




DOCUMENT TYPE	P	
ADMINISTRATIVE	5	
GOVERNANCE	1	
LEGAL & CONTRACTS	4	
NUMBER	015	
		Policy Database Document Reference Number 514015P

COMMERCIAL ACTIVITIES POLICY

Purpose/ objectives	To establish clear guidelines for entering into “Commercial Activities” with external entities and establishing separate legal entities within or outside the University.
Scope/ Application	All campuses All staff
Policy Statement	<ul style="list-style-type: none"> • Any Commercial Activity proposal must be directed to the Chief Financial Officer and Executive Director Finance and Resource Planning. • The Chief Financial Officer and Executive Director Finance and Resource Planning may reject the proposal or recommend to the Vice-Chancellor that, subject to development of a Business Case and the provision of due diligence report, the proposal be submitted to the Finance and Resources Committee. • If the Vice-Chancellor agrees that a Commercial Activity proposal should be submitted to the Finance and Resources Committee, a formal Business Case and due diligence report must be produced for the consideration of the University’s Finance and Resources Committee and Council. • A Commercial Activity may only be entered into by the University if: <ul style="list-style-type: none"> · the Business Case is approved by Council on the recommendation of the Finance and Resources Committee; and · a Due Diligence Exercise has been undertaken and submitted to Finance and Resources Committee and the relevant due diligence report has been accepted by Finance and Resources Committee.
Supporting Procedures	Commercial Activities Procedure.
Responsibility for implementation	Finance and Resources Committee Vice-Chancellor Chief Financial Officer and Executive Director, Finance and Resource Planning Director, Legal Services Director, Risk Management
Responsibility for monitoring implementation and compliance	Finance and Resources Committee Vice-Chancellor Chief Financial Officer and Executive Director, Finance and Resource Planning Director, Legal Services Director, Risk Management
Status	Approved by Council on 3 August 2009. The implementation of the latest version supersedes all previous versions of this Policy.

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Key stakeholders	Vice-Chancellor Chief Financial Officer and Executive Director, Finance and Resource Planning Director, Legal Services Director, Risk Management
Approval Body	University Council
Initiating Body or person(s)	Vice-Chancellor Chief Financial Officer and Executive Director, Finance and Resource Planning Director, Legal Services Director, Risk Management
Definitions	<p>Commercial Activity means:</p> <ul style="list-style-type: none"> • any arrangement which the University enters into with an external entity to derive a commercial benefit or profit; • any arrangement pursuant to which the University becomes a member or shareholder of a company whether or not the company is a controlled entity of the University; • any arrangement pursuant to which the University will loan monies to an external entity which is not controlled by the University; • information technology agreements involving expenditure required to be approved by the Finance and Resources Committee. <p>But does not include:</p> <ul style="list-style-type: none"> • the supply of educational services to students including students whose enrolment is governed by the <i>Education Services for Overseas Students Act 2000</i>, or the awarding of qualifications, degrees or other awards; • an activity that is conducted on a not for profit basis; • an activity undertaken principally pursuant to a grant from or funding agreement with the Commonwealth, or a State or Territory; • research undertaken prior to the provision, sale or acquisition of the property, goods, services or things that are the result or product of that research; • the exercise of any of the investment powers in the La Trobe University Act 1964; • the sale of cars or other items that were purchased by the University principally for the purpose of conducting the non commercial functions of the University; • contracts for delivery of a service by the University for a fee; • leases or licences on arms lengths commercial terms; • activities operated by the University which primarily supply goods or services to students and staff of the University.
Related legislation	La Trobe University Act 1964
Related Policy and other documents	Not Applicable

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Date Effective	3 August 2009
Keywords	Commercial Activity, Finance and Resources, Council, Due Diligence, Business Case
Next Review Date	1 December 2012
Owner/Sponsor	Vice-Chancellor
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