



The University of Melbourne >

Structures and Relationships

**Len Currie
University Secretary**



The Melbourne University Complex

University

**University
Companies**

**Affiliated
Bodies**

**Recognised
Bodies**



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The University of Melbourne

“a body politic and corporate”

- A Victorian statutory corporation
- Empowered by Victorian legislation to create subordinate legislation



Government Relations

State – the power of the parent

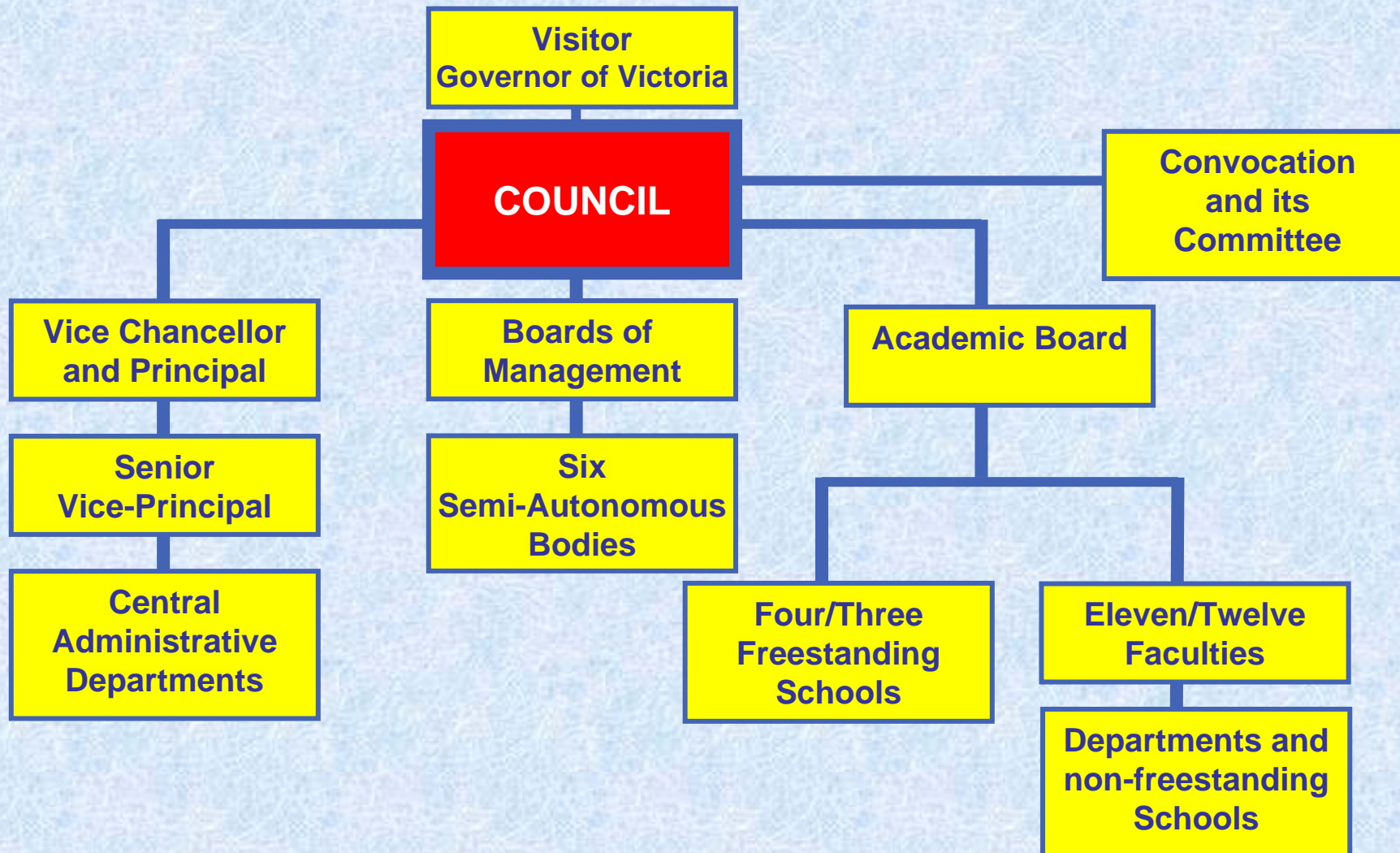
- Melbourne University Act
- Financial Management Act
- Other Victorian legislation conferring powers relevant to the University upon –
 - Victorian Ombudsman
 - Victorian Civil and Administrative Tribunal
 - Privacy Commissioner, Health Services Commissioner, etc

Commonwealth – the power of the purse

- Higher Education Support Act
- Higher Education Funding Act
- Australian Research Council Act
- Australian Universities Quality Agency



The University





Academic Board

- One of the four core governance structures referred to in the Act, which provides –
 - Power to make recommendations to Council about academic affairs, in particular as to studies and discipline
 - No course legislation may be made without submission to the Academic Board
 - Self regulating subject to University legislation, led by an elected President
 - Has such further powers as are provided by University legislation
- Reviews PBC Reports to Council
- Includes all professors and heads of academic departments (current membership approximately 330)



Faculties

- **Architecture, Building and Planning**
- **Arts**
- **Economics and Commerce**
- **Education**
- **Engineering**
- **Land and Food Resources**
- **Law**
- **Medicine, Dentistry and Health Sciences**
- **Music**
- **Science**
- **Veterinary Science**
- **Victorian College of the Arts (from 1 January 2007)**



Role of Faculties

- One of the core four governance structures referred to in the Act, which provides –
 - No course legislation may be made without submission to the appropriate faculty(ies)
 - Have such further powers as are provided by University legislation
 - Self regulating subject to University legislation, led by deans appointed by Council or elected
- Make submissions to Academic Board and PBC



61 Academic Departments

- Generally, the Basic Academic Units of the University (Schools sometimes the bottom layer, eg. in Land and Food Resources)
- Contained within Faculties
- May be grouped into Schools
- Governed by Statute 6.1
- May contain Centres
- Led by Heads appointed by Vice-Chancellor



Problem Terminology 1 – ‘SCHOOLS’

- **Diverse Disciplines within Faculties linked:**
 - by physical location
MDHS Clinical Schools at various hospitals
 - by professional objective
School of Medicine, Law School, School of Veterinary Science
 - by disciplinary overlaps
School of Languages, School of Earth Sciences
- **Disciplinary Groupings outside Faculties:**
 - Melbourne Business School
 - School of Graduate Studies
 - School of Enterprise
 - School of the VCA (until 31/12/06)



- **Institutional Centres**

No external partners involved.

Within a University department or involving staff from across several University departments.

- **Centres Arising from External Funding**

External partners are involved with one or more University departments.

Formal contractual agreements. May be incorporated.



Institutional Centres

Created through internal initiative rather than as the result of outside funding

Examples –

- Centre for Classics and Archaeology
- Centre for Studies in Australian Music



Centres Arising from External Funding

- **Special Research Centres (ARC)**
Centre for Environmental Stress and Adaptation Research (Genetics)
- **Centres of Excellence (ARC)**
Centre of Excellence for Integrative Legume Research (Agriculture and Food Systems)
- **NH&MRC Centres of Clinical Research Excellence**
NH&MRC Centre of Clinical Research Excellence in Infectious Diseases (Medicine RMH/Western Hospital)
- **Victorian Science Technology and Innovation Centres**
Research Centre for Advanced By-Wire Technologies (Mechanical and Manufacturing Engineering and others)
- **Co-operative Research Centres (DEST)**
Bushfire Co-operative Research Centre (Forest and Ecosystem Science)



Problem Terminology 2 – 'INSTITUTES'

A term with no defined meaning in University legislation, which has been applied to

- a faculty (ILFR)
- a school (Bio21 Institute)
- a department (Melbourne Institute of Applied Economics and Social Research)
- a centre (Institute of Comparative and International Law)
- a subsidiary company (Australian International Health Institute)

(and of course many external affiliated and recognised bodies also call themselves 'institutes')



Characteristics of Semi-Autonomous Bodies

- **Outside ‘the academy’ (non-teaching), don’t report through Academic Board**
- **Have Boards of Management or equivalent which are responsible to University Council**
- **Business Plans, Budgets and Allocations approved by Finance Committee**
- **Chief Operating Officers responsible to the Boards of Management**
- **Individual Regulations Under Statute 8.1**



Semi-Autonomous Bodies

- **Melbourne Theatre Company**
- **International House**
- **Medley Hall**
- **The Ian Potter Museum of Art**
- **Asialink**
- **Melbourne University Bookshop**



Convocation (and its Committee)

- **A collective – all the graduates**
- **One of the four governance structures in the Act which provides Convocation with power:**
 - to elect a Committee
 - to elect a President, who chairs Convocation and its Committee
 - to make representations directly to Council, either from Convocation itself or its Committee
- **Vanished powers (removed 1998)**
 - to elect a proportion of Council members
 - to defer University legislation
- **Each Council Committee (by convention) and each Faculty (by statute) has a representative of the Committee of Convocation on it**



The Melbourne University Complex

University

**University
Companies**

- **Subsidiaries**
- **Other Controlled Entities**
- **Associated Companies**

**Affiliated
Bodies**

**Recognised
Bodies**



Corporate Structure

The University of Melbourne
statutory corporation

subsidiary companies
formed under the
Corporations Act

- limited by guarantee
- limited by shares

non-subsidiary
corporations deemed as
controlled entities by the
Auditor-General



Subsidiaries

- **Limited by guarantee**

- Australian National Academy of Music Ltd
- Australian Music Examinations Board (Vic) Ltd
- Melbourne University Publishing Ltd
- MU Student Union Ltd
- The Meanjin Company Ltd

- **Limited by shares**

- Melbourne Ventures Pty Ltd
- Australian International Health Institute (The University of Melbourne) Ltd
- UMEE Ltd



Non-Subsidiary Controlled Entities

- **Melbourne Business School**

Less than 50% voting power but

- Assets revert to University if wound up
- Cannot have board meeting if University nominated director not present

- **Victorian College of the Arts**

Separate statutory corporation (until end 2006) but

- Receives Commonwealth funding allocations channeled through the University

Deemed to be controlled entities of the University for financial reporting purposes – consolidated into our accounts



Governance Reporting on University Companies

- To ASIC (like all companies)
- To Victorian Government under Section 40A & B of the *Melbourne University Act*, and the *Financial Management Act*
- To Commonwealth Government under the requirements of the National Governance Protocols



“Associated” Companies

An accounting concept which has governance relevance through its insertion into the National Governance Protocol requirements -

“A higher education provider must assess the risk arising from its part ownership of any entity (including an associated company as defined in the Accounting Standards issued by the Australian Accounting Standards Board), partnership and joint venture.”



Definition of Associate

“An associate is an entity, including an unincorporated entity such as a partnership, over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.”

Australian Accounting Standards AASB 128

A presumption of significant influence if voting power of 20% or more.



University Associated Companies

Identified by the Subsidiaries Sub-Committee

- Bio21 Australia Ltd
- U21 Equity Ltd
- UniSeed Management Pty Ltd and the related bodies
 - UIIT Pty Ltd
 - Universities Innovation Investment Trusts (No.1 to No.3)
- Victorian Institute for Chemical Sciences Ltd



Subsidiaries Sub-Committee

A sub-committee of Finance Committee which monitors the business and financial performance of

- All controlled entities of the University
- Other associated companies of the University
- University 'auxiliary operations' (ie. The non-academic departments, services and organisations established by Council – MTC, the Bookshop, Childcare, etc)
- Significant business ventures carried out within faculties and departments

or which may arise through the University's part ownership of any other entity or joint venture



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**University
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**Affiliated
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Bodies**

- Residential Colleges
- Other Affiliates



Affiliates

- Act – allows the University to affiliate with colleges, educational establishments, student residences and other institutions where attainment of the objects of the University might be assisted
- Must be done by statute
- Affiliated residential colleges listed in Part 1 of Chapter 9 of the Statutes, other affiliates in Part 2



Affiliated Residential Colleges

- **No written agreements**
 - **College constitutions may provide for University representation on their governing bodies**
 - Trinity College
 - Ormond College
 - Queen's College
 - Newman College
 - University College
 - St Hilda's College
 - Whitley College
 - Janet Clarke Hall
 - Ridley College
 - St Mary's College
- The Graduate Union



Other Affiliates

Around 30 institutions affiliated by formal agreement, including

- **Research institutions**
(eg. Howard Florey Institute, Austin Research Institute)
- **“Melbourne institutions”**
(eg. Museum, Zoo, Botanical Gardens)
- **Research active government bodies**
(eg. CSIRO, Antarctic Division)
- **Educational bodies**
(eg. College of Divinity, College of Optometry)

(several statutes overdue for revocation)



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- **Student Organisations**
- **Research and Teaching**
- **Clinical Teaching and Supervision**



“Recognised” Bodies

The Act gives the University power to make statutes and regulations for recognition of institutions or bodies at which –

- Work is undertaken by undergraduate students or postgraduate students of the University for the purpose of degree requirements of the University; or
- Research is or may be undertaken by teaching or research staff of the University; or
- Any other work is undertaken that assists the University to attain any of its objects.



Types of Recognition

By Statute

- Recognition of Three Student Organisations (UMSU, UMPA, Sports Association)

Scheduled in a Regulation

- General recognition of Fifteen Bodies, mainly research focused
- Recognition of around forty hospitals and health agencies for clinical teaching and supervision in degree and diploma courses
- Recognition of around thirty similar bodies associated, for teaching purposes for clinical instruction and practice in specific disciplines, with clinical schools