Minutes confirmed on 1 April 2020

Index

1. Acknowledgement of Country 2
2. Welcome and apologies 2
3. Approval of items en bloc 2
4. Declaration of interests 2
5. Confirmation of minutes 3
6. Matters arising from the minutes 3
7. Vice-Chancellor and President's Report 3
   Strategic Matters 3
8. Coronavirus update 3
   Academic Matters 4
9. Update from the Academic Board President 4
10. Academic Board Report 4
11. UQ Higher Education Standards Framework compliance 4
   Financial / Operational matters 4
12. UQ 2020-2022 Final Budget 4
   Governance Matters 6
15. UQ Model Code for Freedom of Speech 6
16. Senate Committees – Membership Changes 7
   Senate Committee Reports 8
17. Advancement Update 8
18. Campus Infrastructure Committee 8
19. Finance Committee 8
20. Risk and Audit Committee 8
   Other Matters for Noting 8
21. Significant Litigation Report 8
22. Senate annual calendar 8
   Closing 8
23. Meeting Dates 2020-2021 8

Attendance
Present: Mr P N Varghese AO (Chancellor), Ms T Dwyer (Deputy Chancellor),
Professor P Høj AC (Vice-Chancellor and President), Professor P Adams,
Ms J Alroe, Associate Professor D Cavaye, Mr T Crommelin, Ms A Cross AM,
Adjunct Associate Professor D Dornan AO, Professor G Hainge,
Mr P Hennessy AO, Ms R Hurst, Mr E Johnson, Mr R Lee, Mr J Merrick,
Mr G Murdoch, Mr D Pavlou, Dr S Pitkin, Associate Professor T Roberts,
Ms M Tredenick, Ms Cecile Wake.

Apology: Mr G Murdoch.

Proxies: 1 proxy was received.

In attendance: Provost, Professor A Byrne; Deputy Vice-Chancellor (Research),
Professor B Harch; Deputy-Vice-Chancellor (Academic), Professor J Wright;
Pro-Vice-Chancellor (Advancement), Ms J Karlson; Chief Financial Officer,
1. **Acknowledgement of Country**

On behalf of the Senate, the Chancellor acknowledged the Traditional Owners and their custodianship of the lands on which the meeting took place, and paid respect to their Ancestors and their descendants.

The Chancellor confirmed the Senate’s ongoing commitment to the University’s Reconciliation Action Plan.

2. **Welcome and apologies**

The Chancellor welcomed members to the meeting and noted an apology from Mr Grant Murdoch. The Chancellor welcomed Mr Elliott Johnson, who was the new Graduate member following the resignation of Ms Kathy Hirschfeld. The Chancellor also welcomed the two new Student members: undergraduate student, Mr Drew Pavlou; and postgraduate student, Mr Richard Lee.

For the benefit of new members, the Chancellor reiterated the obligations of members to work in the best interests of the University. Members were reminded of the importance of maintaining confidentiality, and observing the charter and related documents, including the code of conduct.

The Chancellor welcomed incoming President of the UQ Union, Mr Ethan Van Roo Douglas, as an observer.

3. **Approval of items en bloc**

Having provided Members with an opportunity to star any additional agenda items, it was resolved that Senate approve or note en bloc all items which were not starred.

4. **Declaration of interests**

Members’ interests as at February 2020 were circulated with the agenda and noted.

The Chancellor provided Members with an opportunity to advise of any changes to the interests circulated and Ms Cecile Wake clarified that her position is Director and CEO Arrow Energy.

The Chancellor also provided Members with an opportunity to declare any perceived, potential, or actual conflict with any of the meeting agenda items and none were made.
5. Confirmation of minutes
The general minutes and confidential minutes of the meeting held on
5 December 2019, having been circulated, were **confirmed**.

6. Matters arising from the minutes
Matters arising from previous minutes were **noted**.

7. Vice-Chancellor and President’s Report
The Vice-Chancellor’s Report to Senate and the UQ Latest News, which had been circulated with the agenda, were taken as read. Members were invited to comment.

The Vice-Chancellor drew member’s attention to the update on the additional information requested in matters arising regarding international numbers in Medicine.

The Vice-Chancellor responded to the matter arising from the 5 December 2019 meeting of Senate, regarding UQ’s investment in recruiting international students from countries other than China. The Vice-Chancellor noted, by way of summary, that the total 2020 budget allocation for international marketing and recruitment is approximately $2m (excluding commissions and salaries). Of this approximately 24% is allocated to China; and about 76% is allocated to the rest of the world. As the demand from China is high, the majority of funding is spent on recruiting students from other markets.

The Vice-Chancellor noted that consideration was being given to the financial implications of the COVID-19 issues, including through the assessment of planned major projects to address the cash flow impact. A presentation would be provided later in the meeting with further detail.

Members noted that the University had signed the agreement with the Confucius Institute. The Vice-Chancellor advised members that the agreement would be published on the UQ website, however, it was noted that it was important for Senate to have the opportunity to view it beforehand.

In response to a question from a member regarding the University’s relationship to Tianjin University and the latest reported defence links, the Vice-Chancellor noted that UQ has had a Confucius Institute agreement with Tianjin University since 2009 and has not observed any activities of concern. The Confucius Institute had no role in defence related matters.

The Vice-Chancellor noted the results of the Australian Awards for University Teaching Ceremony, and advised that UQ had received more awards at the ceremony than any other university in the country, further consolidating its position as the most-rewarded Australian university for teaching excellence.

**Strategic Matters**

8. Coronavirus update
The Chief Financial Officer provided a briefing to Senate on the financial impact of the COVID-19 travel ban, noting that around 7,300 Chinese UQ students are
currently unable to enter Australia for semester 1. The forecasted loss in international revenue is $166m, assuming that around 29% of these students will arrive for semester 1 2020; and there will be a reduced cohort in semester 2 2020. The Chief Financial Officer demonstrated that if UQ makes cash savings of around $100m in 2020, this will minimise the impact on cash reserves in 2021 and 2022 (assuming that semester 1 2021 enrolment returns to budgeted amounts). The focus is on minimising the human impact and protecting UQ’s capability as the situation develops.

A member queried whether consideration has been given to providing subsidies for Chinese students who incur the costs of quarantine in third countries. The Chief Financial Officer noted that other universities have recently announced incentives, and UQ will consider this option further.

A member queried the response that would be taken if student numbers do not return to predicted numbers for semester 2 2020 and semester 1 2021. The Chief Financial Officer noted that the expected revenue will be considered when the semester 2 2020 enrolment is known, and further cost savings would be considered. The Vice-Chancellor added that the focus will be on whether there is a rebound for semester 2, 2020. At the current time, measures are being put in place to avoid cutting resources, and then having to re-establish operations. There are implications for the institutions key performance indicators as resources are reduced. It is anticipated that by mid-April there may be a good indication of the enrolment figures for semester 2, 2020.

9. Update from the Academic Board President
The President of the Academic Board noted, in the context of the Coronavirus, that academic staff are working well to deliver a high quality learning experience; and provided assurance to Senate that staff are committed to maintaining academic standards.

10. Academic Board Report
The Academic Board Report for the meeting held on 2 December 2019 was noted.

11. UQ Higher Education Standards Framework compliance
The UQ Higher Education Standards Framework compliance mapping document was noted.

Financial / Operational matters

12. UQ 2020-2022 Final Budget
The Chair of the Finance Committee noted the recommendation of Finance Committee for the budget to be approved, with an undertaking for management to provide an update to Finance Committee with a re-forecasted 2020 position in mid-April.
Senate **approved** the UQ Final Budget 2020–2022, subject to the Senate being aware that, by such approval, the Senate is—

1. accepting a level of risk with the budgeted 2020 EBITDA, with a $100m-$200m revenue impact estimated due to COVID19 (profit impact still to be determined); and
2. noting that management are implementing a number of initiatives and control measures for cost saving, revenue support, and capital spend deferment to minimise this risk.

A member queried whether a stronger commitment to the level of cost savings (of around $100m) is required, noting that savings that are made early will reduce the financial impact in future years. The Vice-Chancellor responded that a firm commitment is not required at this stage, noting that the EBITDA has grown from around $67m (in 2012) to $200m (in 2019) indicating strategic financial decisions will be made in the interests of the University. It was noted that if the impact is lessened in Semester 2, then a commitment to that level will not be needed.

A member queried whether the Program Architecture project is a course cutting exercise. The Vice-Chancellor noted that the Program Architecture program has been progressing for two years to review courses and programs at UQ. Through this process, if a course is found to be non-viable because it runs at a loss, then there will need to be a strategic reason to retain it. UQ has a number of courses with relatively few students enrolled and these consume significant academic resources. This program of works aims to rebalance this; to ensure that as many students on average receive the best possible teaching into their classes; and that there is a sufficient academic contribution to the larger courses.

The Chancellor requested an update on the budget, including the financial response required, to be provided at the April Senate meeting.


The Acting Chair of the Senate Risk and Audit Committee, Mr Hennessy, noted that the Committee met on 20 February 2020, with the external auditors present, to review and discuss the auditors Closing Report.

The committee reviewed the financial statements, management certificate, management representation letter, and the material judgements made by management. The Committee conducted a page turn of the financial statements and provided all present an opportunity to be aware of and confirm the events of the year that were appropriately reflected in the financial statements.

On the recommendation of the Risk and Audit Committee, the Senate –

1. **Adopted** the Financial Statements for 2019, subject to:
   1.1 final clearance from the Auditor-General,
   1.2 the satisfactory resolution of any outstanding matters at the date of this meeting,
   1.3 the inclusion of certain details in relation to KMP remuneration; and
1.4 confirmation that certain documents have been executed by the relevant parties, namely, the management certificate, the management representation letter, and the financial statements checklist.

2. **Authorised** the Chancellor, Vice-Chancellor, and Chief Financial Officer to sign the Audited Statutory Financial Statements for 2019.

Mr Hennessy noted that the CFO has now closed out the unresolved matters.

In response to a question from a member regarding the impact of the Coronavirus, Mr Hennessy noted that the CFO presented the financial impact of the COVID-19 travel ban briefing to the joint meeting of the Finance and Senate Risk and Audit Committees on 20 February 2020. The auditors also attended this briefing and were comfortable with the modelling.


The Report of the Finance Committee to Senate for the meeting held on 20 February 2020 was noted.

**Governance Matters**

15. **UQ Model Code for Freedom of Speech**

The Chancellor noted that Senate had held several discussions on the Model Code and a decision was now required. The papers include a revised version of the Code, reflecting the changes that Senate requested at the December meeting. The Chancellor thanked Jo Connah and the Implementation Group for their thoughtful work in putting this draft together.

The Chancellor noted that if the Code is adopted by Senate, the University will then have regard to it in the development and review of its policies. Some key policies for review have been set out in the paper.

The French Model Code provided universities with a measure of flexibility regarding the implementation of the principles enshrined in the report, and how they align to policy and procedural frameworks. Freedom of Speech is an important principle and value for UQ, but is also subject to reasonable and proportionate regulation, as Mr French had noted.

In response to a question from a member regarding the timeline for the review of existing policies, the Vice-Chancellor noted that the Governance Committee will have oversight of this process. There is a long list of policies that require careful consideration, and these policies are interrelated, such that when one is modified it impacts on the others.

The Chancellor noted that the Education Minister has foreshadowed changes to the legislative definitions of academic freedom and freedom of speech. UQ will work through these proposals and put together a response.
Senate resolved–

1. to approve the revised Principles for the protection of freedom of speech and academic freedom, as per Attachment 1 of the papers;

2. to approve the amendments to the UQ Governance and Management Framework Policy, as per Attachment 2 of the papers; and

3. for the current policies to remain valid until such a time as a new or revised policy is adopted as overseen by the Governance Committee.

16. Senate Committees – Membership Changes

In response to a question from a member regarding assignments to committees, the Chancellor noted that there is one vacancy currently on the Equity and Diversity Committee. Also, a new Chair of the Advancement Committee will need to be appointed following Ms Hirschfeld’s resignation.

Senate approved the changes to the Senate committees as outlined in the papers, being:

**Equity, Diversity and Inclusion Committee**

Noting the resignation on 31 December 2019 of Dr Zelle Hodge AM as Chair, Senate **resolved** that –

Ms Julieanne Alroe be appointed the Chair of the Equity, Diversity and Inclusion Committee with effect from 1 January 2020.

**Campus Infrastructure Committee**

Senate **resolved** that –

Mr Richard Lee be appointed a member of the Campus Infrastructure Committee with effect from 25 February 2020.

**Risk and Audit Committee**

Noting the resignation on 31 December 2019 of Ms Kathy Hirschfeld AM as a member, Senate **resolved** that –

Mr Elliott Johnson be appointed a member of the Risk and Audit Committee with effect from 1 February 2020.

**Senate Student Appeals Committee**

After consultation with the President UQ Union, Senate **resolved** that –

Mr Raphael Wixted be appointed the student representative on the Senate Student Appeals Committee for 2020.

**Senate Discipline Appeals Committee**

Noting the resignation on 31 December 2019 of Dr Zelle Hodge AM as a member, Senate **resolved** that –

Mr Grant Murdoch be appointed a Member of the Senate Discipline Appeals Committee with effect from 1 February 2020.
Senate Committee Reports

17. **Advancement Update**
The Advancement Update for February 2020 was *noted*.

18. **Campus Infrastructure Committee**
A member queried the process for putting construction processes on hold in the current environment. The Vice-Chancellor responded that to go ahead with all of these projects at an uncertain time would not be appropriate. There are some projects that are being delayed (e.g. Health and Wellness Centre); and others that are being paused at the design phase.

The Campus Infrastructure Committee report for the meeting held on 28 January 2020 was *noted*.

19. **Finance Committee**
The Finance Committee Report for the meeting held on 20 February 2020 was *noted*.

20. **Risk and Audit Committee**
A Risk and Audit Committee Report for the meeting held on 20 February 2020 was *noted*.

Other Matters for Noting

21. **Significant Litigation Report**
The UQ Significant Litigation Report as at 11 February 2020 was *noted*.

22. **Senate annual calendar**
The Senate annual calendar was *noted*.

Closing

23. **Meeting Dates 2020-2021**
The Senate meeting dates for 2020 – 2021 were *noted*. 