creations of the mind: inventions; literary and artistic works; and symbols, names and images used in commerce. Intellectual property is divided into two categories: Industrial property includes patents for inventions, trademarks, industrial designs and geographical indications; and Copyright covers literary works (such as novels, poems and plays), films, music, artistic works (e.g. drawings, paintings, photographs and sculptures) and architectural design. Rights related to copyright include those of performing artists in their performances, producers of phonograms in their recordings, and broadcasters in their radio and television programs.

"School" - An organisational unit forming part of a College or Division, responsible for offering a particular course.

"Staff" - Means a person who was at the relevant time employed by the University and includes professional and academic staff of the University, by contract or ongoing, as well as conjoint staff but does not include visitors to the University.

"College" - An organisational unit established within the University by the Council.

"Delegate" - (noun) refers to a person occupying a position that has been granted or sub-delegated a delegation of authority, or a committee or body that has been granted or sub-delegated a delegation of authority.