

CORPORATE GOVERNANCE REPORTING

1 CORPORATE GOVERNANCE STATEMENT

The corporate objective of Monash Student Association (Clayton) Inc. (MSA) is to advance the education experience of students by providing amenities, services and facilities for the benefit of students utilising a range of revenues or reserves of the organisation, including where appropriate, residual Student Services and Amenities Fee (SSAF).

MSA is a registered not-for-profit entity with the Australian Charities and Not-for-Profits Commission (ACNC).

MSA's mission statement: a better student experience.

Everything the organisation does must serve its core principles.

The entity considers that, except where expressly stated, it has met the policies for the previous calendar year.

2 CORPORATE GOVERNANCE PRINCIPLES

2.1 LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

MSA operates under the MSA Constitution. The Constitution is a governing document which represents the rule book for the way in which MSA operates. It formalises and defines the respective roles and responsibilities of the Monash Student Council (MSC) and those delegated to the management of MSA's operations.

MSC delegates certain roles to the Executive as per the *MSA Constitution Part 6 Section 23 and 24* which includes the day-to-day operational of MSA.

All MSC members are elected annually as per *MSA Constitution - Part 10 Elections*.

Following their appointment, all MSC members undergo an induction process and are provided with information to ensure they are aware of their respective roles and responsibilities. Failure to act in the best interests of the organisation of which members are directors is a serious failure in responsibility.

2.2 PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING

Under the *ACNC Governance Standard 5*, Directors have duties including: acting honestly in MSA's best interests and disclosing and managing conflicts of interest. MSA has an established a code of conduct which guides MSC members, the Executive Officer (or equivalent), the Finance Manager (or equivalent) and any other key executives as to the practices necessary to maintain confidence in the entity's integrity.

MSA maintains and reviews regularly the following policies:

- Code of Conduct
- Interaction Protocols for Staff and Elected Officials

Responsibility and accountability of individuals for reporting, and investigating reports of, unethical practices.

- MSC compliance with all the relevant statutory legislations such as Taxation Law, Company Law and Regulations, Building Law and Regulations, Planning Law, and any relevant University policies and requirements.

2.3 HAVE A STRUCTURE TO INDEPENDENTLY VERIFY AND SAFEGUARD THE INTEGRITY OF THE CONTROLLED ENTITY'S FINANCIAL REPORTING

MSA is audited on an annual basis by MSC appointed independent external auditors and subsequently reports to ACNC and Consumer Affairs Victoria (CAV). Additionally the entity is required to fully report as to how SSAF funding is spent to the University on a quarterly basis.

The Executive Officer (or equivalent) and Finance Manager (or equivalent) and the senior executives of MSC must state in writing to the MSC that the controlled entity's financial reports present a true and fair view, in all material respects, of the MSA's financial condition and operational results, and are in accordance with relevant accounting standards.

Given the size of MSA, the MSC has determined that a Finance and Audit Risk Committee be established. This committee is currently made up of three members of the MSA Executive and attendees are the MSA Executive Officer and Finance Manager. The Finance and Audit Risk Committee takes guidance from the MSA Finance Policies and Procedures regarding processes.

2.4 MAKE TIMELY AND BALANCED DISCLOSURE OF ALL MATERIAL MATTERS CONCERNING THE ENTITY

The Audit Committee ensures compliance with:

- Relevant Financial Management Legislation and Regulations, including the Corporations Act 2001
- Occupational Health and Safety Legislation and Regulations
- Environmental Legislation and Regulations
- Security Legislation and Regulations
- Relevant University Policies and Requirements
- Company Law and Regulations
- Taxation Law
- Building Law and Regulations (future works)
- Planning Law

2.5 RECOGNISE AND MANAGE RISK

The Finance and Audit Risk Committee will establish policies on risk oversight and management as per the Development of Policy and Procedures Review Policy April 2016 by the end of 2017.

The Executive Officer (or equivalent) and the Finance Manager (or equivalent) states to the Finance and Audit Risk Committee in writing during the audit process and regularly during the committee meeting process that the:

- statement about the integrity of financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the committee,
- risk management and the internal compliance control system is operating efficiently and effectively in all material aspects. This includes finance, occupational health and safety, and event risk management procedures.

The Executive reports to MSC on any relevant matters.

As a not-for-profit representative body for Monash University Clayton students, MSA holds a moderately conservative approach to investment as per *MSA Investment Policy (January 2017)*.

2.6 RECOGNISE THE LEGITIMATE INTERESTS OF STAKEHOLDERS.

As part of MSA's biennial strategic planning process, the MSC reviews proposed strategic plans. This includes a statement of delivering value to the members, responsibilities to students, partners, clients and customers, employment practices, fair-trading and dealing, community responsibilities, privacy policy and other responsibilities to the individual and Australian law.

The entire campus community is considered as stakeholders by MSA. Regular consultation with the University provides a significant part of recognising the legitimate interests of all students. Additionally, it is core to the MSA practice to always involve the elected student representatives in as many decision making processes as possible. This may include budgetary processes, employment, tender decisions and other operational matters.

MSA holds an Annual General Meeting every year with a formal notice sent at least 28 days in advance, this is in accordance with *MSA Constitution Section 59 - Annual General Meeting*.

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Next Review: January 2018