

UNIVERSITY OF SOUTHERN QUEENSLAND ANNUAL REPORT 2015

One USQ



© (University of Southern Queensland) 2015



The 2015 USQ Annual Report is licensed under a Creative Commons Attribution 3.0 Australia licence. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/3.0/au/deed.en>.

**CC BY Licence Summary Statement:**

In essence, you are free to copy, communicate and adapt this annual report, as long as you attribute the work to the University of Southern Queensland.

**Attribution:**

Content from this annual report should be attributed as:

*The University of Southern Queensland Annual Report 2015*

**Images:**

Where images are included in this annual report and identified as “\*restricted\*” the following terms apply:

You may only use the image (in its entirety and unaltered) as an integrated part of this entire annual report or as an unaltered integrated part of an extract taken from this annual report.

**Public availability:**

**The Annual Report is published by the Office of Corporate Communication and Public Relations, USQ.**

Copies of the Annual Report or translation services may be obtained by contacting the Office of Corporate Communication and Public Relations on +61 7 4631 2559.

Email: [corporate.communications@usq.edu.au](mailto:corporate.communications@usq.edu.au)

The USQ Annual Report is available on the Open Data website at [www.qld.gov.au/data](http://www.qld.gov.au/data).

The USQ Annual Report is also available online at [www.usq.edu.au/about-usq/about-us/plans-reports](http://www.usq.edu.au/about-usq/about-us/plans-reports).

ISBN: 1039-68.36 • ISSN: 1039-6837

The University of Southern Queensland is a registered provider of education with the Australian Government.

CRICOS Provider No. QLD 00244B NSW 02225M • TEQSA PRV12081

**Accessibility:**



The University of Southern Queensland is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds.

If you have difficulty in understanding the annual report, you can contact us on +61 7 4631 2559 and we will arrange an interpreter to effectively communicate the report to you.

USQ Media Services 15-1556



## LETTER TO THE MINISTER

22 February 2016

The Honourable Kate Jones MP  
Minister for Education and Minister for Tourism and Major Events  
Parliament House  
Brisbane Qld 4000

Dear Minister Jones

I am pleased to present the Annual Report 2015 and financial statements for the University of Southern Queensland.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* (Qld) and the *Financial and Performance Management Standard 2009* (Qld), and
- the detailed requirements set out in the Annual Report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements can be found on page 83 of this annual report or accessed at <http://www.usq.edu.au/about-usq/about-us/plans-reports/annual-report>

Yours sincerely

**Mr John Dornbusch**  
Chancellor, USQ

The University of Southern Queensland (USQ) Annual Report provides a review of the University's performance in 2015 and identifies future activities. The Report aims to ensure the University meets its statutory requirements for public reporting and remains openly accountable to its stakeholders.

The Report illustrates how USQ is pursuing its vision to offer open and flexible higher education opportunities locally, nationally and internationally. It displays the University's strong commitment to providing higher education opportunities for more Australians and educational leadership in the communities in which it is embedded.

This year USQ acquired the Ipswich Campus from the University of Queensland, further cementing our presence as the education provider of first choice for the Western Corridor.

Our regional focus was further sharpened through the commencement of negotiations to transfer the Fraser Coast campus to the University of the Sunshine Coast (USC); recognising the strategic advantages this transfer will provide to both the campus and to USC.

The Report describes USQ's achievements during 2015 and the work underway to continue to build our distinct profile; combining access with excellence in online and blended learning, serving as a source of graduates that are highly regarded as innovators and entrepreneurs undertaking world-class fundamental and applied research that makes a difference to communities and regions, and operating as an ethical and socially responsible corporate citizen.

Intended readers and users of the Report include current staff and students, members of State Parliament, research and other partners of the University, employers and alumni, media professionals and members of the public.

# CONTENTS

<b>Letter to the Minister</b>	<b>1</b>		
<b>Introduction</b>	<b>2</b>		
<b>Chancellor's Report</b>	<b>4</b>		
<b>Vice-Chancellor's Report</b>	<b>5</b>		
<b>Senior Executive</b>	<b>6</b>		
Vice-Chancellor and President	6		
Senior Deputy Vice-Chancellor	6		
Deputy Vice-Chancellor (Research and Innovation)	6		
Deputy Vice-Chancellor (Academic Services)	6		
Deputy Vice-Chancellor (Students and Communities)	7		
Executive Director (Finance and People Capability)	7		
Vice-Chancellor's Committee	7		
<b>Governance</b>	<b>8</b>		
Agency role and main functions	8		
Governing Body	9		
<b>9th USQ Council</b>	<b>10</b>		
Meetings and membership	10		
<b>Academic and Legal</b>	<b>11</b>		
Academic Board	11		
Record keeping	11		
TRIM/HPRM major upgrade	11		
Right to Information (RTI)	12		
<i>Public Sector Ethics Act 1994</i> (Qld)	12		
<i>Privacy – Information Privacy Act 2009</i> (Qld)	12		
External scrutiny	12		
Integrity and Professional Conduct	12		
<b>Audit</b>	<b>13</b>		
Audit and Risk	13		
Audit and Risk Committee	14		
<b>Structural Adjustment Fund</b>	<b>15</b>		
<b>USQ Organisational Structure</b>	<b>16</b>		
<b>USQ Committee Structure</b>	<b>17</b>		
<b>Strategy</b>	<b>18</b>		
Strategic Plan in brief	18		
Personalised Learning	18		
Focused Research	18		
Enriched Communities	18		
Engaged Enterprise	18		
Queensland Government's objectives for the community	19		
<b>Personalised Learning</b>	<b>20</b>		
Academic Quality	20		
Academic Portfolio	20		
Supporting student success	21		
Improving academic preparedness	21		
New Learning and Teaching grants introduced in 2015	22		
Raising Aspirations – Higher Education Participation and Partnership Program (HEPPP) funded projects	22		
<b>Focused Research</b>	<b>23</b>		
Strategic Focus	23		
ERA results	23		
		Realignment of the former Australian Digital Futures Institute (ADFI)	23
		Building research capacity	23
		New partnerships and collaborations	24
		<b>Enriched Communities</b>	<b>26</b>
		Community capacity building	26
		Increasing pathways to higher education	27
		Connecting with communities	27
		Alumnus of the Year Awards	28
		Sponsorship of Queensland Literacy Awards	28
		Social Media and Marketing Awards	28
		<b>Engaged Enterprise</b>	<b>29</b>
		Building USQ	29
		Rationalisation of Higher Education provision	29
		ICT enhancements	29
		Organisational strategy, structure and partnerships	30
		Executive service to the academic professions and the community	31
		USQ people initiatives	31
		Equity and diversity initiatives	32
		Workforce profile	33
		<b>USQ People</b>	<b>33</b>
		Strategic workforce planning, organisational culture and employee engagement	33
		Refresh of USQ Core Values	33
		Planning future staffing requirements	33
		Retirement, redundancy and retrenchment	33
		Employee attraction, recruitment and induction	33
		Performance management and development	34
		Talent management, staff development, retention and recognition	34
		Leadership and management development	34
		Industrial and employee relations framework	34
		Employee wellness, flexible working arrangements and work-life balance	35
		Other employee equity and diversity initiatives	35
		<b>Financial statements and appendices 2015</b>	<b>37</b>
		<b>Institutional Performance</b>	<b>38</b>
		Financial performance	38
		Financial position	38
		Institutional performance indicators	39
		<b>Environmental overview</b>	<b>42</b>
		<b>General statistics</b>	<b>43</b>
		<b>Independent Auditor's Report</b>	<b>80</b>
		<b>Glossary</b>	<b>82</b>
		<b>Annual Report Compliance Checklist</b>	<b>83</b>
		<b>USQ at a glance</b>	<b>Inside back cover</b>
		Senior Executive	inside back cover
		Statistics 2015	inside back cover
		Campus locations	inside back cover



Bolstered by its strong financial position, USQ was able to build on the commitment and vision of its strategic plan during 2015. We have reinforced our position as the university of first choice for the residents of the Western Corridor of Brisbane through the acquisition of the Ipswich campus from the University of Queensland (UQ).

With a focus on teaching of the sciences, media studies, and television and radio production, USQ also officially opened its new \$50 million state-of-the-art, Five-Star Green rated Building B at our Springfield campus.

The year also saw USQ enter into negotiations to transfer the lease of our Fraser Coast campus to the University of the Sunshine Coast (USC). After building the campus into a community-embedded and regionally focused enterprise over 20 years, the strategic fit between the campus and USC provided a compelling case for change.

Locally, USQ's engagement into the many levels of the Toowoomba and Darling Downs business community saw USQ enter into a new partnership with the Toowoomba Chamber of Commerce. This partnership promotes business excellence and professional development opportunities which supports established and new business enterprises through a comprehensive network of commercial, corporate, trade and industry alliances.

USQ's promise to assist more young Australians to access a quality education and contribute to our society and the economy saw the University launch the Student Endowment Fund, a \$15 million bursaries and scholarships fund, to help qualifying students with their university expenses.

In 2015, the USQ Council continued to support and encourage the University's research capabilities to grow our research strengths through collegial and interconnected multidisciplinary endeavours in the agricultural sciences, engineering, commerce, technology, health, education, law and the arts.

At its 2015 graduation ceremonies USQ recognised the contribution and achievements of those individuals who have influenced and inspired others by awarding special University honours to:

- **Dr Roberta (Bobbie) Brazil**, Doctor of the University (HonDUniv)
- **Professor Graham Baker**, Professor Emeritus
- **Mr Tim Davis**, Fellow of the University
- **Mrs Elsie Brimblecombe**, Fellow of the University.

I am particularly indebted to Dr Brazil who during her two terms as USQ Chancellor, had done much to further the education capabilities of the University and oversee its vision, forethought and aspirations.

I thank all Council Members for their professional contribution and support over this last year. In addition, I express my thanks to the Vice-Chancellor, her senior management team and all USQ staff for their ongoing commitment to the continuing growth and success of USQ.

**Mr John Dornbusch**  
Chancellor, USQ



VICE-CHANCELLOR'S REPORT

A consolidation of operations was the major focus of USQ in 2015.

With the strengthening of our online and face-to-face teaching programs and the escalation of our research activities USQ's emphasis was to develop further its presence as a regional university and as a major contributor to the offering of university programs in the growth area west of Brisbane.

The transfer of the Ipswich campus from the University of Queensland, the enhancement of the Springfield campus through the opening of our new 50 million dollar building and the transfer of the Fraser Coast campus to the University of the Sunshine Coast have all served to sharpen our focus on this high population growth region of Queensland.

Relinquishing the Fraser Coast campus was a difficult decision however the transfer will sustain and grow the use of the campus to benefit students, the community and Queensland as a whole. I look forward to seeing USC take Fraser Coast to its next level of development in the coming years.

In addition to our expansion in the amongst many highlights in 2015 we saw:

- a significant number of new programs and majors in areas as diverse as Sport and Exercise, Counselling, Agricultural Science and Technology, and Entrepreneurship and Leadership;
- the opening of our new clinical simulation laboratories for the Nursing program following a \$1.7 million refurbishment;
- the continued growth of our research program through ongoing strategic investment that is seeing our research performance on an upward trajectory and our Institutes and Centres making a difference to regions;
- the launch of the ReDTrain suite of coordinated research training initiatives that has been embraced by both researchers and research students;
- the refresh of the USQ Strategic Plan for the period 2016–2020, together with the refresh of the USQ Values and the USQ Research Plan; and the launch of the Educational Experience Plan, USQ Library 2022 Vision and USQ's first Reconciliation Action Plan;
- the maturing of USQ's Development Strategy with the introduction of the multi-million dollar Student Endowment Fund and the instigation of a Project Board to oversee projects funded through the Student Services and Amenities Fee; and
- a reorganisation of USQ International to improve our management and services to international students.

My sincerest thanks go to the members of USQ Council for their continued leadership and support; to the great staff that USQ is fortunate to have; and to those in business, industry, government and the wider community who continue to work with the University in so many productive and caring ways.

**Professor Jan Thomas**  
Vice-Chancellor and President,  
USQ

## Vice-Chancellor and President

**Professor Jan Thomas** *BSc, BVMS, MVS, MACVS, PhD, FAICD, FAIM*

The Vice-Chancellor and President is the chief executive officer of USQ. As Vice-Chancellor, Professor Thomas is responsible for the academic, administrative, financial and other affairs of the University, and promotes the interests and furthers the development of USQ. The Vice-Chancellor exercises general supervision over the activities and welfare of staff and students. The Vice-Chancellor has all such powers and duties as may be necessary or convenient to enable her to carry out her responsibilities.

## Senior Deputy Vice-Chancellor

**Professor Janet Verbyla** *BSc(Hons) Melb*

The Senior Deputy Vice-Chancellor has overall responsibility for the University's academic program portfolio, including its continuous improvement and the quality of delivery. The portfolio includes the University's two Faculties – Business, Education, Law and Arts, and Health, Engineering and Sciences. It also encompasses the University's Open Access College; the College for Indigenous Studies, Education and Research; and the Queensland College of Wine Tourism. The Senior Deputy Vice-Chancellor serves as the standing deputy to the position of Vice-Chancellor and acts in the role during the Vice-Chancellor's absence.

## Deputy Vice-Chancellor (Research and Innovation)

**Professor Mark Harvey** *BSc(Hons), MBA, PhD Qld*

The Deputy Vice-Chancellor (Research and Innovation) leads the Research and Innovation Division at the University and works to enhance the University's research profile, its research performance and its culture of research excellence and quality training. The position oversees a coordinated focus on fostering collaborations and partnerships with government, industry and the research community, within Australia and around the world, to deliver applied research outcomes that have global impact.

The key responsibilities include the implementation of the USQ Research Plan; managing the University's research programs, partnerships and investments; driving research performance; and supporting research staff and students to achieve excellence.

The Research and Innovation Division comprises the Office of the Deputy Vice-Chancellor (Research and Innovation), and the Offices of Research, Research Graduate Studies, and Research Development. It encompasses the University's three research institutes and seven research centres.

## Deputy Vice-Chancellor (Academic Services)

**Professor Ken Udas** *BSc SE MassU, MBA Salem SC, MSc Texas A&M, PhD Texas A&M*

The Deputy Vice-Chancellor (Academic Services) is responsible for providing strategic direction, leadership and management of the functions, centres and departments that comprise the Academic Services Division portfolio. These incorporate activities overseen by the Pro Vice-Chancellor (Scholarly Information and Learning Services): Learning and Teaching Services, Learning Environments and Media, and Library Services; as well as Information, Communication and Technology Services. This position serves the role of Chief Information Officer.

The Deputy Vice-Chancellor (Academic Services) role is to continually enhance the University's performance and provide clear strategy in the areas of learning and teaching support and learning information access.

## Deputy Vice-Chancellor (Students and Communities)

**Mr Carl Rallings** *BCom Wollongong*

The Deputy Vice-Chancellor (Students and Communities) is responsible for providing strategic direction, leadership and management of the functions, centres and departments that comprise the Division of Students and Communities which incorporates Marketing and Student Attraction, USQ International, Student and Academic Support, the Residential Colleges, Phoenix Central, Student Support and Retention, Student Services, Social Justice, and Alumni Relations.

The Division is responsible for supporting and facilitating consistent delivery of USQ's branded service model which enhances the student experience and builds the University's relationships with its current, future and past student communities, both domestically and internationally.

## Executive Director (Finance and People Capability)

**Mr Athol Kerridge** *DipCoDirCrs AICD, BBus USQ, FCPA CPA Australia, MBA USQ*

The Executive Director (Finance and People Capability) is responsible for the operations of the Financial Services and Human Resources Departments, and serves the role of Chief Financial Officer of the University.

Financial Services provides expertise and support in relation to financial operations, procurement, financial reporting, financial systems and budgeting, including related policies and procedures.

Human Resources develops and implements policies and procedures in line with USQ core values. The core functions of Human Resources include workforce relations and staff support, workforce strategy and development, workplace health and safety, payroll, and HR client services.

## Vice-Chancellor's Committee

The Vice-Chancellor's Committee is the key advisory committee to the Vice-Chancellor on all matters relating to the management of the University and on the setting of strategic directions and the development of policy. The Vice-Chancellor's Committee provides advice to the Vice-Chancellor on the following matters:

- the management of the University;
- the relevance, implementation and modification of existing policies and strategies, and on the development of new required policies and strategies;
- the development and review of strategic and operational planning through the assessment of plans, and negotiation of planning outcomes;
- institutional performance in all areas of its operation;
- the development of the University's budget methodology and budget allocation;
- the academic and infrastructure planning and development of the University;
- the assurance of regulatory compliance and ethical accountability for the institution;
- the provision of reports containing recommendations and advice from its standing committees;
- the continued development of University-wide communication and cooperation; and
- other strategic matters referred to the Committee by members.

**I-r: Senior Executive**  
 Professor Ken Udas,  
 Mr Athol Kerridge,  
 Professor Janet Verbyla,  
 Professor Jan Thomas,  
 Mr Carl Rallings,  
 Professor Mark Harvey



## Agency role and main functions

USQ is incorporated under the *University of Southern Queensland Act 1998* (USQ Act).

Prior to this, USQ first operated as the Queensland Institute of Technology (Darling Downs) from February 1967, then as the Darling Downs Institute of Advanced Education from June 1971. It was renamed the University College of Southern Queensland from 1 January 1990 and became the University of Southern Queensland from 1 January 1992.

USQ's functions under Section Five (5) of the USQ Act are:

- to provide education at university standard;
- to provide facilities for, and encourage, study and research;
- to encourage the advancement and development of knowledge, and its application to government, industry, commerce and the community;
- to provide courses of study or instruction (at the levels of achievement the council considers appropriate) to meet the needs of the community;
- to confer higher education awards;
- to disseminate knowledge and promote scholarship;
- to provide facilities and resources for the wellbeing of the University's staff, students and other persons undertaking courses at the University;
- to exploit commercially, for the University's benefit, a facility or resource of the University, including, for example, study, research or knowledge, or the practical application of study, research or knowledge, belonging to the University, whether alone or with someone else; and
- to perform other functions given to the University under this or another Act.

USQ operates at Toowoomba, Fraser Coast<sup>1</sup>, Springfield, Ipswich<sup>2</sup>, Maryborough and Stanthorpe, and also provides significant online education from its headquarters in Toowoomba. Additionally, USQ has a presence in Sydney and relationships with major offshore universities and partners.

---

<sup>1</sup> Negotiations occurred during 2015 to transfer the Fraser Coast campus to the University of the Sunshine Coast in February 2016.

<sup>2</sup> From 7 January 2015.

## Governing Body

Under Sections Seven (7) to Eleven (11) of the USQ Act, the USQ Council is established as the governing body of the University. The 14 member Council is responsible for the overall governance of the University, and consists of ex-officio, appointed, elected and co-opted members. As Council members contribute to the development of policy and strategic planning, they are expected to have a knowledge and understanding of the legislative framework within which strategy and policy may be developed and applied in order to minimise risks.

The legislative framework within which the Council operates is the USQ Act. Pursuant to the provisions of the USQ Act, the Council may make statutes and rules which have legal standing. The USQ Act defines the functions and powers of the Council (at Sections Eight (8) and Nine (9)) and sets limits on what the University and its authorities may do.

Under the USQ Act, the Council has the power to:

- do anything necessary or convenient to be done for, or in connection with, its functions;
- appoint the University's staff;
- manage and control the University's affairs and property; and
- manage and control the University's finances.

The Council may delegate its powers to:

- an appropriately qualified member of the Council;
- an appropriately qualified committee that includes one or more members of the Council; or
- an appropriately qualified member of the University's staff.

However, the Council is not able to delegate its power to make University statutes or rules, adopt the University's annual budget or approve the spending of funds available to the University by way of bequest, donation or special grant.

Section Ten (10) of the USQ Act states that, in discharging these responsibilities, the Council must act in the way that appears to it most likely to promote the University's interests. In doing so, the Council endeavours to monitor and assess its performance, both collectively and in terms of the individual contributions of members.

9

### 9th USQ Council

**back l-r:** Mrs Mary McGilvray, Associate Professor Lyn Brodie, Mr Steve Dixon, Mr Chris Bazley, Mr Mitchell Haigh, Mr George Fox, Professor Kevin McDougall, Ms Rachel Barlow

**front l-r:** Mr Jim Varghese AM, Ms Jan Boys, Mr John Dornbusch, Professor Jan Thomas, Mr Brett Delaney

**inset:** Dr Carol Cox AM



# 9TH USQ COUNCIL

## Meetings and membership<sup>3</sup>

The Ninth Council of the University of Southern Queensland met on seven occasions during 2015. Membership was as follows:

<b>Chancellor (ex-officio)</b>		<b>Five members appointed by the Governor-in-Council</b>	
6/7	<p><b>Mr John Dornbusch</b> BEd UNE, BEd MBA USQ, OPM Harvard, FAICD</p> <p>Chairman, Dornbusch Partners Pty Ltd, Toowoomba</p> <p><i>Chair, Chancellor's Committee</i></p> <p><i>Chair, Remuneration Sub-Committee</i></p> <p><i>Chair, Honorary Awards Committee</i></p> <p><i>Member, Audit and Risk Committee</i></p> <p><i>Member, Finance and Facilities Committee</i></p>	7/7	<p><b>Dr A Carol Cox</b> AM, MBChB FRACGP FRCP Edin</p> <p>Fellow of USQ, Retired Family Practitioner, Toowoomba</p> <p><i>Member, Honorary Awards Committee</i></p>
<b>Vice-Chancellor and President (ex-officio)</b>		6/7	<p><b>Mr Brett Delaney</b> BCom UQ, FCA, MAICD</p> <p>President, National Heart Foundation of Australia (Qld Division); Member, National Board, National Heart Foundation of Australia; Retired Assurance Partner, PricewaterhouseCoopers; Chair of Audit Committee, Honeycombes Property Group</p> <p><i>Chair, Audit and Risk Committee</i></p> <p><i>Member, Chancellor's Committee</i></p> <p><i>Member, Finance and Facilities Committee</i></p>
7/7	<p><b>Professor Jan Thomas</b> BSc, BVMS, MVS, MACVS, PhD, FAICD, FAIM</p> <p><i>Member, Chancellor's Committee</i></p> <p><i>Member, Honorary Awards Committee</i></p> <p><i>Member, Finance and Facilities Committee</i></p>	7/7	<p><b>Mr Stephen Dixon</b> BEc LLB Monash, GradDipACG CSA</p> <p>Merger Consultant for the Not-For-Profit sector</p> <p><i>Member, Honorary Awards Committee</i></p>
<b>Chair, Academic Board (ex-officio)</b>		7/7	<p><b>Mr George Fox</b> BCom LLB (Hons) UQ</p> <p>Solicitor, Adjunct Professor of Law, Hong Kong Shue Yan University</p> <p><i>Member, Chancellor's Committee</i></p> <p><i>Member, Remuneration Sub-Committee</i></p>
4/4	<p><b>Professor Peter Albion</b> DipEd Qld, BAppSc DDIAE, BEdSt MSc Qld, GDipREd McAuleyColl, GDipEdAdm BrisbaneCAE, GDipAppComp CIAE, PhD USQ</p> <p>Professor (Educational Technology), Faculty of Business, Education, Law and Arts, USQ</p> <p>Until 03/08/2015</p> <p><i>Member, Chancellor's Committee</i></p> <p><i>Member, Honorary Awards Committee</i></p>	6/7	<p><b>Mr Jim Varghese</b> AM, BA (Hons) Qld, BD Qld, MBA DipEd Melb, FCPA, FAIM</p> <p>Chairman and Owner, Leadership Company Queensland Pty Ltd; Director, EIDOS; Director, Mental Health Foundation (QLD); Director and Deputy Chair, Puuya Foundation; Director, Springfield Land Corporation; Executive Director, Business Development Australia India Institute; Senior Research Fellow (USC)</p> <p><i>Member, Remuneration Sub-Committee</i></p>
2/3	<p><b>Associate Professor Lyn Brodie</b> BEng DDIAE, MEng EngD USQ FIE (Aust)</p> <p>Associate Dean (Students), Faculty of Health, Engineering and Sciences</p> <p>From 04/08/2015</p> <p><i>Member, Chancellor's Committee</i></p> <p><i>Member, Honorary Awards Committee</i></p>	<b>Three additional members appointed by the Council, one of whom must be a graduate of the University</b>	
<b>One member of the full-time academic staff of the University, elected by members of that staff</b>		7/7	<p><b>Ms Jan Boys</b> (Deputy Chancellor) DipT BCAE, BEd QUT, BA UQ, MEd GU</p> <p>Retired (formerly Regional Executive Director of Education, Moreton)</p> <p><i>Member, Chancellor's Committee</i></p> <p><i>Member, Audit and Risk Committee</i></p> <p><i>Member, Finance and Facilities Committee</i></p> <p><i>Member, Honorary Awards Committee</i></p> <p><i>Member, Remuneration Sub-Committee</i></p>
6/7	<p><b>Professor Kevin McDougall</b> BSurv (Hons) First Class, MSurvMapSc UQ, PhD Melb, FSSSI, GAICD</p> <p>Head of School (Civil Engineering and Surveying), Faculty of Health, Engineering and Sciences, USQ</p> <p><i>Member, Chancellor's Committee</i></p> <p><i>Member, Finance and Facilities Committee</i></p>	7/7	<p><b>Mr Chris Bazley</b> BBus UQ, FAICD</p> <p>Agricultural Business Advisor/Farmer</p> <p><i>Chair, Finance and Facilities Committee</i></p> <p><i>Member, Audit and Risk Committee</i></p> <p><i>Member, Chancellor's Committee</i></p> <p><i>Member, Remuneration Sub-Committee</i></p>
<b>One member of the full-time staff of the University, other than the academic staff, elected by members of that staff</b>		7/7	<p><b>Ms Rachel Barlow</b> CFP Deakin, BBus USQ, GDipAppInv Finsia, FFin</p> <p>Private Client Advisor, ipac securities limited.</p>
7/7	<p><b>Mrs Mary McGilvray</b> BSc (Psych) USQ</p> <p>Senior Project Officer (Academic Division), USQ</p> <p><i>Member, Finance and Facilities Committee</i></p>	<b>USQ Council is supported by the Governance Office, headed by the University Secretary</b>	
<b>One student member, elected by the enrolled students of the University</b>		<p><b>Professor Mark Toleman</b> BAppSc GDipInfProc DDIAE, MSc JCU, PhD Qld, MACS, MAIS</p>	
4/5	<p><b>Mr Mitchell Haigh</b></p> <p>Enrolled student, Faculty of Business, Education, Law and Arts, USQ</p> <p>From 14/04/2015</p>		

## Academic Board

The Academic Board is the key advisory committee to USQ Council on academic matters. The Board monitors the academic activities of the University's faculties, while promoting teaching, scholarship and research along with developing and reviewing academic policy. In 2015, the Board comprised 43 members which included members of the Senior Executive, representatives from key areas of USQ, academic staff, and student representatives. Neither gender can comprise more than 70% of the Board's representation.

The term of office of the Academic Board ended in early August, with a new Board being constituted from 4 August 2015.

The Chair and Deputy Chair were elected by and from the members of the Academic Board and approved by Council. Only elected staff members of the Academic Board are eligible candidates for the positions of Chair and Deputy Chair.

Professor Peter Albion and Associate Professor Lyn Brodie's respective positions of Chair and Deputy Chair of the Academic Board ceased with the end of the Academic Board term. Associate Professor Lyn Brodie (Associate Dean (Students), Faculty of Health, Engineering and Sciences) was elected as Chair, and Professor Aileen Cater-Steel (Professor, Information Systems) was elected as Deputy Chair of the new Academic Board, for three year terms from 4 August 2015 up to but not including the regular meeting of the Academic Board in July 2018.

The Board met on six (6) occasions throughout 2015. Three committees report to and advise the Academic Board – Academic Board Executive Committee, Education Committee and Research Committee.

## Record keeping

USQ maintains records in accordance with the *Public Records Act 2002* (Qld), Information Standard 40: Recordkeeping and Information Standard 31: Retention and Disposal of Public Records. Internally, USQ's Records Management Governance and Records Disposal Policies direct record keeping procedures.

TRIM/HPRM is a proven records management software system that provides a scalable, policy driven foundation to the University's regulatory compliance obligations. As an enterprise, USQ's record keeping and archiving is implemented through the use of the TRIM Electronic Document and Records Management System.

To further enhance recordkeeping capacity and capability across the organisation a number of strategies have been implemented or are in progress such as:

- **TRIM/HPRM:** A major upgrade of the electronic document and records management system is scheduled for April 2016 with improved functionality for clients.
- **Training:** TRIM training resources have been delivered online through an existing USQ training platform, 'CLOVER'. Additionally, ongoing training programs including dedicated records and information management awareness sessions have been available to all staff. Targeted TRIM training was delivered to relevant clients through a classroom environment or at their work stations.
- **Digitising records:** The 'Paperlite' digitisation strategy was strengthened with the commencement of a major project to digitise hard copy employee files.
- **Historical Archives:** The ongoing and extensive preservation program of the USQ memory under the auspices of the USQ Historical Archives continued throughout 2015 with new additions collected for the Archives. Additionally a number of exhibitions were held in 2015.
- **Data Warehouse and Business Intelligence:** USQ's enterprise data warehouse and business intelligence (DWBI) capability continued to develop in order to provide a single authoritative information and data services system for the University community in the areas of students, staff, facilities and finance. During 2015 research data was also incorporated into the system.

## Right to Information (RTI)

USQ continued to meet its statutory obligations under the *Right to Information Act 2009* (Qld) through the processing of access requests for documents held by the University, in addition to maintaining its Publication Scheme and Disclosure Log.

A proactive approach to release under USQ's Administrative Access Scheme appeared to be a contributing factor in declining numbers of formal RTI requests received in recent years.

Considerable effort and resources were directed throughout 2015 to the implementation of recommendations arising from a *Right to Information and Information Privacy Compliance Review* conducted by the Office of the Information Commissioner (Qld) in late 2014. The review report identified areas of good practice and made recommendations for improvement.

It is anticipated that the Office of the Information Commissioner will conduct a follow up review of the implementation of the recommendations in 2016. Awareness training in RTI was made available throughout the year to all USQ staff.

### **External scrutiny**

The Office of the Information Commissioner completed a review of USQ in relation to compliance with the *Right to Information Act 2009* (Qld) and the *Information Privacy Act 2009* (Qld). No significant findings or issues were identified. USQ was commended for its comprehensive Right to Information and Information Privacy training framework.

The *Voluntary Code of Best Practice for the Governance of Australian Universities* details the best practice requirements for University governance. Compliance is subject to annual review by the University Council. USQ is compliant with all aspects.

Occasionally the University may be offered gifts or benefits from external bodies or individuals. A gifts and benefits register for items valued at more than \$100 that have been given and received by USQ and its employees is published on the University web site and is updated each quarter.

### **Integrity and Professional Conduct**

Supporting the effective and ethical operation of the University, the Director (Integrity and Professional Conduct) shares responsibility with the Legal Office and Human Resources for the management and conduct of inquiries into breaches of professional conduct, allegations of corrupt conduct and public interest disclosures. Access to the Director is also available to the Chancellor and University Council as required.

### **Public Sector Ethics Act 1994 (Qld)**

USQ has implemented a Code of Conduct (the Code) approved by the University Council which covers standards of conduct based on ethics, principles and values prescribed in the *Public Sector Ethics Act 1994* (Qld):

- commitment to the system of government;
- integrity and impartiality;
- promoting the public good;
- accountability and transparency.

The employee Code of Conduct defines acceptable conduct for all University employees, members of the University Council and University Committees, contractors and consultants, visiting and adjunct academics, and volunteers who contribute to University activities or act on behalf of the University.

Awareness of the Code is provided for all new employees in an induction program to ensure sufficient information and support is available for them to undertake their role in the University. Information sessions are also conducted in compulsory supervisor training courses.

### **Privacy – Information Privacy Act 2009 (Qld)**

To ensure the appropriate management of personal information in compliance with the *Information Privacy Act 2009* (Qld) the University has a Privacy Policy, has published associated information on a privacy web site, and includes privacy collection notices on University forms.

Most information privacy access applicants have been able to obtain their personal information through USQ's Administrative Access Scheme. In 2015 one formal application under the *Information Privacy Act* was administered within the applicable processing time.

## Audit and Risk

The USQ Council and Vice-Chancellor recognise internal audit and risk management services as a key component of the governance framework. The Internal Audit Charter establishes the authority and responsibility conferred on Internal Audit Administration so the section may operate as an effective function of the University in accordance with the *Financial Accountability Act 2009* (Qld) and the Financial and Performance Management Standard 2009 (Qld).

With due regard to the Queensland Treasury Department's Audit Committee Guidelines, the Internal Audit Unit played a key role in:

- developing and maintaining a culture of accountability and integrity;
- facilitating the integration of risk management into day-to-day business activities and processes; and
- promoting a culture of cost consciousness, self-assessment and adherence to high ethical standards.

The Internal Audit Strategic Plan for the period 2013–2015 was developed to provide the appropriate level of assurance to the Audit and Risk Committee, USQ Council and USQ management through focusing on key risks, business processes and information systems from across the University. Based on the Internal Audit Strategic Plan and an independent assessment of significant operational and financial risks, the 2015–2017 Internal Audit Strategy (incorporating the 2015 Annual Audit Plan) was prepared by the Internal Audit Unit and subsequently endorsed by the Vice-Chancellor's Committee and approved by the Council through the Audit and Risk Committee.

The plan was executed through an established co-sourced arrangement involving professional internal audit resources. Operating independently, the role of internal audit is to provide an objective assurance and advisory function to protect and add value to improve the University's operations. Through the annual plan, Internal Audit helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate the effectiveness of risk management, internal control and governance processes.

The 2015 Annual Audit Plan was finalised after approved additions and deferrals, including additional management requests and investigations. Key achievements under the plan during 2015 included, but were not limited to, reviews of major projects, Social Media, Research Grants Administration, Contract Management, IT Governance and Fleet Management.

The broad internal audit strategy involved more than conducting internal audits; it was designed to provide awareness and advice to University management on policy, procedure, good practice and fitting conduct. Under the responsibility to the Audit and Risk Committee, internal audit also conducted a range of anti-fraud and risk management training across the organisation.

A Risk Management Policy and Risk Management Plan have been adopted to establish a risk management framework that is informed by recognised standards (AS/NZS ISO 3100:2009) and aligned to the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Risk Framework to comply with the Financial and Performance Management Standard 2009 (Qld).

The framework continues to evolve and mature in order to provide management and staff with an informed view of events that may impact the achievement of strategic and operational objectives. The University has identified significant risks and actively monitored and implemented risk reduction strategies through a monthly Risk Forum of risk owners which was reviewed by executive management. A 'heat map' of any significant changes was provided through the Vice-Chancellor's Committee to Audit and Risk Committee and then to Council.

The major role of both functions, internal audit and risk management, is to provide assurance to executive management and ultimately to Council, that University operations are being managed as per established policies and procedures and according to good management practice, and that risks are adequately identified, managed and controlled.

## Audit and Risk Committee

The Vice-Chancellor's Committee provides advice and assurance to the Audit and Risk Committee of Council on the effectiveness of the risk management framework and the management of risk.

The Audit and Risk Committee is independent of management and, during 2015, comprised:

**At least three members of the Council (one of whom was the Deputy Chancellor) who were not employees or students of the University and were able to contribute to the broad skills base relevant to the business of the Committee**

**Mr Brett Delaney** (Chair) BCom UQ, FCA, MAICD  
 President, National Heart Foundation of Australia (Qld Division); Member, National Board, National Heart Foundation of Australia; Retired Assurance Partner, PricewaterhouseCoopers; Chair of Audit Committee, Honeycombes Property Group

**Mr Chris Bazley** BBus UQ, FAICD  
 Agricultural Business Advisor/Farmer

**Ms Jan Boys** (Deputy Chancellor) DipT BCAE, BEd QUT, BA UQ, MEd GU  
 Retired (formerly Regional Executive Director of Education, Moreton)

**At least one person external to the Council and staff of the University who represented the accounting profession with experience in auditing**

**Mr Tim Davis** BBus USQ, FCA, CTA  
 Partner, Horizon Accounting Group, Toowoomba

**The Chancellor of the University**

**Mr John Dornbusch** (Chancellor) BEd UNE, BEd MBA USQ, OPM Harvard, FAICD  
 Chairman, Dornbusch Partners Pty Ltd, Toowoomba

14

The Vice-Chancellor, Executive Director (Finance and People Capability) and Executive Director (Sustainable Business Management and Improvement) attended Audit and Risk Committee meetings by invitation, had rights of audience and debate but were not members of the Committee.

Committee members were not remunerated for their roles.

The University Secretary, Professor Mark Toleman, served as secretary to the Committee.

The Council reviewed the financial statements and accounting policies for appropriateness and compliance with prescribed accounting and other requirements, with reference to recommendations by the Queensland Audit Office.



## STRUCTURAL ADJUSTMENT FUND

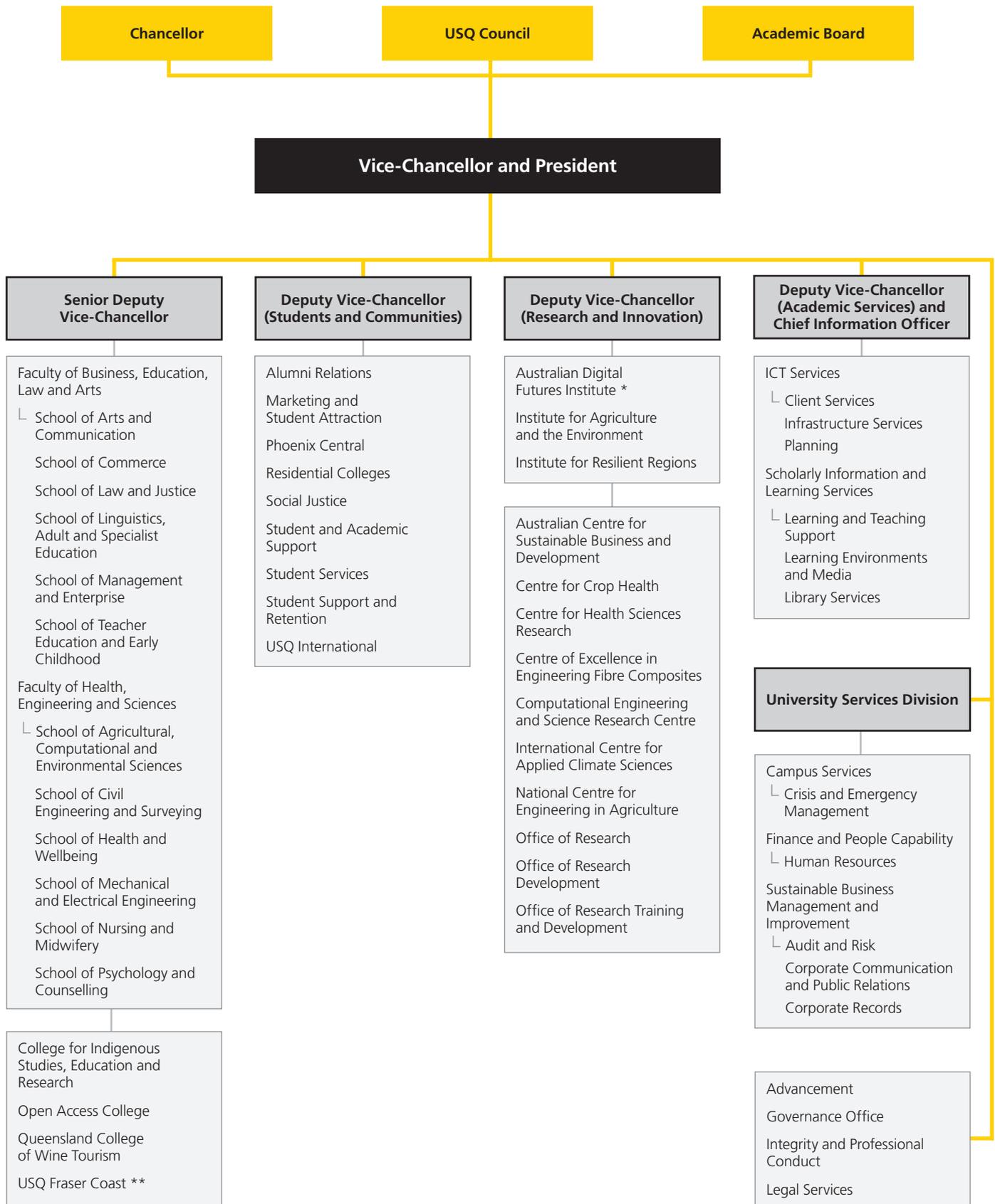
USQ successfully applied to the Australian Government in 2011 for a grant under the Structural Adjustment Fund (SAF) program, receiving \$49.8 million. In 2015, USQ continued progress on the 'Connected Project' which included major multi-component institutional projects made available through the SAF program. A final summary report of the 'Connected Project' was submitted and accepted by the Australian Government.

Significant projects finalised in 2015 included the *U@USQ Project*. This was a foundational framework of principles and standards to guide USQ towards an enduring, adaptable yet common student online interface. The platform provided integrated help and support tools, improved usability, and created an institutional technical approach supported by the development of guidelines, policies and procedures.

The *U@USQ Project* also deployed sub-projects that targeted selected high-priority components of the framework.

- **Student Portal** – delivered an objective to provide students with a personalised space and entry point into USQ online to deliver business requirements, functional specifications and identification of technical delivery platform options.
- **AskUSQ** – trialled a new business process for the knowledge base that provides current and future students with accurate, maintained and timely Frequently Asked Questions (FAQs). Through this sub-project, 732 FAQs were archived, 424 FAQs were reviewed and 190 new FAQs were created.
- **Single Sign-On** – through this sub-project, the application of a single sign-on across the most common student-facing systems was developed and tested.
- **Mobile App** – business and functional requirements for development of a USQ Mobile App provides quick mobile access to a range of personalised USQ information.
- **Online Student Support Tools** – providing a suite of self-service online resources, available 24/7 to support students throughout their learning journey. Through this sub-project, 70 online tutorials were created. Each topic included a short video tutorial, an FAQ with text-based step-by-step instructions, and a PDF version to provide students with a range of options for accessing assistance. A Technology Help page was also created in the online Learning Centre as an additional delivery channel.
- **Program Enrolment and Credit Transfer (PECT)** – streamlined business processes to enhance the student experience through the development of a simplified credit application and program enrolment process for students. The PECT Sub-Project provided an enhanced Online Enrolment Framework to guide students enrolments to ensure the courses required for program, facilitate a consistent approach to applying and approving credits/exemptions across the University by using a centralised set of Credit Transfer Rules.
- SAF funding also contributed to the USQ Springfield Building B development, reported elsewhere in this Report.

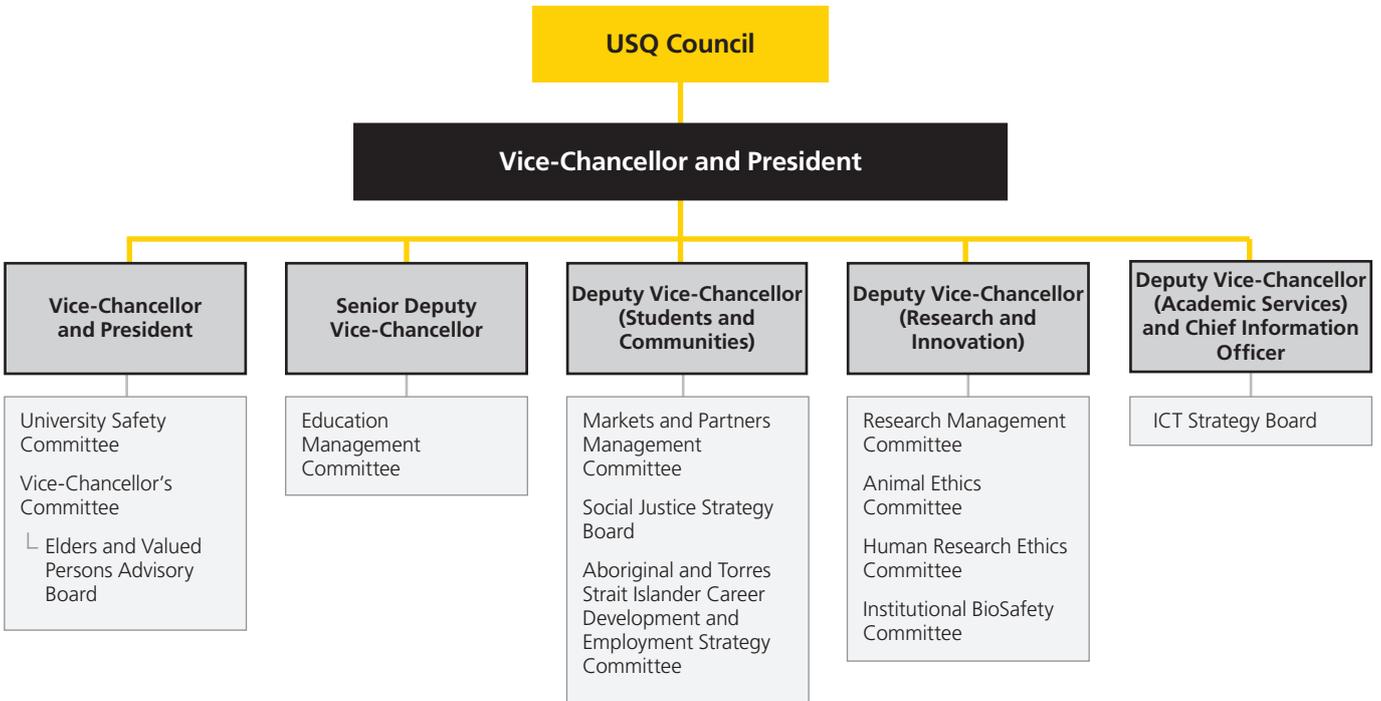
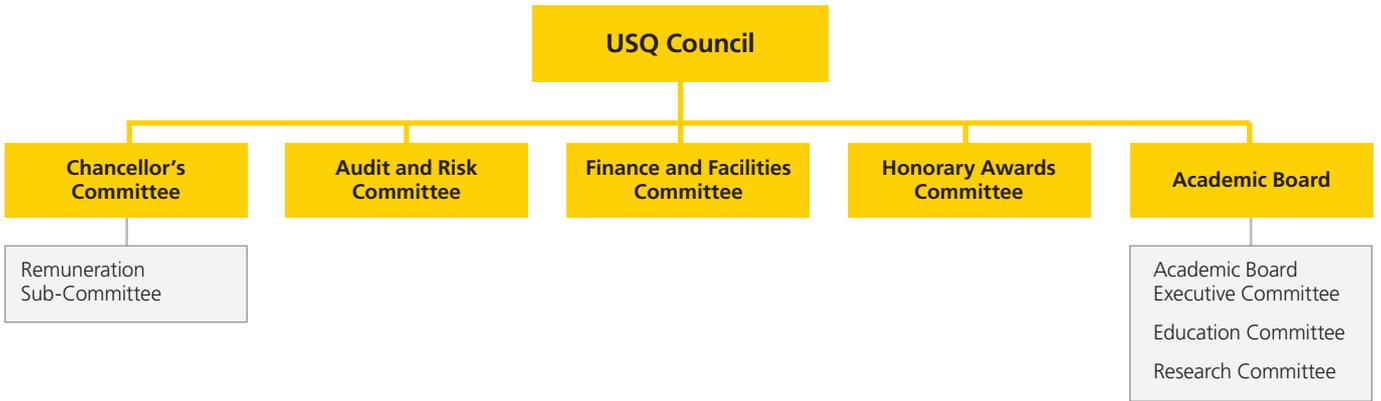
# USQ ORGANISATIONAL STRUCTURE



\* Note: A process is underway to change the name and role of ADFI and transfer the new unit into Scholarly Information and Learning Services within the Academic Services Division

\*\* Note: A process is underway to transfer the Fraser Coast Campus from USQ to the University of the Sunshine Coast (USC) effective February 2016

# USQ COMMITTEE STRUCTURE



## Strategic Plan in brief

The *USQ Strategic Plan 2013–2015* was built on four pillars – *Personalised Learning, Focused Research, Enriched Communities, and Engaged Enterprise*. The Plan has guided the University in delivering its mission, which was “to enable broad participation in higher education and to make significant contributions to research and community development”.

The Plan was approved by USQ Council in 2012 and has been enacted by all USQ staff throughout 2015.

During 2015 the Vice-Chancellor’s Committee in close consultation with USQ Council led a process to refresh the USQ Strategic Plan for the period 2016–2020.

### ***Personalised Learning***

USQ is proud to be a leading provider of higher education for the benefit of students, our communities and our regions. The University strives to be a world leader in personalised learning, providing an enriched and authentic learning experience for all students that is aligned with their needs and personal educational goals.

### ***Focused Research***

USQ is a regional university which develops research solutions that deliver global impact. Our vision is to be a leading discovery partner in our priority research areas.

We align our research with regional and global agendas in agriculture and natural resource management, regional development, regional health and well-being, education and digital literacy.

We work with our partners to foster a dynamic and rewarding environment for our Higher Degree by Research (HDR) students.

### ***Enriched Communities***

USQ has a broad range of connections at local, regional, national and international levels. It makes significant contributions to all these communities through active community engagement.

The University is a major employer and recruits locally, nationally, and internationally in addition to purchasing a substantial amount of local products and services.

USQ attracts staff, students and visitors to live, work and contribute to its local regions. Through online learning USQ provides students the option to study at home, which allows the opportunity for skills and knowledge to be retained within their communities.

The University is committed to expanding regional choice, growing regional opportunities and developing regional capacity. Through extensive national and international links, USQ helps attract, retain and strengthen industry in the communities it serves.

### ***Engaged Enterprise***

USQ operates as an ethical, socially responsible and well managed enterprise. It is a university where strong business acumen is recognised as critical to success.

USQ’s approach to managing its business involves both creating ideas and finding solutions within a culture of sustained innovation.

The University’s workplace culture embraces professional development, accountability and productivity in a high-performance environment.

USQ has a strong sense of its risk appetite and is prepared to embrace bold commercial strategies while maintaining high levels of probity and robust risk assessment and mitigation.

## Queensland Government's objectives for the community

USQ is an active partner with the Queensland Government in creating jobs and a diverse economy, delivering quality frontline services, protecting the environment, and building safe, caring and connected communities.

Our regional heritage underpins USQ's community-centred values and personalised approaches.

By entering into new agreements and enhancing continuing agreements with other regional education partners such as TAFE, high schools and other universities, USQ is helping ensure that world-class education is accessible to all Queenslanders.

Importantly, USQ's leading position as a provider of online education and blended learning has allowed Queensland residents access to higher education, no matter their geographic location or individual circumstances. By providing access to flexible and inclusive education and research with a focus on regions, USQ allows its communities to increase their capacity, maintain stable populations and retain vital skills.

The University's continued investment in resources has not only kept Queenslanders employed but has also provided USQ's regions with access to world-class infrastructure and education services, such as the USQ Toowoomba learning centres and research infrastructure, USQ Springfield's building expansion, and the acquisition of the USQ Ipswich Campus. This has enabled USQ to expand education opportunities in our regions and to the wider community.

USQ is active in reducing its own carbon footprint and providing leadership in socially responsible practices throughout business, industry and the community.



*r: The USQ Springfield Building B expansion of existing facilities.*



## Academic Quality

Academic quality involves the continual assurance of the standards and viability of the academic program portfolio, its delivery and standing. USQ's academic standing was recognised by the *Good Universities Guide* which awarded USQ its maximum five-star rating for graduate employment, social inclusion and staff qualifications. Key activities that occurred in 2015 to ensure the maintenance and enhancement of academic quality, the delivery of relevant academic programs, and the support of our staff and students included:

### Academic Programs and Courses Policy

- The Policy that was approved in 2014 was implemented throughout 2015 with a comprehensive suite of procedures, schedules and standard forms being deployed.

### Student Feedback and Appeals Management System

- The newly developed system was launched in conjunction with the roll-out of the refreshed Student Complaint and Appeal Policy. It provided a front-facing triage to guide students to and through the correct process for their issue or problem for both formal and non-formal complaints. The System guided students through simple language and easy steps to the relevant policy, procedure or schedule as required.

### Program and course health checks

- The Academic Division and the Academic Services Division worked together during 2015 to create a new set of checks to inform relevant organisational units and boards' decisions. Additionally the *MyOpinion* student feedback system was revamped enhancing the volume and quality of student feedback that inputs into the course health checks.

### Learning Objects Repository

- In 2015 there were more than 33,830 learning and teaching resources in the Repository available for use by academic staff. A project funded by the Federal Government has enhanced the accessibility of this collection. Additionally, the USQ Open Photographic Collection, which will house USQ's stock imagery and open education resources was completed as part of this project.

### **Other key outcomes to the improvement of academic program quality included:**

- an increase in inter-disciplinary efforts in program development and refresh, and a strong inter-faculty effort with respect to professional accreditation.
- establishment of advisory boards focused on programmatic areas of study.
- revised strategic approaches to be adopted in planning new programs.
- a revised examiner's report format that included comparison of current grade distribution with that of previous offerings.
- the completion of a pilot external moderation with the University of New England and Federation University, of capstone courses for programs that did not have established external professional accreditation.

## Academic Portfolio

USQ continued to monitor and review processes for the planning, accreditation and re-accreditation of academic programs throughout 2015. Underpinning activity in this area was an on-going refinement of the documentation required for academic accreditation. Key to the documentation was compliance with the Australian Qualification Framework (AQF) standards.

This academic accreditation activity has resulted in a significant number of external professional accreditations in major areas including Engineering, Nursing (Ipswich and Geraldton), Education, Psychology and Computing. Additionally, efforts to secure professional accreditation for Midwifery, Sport and Exercise, and Paramedicine are underway.

Other significant outcomes arising from work conducted in 2015 as part of the USQ academic program portfolio included:

- **Sport and Exercise Programs:** The commencement of a new suite of Sport and Exercise programs. The programs have an innovative two-way articulation pathway with Vocational Education and Training (VET) fitness qualifications, providing more options for those seeking a career in the industry.
- **Applied Data Science:** Commonly referred to as 'Big Data', Applied Data Science will be offered from 2016. The new undergraduate major and postgraduate specialisation will span industries as diverse as marketing and astronomy.
- **Agricultural Science and Technology:** A new undergraduate major and postgraduate specialisation in Agricultural Science and Technology will commence in 2016. As demand for traditional agricultural degrees decreases, the importance of agriculture as an application of science, technology and agribusiness is increasing.
- **Certificate in University Studies:** A preparatory course, the Certificate in University Studies has attracted an agreement with St Vincent de Paul through its Clemente program. The agreement will help fund and support students returning to post-secondary study.
- **Entrepreneurship and leadership:** Studies in entrepreneurship and leadership have been incorporated into new offerings in Health and Wellbeing.
- **Counselling Programs:** New counselling programs and specialisations have been offered to provide additional options for psychology students, easing pressure on students who are unable to progress to the Masters study needed for clinical registration.
- **Bachelor of Aviation:** A new bachelor degree in aviation will commence in 2016 offering majors in aviation management and flight operations. The degree will include a pathway for eligible students to begin flight training through an accredited trainer, early in their degree.

Program portfolio renewal and refresh programs are ongoing with degrees in construction management being refreshed to reflect changing industry standards. Additionally, major work was undertaken in 2015 for Australian Qualifications Framework (AQF) compliance and re-accreditation of higher degree by research awards.

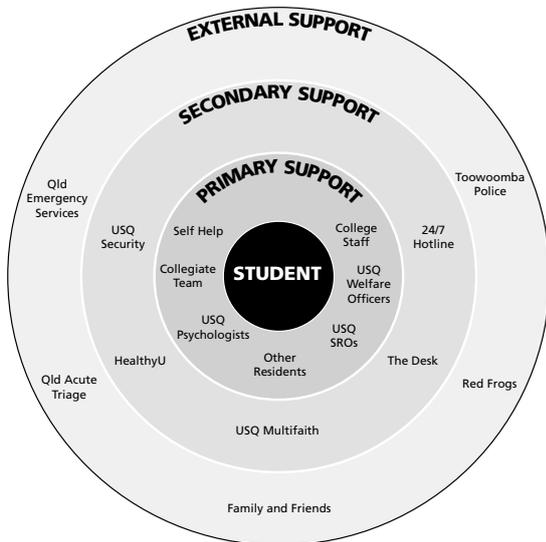
## Supporting student success

### *Improving academic preparedness*

Throughout 2015 projects were undertaken to maintain and develop student support services to enhance their academic success. Major projects included:

- Official opening of the second building at USQ Springfield, significantly enhancing the student load at the campus, providing cutting edge facilities for those students; refining the orientation strategy to recognise the links with student success through highlighting the importance of student engagement in developing goal connectedness, sense of belonging, self-efficacy and connection to the institution. At the 2015 Ipswich City Council Awards for Excellence in Design, Environment, Heritage and Student category, USQ Springfield Building B won the Gold Award for Design.
- Official opening of the new clinical simulation laboratories following a \$1.7 million refurbishment. The refurbished facility adds to USQ's capacity to develop job-ready nursing graduates with high levels of clinical competence.
- Launching a new student focused learning technologies support website. The site, *USQStudyDesk* skills, allows students to seek solutions to common problems they may experience using the USQ virtual learning environment (VLE). This site was made possible by funding provided by Student Services and Amenities Fees. The website works in conjunction with face-to-face support for students at USQ Learning Centres.
- Installing Eduroam wireless internet to provide students with more reliable and secure free high speed wireless internet across the University, and offering students free Microsoft Office software for the duration of their studies to ensure there are fewer barriers to study.
- Providing student support through the provision of a personalised 'book prescription' (recommended reading) to assist with potential life barrier issues during the course of their university study.
- Enhancing the aspirations of Year 10 students from 14 Southern Downs and Western Queensland schools through the *Beyond Year 10* camp and the Years 7–10 Career Day, where a variety of applied learning experiences and opportunities were offered to students. Both events enabled students to see first-hand what career and study options are available in other locations beyond their home towns.

- Implementing the Integrated Pastoral Care System to ensure mental health monitoring of USQ residential college students. Collegiate staff were trained to look for consistency in behaviours and to take steps if something was perceived as abnormal. Assessment was guided by the Mental Health First Aid training and Student Services Toolkit.



This diagram represents primary, secondary and external layers of pastoral care support for college residents.

### New Learning and Teaching grants introduced in 2015

Two grants were introduced and offered through the new Learning and Teaching Grant Scheme – USQ Learning and Teaching Communities and USQ Open Textbook Initiative.

- USQ Learning and Teaching Communities Grant promoted and supported learning and teaching initiatives. The aim was to generate projects that provided institutional impact as well as enhancing the capacity to investigate and resolve specific issues that are of key importance to USQ. Each successful community received between \$10,000 and \$20,000 to support their scholarly activities in priority areas such as experiential learning, academic start-up skills for Higher Degree Research and multimodal education.
- USQ Open Textbook Initiative was designed to encourage the use of technology and information resources to support our students’ learning, and support academic staff who are interested in pursuing non-traditional open educational resources as an alternative to the traditional textbook. The goal of this initiative was to provide the opportunity to explore new, better and less costly ways to deliver materials to students. Through the initiative, successful academics received funding of \$15,000 each to develop alternatives to traditional textbooks.

### Raising Aspirations – Higher Education Participation and Partnership Program (HEPPP) funded projects

To improve the access, participation and success for students from communities under-represented in higher education, the Commonwealth Government’s HEPP funded projects in 2015 included the following initiatives:

- The Queensland Widening Tertiary Participation Consortium:** Over the past three years, USQ has been a member of a consortium of eight Queensland universities to raise higher education aspirations and broaden tertiary participation for low income and Indigenous Australian people. The Commonwealth funded project worth more than \$21 million enabled USQ to conduct the DARE program (Indigenous youth mentoring), Indigenous Connections (campus experience and cultural awareness), campus engagement activities, engagement bursaries, BEAMS (mentoring program in schools), Smart Steps (career awareness in young people), Western Run (career development), and the Tertiary Preparation Program Intensive Program.
- Career Development:** The *Open Doors* and *Choices: Pathways and Participation* career development projects are ongoing efforts with our region’s schools and community organisations. The ‘Western Run’ project was merged into the ‘Open Doors’ project in 2015.
- Making the Connections Project:** This project has created accessible programs for students who are studying without reliable internet access. It is currently focused on correctional centres throughout Australia, however it will be applied to a broader student cohort such as international students, rural and remote students (e.g. agricultural workers), Defence Force and Fly-In Fly-Out (FIFO) workers.
- Higher Education Participation Program:** USQ was allocated more than \$6 million for 14 projects, two scholarships and other activities designed to improve access to undergraduate courses for people from educationally disadvantaged backgrounds, and to improve retention and completion rates for that group of students.

Some 20 projects undertaken during 2015 used schools outreach, online tools, mentoring, on-campus events and careers education strategies to target disadvantaged communities across our regions.



FOCUSED RESEARCH

## Strategic Focus

The *USQ Research Plan 2013–2015* continued to underpin USQ research with all objectives in the Plan having now been achieved or in progress.

The Institute for Agriculture and the Environment and the Institute for Resilient Regions continued to drive solid growth in multidisciplinary research collaborations in priority research areas associated by sustainable agricultural productivity and supporting regional industry and community vitality.

In 2013, USQ made a significant investment in research capacity, funding 14 strategic research projects. Now more than half way through their project cycle, these are yielding valuable research in the areas of sustainable agriculture and resilient landscapes, precision agriculture, climate forecasting, modelling, crop biotechnology, thermal energy efficiency, biomedical research related to diabetes and vaccine development, astrophysics, green composites, innovative mental health solutions, helping communities respond to change and building organisational resilience for business.

Results from the implementation of the *USQ Research Plan 2013–2015* included a 44% increase in research grant and contract funding in 2014, driven particularly by increases in Australian Competitive Grant funding.

These results have been achieved by pursuing research that is:

- **focused** – based on core areas of strength that support the University’s overall mission;
- **multidisciplinary** – bringing together expertise from a range of disciplines to tackle research questions in holistic ways and to generate comprehensive solutions;
- **engaged** – informed by a real-world presence and an outward-looking mindset;
- **collaborative** – built on strong mutually beneficial partnerships; and
- **outcomes focused and practical** – finding solutions to important real-world problems in our areas of activity, particularly in areas that improve Australia’s success.

Our research institutes and centres continue to focus the University’s strengths through multidisciplinary research programs that are tackling national and global challenges affecting agriculture, natural resource management and people living and doing business in regional areas.

### ERA results

The Australian Research Council (ARC), which administers the Excellence in Research (ERA) data collection, showed that USQ had achieved world-class ratings in a range of specific research disciplines in 2015. The University was rated at, above, or well above world standard in 14 fields of research. Shown to be well above world standard with a perfect score of five, USQ’s standouts were in materials engineering, pharmacology and pharmaceutical sciences, and environmental science and management, with high scores too in astronomical and space sciences, medical and health sciences and history and archaeology. USQ’s focus on agricultural sciences and our partnerships with the cotton, grain, sugar, dairy, meat and livestock, and horticulture industries for crop and pasture production research also ranked highly.

### Realignment of the former Australian Digital Futures Institute (ADFI)

During 2015 a consultation process was initiated to consider the realignment of ADFI to create a new research and development entity. This proposed strategic realignment will focus the digital innovation capabilities developed in ADFI specifically on improvements to assist USQ’s core business.

## Building research capacity

USQ launched its Research Development and Training (ReDTrain) in 2015, a suite of coordinated initiatives designed to help researchers and research students grow their capacity and skills, and to strengthen our vibrant research culture. Our research community has embraced more than 25 new initiatives offered through the program.

**top:** NCEA Research Fellow, Dr Cheryl McCarthy, talks about machine vision systems for agriculture at a field day.

**above:** USQ’s ERA results

FIELD OF RESEARCH	
<b>5</b> WELL ABOVE WORLD STANDARD	MATERIALS ENGINEERING ENVIRONMENTAL SCIENCE AND MANAGEMENT PHARMACOLOGY AND PHARMACEUTICAL SCIENCES
<b>4</b> ABOVE WORLD STANDARD	NUMERICAL AND COMPUTATIONAL MATHEMATICS ASTRONOMICAL AND SPACE SCIENCES ENVIRONMENTAL SCIENCES CROP AND PASTURE PRODUCTION MECHANICAL ENGINEERING MEDICAL AND HEALTH SCIENCES
<b>3</b> WORLD STANDARD	MATHEMATICAL SCIENCES PHYSICAL SCIENCES AGRICULTURAL AND VETERINARY SCIENCES ENGINEERING HISTORY AND ARCHAEOLOGY

### **Key ReDTrain initiatives included:**

- **Research Giants Program and Eminent Visiting Scholars Scheme (EVISS):** An initiative to bring eminent and world-renowned research leaders to USQ and stimulate research, innovation and produce stronger external collaborations.
- **Researcher Development: Productivity Leave and New Endeavours Scheme (ReDPLANES):** To provide selected researchers with the time and resources to undertake a period of research scholarship to facilitate quality and productivity levels that would otherwise be difficult to achieve.
- **Researcher Mentoring (ReM) Program:** Designed to link experienced researchers with early career researchers in order to achieve a specific objective, acquire a particular set of skills, or gain knowledge and experiences to further their research careers.
- **Publications Excellence Awards:** These Awards were implemented to encourage a high quality research culture where publication in high-quality journals is rewarded.
- **Postgraduate Research Students Society (PReSS):** To activate groups of postgraduate research students to network, exchange ideas, inspire one another and promote opportunities for research students.

## **New partnerships and collaborations**

During 2015, USQ developed new partnerships and entered new international collaborations which significantly strengthened the University's research capacity and access to world-class infrastructure. Individual researchers were also recognised for their contribution to industry profitability and sustainability.

### **Key outcomes in 2015 included:**

- **Broad-acre Grains Research Partnership:** USQ and the Queensland Department of Agriculture and Fisheries (DAF) entered a five-year Broad-acre Grains Research Partnership where 26 research positions transitioned from the Department to the Institute for Agriculture and the Environment. Key research areas included crop pathology, nematology, agricultural systems modelling and agricultural engineering. Additionally the partnership will result in significant funding from the Department and the Grains Research and Development Corporation.
- **2015 Young Tall Poppy Science Awards:** Mechatronic engineers Dr Cheryl McCarthy and Dr Alison McCarthy from USQ's National Centre for Engineering in Agriculture (NCEA) won the 2015 Young Tall Poppy Science Awards for their work in helping to improve productivity and sustainability in agriculture.
- **International Space Station Collaboration:** Professor David Buttsworth (Thermal Energy Efficiency), along with researchers from the University of Queensland and the Queensland University of Technology, collaborated on an Australian Research Council

(ARC) funded project. The researchers worked with NASA on examining the thermal dynamics of spacecraft heat shields in order to better understand the physics of re-entry and the de-orbit process of the International Space Station.

- **The *Veloce Rosso* facility:** USQ became a key member of a research infrastructure consortium and funded an ARC Linkage Infrastructure, Equipment and Facilities (LIEF) Grant. Led by the University of New South Wales, the grant will develop the \$1.65 million *Veloce Rosso* facility, which will equip the Anglo-Australian Telescope at Coonabarabran with a new spectrograph capable of supporting a vast suite of research programs, focused on the study of extrasolar planets and galactic archaeology.
- **High performance computing upgrade:** USQ's facilities were boosted through the year after receiving a \$200,000 grant from the Queensland Cyber Infrastructure Foundation (QCIF) and \$300,000 of internal funding. The high performance computing upgrades will help ensure the on-going capacity of our facilities, support research outcomes and training.
- **ecoBiz Program roll-out:** The Chamber of Commerce and Industry Queensland (CCIQ), USQ and Australian Business Training Solutions (ABTS) joined forces eighteen months ago to deliver a three-year program that is helping Queensland businesses become more profitable and efficient. To date, nearly 3,000 business people have taken advantage of a range of business programs that directly apply research developed and adapted by USQ. The University's research is helping participating businesses achieve average decreases in energy and water use of 45% and 50% respectively and 15% savings in waste. The ecoBiz Program is funded by the QLD Department of Environment and Heritage Protection.
- **Future Farm Program Funding:** The Grains Research and Development Corporation (GRDC) have provided funding of \$3.2 million over four years for an agricultural automation and robotic management project that will develop intelligent, adaptive control systems that can sense, control and monitor farming inputs such as water, fertiliser and chemicals.
- **Food Leaders Australia Initiative:** The Institute for Agriculture and the Environment and Toowoomba Surat Basin Enterprise (TSBE) launched Food Leaders Australia, an agri-food innovation partnership. Researchers are working alongside industry to identify and develop opportunities for Australian food production to meet rising demand from Asia's middle classes. This collaborative initiative enables strategic research in food and fibre product development along with value chain optimisation to directly support export development in Southern Queensland.
- **Cancer survival in regional Queensland Funding:** Together with USQ's Institute for Resilient Regions, the Cancer Council Queensland has provided \$1 million funding for a five-year program to investigate cancer survival in regional Queenslanders.

USQ also secured funding from industry and government sources to deliver high impact research projects. These included:

- **Smarter Irrigation for Profit Program:** A Rural Research and Development for Profit, Cotton Research and Development Corporation (CRDC), Dairy Australia, Rural Industries Research and Development Corporation (RIRDC) and Sugar Research Australia (SRA) funded program to deliver the Smarter Irrigation for Profit Program worth \$1.7 million over three years.
- **Seasonal forecasting:** A three-year program funded by Rural Research and Development for Profit and Rural Industries Research and Development Corporation (RIRDC) involving researchers from the USQ International Centre for Applied Climate Sciences (ICAACS) who are working to improve the use of seasonal forecasting to increase farm profitability.
- **Cambodian and Laotian farming:** The Australian Centre for International Agricultural Research (ACIAR) has provided funding of \$1.6 million for a three-year project to enable Cambodian and Laotian vegetable farmers to better integrate soil and water management.
- **Precision Agriculture Flagship:** USQ in conjunction with fellow Regional Universities Network (RUN) institutions – Central Queensland University, Federation University and the University of New England – initiated the RUN Precision Agriculture Flagship, which will develop research opportunities to transform Australian agriculture through the application of robotic, and automation technologies integrated with big data analytics.
- **Studying ‘research’ in Australia’s library and information profession:** Professor Helen Partridge in collaboration with researchers from Charles Sturt University, the Australian Library and Information Association (ALIA) and National and State Libraries Australasia (NSLA), secured an Australian Research Council (ARC) grant of \$219,959 to undertake a research project – *Studying ‘research’ in Australia’s library and information profession*. This project will build an evidence base on research into Australia’s library and information profession and establish a framework that can be used by library and information professionals to build a research culture that enables the adoption of “practitioner–researcher” as an approach to professional practice.
- **Empowering women through entrepreneurship:** Associate Professor Retha Wiesner and her research team from the Institute for Resilient Regions have been funded by the Department of Foreign Affairs and Trade (DFAT) Australian Fellowship to deliver a program that focuses on empowering women through entrepreneurship and business sustainability in Nepal and Bangladesh.
- **Climate resilient systems:** The International Centre for Applied Climate Sciences (ICACS) received a \$169,819 DFAT grant to work with developing nations in the Asia–Pacific Region to build their capacity to develop and implement climate resilient systems.
- **Understanding migrant information literacy: a qualitative study:** Together with the Queensland University of Technology and MultiLink Community Services, USQ’s Professor Helen Partridge obtained a grant of \$153,000 to undertake research on *Understanding migrant information literacy: a qualitative study*. The project will establish an information literacy framework to inform the design and delivery of services providing information to Australia’s migrant communities.
- **Research Week:** USQ celebrated Research Week in October to showcase the University’s diverse academic, learning and teaching profiles. Various activities enabled staff, students and experts from industry and academia to engage in self-development sessions and seminars to improve on their research outcomes and share in funding prospects with others across the University. Highlights included an open day at Mount Kent Observatory, the Pitch Club Challenge and the Art of Research Exhibition – showcasing research through art, sculpture painting and graphics.
- **Australian Research Council success:** Professor Hao Wang and his team from the Centre for Excellence in Engineered Fibre Composites were successful in the Australian Research Council (ARC) funding round announced in November. The project, *Development of Viable Geopolymer as the Sustainable, Low CO2 Alternative to Portland Cement*, includes USQ researchers, CSIRO and international experts from the United Kingdom and China.
- Several USQ researchers also partnered with other leading national experts in the Australian Research Council’s funding round. Professor Bryce Barker (Anthropology), Professor Brad Carter, Dr Jonti Horner and Dr Stephen Marsden (Astronomy) and Professor David Buttsworth (Thermofluids Engineering) were part of various research teams identified by the ARC for their ground breaking initiatives. Researchers shared in more than \$2.3 million in collaborative funding.
- **Digital Champion:** USQ researcher Dr Jenny Ostini was named one of 10 inaugural Advance Queensland Community Digital Champions by the Queensland Government. The initiative aims to build a safe community by letting people know what is illegal when it comes to technology violence. Educational interventions on the subject will benefit children as young as 10 years old.
- **Australian Financial Review Higher Education Awards:** A USQ project to provide learning pathways to technologically-isolated students was recognised in the inaugural Australian Financial Review (AFR) Higher Education awards. The University’s ‘Making the Connection’ program led by Associate Professor Helen Farley took out top honours in the Learning Experience category. Another USQ project, ‘ecoBiz’, was a finalist in the Industry Engagement category of the awards.



## Community capacity building

USQ makes an important contribution to its local communities and is committed to being an active, responsible and engaging corporate citizen.

USQ is a key voice and advocate for regional issues and through its involvement in the Regional Universities Network (RUN) it promotes and lobbies for planning, policies and frameworks which support the long-term growth and prosperity of Australia's regions.

The University is a key driver of economic growth and provides around 3,000 full-time equivalent jobs across its Toowoomba, Fraser Coast, Springfield, Stanthorpe and Ipswich locations. In addition, it has strong partnerships with local business, industry and special interest groups and supports and invests in a range of community-focused initiatives and events.

USQ maintains a series of projects and events to connect with the community. Key activities in 2015 included:

- The Change Makers program is a unique leadership program that provides Years 11 and 12 students with inspiration and education about creating social change. Over 450 students from 130 schools have engaged with the program and in 2015, USQ awarded almost \$23,000 to nine teams from our regions. Projects focused on the environment, homelessness, discrimination, drug awareness, nutrition, children with disabilities and disadvantaged youth. More than 800 young people attended one project, a Youth Festival in Toowoomba's Queens Park held in August. USQ was awarded a Silver Circle of Excellence Award by the Council for Advancement and Support of Education (CASE) for Change Makers.
- Indigenous Connections is a one day event for Aboriginal and Torres Strait Islander high school students designed to excite and inspire them to see the benefits of education and continue with school so they can pursue careers that require a university education. In February, events were held across USQ with more than 450 Indigenous Australian students in years 7–12 attending senior school events and 29 students in years 4–6 attending the inaugural junior school events. In 2015 the program was extended to include University involvement in other initiatives such as the inaugural Ipswich Education Youth and Sports Program led by Indigenous health organisation Kambu. Held in July, 70 students and their parents/carers participated in the week-long event and a dedicated information evening was trialled in October to increase interest in USQ as a study destination.
- In 2015, the Student Experience Days and the Year 7–10 Careers Day returned to USQ Springfield for the first time since 2011, while the events continued with record numbers at USQ Toowoomba and USQ Fraser Coast. These events aim to give school students a taste of university life, and exposure to academic presentations and non-OP options so they are better equipped to choose a career path and are more inclined to choose USQ as their university of choice. The events complement other schools engagement activities such as school visits, career expos and student advisor information days.
- USQ hosted the 2015 Northern University Games with more than 1500 students from all Queensland and Northern NSW universities competing in sports such as basketball, tennis, netball, futsal, squash, baseball, handball, volleyball, lawn bowls, touch football, ultimate frisbee, golf, ten pin bowling and hockey.

## Increasing pathways to higher education

USQ encourages and supports its students to access and attain higher education through a diverse range of pathways, providing all students with the opportunity to achieve success, regardless of their background, circumstance or previous education history. The University partners with schools, families and communities to provide pathways and options for ongoing learning, targeting students in years 10–12 across Maryborough, the Wide Bay, Ipswich, Springfield and the Western Corridor, Toowoomba, Darling Downs and South West Queensland. Initiatives during 2015 included:

- **Open Source Initiative:** USQ became the first university to join the global non-profit Open Source initiative that promotes open source software. This demonstrated our commitment to openness, open education, greatly reduced barriers for learners, and supported formal education, as well as allowing a 21<sup>st</sup> Century approach to collaboration.
- **Equity Bursaries:** USQ allocated \$1.16 million to support students experiencing financial hardship for 2015, an increase of more than \$680,000. The Equity Bursaries provide \$1,000 book bursaries or laptops to successful recipients.
- **University Student Endowment Fund (USEF):** USQ announced the establishment of the Student Endowment Fund in September to support current and prospective students from disadvantaged backgrounds. The University will commit \$5 million immediately to the Fund and will provide up to a further \$10 million to match private donations in its first three years.

## Connecting with communities

USQ hosts and participates in a range of major and significant events and initiatives to connect with its communities, regionally, nationally and internationally:

- **Business @ Dusk:** Following a 2014 Memorandum of Understanding, USQ and Toowoomba Chamber of Commerce (TCC) officially launched a joint networking venture in January 2015. *Business @ Dusk* was held each month throughout the year to expand business networks by creating an environment in which attendees can make contacts, seek out new clients or new suppliers.
- **Networking 'After 5':** USQ hosted the Ipswich Chamber of Commerce and Industry's *Networking 'After 5'* event attended by key community members and USQ staff. The event provided the opportunity to welcome the community onto the campus and to talk about our aspirations for USQ Ipswich, the University's growth in the region and its positive impact for local enterprise.
- **USQ support for earthquake victims:** Through a spontaneous response to people in need, the USQ community supported the Nepalese Earthquake victims with community fundraising events

coordinated by the Nepalese Association of Toowoomba, USQ Phoenix Central, the USQ Charity Committee and Campus Catering. The activities raised over \$4,900.

- **Racism. It Stops with Me:** USQ joined the Australian Human Rights Commission and some of Australia's leading businesses, sporting bodies and non-governmental organisations (NGO) to support the *Racism. It Stops with Me* campaign. USQ staff were provided annual training in anti-discrimination and harassment and cultural awareness.
- **International Women's Day:** USQ joined International Women's Day celebrations with a variety of activities including the USQ Shine Morning Tea. The morning tea celebrated the achievements of our female graduates and students. Additionally, two \$500 bursaries were awarded to USQ alumnae or female students who had demonstrated leadership potential and enriched their local community, with additional funds raised going toward the provision of further bursaries.
- **Toowoomba Languages and Cultures (TLC) Festival:** USQ partnered with TLC in 2015 to celebrate the tenth anniversary of the diversity of languages and cultures that exist within the Toowoomba region. The event aims to bring together different organisations to support and encourage a sense of belonging and community harmony in our area.
- **USQ Artsworx:** Artsworx is a not-for-profit arts organisation operating as an autonomous business unit of USQ. It is a unique entity that links higher education learning and research in arts and culture with populations throughout regional and metropolitan Queensland and interstate. Artsworx attracts more than 25,000 people to USQ each year through its various programs which include the McGregor Schools program, Shakespeare in the Park Festival, Children's Theatre Week, the Twilight and Exhibition Series.
- **Felton Wine and Food Festival:** USQ was proud to be a major sponsor of the Felton Wine and Food Festival. The 2015 Festival was a celebration of the region, the food we grow and the farmers that grow the food. Attracting more than 10,000 visitors, the event aims to build a strong reputation synonymous with farming, food and education.
- **Sport sponsorship:** In 2015, USQ entered into a formal sponsorship agreement with the Ipswich Jets who won their maiden Intrust Super Cup this year. This sponsorship will give USQ a great opportunity to support a local club and to strengthen relationships within the Ipswich Community.
- **Community Celebrations:** USQ celebrates and participates in community celebrations for events including Harmony Day, NAIDOC Week and the National Celebration Days for countries of origin of our international students.

- **ABC on the Road:** In October ABC National transported their outside broadcast facilities to Toowoomba to produce a number of their top tier programs. The Vice-Chancellor participated as a panel member on Q&A and on the Queensland-wide radio show *Evenings with David Curnow*.

As part of the week long events, USQ hosted a free public lecture with one of the country's top media executives, ABC Director of TV Richard Finlayson and Professor Lorelle Burton was a guest panellist on *The Moral Compass*.

ABC's *Queensland Country Hour* program also presented live from USQ on and highlighting research being undertaken by the Institute for Agriculture and the Environment.

USQ students were given a rare opportunity to be involved in a variety of behind the scenes activities as production assistants.

- **Constitutional Conference:** Local secondary school students attended the Darling Downs High Schools Constitutional Convention held at USQ. The Education Queensland event focused on familiarising senior students with the Australian Constitution and demonstrating how it impacts on democracy, social equality and fairness.
- **Lecture by the Honourable Michael Kirby:** One of Australia's most respected legal minds, retired High Court of Australia judge The Honourable Michael Kirby AC CMG, visited USQ to present an open lecture on the Magna Carta to staff, students and the community. Justice Kirby also attended meetings with staff of USQ's School of Law and Justice where he took time to mix with both undergraduate and postgraduate law students.

### **Alumnus of the Year Awards**

The Alumnus of the Year Awards formally recognise outstanding alumni for their achievements with their professional and personal lives, and for being an inspiration to fellow alumni, current students and the community. Awards were made in the following categories:

- Outstanding Alumnus of the Year;
- Indigenous Service Award;
- Professional Alumnus of the Year;
- International Alumnus of the Year;
- Research Alumnus of the Year;
- Young Alumnus of the Year;
- Community Service Alumnus of the Year; and
- Chapter Volunteer of the Year.

### **Sponsorship of Queensland Literacy Awards**

For the third year, USQ was a sponsor of the Queensland Literacy Awards – sponsoring two of the prestigious awards:

- the USQ History Book Award with a particular emphasis on the history of Australia's First Peoples; and
- the USQ Short Story Collection – Steele Rudd Award.

The awards attracted outstanding entries and served to celebrate and promote fine Australian talent.

### **Social Media and Marketing Awards**

USQ was awarded a number of marketing awards in 2015 including:

- The *Small Town Culture* project that aimed to increase school students' belief in themselves and pride in their town and region. Ten schools in the Roma district were involved creating songs, music and film clips with Josh Arnold to showcase the region and the talent of their students. A music CD and film clip were launched at the Texas State School Spring Fair and the first Small Town Culture camp was held. A case study was published in the Curtin University, *National Centre for Student Equity in Higher Education's (NCSEHE) Partnerships in Higher Education* publication. It was also awarded as Queensland state winner and national finalist in the Australian Institute of Marketing, Marketing Excellence awards in the Education and Corporate Social Responsibility categories and winner in the category of Regional Service Awards at the Queensland Regional Achievement and Community Awards in late 2014.
- **Change Makers:** The *CASE Circle of Excellence Program* recognised USQ with a Silver award in 2015 in the category of Public Relations and Community Relations for the Change Makers program.
- **Social Hub:** The *2014 Sitecore ANZ Customer Experience Awards* recognised USQ in the category of Education, Media and Advertising for the work in bringing to life USQ Social Hub on the content management system of Sitecore.
- **Australian Marketing Institute:** Along with the award for *Small Town Culture*, USQ also won awards for Content Marketing.
- **Australian Institute of Management:** USQ Associate Director (Online Marketing) Rebecca McSwiney was named the 2015 Young Manager of the Year at the national Australian Institute of Management (AIM) Excellence Awards.



ENGAGED ENTERPRISE

USQ's approach to business management is based on the use of data to inform, anticipate and respond. Through managing its business, USQ captures business ideas and solutions and with a continuous improvement culture. USQ has been able to implement world-leading systems to expand our business and infrastructure.

USQ's success is reflected by the fact that USQ exceeded total student load targets for Semester 1 2015 by 4.7% – an increase of 294.9 full-time equivalent load, showing a positive trajectory for improvement in research performance.

## Building USQ

- USQ officially transitioned the Ipswich Campus from the University of Queensland on 7 January 2015. The official handover featured a flag-raising ceremony and presentations by USQ Vice-Chancellor and President Professor Jan Thomas, Chancellor Mr John Dornbusch and Ipswich City Council Mayor Councillor Paul Pisasale.
- Senator Jo Lindgren joined the Springfield and USQ community to formally launch the new \$50 million state-of-the-art, Five-Star Green-Star rated building which was supported by \$41.9 million from the Australian Government's Education Investment Fund. This was seen as a key component of the University's strategy for expansion and enrichment of student participation in Southern Brisbane and the Western Corridor. The building comprises four storeys of education space focusing on science labs, media studies, and television and radio production as well as providing other conventional teaching and learning.

### ***Rationalisation of Higher Education provision***

During 2015 USQ entered into negotiations to transfer the lease of our successful Fraser Coast campus to the University of the Sunshine Coast (USC). After 20 years of building the campus into a community embedded and regionally focussed enterprise the strategic fit between the campus and USC provided a compelling case for change.

### ***ICT enhancements***

USQ is committed to supporting strategic ICT investments in learning and teaching to deliver improved student and staff satisfaction. In 2014, USQ Council endorsed a proposal to allocate \$13 million of additional investment in ICT from the operating budget (over five years) directly targeted at improving the education experience at USQ. This amount is in addition to existing ICT Investment Portfolio Project funding and ICT Operational funding.

Throughout 2015 scoping and early implementation of key initiatives commenced under the strategic *One USQ Experience* and *One USQ Connectivity* ICT projects.

The *One USQ Connectivity* project is focusing on delivering teaching space technology upgrades, including improvements in synchronous communications, video conferencing and wireless connectivity. This project will provide high value additions to physical spaces (on-campus and online) that reinforce USQ's position as the peak educational provider in our geographical areas, and support high quality, technology facilitated personal interaction (individual and group), as well as enhanced cross-location communication and efficiency.

The *One USQ Experience* project is expanding our capacity to deliver an efficient and seamless user experience by providing a contemporary high quality online experience as a University. This project will deliver enhancements to foundational infrastructure (systems, tools, interfaces) that enable a consistent, high quality, brand enhancing and optimal online educational experience. The project will also develop USQ's ability to utilise information and data to support efficient operations and personalisation of experience, and enhance capability in our staff to fully utilise technology resources, and promote innovation in technology enabled teaching and learning.

Key points of progress during 2015 under the two aligned projects that will guide delivery of these outcomes over five years include:

- **Flexible physical and virtual teaching spaces:** Significant engagement on teaching space upgrade design, leading to collaboratively developed, teaching space AV standards and principles and Stage 1 priorities for upgrade (scheduled for late 2015–early 2016). Foundations for continual improvements in other unified communications and wireless coverage and saturation in teaching and learning spaces were also progressed.
- **Technology enabled on-campus learning experience:** Significant trialling and eventual adoption as a supported service of new and flexible tools for synchronous teaching and learning related activity yielded positive teaching and enterprise outcomes during 2015.
- **High quality, brand enhancing and optimal online student experience:** Commencement of translation of articulated user experience principles into online user experience standards to help ensure a user centric approach to online system development, management and continuous improvement. Activity to select and implement a new enterprise portal solution with consideration for these principles was substantially progressed in 2015.
- **Improved tools for continuous improvement of the student online learning experience:** Implementation of new diagnostic tools to enable improved issue identification and response (system and support). Scoping of data integration and interface opportunities has also been a significant focus during 2015, and will be a key ongoing activity aligned to the aims of the projects.
- **Innovation in Teaching and Learning:** Over 40 teaching and learning technology demonstration ideas identified, supported by processes for demonstrator conduct, learnings and outcomes dissemination.
- **Teaching staff technology resource use capability:** Sustained success with new initiatives and improved collaborative and cross-unit approaches was achieved as evidenced by early feedback and uptake statistics.

Each of these projects complement other projects currently funded from the ICT Investment Portfolio Project pool. Most significantly, the recent upgrade of the University's AARNet connections from 1Gb to 10Gb provides the University with the bandwidth to maximise the potential benefits of *One USQ Connectivity* and *One USQ Experience* projects.

## Organisational strategy, structure and partnerships

In 2015 the Vice-Chancellor's Committee undertook to refresh the current USQ Strategic Plan for the period 2016–2020. For USQ to succeed in a highly dynamic operating environment, this work was essential for continued success. Additionally, during the year the Educational Experience Plan, USQ Library 2022 Vision and the University's first Reconciliation Action Plan were launched along with refreshing the Core Values and the Research Plan.

Other activities included the following:

- Signing a Memorandum of Understanding with South Korea's Gyeongju University to explore areas of common interest including: collaborative research; dual degree programs; intensive English language programs; culture exchange programs; student and faculty exchange programs; undergraduate and graduate student internship exchanges; and staff development.
- Administering the process for Student Services and Amenities Fee proposals. Since the implementation of the Student Services and Amenities Fee in Semester 2, 2012, the University has collected almost \$10 million in upfront and deferred revenue. A new project approval process was endorsed by members at the October 2014 Student Forum which resulted in the introduction of a Project Board to oversee projects and ensure consistency in the evaluation, management and distribution of funding. Broad student consultation through the Student Forum has continued and an interactive Student Forum/Student Services and Amenities Fee website was developed through the year.
- Extending the Office for Learning and Teaching (OLT) Network Extension Grant to continue to coordinate the Queensland Promoting Excellence Network (Q-PEN). This follows an initial grant in 2013 that made USQ the first regional university in Q-PEN to coordinate the activity. Q-PEN is a Queensland network of institutions sharing best practices in university-level teaching.
- An external review of the accommodation facilities at USQ's residential colleges to remain competitive, meet contemporary living expectations and meet demands. As a result, USQ Council approved recommendations to refurbish the remaining blocks of USQ Toowoomba's Steele Rudd College into self-catered accommodation facilities. As part of the Agriculture Environment and Technology (AET) Precinct Master planning consideration is also being given to the possibility of repurposing part of McGregor College.
- A reorganisation of USQ International to maintain and improve the generation of student enrolments and income across on-campus, higher degree by research, and online study. The University continues to enhance the diversity of its international business activities and deliver improved development of strong enrolment pathways and growth at all campuses and other international initiatives in Sydney, China, India and Malaysia.

- Strengthening the University's capacity and capability in responding to a crisis through an organisational realignment of the function. Additionally a dedicated management position was established along with a dedicated Emergency Response Centre, facilitating improved training and response capability for any crisis.
- Hosting of the 10<sup>th</sup> annual Australasian Association for Institutional Research Special Interest Group (AAIR-SIG) Forum. The theme for the 2015 forum was 'Expand Your Horizons' and it was attended by over 80 delegates from 36 institutions to discuss issues including: business intelligence and data warehousing, load and revenue planning, government reporting, surveys and evaluation, quality and risk management to discuss data and information, issues, challenges and solutions in support of decision making in higher education institutions.

### **Executive service to the academic professions and the community**

- **RUN Chair:** Vice-Chancellor and President Professor Jan Thomas assumed the Chair of the Regional Universities Network (RUN) in September 2015 after serving as Deputy Chair for the previous two years. RUN is a network of six universities with headquarters in regional Australia and a shared commitment to playing a transformative role in their regions. The role of RUN in lobbying for the interests of regional education and rural communities is increasingly important in the highly volatile university sector.
- **Reappointment of Professor Jan Thomas to the Board of the Association of Commonwealth Universities (ACU):** The Vice-Chancellor was re-elected to serve a second term as a member of ACU based in London. Professor Thomas is the only Australian Vice-Chancellor so honoured. The ACU is the world's first and oldest international university network, established in 1913.
- **Queensland Futures Institute:** Professor Thomas accepted an invitation to join the Queensland Futures Institute – an independent not-for-profit organisation dedicated to developing high quality policy for Queensland's future, facilitating collaboration across industry, government, research institutions and the community.
- **WGEA Pay Equity Ambassador:** The Vice-Chancellor and President was appointed to serve as a Workplace Gender Equality Agency (WGEA) Equity Pay Ambassador. This program provides a platform for CEOs across Australia to stand up for pay equity, influence a change in culture towards gender equity and improve business practice by sharing approaches to equal pay.
- **Presidency of the Association for Tertiary Education Management (ATEM):** USQ Deputy Vice-Chancellor (Students and Communities) Mr Carl Rallings was elected President of the Association for Tertiary Education Management (ATEM), the pre-eminent professional body in Australasia for tertiary education management.
- **Governance role:** Professor Mark Harvey, Deputy Vice-Chancellor (Research and Innovation) served as a Board member of Toowoomba and Surat Basin Enterprises (TSBE) and the Queensland Cyber Infrastructure Foundation (QCIF).

In addition:

- Professor Tracey Bunda, Head (College for Indigenous Studies, Education and Research) was invited to join Universities Australia's Deputy Vice-Chancellor (Corporate) Committee, as well as the informal Indigenous working group that will assist Universities Australia in developing a sector-wide Indigenous strategy.

### USQ people initiatives

- **Enterprise Bargaining:** Following endorsement by USQ staff, the *University of Southern Queensland Enterprise Bargaining Agreement 2014–2017* was submitted to the Fair Work Commission for approval in late November 2014. Subsequent approval of the Agreement was received and it became effective on 21 January 2015.
- **Health and Wellbeing initiatives:** As part of a broader focus to health and wellbeing at USQ, a comprehensive suite of Health and Wellbeing initiatives for staff and students has been developed. The initiatives include a health and wellbeing strategy, training and education programs, promotion of employee and student health services and the continuation of all current corporate health programs.
- **Service Excellence initiatives:** A University-wide approach to embed a 'revitalised service culture of excellence in interactions with students' in face-to-face and online training programs was achieved through the federally funded Connected Student Learning Journey Project. The training program consisted of three modules 'Service Excellence Essentials', 'Advanced Service Excellence' and 'Managing Complex Service Interactions'.
- **USQ Salon Series:** A new initiative called The USQ Salon Series was developed to showcase scholarly discourse regarding issues pertinent to USQ's future and functions, and to challenge ideas and encourage greater interactivity between staff. USQ staff explored ideas through conversation in events that could be attended in person or via a livestream for real-time, online participation.
- **Academic Geek Week:** This pilot initiative was designed to provide training and support for USQ learning and teaching technologies by combining technical hints and tips for academics to use as a tool, in turn assisting teaching methods. In total 462 participants attended 17 separate sessions.

### **Equity and diversity initiatives**

- **Reconciliation Action Plan:** Toowoomba Regional Council Mayor, Councillor Paul Antonio, officially launched USQ's Reconciliation Action Plan (RAP) 'Walking Together' in May 2015. Over 150 Elders, community members, and USQ staff and students attended the launch. A Roadshow travelled to all USQ campuses during National Reconciliation Week to engage with our communities and promote the Plan. The RAP describes how USQ will support Reconciliation through planned action across all University activities.
- **Multicultural Staff Network:** The USQ Multicultural Staff Network celebrated its 20<sup>th</sup> Anniversary in July. Past members including Toowoomba Regional Council (TRC) Mayor Paul Antonio and Multicultural Affairs Queensland Executive Director, Mr Wayne Briscoe attended the celebration. The USQ Multicultural Staff Network provides a vital service to the University community and the Toowoomba community enriching the experience of staff and students.
- **Gumbi Gumbi Gardens award:** The USQ Gumbi Gumbi Gardens, opened in October 2013 at USQ Toowoomba through a partnership with the local communities. It was established as a place for Reconciliation and healing with the goal of promoting increased awareness, appreciation and understanding of Australia's rich indigenous heritage. In 2015 the Gardens were awarded first place in the inaugural Toowoomba Regional Council Award for Excellence for urban design, heritage and environment. This award adds to two previous awards in garden design concept and sustainability.
- **USQ Ally Network:** The Network aims to provide a safe-zone and a visible support network for students and staff who identify as lesbian, gay, transgender, bisexual or intersex (LGBTI) at USQ. Ally staff are advocates for a community free from harassment or discrimination based on sexuality and gender identity and strongly support USQ's stance on inclusiveness and equity. Allies undertake awareness training and are equipped with a network of professional referrals and LGBTI community resources.



*r: Celebrating 'Walking Together' with USQ's Reconciliation Action Plan*



USQ PEOPLE

## Strategic workforce planning, organisational culture and employee engagement

As part of USQ's strategic workforce initiatives, following the third USQ Employee Engagement Survey conducted in 2014 the University identified a number of priorities for action which were rolled out over 2015. Priorities focused on:

- Improving Divisional and University-wide communication, consultation and involvement in decision making.
- Streamlining processes and eliminating and reducing red-tape and bureaucracy.
- A focus on internal capability and capacity development for leaders and managers.
- Alignment of University expectations for ICT and information services with resourcing and prioritisation.
- A range of various human resources, people development and culture initiatives and priorities.

### Refresh of USQ Core Values

Following a period of significant change, growth and development, it was felt appropriate that the University refresh its Values Statement which had been in place for several years.

As a result of an iterative consultation process with employees, three new core values for the University were developed. These new values – **Respect, Integrity and Excellence** – underpin all interactions and behaviours at USQ, and empower us to *'work together for the shared success of USQ in an ethical and respectful environment that inspires excellence and collaboration, unites us in our mission and enriches our communities'*. These values, and the behaviours that typically define living by the values, are being embedded across all USQ activities.

### Planning future staffing requirements

As part of proactively planning future staffing requirements, Divisional Heads and Human Resources representatives initiated a series of regular engagements to discuss workforce needs throughout the year. In particular, this initiative aims to ensure that the University's staff profile is established and grown in the most effective way to service the University's needs as efficiently as possible.

### Retirement, redundancy and retrenchment

As part of ensuring USQ's workforce structures meet future organisational needs and capacity, the University undertook a number of organisational restructure and change activities in 2015. These processes have seen a small number of employees redeployed or relocated into suitable vacant positions within other areas of the University, and have also resulted in three voluntary employee initiated separations/redundancies and 14 University initiated separations/redundancies. In addition, a number of employees have also initiated discussions with the University in relation to entering into pre-retirement agreements with the University and 11 became effective in 2015.

### Employee attraction, recruitment and induction

The University formally implemented its refreshed recruitment and selection process for all advertised positions in 2015. This process has streamlined application processes from the candidate perspective, and simplified the initial shortlisting processes for recruitment panels with the aim of sourcing high quality staff to address future critical workforce issues. Early indications are that USQ has increased its average number of applicants per vacant position to meet its 2015 target, and also approached levels more consistent with the regional sector average.

The University completed a review and refresh of its induction and on-boarding program for new employees in 2015. A new compliance-based platform has been developed to house the various mandatory online modules that USQ currently offers. USQ's new program also includes a series of face-to-face induction

### Workforce profile

USQ's 2015 workforce has the following Full Time Equivalent (FTE) profile (exclusive of casual employees):

Classification	FTE Staff
<b>Academic Staff Total</b>	<b>529.41</b>
Continuing	409.5
Fixed-Term Contract	120.0
<b>Professional Staff Total</b>	<b>959.29</b>
Continuing	764.0
Fixed-Term Contract	195.3

A range of strategic Human Resources (HR) initiatives play an important role in the University's employee engagement and retention activities, and this has seen USQ's employee initiated separation rate remain low at a steady rate of 5.31%.

*top: After starting at USQ as a student in 1967, Mr David Orton has been a staff member from 1969 to his planned retirement in January 2016.*

and on-boarding opportunities at all campuses at regular intervals to supplement the online program.

### ***Performance management and development***

As part of the upgrade of the University's Human Resource Information System (HRIS), a particular focus has been a streamlined and more user-friendly **Enrich** ePerformance tool. The enhanced Enrich system incorporates user feedback received as part of the initial roll-out, and also embeds the outcomes from the core values review to enable behaviours as well as tasks to be captured and assessed as part of the performance review discussion and process.

This has enabled the current hybrid approach of simultaneously operating paper-based and online forms to be dissolved, with a fully online system in place for the 2016 cycle.

### ***Talent management, staff development, retention and recognition***

As a result of a comprehensive tender process undertaken early in the year, a range of suitable suppliers were identified to support the delivery of the **USQ HR Professional Development Program**, offering a variety of programs dedicated to building capability in the areas of people management, personal leadership, strategic management and business sustainability through face-to-face workshops, information sessions and online learning programs.

The **Wellness at Work Employee Benefits Expo** was held in September to provide the opportunity for attendees to hear first-hand from a range of providers about the products, services and opportunities on offer to USQ employees. The Expo had a dedicated focus on wellness at work and the benefits USQ has available that contribute to wellness. This event is a key part of USQ's employee engagement and retention initiatives, and generates very positive feedback and goodwill.

### ***Leadership and management development***

For many years, the University has offered a suite of successful leadership and management development programs aimed at key cohorts of leaders. Throughout the course of these programs, the need to specifically invest in building leadership capability and capacity targeted directly at the senior middle management layer at USQ was identified.

In response, the University introduced a pilot of the new **Senior Middle Management Development Program** in 2015. The priority area of the program is around the theme of "developing others" in order to build depth and strength in the University's management layers and succession planning, and build capacity across the organisation and areas of professional expertise.

The program also covers building confidence and trust in others' ability, and building an environment where individuals are supported in making key decisions.

The **Ignite Leadership Potential Program** was reinvigorated following three previous years of successful programs at USQ, and in 2015 was targeted at employees who aspired to leadership roles and who wished to further their careers at USQ. The program focused on building leadership capability in areas such as strategic focus, resilience and responsiveness to change, building high performing teams, shaping culture and increasing self-awareness.

The **Aspire: Inspiring Women's Career Advancement at USQ Program** also entered its fifth year at USQ in 2015, with an expanded Senior Women's program incorporating aspiring female leaders at the mid-tier leadership levels of the organisation for the first time. Both the Senior Women's and Future Leader's Programs received twice as many applications as positions available, an extremely positive result which supports the University's commitment to improving gender equality.

### ***Industrial and employee relations framework***

Following an extensive period of enterprise bargaining negotiations, the endorsed *USQ Enterprise Agreement 2014–2017* was approved by the Fair Work Commission (FWC) in January 2015. The new Agreement provides a robust, flexible and strategically relevant framework for the future of work at the University, recognising the need for USQ to position itself as an employer of choice in an increasingly competitive and diverse environment. The Agreement also provides for sustainable salary increases for employees over the life of the Agreement.

The University conducts all its industrial activities within the framework of the Enterprise Agreement, including appropriate consultation mechanisms, in full consultation with employees and the Staff Consultative Committee consisting of representatives from the University, the Unions and elected employees. Elections were held in early 2015 to nominate new employee representatives to this Committee, following the approval of the new *USQ Enterprise Agreement 2014–2017*. The Staff Consultative Committee met on a number of occasions throughout the year to discuss a range of industrial relations and employment related issues including but not limited to organisational change and restructuring, new and amended University policies and procedures, and other initiatives arising from the enterprise bargaining negotiations.

### **Employee wellness, flexible working arrangements and work-life balance**

Recognising the increasing impacts of employee and student health and wellbeing on the workplace and organisational culture, the University developed a coordinated and holistic approach to employee and student wellness through the launch of the **USQ Health and Wellbeing Strategy** in 2015.

The Strategy aims to create an organisational culture and learning and work environment that enriches the health and wellbeing of USQ employees, students and the community. The framework has a focus on promoting positive wellbeing from a multidimensional perspective which includes professional, social, emotional, psychological and physical wellbeing.

To support the framework, a pilot series of activities was conducted in 2015 including the roll-out of the *beyondblue* National Workplace and a re-profiling of the University's Employee Assistance Program (EAP). A complete suite of initiatives focusing on wellness, mental fitness, risk at work, building respectful relationships, prevention of workplace violence and mental health will be launched in 2016.

In seeking to facilitate individual and organisational performance whilst allowing employees to participate fully in the workplace, USQ continues to offer a variety of work/life balance and flexible working initiatives.

This year also saw the formalisation of the USQ Pre-Retirement Program as part of a range of initiatives to support the ageing workforce. The Program ensures a balance between individual employee needs and the needs of the work area by ensuring that arrangements are entered into to benefit both the employee and the University.

Processes for accessing and requesting flexible working arrangements were also formalised into USQ policy and procedure in 2015, reflecting the University's commitment to providing a flexible, equitable and rewarding work environment for all employees.

USQ offers a range of generous leave provisions, including parental leave with up to 52 weeks leave, 26 weeks of which are paid leave for eligible employees. In the University's new Enterprise Agreement, Primary Care-Givers leave was extended to include the partner of the birth mother regardless of whether or not the birth mother is a University employee. The University also introduced strategies in 2015 which aim to support employees accessing parental leave provisions and flexible working arrangements, for both birth parents and their partners, and adoptive and foster parents.

The University also recognises and supports the important role of carers in our community, and employees with responsibilities in relation to either members of their immediate family or their household are entitled to three (3) days leave per year to provide care and support for these persons when it is required, in addition to accessing other types of leave for this purpose.

### **Other employee equity and diversity initiatives**

In 2015, USQ implemented the following new equity and diversity initiatives:

The new **USQ Employment, Equity and Diversity Strategy** was launched with the aim of enhancing inclusion and opportunity, and addressing barriers to achieving workplace diversity for a range of diversity groups, including but not limited to Aboriginal and Torres Strait Islander peoples, Women, Employees from Non English Speaking Backgrounds (NESB), people with a disability, people practicing different faiths, generational/mature aged groups and LGBTI individuals.

- A number of amendments to the USQ Charter of University Governance and related documentation to specifically incorporate fair, inclusive and equitable practices were approved by the University Council.
- The formalisation of the Employee Abilities Network was approved as a significant support network for staff with disabilities and for staff supporting employees and students with disabilities.
- USQ continued to implement the successful Aboriginal and Torres Strait Islander Traineeship Program for the fourth year, with five trainees commencing in January 2015. The University also formed the Aboriginal and Torres Strait Islander employee support network in 2015, which has seen a positive level of engagement and discussion around Indigenous and cultural issues.
- With the launch of USQ's Reconciliation Action Plan, a number of strategies related to increasing the representation of Aboriginal and Torres Strait Islander employees have been developed, particularly around recruitment, attraction and retention of employees, to support achievement of the University's target of 35 FTE employees by 2016.
- In accordance with the *Workplace Gender Equality Act 2012*, USQ lodged its Public Report to the Workplace Gender Equality Agency (WGEA) on its outcomes against six gender equality indicators, including submission of a workplace profile. In June 2015, USQ was formally advised by WGEA that it was compliant with the requirements of the Act for the 2014–2015 reporting period.

The University has also undertaken a significant amount of work to identify its readiness to apply for the **WGEA Employer of Choice for Gender Equality Citation**, particularly around gender equality policy, strategy, leadership commitment, remuneration and governance arrangements, and work continues on embedding some remaining strategies to ensure USQ is in a strong position to apply for the Citation for the 2015–2016 period. ■

ONE USQ

# FINANCIAL STATEMENTS AND APPENDICES 2015



## Financial performance

The 2015 Operating Income from continuing operations for the University of Southern Queensland and its controlled entities was \$369.7 million. The operating surplus was \$81.6 million which incorporates \$61.0 million in income arising from gain on acquisition of the Ipswich campus. Revenue from the Australian Government remains the major source of revenue for the University and for 2015 revenue from this source was \$229.6 million.

The fiscal planning targets included an overall benchmark operating result, excluding the gain on Ipswich campus acquisition, set at 4.0%. The actual operating result excluding the Ipswich campus transaction was above target at 6.7%.

The financial position of the University is sound with a ratio of current assets to current liabilities of 2.91:1. As a result of its policies of fiscal prudence and governance practices the University remains in a strong financial position to maximise operational opportunities and outcomes.

Planning for the University includes growth in student numbers and research activity and 2015 has seen the continued investment in the *USQ Research Plan 2013-2015*. Throughout 2015, the demonstration of USQ's long-term plan in line with the University's strategic goals, has seen the acquisition of the Ipswich Campus, the completion of construction works at the Springfield Campus, entering into a contract to sell assets located at the Fraser Coast campus to the University of the Sunshine Coast, a major ICT Investment and the development of core strategies to enhance the student learning experience.

On an annual basis the development of the University's Operational and Resource Management Plan is a key document for the University and incorporates capital plans as well as Divisional business plans, budgets and resource allocations. This plan underpins USQ investment in maintaining and enhancing its reputation and performance.

### **Financial position**

Consolidated net assets increased by \$67.8 million to \$543.9 million. This increase is principally attributable to \$74.9 million increase in non-current assets through increases in Property, Plant and Equipment and Other Financial Assets.

As indicated in the Financial Performance commentary, the overall financial position of the University is sound and the current ratio, the ratio of current assets to current liabilities, is 2.91:1.

	2015 \$'000	2014 \$'000	% increase/ (decrease)
Total income from continuing operations	369,675	307,647	20.2%
Total expenses from continuing operations	288,067	260,119	10.7%
<b>Net Result attributable to the University</b>	<b>81,608</b>	<b>47,528</b>	<b>71.7%</b>
<b>Total equity</b>	<b>543,872</b>	<b>476,037</b>	<b>14.2%</b>

## Institutional performance indicators

Performance Indicator		2009	2010	2011	2012	2013	2014	2015
<b>Student Enrolments and Load</b>								
[a]	Total Students	25648	26082	26421	27227	27337	28086	<b>28203</b>
[a]	Total Student Enrolments	25893	26302	26764	27647	27711	28620	<b>28681</b>
	Total Student Load	12940	13250	13391	13950	13761	14385	<b>14727</b>
	Enrolments - Commencing Students	11020	11123	11530	11520	11334	12381	<b>11704</b>
	Enrolments - All Undergraduate	18437	19081	19592	20551	20723	20869	<b>21393</b>
	Enrolments - Higher Degree Research	417	417	429	450	497	539	<b>598</b>
	Enrolments - Higher Degree Coursework	7039	6804	6743	6646	6491	7212	<b>6690</b>
	Postgraduates as % of Total Students	29%	27%	27%	26%	25%	27%	<b>25%</b>
	Load – All Undergraduate	9841	10230	10521	11066	10906	11081	<b>11519</b>
	Load – All Postgraduate	3099	3020	2871	2884	2855	3304	<b>3207</b>
<b>[b] Market Share and Student Demand</b>								
	USQ Share of Queensland Providers enrolments	12.2%	11.9%	12.0%	12.1%	11.6%	11.5%	*
	USQ Share of Australian Distance Education enrolments	13.1%	12.7%	11.8%	11.5%	10.3%	9.7%	*
	USQ Share of International Student enrolments (Australian Providers)	2.2%	1.9%	1.9%	1.8%	1.6%	1.4%	*
	USQ Share of Australian graduations	2.0%	1.7%	1.4%	1.6%	1.5%	1.4%	*
	USQ Share of International Distance Education enrolments	41.9%	40.6%	38.0%	38.8%	39.2%	32.6%	*
	USQ Share of Queensland provider Distance Education enrolments	50.6%	50.4%	49.4%	48.8%	46.4%	44.6%	*
<b>[c] Client Satisfaction and Teaching Quality</b>								
[d]	Overall Course Satisfaction (score / 5)	*	*	*	3.82	3.83	3.81	<b>3.82</b>
<b>Australian Graduate Survey</b>								
[e]	CEQ: % Good Teaching Satisfaction	81%	85%	87%	86%	85%	85%	*
[e]	CEQ: % Generic Skills Satisfaction	88%	94%	94%	93%	93%	93%	*
[e]	CEQ: % Overall Rating Satisfaction	89%	94%	94%	93%	91%	91%	*
[f]	GDS: % Graduates in Full-Time Study	10.9%	8.9%	9.8%	8.0%	8.7%	10.3%	*
[g]	GDS: % Graduates in Full-Time Employment	88.6%	69.7%	75.0%	69.7%	69.8%	68.3%	*
[h]	GDS: Median Starting Salary	48000	50000	52100	53000	52100	55000	*
[i]	GDS: % Graduates Seeking FT Employment	11.4%	16.3%	11.4%	14.2%	15.2%	14.4%	*
<b>Student Performance</b>								
[j]	Student Retention	79.6%	79.5%	79.0%	79.1%	77.4%	77.9%	*
[k]	Course Progression rate	82.9%	80.3%	79.2%	79.4%	79.2%	78.5%	*
	Student Completions	4624	4787	4273	4787	4575	4573	*

\* Data not available at time of publication or lags a year behind.

## Institutional performance indicators (continued)

Performance Indicator		2009	2010	2011	2012	2013	2014	2015
<b>Flexibility</b>								
	% Enrolments Internal	13.8%	13.0%	12.9%	12.3%	13.5%	12.6%	13.4%
	% Enrolments External	73.7%	73.7%	73.5%	73.4%	72.3%	72.6%	70.2%
	% Enrolments Multi-Modal	12.5%	13.3%	13.6%	14.3%	14.1%	14.8%	16.4%
	Web-Based Subjects Offered	149	198	232	237	244	254	339
	Web-Based Student Enrolments	7535	12485	15173	17530	17563	19550	27970
<b>Enrolment Trends</b>								
	Enrolment Density (Ratio of Enrolments to Load)	1.98	1.97	1.97	1.95	1.99	1.95	1.92
	Median Age of Students	29	29	29	28	28	29	29
[l]	<b>Research and research higher degrees</b>							
	Research Completions – PhD + Research Masters	62	61	47	78	64	70	*
	Number of Journal Articles Published	171.6	174.2	231.0	298.3	278.7	259.9	*
	Number of Conference Publications	107.2	129.5	124.9	163.6	156.3	46.6	*
<b>Staff</b>								
[m]	Staff FTE – Academic (FT and FFT)	419	457	451	465	483	489	529
[m]	Staff FTE – General (FT and FFT)	806	873	871	866	913	894	959
	Casual Staff FTE	249	253	266	271	272	300	300
	Student Staff Ratio (EFTS:FTE)	22.0	21.3	22.0	21.9	20.9	21.9	21.9
	% Academic Staff with PhD	55%	58%	61%	62%	66%	67%	67%
	% Academic Staff with Higher Degree	84%	83%	86%	86%	88%	89%	88%
	Staff Separation Rate (%)	9%	7%	8%	6%	6%	5%	5%
	Mean Age of Staff – Academic	49	50	50	50	50	50	50
	Mean Age of Staff – General	44	43	43	43	43	43	44
	% Academic Staff who are Female	48%	48%	49%	49%	50%	52%	51%
	% Senior Staff who are Female	19%	15%	16%	22%	22%	25%	27%
	% Staff covered by Collective Bargaining Agreements	96%	95%	97%	96%	96%	96%	96%
[n]	<b>Health and Safety</b>							
[o]	Lost Time Injury Frequency Rate (LTIFR)	1.62	2.66	1.98	3.50	1.89	1.10	2.40
	Occupational Disease Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
[p]	Lost Work Day Rate	0.97	14.74	3.17	14.27	8.01	10.34	7.20
	Fatalities	0	0	0	0	0	0	0
<b>Internationalisation</b>								
	Market Breadth 1: Number of Countries Serviced	107	99	101	100	92	94	88
	Market Breadth 2: Number of Countries Accounting for 80%	13	14	13	12	11	10	12
	International Student Load	3796	3518	3407	3362	2902	2820	2636

\* Data not available at time of publication or lags a year behind.

## Institutional performance indicators (continued)

Performance Indicator	2009	2010	2011	2012	2013	2014	2015
<b>Equity and Multiculturalism</b>							
Females as % of Total Students	56.3%	57.4%	57.3%	57.1%	56.8%	56.7%	56.8%
Females as % of Commencing Students	57.7%	59.4%	59.0%	58.6%	58.5%	58.2%	58.2%
% of Females in Engineering	9.7%	9.9%	9.6%	10.3%	10.7%	10.2%	9.8%
Enrolments - Indigenous Students	1.8%	1.8%	1.9%	2.2%	2.2%	2.5%	2.8%
Indigenous Student Progression (Pass Rate Parity)	80.2%	83.0%	82.1%	81.9%	85.4%	82%	*
Enrolments - People with Disabilities	804	837	965	1189	1399	1534	1620
% of Students Socioeconomically Disadvantaged	27.6%	28.4%	27.9%	28.1%	28.1%	28.4%	28.9%

\* Data not available at time of publication or lags a year behind.

[a] Reporting headcount and student – level of program count for consistency with reporting counts a level of program.

[b] Market share is based on enrolments.

[c] Client satisfaction is from data taken from USQ's internal Student Evaluation of Teaching (SET) course survey, and the Course Experience Questionnaire (CEQ) national survey of graduates. Graduate Outcomes are assessed using the Graduate Destination Survey (GDS) conducted by all universities, and a survey of employers of USQ graduates conducted by USQ.

[d] Ratings are from students undertaking courses using a 5 point scale to indicate their response to the comment: "Overall, I am satisfied with this course".

[e] The CEQ percentages shown are the proportion of all respondents that broadly agreed with the items on the two CEQ scales and the Overall Satisfaction Index. Respondents indicated broad agreement by rating the scale item as 3, 4 or 5 on a 5 point scale. The percentages shown are derived from figures supplied by GCCA which consisted of the percentage of graduates in each qualification level and broad area of study that rated the scale as 3, 4 or 5.

[f] Australian first-degree graduates in further full-time study.

[g] The number of Australian first-degree graduates in full-time employment as a percentage of those available for full-time employment.

[h] Australian bachelor degree graduates who were in their first full-time job.

[i] The number of Australian first degree graduates in part-time employment, or unemployed seeking full-time employment, as a percentage of those available for full-time employment.

[j] Retention Rate Calculation: (Continuing Yr2) / (Total Yr1 - Grads End Yr1)

[k] Progression Rate calculations exclude Non-award students.

[l] 2011 Research outputs not completed or verified until June meeting of Higher Degrees Research Ethics Committee (HDREC).

[m] FTE refers to Full-Time staff Equivalents.

[n] All system rules are applied, reported and recorded in respect with the *Workplace Health and Safety Act 1995 (Qld)* and *Workcover Act 1996 (Qld)*.

[o] LTIFR = (number of injuries x 1 000 000) / total hours worked

[p] Lost work day rate = (total lost work days/total hours worked) x 200000

**Note:** Some data may have changed slightly from the previous Annual Report due to back dated student withdrawals or similar. If you require additional information, please contact the Editor.

Despite an expanding University portfolio there were significant reductions in electricity consumption for 2015. In comparison to 2014 usage figures Toowoomba (Main West Street) was down 10%, Toowoomba Ag Plot Precinct was down 23% and Fraser Coast down by 9%.

In line with the University's Energy Efficiency Savings Action Plan energy efficiency lighting upgrades continued to be rolled out across 2015 with LED lighting replacements in general office spaces, meeting rooms, teaching spaces as well as in specialised areas (Toowoomba Arts Theatre and Plant Growth Chambers).

Implementation resulted in significant measurable reductions in energy consumption reducing overall energy costs (in some cases by up to 60%) as well as improving the environmental performance of the space. In excess of 1200 fittings were upgraded to more energy efficient LED panels or downlights.

In late 2015 the University Council endorsed the adoption of a campus wide Sustainable Energy Solution. The proposed 2MW solar array to be rolled out across 2016–2018 will not only reduce the University's long term energy costs and carbon footprint (approximately 20% reduction), it will provide an enhanced learning and teaching platform for current and future students.

Across-campus waste management and resource recovery programs continued to be expanded upon in 2015. Segregated waste streams were rolled out at USQ Springfield and USQ Ipswich campuses in an effort to minimise the amount of wasted resources that would otherwise be directed to landfill.

Environmental Key Performance Indicators	2015
<b>Carbon Emissions</b>	
Total direct and indirect greenhouse gas emissions by weight	Scope 1 (Direct) = 803.17 tCO <sub>2</sub> -e/year, Scope 2 (Indirect) = 15979 tCO <sub>2</sub> -e
Other relevant indirect greenhouse gas emissions by weight	Scope 3 (Other Indirect) Air Travel = 557 tCO <sub>2</sub> -e, Rental Vehicle Use = 64 tCO <sub>2</sub> -e, Waste to Landfill = 454 tCO <sub>2</sub> -e, Shuttle bus services = 110 tCO <sub>2</sub> -e.
<b>Energy</b>	
Direct energy consumption	Direct Energy Consumption by Source: Natural Gas = 6657.17GJ, Fleet Vehicle Use = 6761.61GJ, Standby Generators = 695.57GJ, Plant and Equipment Fuel = 814.4519GJ
Indirect energy consumption	Purchased Electricity sourced from 1 Jan to 31 Dec 2015 = 90% non-renewable for Toowoomba, Springfield, Ipswich and Fraser Coast. As part of the electricity supply contract USQ nominated 10% of its supply to be 'Green Power'. Purchased Electricity Consumption: Toowoomba Campus = 12,941,402.28kWh, Mt Kent Observatory = 20,515kWh, Springfield Campus = 2,501,797.50kWh, Ipswich Campus = 3, 504 801.87kWh and Fraser Coast campus = 759,162.50kWh.
<b>Water</b>	
Total water withdrawn by source	Total Water Consumption by Source: Town Water: Toowoomba = 49,524m <sup>3</sup> /year, Springfield = 21361m <sup>3</sup> /year, Fraser Coast = 1377m <sup>3</sup> /year. Groundwater: Licence 606855 = 18.011ML/year (2014/2015 reporting year)
<b>Waste</b>	
Total weight of waste by type and disposal method	Toowoomba Campus – 352.50 tonnes of waste sent to landfill, 10.47 tonnes of cardboard recycled, 3.54 tonnes of plastic recycled, 5.60 tonnes of timber recycled, 8.24 tonnes of organic waste, 1.38 tonnes of fluorescent tubes recycled. Ipswich Campus – 115 tonnes of waste sent to landfill, 95 tonnes of cardboard recycled and 16 tonnes of organic waste. Springfield Campus – 28.39 tonnes of waste sent to landfill with 4.466 tonnes of commingled waste recycled. Resource Recovery Sims Metals eWaste disposal = 8 tonnes diverted from landfill, Close the Loop Toner Recycling = 0.456 tonnes diverted from landfill.

## General statistics

Student Load (EFTSL)*	2013	2014	2015
<b>Attendance</b>			
On Campus	4485.6	4467.1	<b>4832.3</b>
External	9275.4	9918.1	<b>9894.4</b>
<b>Commencement Status</b>			
Commencing	5361.6	6069.4	<b>5869.5</b>
Continuing	8399.4	8315.8	<b>8857.2</b>
<b>Discipline Area</b>			
Agriculture, Environmental and Related Studies	66.6	68.3	<b>74.1</b>
Architecture and Building	19.4	17.4	<b>24.3</b>
Creative Arts	1103.4	1250.3	<b>1387.4</b>
Education	2759.8	2880.8	<b>2805.9</b>
Engineering and Related Technologies	1736.3	1912.8	<b>1833.4</b>
Health	1100.6	1173.8	<b>1359.9</b>
Information Technology	870.8	1004.1	<b>1075.9</b>
Management and Commerce	2524.9	2365.0	<b>2201.6</b>
Natural and Physical Sciences	1085.4	1086.5	<b>1336.3</b>
Society and Culture	2494.0	2572.6	<b>2620.8</b>
Mixed Field Programmes	n/a	53.8	<b>7.3</b>
<b>Program Level</b>			
Higher Degree Research	324.6	342.1	<b>371.9</b>
Higher Degree Coursework	1753.0	2001.6	<b>1981.1</b>
Other Postgraduate	772.1	955.1	<b>848.9</b>
Bachelor	8805.2	8932.4	<b>9475.4</b>
Other Undergraduate	910.2	890.0	<b>775.3</b>
Enabling	990.6	1079.0	<b>1118.1</b>
Cross-institutional	123.4	116.0	<b>85.1</b>
Non-Award	81.9	68.9	<b>70.9</b>
<b>Funding Source</b>			
Commonwealth Funded	9960.3	10589.9	<b>11177.0</b>
Domestic Fee-paying	723.1	761.4	<b>672.6</b>
International	2902.3	2820.6	<b>2636.4</b>
Research Training Scheme	175.3	213.3	<b>240.6</b>
<b>TOTAL STUDENT LOAD</b>	<b>13761.0</b>	<b>14385.1</b>	<b>14726.7</b>

### Note:

- \* Figures show the EFTSL for the full year, based on annual submissions to the Department of Education

Student Enrolments*	2013	2014	2015
<b>Gender</b>			
Female	14849	15131	<b>15233</b>
Male	12488	12955	<b>12969</b>
Indeterminate/Unspecified	–	–	<b>1</b>
<b>Attendance Mode</b>			
On Campus - Toowoomba	4661	4718	<b>4738</b>
On Campus - Fraser Coast	909	892	<b>940</b>
On Campus - Springfield	1997	2075	<b>2352</b>
On Campus - Ipswich	n/a	n/a	<b>377</b>
External / Online	19770	20401	<b>19796</b>
<b>Commencement Status</b>			
Commencing	11295	12318	<b>11662</b>
Continuing	16042	15768	<b>16541</b>
<b>Field of Education</b>			
Architecture and Building	132	93	<b>88</b>
Creative Arts	2865	2708	<b>2849</b>
Education	5147	5685	<b>5573</b>
Engineering and Related Technologies	4230	4467	<b>4318</b>
Health	1814	1965	<b>2386</b>
Information Technology	878	1121	<b>1179</b>
Management and Commerce	7189	6896	<b>6287</b>
Natural and Physical Sciences	1584	1493	<b>1521</b>
Society and Culture	2984	3233	<b>3564</b>
Non-award	438	371	<b>393</b>
Mixed Field Programmes	76	54	<b>45</b>
<b>Program Level</b>			
Higher Degree Research	496	537	<b>595</b>
Higher Degree Coursework	4433	4842	<b>4360</b>
Other Postgraduate	1988	2289	<b>2259</b>
Bachelor	14930	15086	<b>15833</b>
Other Undergraduate	2232	2089	<b>1925</b>
Cross-institutional	604	627	<b>468</b>
Enabling / Non-award	2654	2616	<b>2763</b>
<b>International</b>			
Offshore	3397	2708	<b>2179</b>
On-campus	1797	2138	<b>2226</b>
Australian	22143	23240	<b>23798</b>
<b>Indigenous</b>			
Indigenous	482	573	<b>661</b>
Non-Indigenous	26855	27513	<b>27542</b>
<b>TOTAL STUDENT ENROLMENTS</b>	<b>27337</b>	<b>28086</b>	<b>28203</b>

\* Figures show the headcount of students for the full year, based on annual submissions to the Department of Education

## General statistics

Staff (FTE)	2013	2014	2015
<b>ALL STAFF</b>			
<b>Gender</b>			
Female	998	1012	<b>1068</b>
Male	670	671	<b>721</b>
<b>Classification</b>			
Academic Staff	699	727	<b>768</b>
Professional Staff	969	956	<b>1021</b>
<b>Current Duties Term</b>			
Tenured	1150	1115	<b>1173</b>
Limited Term	168	191	<b>311</b>
Other Term	78	77	<b>4</b>
Casual	272	300	<b>300</b>
<b>TOTAL STAFF</b>	<b>1668</b>	<b>1683</b>	<b>1789</b>

<b>ACADEMIC STAFF</b>			
<b>Faculty</b>			
Faculty of Business, Education, Law and Arts	^	371	<b>372</b>
Faculty of Health, Engineering and Sciences	^	207	<b>218</b>
Arts	67	^	^
Business	116	^	^
Education	195	^	^
Engineering and Surveying	77	^	^
Sciences	118	^	^
Open Access College	38	37	<b>41</b>
College for Indigenous Study, Education and Research	14	16	<b>15</b>
Non-faculty	72	96	<b>122</b>
<b>Level</b>			
Above Senior Lecturer	107	109	<b>112</b>
Senior Lecturer (C)	110	111	<b>134</b>
Lecturer (B)	221	238	<b>247</b>
Lecturer (A)	261	269	<b>275</b>
<b>TOTAL ACADEMIC STAFF</b>	<b>699</b>	<b>727</b>	<b>768</b>

### Notes:

1. FTE indicates Full-Time Equivalence of full-time, fractional full-time and casual staff
2. In 2015 Casual staff numbers are estimated by using the last year actual casual data

^ Indicates organisational restructure moved from five Faculties to two Faculties

International Student Group	2013	2014	2015
International - Oncampus	887	995	998
International Partner – Onshore	302	397	493
International Partner – Offshore	1496	1196	919
International Direct – Distance	218	233	227
<b>Total Load (EFTSL)</b>	<b>2903</b>	<b>2821</b>	<b>2637</b>

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Financial Statements

for the Year Ended 31 December 2015

### Contents

Income Statement .....	3	46
Statement of Comprehensive Income .....	4	47
Statement of Financial Position .....	5	48
Statement of Changes in Equity .....	6	49
Statement of Cash Flows .....	7	50
Notes to the Financial Statements.....	8	51
Note 1 Summary of significant accounting policies .....	8	51
Note 2 Disaggregated information.....	13	56
<i>Revenue</i>		
Note 3 Australian Government financial assistance including HECS-HELP and other Australian Government loan programs .....	13	56
Note 4 State and Local Government financial assistance .....	14	57
Note 5 Fees and charges .....	15	58
Note 6 Investment revenue and income .....	15	58
Note 7 Other revenue and income.....	15	58
<i>Expenses</i>		
Note 8 Employee related expenses.....	16	59
Note 9 Depreciation and amortisation .....	16	59
Note 10 Borrowing costs.....	16	59
Note 11 Other expenses.....	17	60
<i>Assets</i>		
Note 12 Cash and cash equivalents.....	17	60
Note 13 Receivables.....	17	60
Note 14 Other financial assets.....	18	61
Note 15 Non-current assets classified as held for sale.....	19	62
Note 16 Other non-financial assets .....	19	62
Note 17 Property, plant and equipment.....	20	63
<i>Liabilities</i>		
Note 18 Trade and other payables .....	21	64
Note 19 Borrowings .....	21	64
Note 20 Provisions.....	22	65
<i>Equity</i>		
Note 21 Reserves.....	22	65
<i>Other Disclosures</i>		
Note 22 Fair value measurements.....	23	66
Note 23 Key management personnel and remuneration .....	25	68
Note 24 Remuneration of auditors.....	28	71
Note 25 Commitments for expenditure .....	28	71
Note 26 Monies held in trust.....	28	71
Note 27 Events occurring after the balance date.....	29	72
Note 28 Reconciliation of the net result to the net cash flows from operating activities .....	29	72
Note 29 Acquittal of Australian Government financial assistance .....	30	73
Certificate of University of Southern Queensland.....	36	79
Independent Auditor's Report.....	37	80

**UNIVERSITY OF SOUTHERN QUEENSLAND****Income Statement**

for the Year Ended 31 December 2015

		2015 \$'000	2014 \$'000
<b>Income from Continuing Operations</b>	<b>Notes</b>		
Australian Government Financial Assistance			
Australian Government Grants	3	151,994	159,626
HELP-Australian Government Payments	3	67,603	61,109
FEE-HELP	3	8,382	9,227
SA-HELP	3	1,609	1,423
State and Local Government Financial Assistance	4	2,314	3,214
HECS-HELP-Student Payments		9,680	10,432
Fees and Charges	5	58,523	52,808
Investment Revenue	6	5,129	5,070
Consultancy and Contracts		1,058	792
Other Revenue	7(a)	2,399	3,946
Other Income	7(b)	60,984	-
<b>Total Income from Continuing Operations</b>		<b>369,675</b>	<b>307,647</b>
<b>Expenses from Continuing Operations</b>			
Employee Related Expenses	8	193,135	173,291
Depreciation and Amortisation	9	14,765	13,895
Repairs and Maintenance		5,376	5,000
Borrowing Costs	10	585	282
Impairment of Assets		538	316
Other Expenses	11	73,668	67,335
<b>Total Expenses from Continuing Operations</b>		<b>288,067</b>	<b>260,119</b>
<b>Net Result before Income Tax</b>		<b>81,608</b>	<b>47,528</b>
Income Tax Expense	1(f)	-	-
<b>Net Result attributable to the University</b>		<b>81,608</b>	<b>47,528</b>

46

The logo consists of the text "QAO" in a larger font above the text "certified statements" in a smaller font, both enclosed within an oval border.

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Statement of Comprehensive Income**  
for the Year Ended 31 December 2015

		2015 \$'000	2014 \$'000
	<b>Notes</b>		
<b>Net Result after Income Tax for the Period</b>		81,608	47,528
Items that may be reclassified to profit or loss			
Gain/(loss) on revaluation of available-for-sale financial assets	21	4,351	-
Items that will not be reclassified to profit or loss			
Gain/(loss) on revaluation of land, buildings and infrastructure	21	(13,346)	3,994
Reduction in fair value of buildings and infrastructure on classification as held for sale	21	(9,625)	-
<b>Total Comprehensive Income attributable to the University</b>		<b>62,988</b>	<b>51,522</b>

47

QAO  
certified statements

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Statement of Financial Position

as at 31 December 2015

		2015 \$'000	2014 \$'000
<b>ASSETS</b>	<b>Notes</b>		
<b>Current Assets</b>			
Cash and Cash Equivalents	12	12,289	20,061
Receivables	13	12,550	12,919
Inventories		1,895	1,762
Other Financial Assets	14	118,001	104,006
Non-Current Assets Classified as Held for Sale	15	6,914	-
Other Non-Financial Assets	16	5,635	4,121
<b>Total Current Assets</b>		<b>157,284</b>	<b>142,869</b>
<b>Non-current Assets</b>			
Other Financial Assets	14	9,198	-
Property, Plant and Equipment	17	457,373	392,293
Intangible Assets		2,212	1,584
<b>Total Non-current Assets</b>		<b>468,783</b>	<b>393,877</b>
<b>Total Assets</b>		<b>626,067</b>	<b>536,746</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	18	20,805	12,884
Borrowings	19	1,467	1,411
Provisions	20	30,636	27,878
Other Liabilities		1,188	1,085
<b>Total Current Liabilities</b>		<b>54,096</b>	<b>43,258</b>
<b>Non-current liabilities</b>			
Trade and Other Payables	18	11,837	-
Borrowings	19	7,724	9,178
Provisions	20	8,538	8,273
<b>Total Non-current Liabilities</b>		<b>28,099</b>	<b>17,451</b>
<b>Total Liabilities</b>		<b>82,195</b>	<b>60,709</b>
<b>Net Assets</b>		<b>543,872</b>	<b>476,037</b>
<b>EQUITY</b>			
Reserves	21	149,205	169,215
Retained Earnings		394,667	306,822
<b>Total Equity</b>		<b>543,872</b>	<b>476,037</b>

QAO  
certified statements

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Statement of Changes in Equity**  
**for the Year Ended 31 December 2015**

	Notes	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2014		165,221	256,746	421,967
Prior period adjustment	17	-	2,548	2,548
Balance at 1 January 2014 restated		165,221	259,294	424,515
Net result		-	47,528	47,528
Gain/(loss) on revaluation of property, plant and equipment	21	3,994	-	3,994
Total comprehensive income		169,215	306,822	476,037
<b>Balance at 31 December 2014</b>		<b>169,215</b>	<b>306,822</b>	<b>476,037</b>
Balance at 1 January 2015		169,215	306,822	476,037
Prior period adjustment	21	4,847	-	4,847
Balance at 1 January 2015 restated		174,062	306,822	480,884
Net result		-	81,608	81,608
Gain/(loss) on revaluation of available-for-sale financial assets	21	4,351	-	4,351
Gain/(loss) on revaluation of property, plant and equipment	21	(13,346)	-	(13,346)
Reduction in fair value of buildings and infrastructure on classification as held for sale	21	(9,625)	-	(9,625)
Total comprehensive income		155,442	388,430	543,872
Transfers	21	(6,237)	6,237	-
<b>Balance at 31 December 2015</b>		<b>149,205</b>	<b>394,667</b>	<b>543,872</b>

49

QAO  
certified statements

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Statement of Cash Flows**  
for the Year Ended 31 December 2015

		2015 \$'000	2014 \$'000
<b>Cash flows from operating activities</b>			
	<b>Notes</b>		
Australian Government grants	3(h)	228,853	228,635
OS – HELP (net)	3(h)	(9)	136
State Government grants received		2,273	3,131
Local Government grants received		42	83
HECS - HELP – student payments		9,680	10,432
Receipts from student fees and other customers		61,197	49,360
Interest received		5,149	5,422
Other receipts		2,027	3,094
Finance costs		(585)	(657)
Net GST recovered/(paid)		66	(416)
Payments to suppliers and employees (inc GST)		(251,909)	(240,854)
<b>Net cash provided by operating activities</b>	<b>28</b>	<b>56,784</b>	<b>58,366</b>
<b>Cash flows from investing activities</b>			
Net proceeds/(payments) for financial assets		(13,997)	(5,202)
Proceeds from the sale of property, plant and equipment		613	402
Payments for property, plant and equipment		(48,670)	(40,479)
Payments for intangible assets		(1,105)	-
<b>Net cash (used in) investing activities</b>		<b>(63,159)</b>	<b>(45,279)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(1,397)	(4,420)
<b>Net cash (used in) financing activities</b>		<b>(1,397)</b>	<b>(4,420)</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents</b>		<b>(7,772)</b>	<b>8,667</b>
<b>Cash and Cash Equivalents at the Beginning of the Financial Year</b>		<b>20,061</b>	<b>11,394</b>
<b>Cash and Cash Equivalents at the end of the Financial Year</b>	<b>12</b>	<b>12,289</b>	<b>20,061</b>

50

QAO  
certified statements

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Notes to the Financial Statements for the Year Ended 31 December 2015

### Note 1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The University of Southern Queensland is a Higher Education Provider established under the *University of Southern Queensland Act 1998* and is a statutory body as defined in the *Financial Accountability Act 2009*. The University of Southern Queensland is domiciled in Australia with a principle address of West Street, Toowoomba.

These financial statements were authorised for issue by the University Council on 22nd February 2016.

#### (a) Basis of Preparation

The annual financial statements represent the audited general purpose financial statements prepared in accordance with the requirements of:

- the *Financial and Performance Management Standard 2009* issued pursuant to the *Financial Accountability Act 2009*
- Australian Accounting Standards
- AASB Interpretations
- the Department of Education
- other State/Australian Government legislation

#### (b) Statement of Compliance with IFRS

The University of Southern Queensland is a not-for-profit entity. These financial statements and notes comply with Australian Accounting Standards which contain requirements specific to not-for-profit entities that are, in some cases, inconsistent with International Financial Reporting Standards (IFRS) requirements.

#### (c) Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University of Southern Queensland's accounting policies.

University management has made no judgement in the process of applying accounting policies that would have a significant impact on the amounts disclosed in the financial statements, other than the normal operational judgement affecting depreciation, employee provisions and impairment and revaluation of assets.

#### *Change in Accounting Estimate*

AASB Action Alert 172 issued in May 2015 clarified the definition of residual values in AASB 116. The residual values previously adopted in determining the fair value of University building and infrastructure assets were subsequently reviewed by management and reduced to Nil. The effect of this change in estimate has impacted the

fair value of these assets as well as the related annual depreciation expense. The impact of complying with the Action Alert is immaterial to the financial report and has been included in the loss on revaluation of land, buildings and infrastructure disclosed in the Statement of Comprehensive Income.

In accordance with AASB 108, the effect has been recognised this financial year in the carrying amount of property, plant and equipment and in reserves.

#### (d) Historical Cost Convention

The financial statements have been prepared under the historical cost convention, except for financial assets and certain classes of property, plant and equipment which have been measured at fair value. Key accounting estimates, assumptions and judgements made by management relating to these areas are disclosed in the applicable notes to the financial statements.

#### (e) Going Concern Principle

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

#### (f) Taxation

The University's activities are exempt from all Commonwealth taxation except for Fringe Benefits Tax, Superannuation Levy, Excise Duty and Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from or payable to the ATO, are presented as operating cash flows.

#### (g) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the University and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed are net of returns, trade allowances and duties and taxes paid.

Revenue is recognised for the University's major business activities as follows:

#### *Government Grants*

Grants from the government are recognised at their fair value where the entity obtains control of the right to

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Notes to the Financial Statements

for the Year Ended 31 December 2015

receive the grant, it is probable that economic benefits will flow to the entity and they can be reliably measured.

### *HELP payments*

Revenue from HELP is categorised into those received from the Australian Government and those received directly from students. Revenue is recognised and measured in accordance with the disclosure for government grants.

### *Student Tuition Fees*

Student tuition fees and charges are recognised in the accounting period in which the service is provided.

### *Consultancy, Contract/Fee for Service and Industry Research*

Revenue from rendering a consultancy, a contract/fee for service or an industry research activity is recognised only when the University has a right to be compensated, it is probable that compensation will be received and the amount of revenue and the stage of completion of a transaction can be reliably measured.

### *Bequests and Donations*

Bequests and donations are recognised as income in the accounting period they are received.

### *Interest and Investment Income*

Interest and income from investments is recognised as it accrues.

### *Sales Income*

Sales income from Business Units is recognised as income in the accounting period in which it is earned.

### *Asset Sales*

The profit or loss on disposal of assets is brought to account in the income statement at the date the contract of sale becomes unconditional.

## **(h) Depreciation of Property, Plant and Equipment**

Items of property, plant and equipment are depreciated over their estimated useful lives using the straight line method based on useful lives that reflect the assets' remaining service potential.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

Assets are depreciated from the month of acquisition or, in respect of assets constructed, from the time the asset is complete and ready for use.

Annual depreciation rates for the various classes are as follows:

Buildings and Infrastructure	0.1%—10%
Plant and Equipment:	
Computer Equipment	20%
Motor Vehicles	20%
Other Plant and Equipment	10%
Leasehold Improvements	5%

Depreciation rates have not changed from the prior year. Land, construction in progress and heritage and cultural assets are not depreciated.

## **(i) Superannuation Plans**

Payments to superannuation plans are expensed as incurred. Total contributions for the year are disclosed in note 8.

The Unisuper Defined Benefit Division is the predominant plan within the University. It is deemed to be a defined benefit contribution plan under Australian Accounting Standards. The University's obligation is limited to fixed contributions expensed each period.

## **(j) Cash and Cash Equivalents**

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## **(k) Trade Receivables**

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Receivables are due for settlement no more than 30 days from the date of recognition or in accordance with contract conditions.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment of receivables is established when there is objective evidence that the University will not be able to collect all amounts due according to the original terms of receivables.

## **(l) Inventories**

Inventories are valued at the lower of cost and net realisable value using the weighted average method of assigning cost. Costs of purchased inventory are determined after deducting rebates and discounts.

## **(m) Other Financial Assets**

The University has classified its other financial assets in the following categories:

### *Held-to-maturity investments*

Comprises term deposits with original maturities exceeding three months, shown at amortised cost.

### *Available-for-sale financial assets*

Comprises share investments in unlisted companies, shown at fair value. These are included in non-current assets unless management intends to dispose of the investment within 12 months of balance date.

Revaluation surpluses are credited to the available-for-sale financial assets reserve (refer note 21). Revaluation deficits directly offsetting a previous surplus are first offset against the surplus with any balance charged to the income statement.

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2015**

**(n) Non-current Assets Classified as Held for Sale**

Non-current assets are classified as held for sale and valued at the lower of their carrying amount and fair value less costs of disposal, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell, but not in excess of any cumulative impairment loss previously recognised.

No depreciation or amortisation is calculated while assets are classified as held for sale.

**(o) Property, Plant and Equipment**

Land, buildings, infrastructure and heritage and cultural collections are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent accumulated depreciation if applicable.

All other property, plant and equipment is shown at historical cost, less any accumulated depreciation and impairment losses if applicable. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Any revaluation surplus is credited to the property, plant and equipment revaluation reserve (refer note 21). Any revaluation deficit directly offsetting a previous surplus in the same asset category is offset against the surplus in the asset revaluation reserve, with any balance charged to the income statement.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on de-recognition of the asset (calculated as the difference between the net disposable proceeds and the carrying amount of the item) is included in the income statement in the year the item is derecognised.

Items of property, plant and equipment with an initial cost or valuation in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Land	\$1
Buildings	\$10,000
Construction in progress	\$10,000
Plant and equipment	\$ 5,000
Leasehold improvements	\$10,000
Infrastructure	\$10,000
Art collections	\$1

**Construction in Progress**

Assets under construction recognise the extent of completion of construction work, as represented by progress payments to date. Contracts signed for the purpose of construction projects that have not been completed at year end have been disclosed in commitments for expenditure (refer note 25(a)).

**(p) Intangible Assets**

**Software Research**

Expenditure on research activities is recognised in the income statement as an expense when it is incurred.

**Software Development**

Expenditure on development activities, relating to the design and testing of new or improved products, are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably.

The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Intangible assets are amortised from the point at which the asset is ready for use using the straight-line method to allocate the cost over 5 years.

The intangible asset recognition threshold is \$100,000 for software development.

**(q) Impairment of Assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount, unless the asset is carried at a revalued amount in accordance with another standard. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

The impairment testing undertaken by the University indicated that there were no impaired assets during 2015.

**(r) Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the University prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**(s) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2015**

the carrying amount of the borrowing and the consideration paid, is recognised as other income or other expenses.

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

**(t) Employee Benefits Provision**

*Short-term obligations*

Liabilities for short-term employee benefits, which includes wages, salaries and annual leave due but unpaid at reporting date, are recognised in the statement of financial position at the remuneration rates expected to apply at the time of settlement and include related on-costs such as payroll tax, WorkCover premiums and employer superannuation contributions.

Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

*Other long-term obligations*

The liability for other long-term employee benefits includes long service leave, which represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the reporting date.

In determining the liability for employee benefits, consideration has been given to future increases in wage and salary rates, including on-costs, and the University's experience with staff turnover history.

Liabilities for employee benefits which are not expected to be settled within 12 months are discounted using the rates applicable to Commonwealth Government securities at reporting date, which most closely match the terms to maturity of the related liabilities.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

**(u) Fair Value Measurement**

The fair value of assets and liabilities must be measured for recognition and disclosure purposes. The University classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Fair value of assets or liabilities traded in active markets is based on quoted market prices for identical assets or liabilities at the reporting date (Level 1). The fair values of assets or liabilities that are not traded in an active market is determined using valuation techniques. Quoted market prices or dealer quotes for similar instruments (Level 2) are used for long-term debt instruments held. Other techniques that are not based on observable market data (Level 3) such as estimated discounted cash rate swaps are used to determine fair value for the remaining assets and liabilities.

Fair value measurement of non-financial assets is based on the highest and best use of the asset by market participants. The valuation techniques used to determine the net fair values of assets and liabilities are disclosed in note 22(c).

*Early Adoption of Accounting Standard*

The University has elected to apply AASB 2015-7 Amendments to fair value disclosures for public sector entities, in the annual reporting period beginning 1 January 2015.

The amendments provide relief from certain disclosures about fair values categorised as level 3 under the fair value hierarchy. Accordingly, the following disclosures for level 3 fair values for property, plant and equipment in note 22(d) are no longer required:

- quantitative information about the significant unobservable inputs used in the fair value measurement; and
- a description of the sensitivity of the fair value measurement to changes in the unobservable inputs.

**(v) Controlled Entities**

- University of Southern Queensland (South Africa) Pty Ltd.

This company was incorporated on 16/02/2000 to meet South African legislative requirements in order to deliver higher education programs in that country. The company has never traded and holds no assets or liabilities.

**(w) Joint Venture**

- Queensland College of Wine Tourism (QCWT)

The University is a 50% joint venture partner with the Department of Education and Training in QCWT. Due to the immaterial effect of applying equity accounting, 100% of the assets, liabilities, income and expenses of the joint venture have been consolidated into these financial statements.

Separate special purpose financial statements are prepared for the joint venture and audited annually by the Queensland Audit Office.

**(x) Comparative Amounts**

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

**(y) Rounding of Amounts**

Amounts shown in the financial statements are in Australian dollars, rounded to the nearest thousand dollars.

**(z) Prior Period Adjustments**

Prior period adjustments that do not have a material effect on the prior year's results or financial position are corrected in the current year through equity. Refer to notes 14, 17 and 21.

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2015**

**(aa) New and Revised Accounting Standards and Interpretations issued but not yet operative as at 31 December 2015**

The following Australian Accounting Standards and Interpretations issued or amended are applicable to the University but are not yet effective for the 2015 financial year and have not been adopted in the preparation of these financial statements at reporting date.

Standard	Title	Issue Date	Applies to periods after
AASB 2015-6	Extending related party disclosures to public sector entities	Mar 2015	01/01/17
AASB 9	Financial Instruments	Dec 2014	01/01/18
AASB 15	Revenue from contracts with customers	Dec 2014	01/01/18

**AASB 2015-6**

This standard extends the scope of AASB 124 Related Party Disclosures to include not-for-profit public sector entities, previously exempt. If material to the understanding of the financial statements, details of transactions and balances between the University and its key management personnel, including their related parties, will be disclosed. These disclosures will be in addition to the remuneration disclosures currently made (refer note 23).

**AASB 9**

Revisions have been made to the classification, measurement, impairment and disclosures of financial assets and to the measurement rules for some financial liabilities. The financial assets of the University are expected to be required to be measured at fair value.

Due to the short term nature of many of the University's financial assets, the carrying amount is likely to be a reasonable approximation of the fair value. Any changes in fair value will be reflected in the Income Statement.

**AASB 15**

Introduces a five step process for revenue recognition with the core principle of recognising revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration expected to be received for those goods or services. This requirement may potentially result in the deferral of recognising revenue where consideration has been received, but the corresponding obligation to provide the goods or services has not yet been met.

It is not anticipated that the changes will have a significant impact on the reported financial position or performance of the University post implementation.

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Notes to the Financial Statements

for the Year Ended 31 December 2015

### Note 2 Disaggregated information

Geographical	Revenue		Results		Assets	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Australia	365,123	302,515	—	—	626,067	536,746
Asia*	2,623	3,642	—	—	—	—
Other*	1,929	1,490	—	—	—	—
Unallocated	—	—	81,608	47,528	—	—
	<b>369,675</b>	<b>307,647</b>	<b>81,608</b>	<b>47,528</b>	<b>626,067</b>	<b>536,746</b>

\* These figures do not include international students from overseas who are studying on campus in Australia.

		2015 \$'000	2014 \$'000
	<b>Notes</b>		
<b>Note 3 Australian Government financial assistance including Australian Government Loan Programs (HELP)</b>			
<b>(a) Commonwealth Grant Scheme and Other Grants</b>	29.1		
Commonwealth Grant Scheme		123,360	112,264
Indigenous Support Program		929	1,060
Partnership & Participation Program		7,694	7,829
Disability Support Program		113	148
Promotion of Excellence in Learning and Teaching		70	84
<b>Total Commonwealth Grant Scheme and Other Grants</b>		<b>132,166</b>	<b>121,385</b>
<b>(b) Higher Education Loan Programs</b>	29.2		
HECS-HELP		67,603	61,109
FEE-HELP		8,382	9,227
SA-HELP		1,609	1,423
<b>Total Higher Education Loan Programs</b>		<b>77,594</b>	<b>71,759</b>
<b>(c) Scholarships</b>	29.3		
Australian Postgraduate Awards		1,561	1,482
International Postgraduate Research Scholarship		135	134
Commonwealth Education Cost Scholarships		32	(136)
Commonwealth Accommodation Scholarships		33	65
Indigenous Access Scholarships		167	226
<b>Total Scholarships</b>		<b>1,928</b>	<b>1,771</b>
<b>(d) EDUCATION Research</b>	29.4		
Joint Research Engagement Program		1,531	1,423
JRE Engineering Cadetship		-	14
Research Training Scheme		3,401	3,165
Research Infrastructure Block Grants		397	343
Sustainable Research Excellence in Universities		757	625
<b>Total EDUCATION Research Grants</b>		<b>6,086</b>	<b>5,570</b>
<b>(e) Other Capital Funding</b>	29.5		
Education Investment Fund		-	22,006
<b>Total Other Capital Funding</b>		<b>-</b>	<b>22,006</b>

## UNIVERSITY OF SOUTHERN QUEENSLAND

*Notes to the Financial Statements*

for the Year Ended 31 December 2015

		2015 \$'000	2014 \$'000
	<b>Notes</b>		
<b>(f) Australian Research Council</b>			
Linkage Projects	29.6	110	77
Total ARC		<b>110</b>	<b>77</b>
<b>(g) Other Australian Government financial assistance</b>			
Non-Capital			
Commonwealth Research		8,385	3,661
Other Commonwealth		3,319	5,156
Total Other Commonwealth financial assistance		<b>11,704</b>	<b>8,817</b>
<b>Total Australian Government financial assistance</b>		<b>229,588</b>	<b>231,385</b>
<b>Reconciliation (a)-(g)</b>			
Australian Government Grants		151,994	159,626
HECS-HELP Payments		67,603	61,109
FEE-HELP Payments		8,382	9,227
SA-HELP Payments		1,609	1,423
<b>Total Australian Government financial assistance</b>		<b>229,588</b>	<b>231,385</b>
<b>(h) Australian Government Grants received – cash basis</b>			
CGS and Other EDUCATION Grants		132,165	121,385
Higher Education Loan Programs		76,331	69,008
Scholarships		2,457	1,771
EDUCATION research		6,086	5,571
Other Capital Funding		-	22,006
ARC grants – Linkages		110	77
Other Australian Government Grants		11,704	8,817
<b>Total Australian Government Grants received – cash basis</b>		<b>228,853</b>	<b>228,635</b>
OS-Help (Net)	29.7	(9)	136
<b>Total Australian Government funding received – cash basis</b>		<b>228,844</b>	<b>228,771</b>
<b>Note 4 State and Local Government financial assistance</b>			
Non-Capital			
State Government Research Grants		1,844	2,535
Local Government Research Grants		40	78
Other State Government Grants		429	596
Other Local Government Grants		1	5
<b>Total State and Local Government financial assistance</b>		<b>2,314</b>	<b>3,214</b>

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Notes to the Financial Statements

for the Year Ended 31 December 2015

	2015 \$'000	2014 \$'000
<b>Note 5 Fees and charges</b>		
<b>Course fees and charges</b>		
Fee paying onshore overseas students	32,964	27,183
Fee paying offshore overseas students	6,879	7,755
Continuing education	107	159
Fee paying domestic postgraduate students	2,940	3,225
Fee paying domestic undergraduate students	100	64
Fee paying domestic non award students	31	29
<b>Total course fees and charges</b>	<b>43,021</b>	<b>38,415</b>
<b>Other non-course fees and charges</b>		
Other fees and charges	-	(4)
Student services and amenities fees from students	1,675	1,848
General sales and services	4,860	2,890
Residential colleges sales	2,552	2,756
Bookshop sales	4,510	4,444
Other organisational units sales	1,905	2,459
<b>Total other fees and charges</b>	<b>15,502</b>	<b>14,393</b>
<b>Total fees and charges</b>	<b>58,523</b>	<b>52,808</b>
<b>Note 6 Investment revenue and other investment income</b>		
Interest from bank deposits and held-to-maturity investments	4,866	5,070
Dividends from equity investments	263	-
<b>Total investment revenue and other investment income</b>	<b>5,129</b>	<b>5,070</b>
<b>Note 7 Other revenue and income</b>		
<b>(a) Other Revenue</b>		
Donations and bequests	328	1,041
Scholarships and prizes	229	185
Discounts received	95	372
Rebates, subsidies and recoveries	784	1,044
Facilities hire	378	264
Other revenue	585	1,040
<b>Total other revenue</b>	<b>2,399</b>	<b>3,946</b>
<b>(b) Other Income</b>		
Gain on assets acquired at less than fair value	60,984	-
<b>Total other income</b>	<b>60,984</b>	<b>-</b>

On the 7th January 2015, the University purchased the University of Queensland Campus located at Ipswich for \$21.5 million. An Independent valuer, AssetVal Pty Ltd, determined that the fair value of the assets acquired was \$82.64 million, the difference, less costs of acquisition, has been recognised above as other income.

**UNIVERSITY OF SOUTHERN QUEENSLAND****Notes to the Financial Statements**

for the Year Ended 31 December 2015

	2015 \$'000	2014 \$'000
<b>Note 8 Employee related expenses</b>		
<b>Academic</b>		
Salaries	67,644	60,139
Contribution to superannuation and pension schemes	11,082	9,815
Payroll tax	3,981	3,549
Worker's compensation	183	195
Long service leave expense	1,651	2,449
Annual leave	5,914	5,324
<b>Total academic</b>	<b>90,455</b>	<b>81,471</b>
<b>Non-Academic</b>		
Salaries	76,816	67,340
Contribution to superannuation and pension schemes	12,195	10,969
Payroll tax	4,514	4,086
Worker's compensation	195	208
Long service leave expense	1,848	2,797
Annual leave	7,112	6,420
<b>Total non-academic</b>	<b>102,680</b>	<b>91,820</b>
<b>Total employee related expenses</b>	<b>193,135</b>	<b>173,291</b>

**Full-Time Equivalent Employees**

	2015	2014
Continuing and fixed-term FTE	1,565	1,433

59

**Note 9 Depreciation and amortisation**

Depreciation – refer note 17	14,286	12,112
Amortisation	479	1,783
<b>Total depreciation and amortisation</b>	<b>14,765</b>	<b>13,895</b>

**Note 10 Borrowing costs**

Interest expense	585	657
Fair value adjustment on debt extinguishment (Smart State Loan)	-	(375)
<b>Total borrowing costs</b>	<b>585</b>	<b>282</b>

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
for the Year Ended 31 December 2015

	2015 \$'000	2014 \$'000
<b>Note 11 Other expenses</b>		
Advertising, marketing and promotional expenses	5,322	4,954
Cleaning materials and services	1,868	1,414
Commissions	8,690	5,238
Cost of goods sold	4,064	4,009
Information technology expenses	5,180	4,809
Non-capitalised equipment	4,867	5,679
Printing, copying and stationery	1,644	1,576
Professional and consultancy fees	5,288	4,697
Research expenditure and grants contributions	2,042	1,938
Scholarships, grants and prizes	8,047	7,055
Special payments		
Ex gratia payments	57	597
Teaching materials	4,549	4,214
Telecommunications	1,505	1,429
Travel, entertainment and staff recruitment and development	7,709	7,161
Utilities and services	7,435	6,254
Other	5,401	6,311
<b>Total other expenses</b>	<b>73,668</b>	<b>67,335</b>

**Note 12 Cash and cash equivalents**

Cash at bank	1,097	336
Cash on hand	37	32
Deposits at call	11,155	19,693
<b>Total cash and cash equivalents</b>	<b>12,289</b>	<b>20,061</b>

Cash on hand is non-interest bearing. Cash at bank earns interest at floating rates based on daily bank deposits rates. Deposits at call earn interest at a weighted average floating interest rate of 2.91% (2014 – 3.34%).

**Note 13 Receivables**

Trade receivables	8,385	8,355
Student fees	3,051	2,909
Less: provision for impaired receivables	(864)	(409)
Net receivables	10,572	10,855
GST input tax credits receivable	1,297	1,400
GST payable	(321)	(358)
Net GST receivable	976	1,042
Accrued interest	1,002	1,022
<b>Total receivables</b>	<b>12,550</b>	<b>12,919</b>

**Impaired receivables**

As at 31 December 2015 a provision was raised for impaired current receivables with a nominal value of \$864,075 (2014: \$408,713). The individually impaired receivables mainly relate to trade and student debtors with either a poor payment history or that are otherwise considered to be non-recoverable.

QAO  
certified statements

## UNIVERSITY OF SOUTHERN QUEENSLAND

*Notes to the Financial Statements*

for the Year Ended 31 December 2015

	2015 \$'000	2014 \$'000
<b>Note 14 Other financial assets</b>		
<b>Current</b>		
Held-to-maturity financial assets	118,001	104,006
<b>Total current other financial assets</b>	<b>118,001</b>	<b>104,006</b>

Short term deposits are made for varying periods of greater than 90 days and less than 12 months depending on the immediate cash requirements of the University and bear floating rates between 2.80% and 3.10% (2014 – 3.45% and 3.90%)

**Non-Current**

Available-for-sale financial assets	9,198	-
<b>Total non-current other financial assets</b>	<b>9,198</b>	<b>-</b>

The University invested in Education Australia Limited in 1997 for an immaterial amount of money and this investment was not recorded as an asset. Education Australia Limited is owned by 38 Australian universities and holds a 50% interest in the publicly listed company, IDP Education Limited.

In 2015, the University identified that it needed to recognise the value of its investment in Education Australia Limited and sought an independent valuation to enable capitalisation and disclosure of its interest in the company. Independent valuer, ShineWing Australia, prepared the valuation of the investment which identified the following prior period adjustment:

	Note	
Fair value of investment 1 January 2014		4,009
Movement in fair value for the 2014 financial year		838
Fair value as at 31 December 2014	21	4,847
Movement in fair value for the 2015 financial year	21	4,351
Fair value as at 31 December 2015		<b>9,198</b>

61

AASB 108 requires material prior period adjustments to be retrospectively restated in the financial statements. As the value of the University's investment as at 1 January 2014 and the movement in fair value in the 2014 financial year is not material to the 2014 financial report, the investment has been recognised for the first time in the 2015 financial statements through the Available-for-sale financial assets reserve (refer note 21).

The fair value of the investment increased substantially during the 2015 financial year following the public listing of IDP Australia Limited.

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Notes to the Financial Statements

for the Year Ended 31 December 2015

	2015	2014
	\$'000	\$'000
<b>Note 15 Non-current assets classified as held for sale</b>		
Buildings	5,332	-
Infrastructure	366	-
Leasehold improvements	566	-
Plant and equipment	400	-
Other Assets	250	-
<b>Total non-current assets classified as held for sale</b>	<b>6,914</b>	<b>-</b>

In line with the strategic objectives of the University, assets at the University's Fraser Coast Campus have been sold to the University of the Sunshine Coast. The contract date was 30<sup>th</sup> October 2015 and at that point the assets were reclassified from non-current property, plant and equipment to current non-current assets held for sale. The transfer of title took place on 1<sup>st</sup> February 2016. Refer further to note 27.

Note 1(n) details the accounting policy in relation to non-current assets classified as held for sale. The above valuation reflects fair value less costs to sell. This was lower than the carrying amount of Fraser Coast assets, with the difference of \$9.6 million reducing the net gain on revaluation of land, buildings and infrastructure in the Statement of Comprehensive Income. Refer note 21.

### Note 16 Other non-financial assets

Prepayments	5,527	4,121
Deposit/Bonds	22	-
Other	86	-
<b>Total other non-financial assets</b>	<b>5,635</b>	<b>4,121</b>

62

QAC  
certified statements

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
for the Year Ended 31 December 2015

**Note 17 Property, plant and equipment**

	Construction in Progress	Freehold Land	Freehold Buildings	Plant & Equipment	Leasehold Improvements	Motor Vehicles	Computing Equipment	Heritage & Cultural Assets	Infrastructure Assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2014</b>										
Cost	4,065	31,500	372,132	27,603	635	2,783	8,954	1,561	34,142	44,040
Valuation			(93,949)	(16,322)	(10)	(1,183)	(6,603)		(7,970)	439,335
Accumulated depreciation										(126,037)
<b>Net book amount</b>	<b>4,065</b>	<b>31,500</b>	<b>278,183</b>	<b>11,281</b>	<b>625</b>	<b>1,600</b>	<b>2,351</b>	<b>1,561</b>	<b>26,172</b>	<b>357,338</b>
<b>Year ended 31 December 2014</b>										
Opening net book amount	4,065	31,500	278,183	11,281	625	1,600	2,351	1,561	26,172	357,338
Prior period adjustment			2,548							2,548
Revaluation inc/(dec)	37,020	1,320	2,222	1,442		867	1,243	8	444	3,994
Additions				(75)		(370)		398		40,970
Disposals/write down	(4,164)		4,074						90	(445)
Transfers			(7,914)	(2,050)	(32)	(457)	(913)		(746)	(0)
Depreciation charge (note 9)										(12,112)
<b>Closing net book amount</b>	<b>36,921</b>	<b>32,820</b>	<b>279,113</b>	<b>10,598</b>	<b>593</b>	<b>1,640</b>	<b>2,681</b>	<b>1,967</b>	<b>25,960</b>	<b>392,293</b>
<b>At 31 December 2014</b>										
Cost	36,921	32,820	374,729	28,109	635	2,896	9,717	1,967	34,901	78,278
Valuation			(95,616)	(17,511)	(42)	(1,256)	(7,036)		(8,941)	444,417
Accumulated depreciation										(130,402)
<b>Net book amount</b>	<b>36,921</b>	<b>32,820</b>	<b>279,113</b>	<b>10,598</b>	<b>593</b>	<b>1,640</b>	<b>2,681</b>	<b>1,967</b>	<b>25,960</b>	<b>392,293</b>
<b>Year ended 31 December 2015</b>										
Opening net book amount	36,921	32,820	279,113	10,598	593	1,640	2,681	1,967	25,960	392,293
Revaluation inc/(dec)		712	(13,583)					27	(502)	(13,346)
Additions	20,567	9,060	67,120	3,740		901	2,346	8	5,914	109,656
Disposals/write down				(217)		(428)	(48)			(693)
Transfers	(55,323)		54,052	(246)	(567)		(114)		1,271	0
Reclassified as held for sale (note 15)			(14,339)						(985)	(16,251)
Depreciation charge (note 9)			(9,407)	(2,154)	(26)	(519)	(1,220)		(960)	(14,286)
<b>Closing net book amount</b>	<b>2,165</b>	<b>42,592</b>	<b>362,956</b>	<b>11,721</b>	<b>0</b>	<b>1,594</b>	<b>3,645</b>	<b>2,002</b>	<b>30,698</b>	<b>457,373</b>
<b>At 31 December 2015</b>										
Cost	2,165	42,592	520,755	28,974	0	3,054	11,778	2,002	43,159	45,971
Valuation			(157,799)	(17,253)		(1,460)	(8,133)		(12,461)	608,508
Accumulated depreciation										(197,106)
<b>Net book amount</b>	<b>2,165</b>	<b>42,592</b>	<b>362,956</b>	<b>11,721</b>	<b>0</b>	<b>1,594</b>	<b>3,645</b>	<b>2,002</b>	<b>30,698</b>	<b>457,373</b>

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Notes to the Financial Statements

for the Year Ended 31 December 2015

2015  
\$'000

2014  
\$'000

### Note 17 Property, plant and equipment (Cont.)

As at 31 December 2015, a desktop revaluation was undertaken for certain asset classes. Details of the last comprehensive revaluations undertaken are as follows:

Asset Class	Year	Desktop Valuation performed by	Year	Last Comprehensive Valuation performed by
Land	2015	AssetVal Pty Ltd	2013	AssetVal Pty Ltd
Buildings	2015	AssetVal Pty Ltd	2013	AssetVal Pty Ltd
Infrastructure	2015	AssetVal Pty Ltd	2013	AssetVal Pty Ltd
Heritage & Cultural Assets	2015	Ross Searle & Associates	2014	Ross Searle & Associates

The revaluation movements are reflected in the Statement of Comprehensive Income and in Reserves (refer note 21).

### Note 18 Trade and other payables

#### Current

OS-Help Liability to Australian Government	37	-
Trade payables	4,132	4,827
Accrued expenses and other creditors	11,636	8,057
Acquisition of assets	5,000	-

#### Total current trade and other payables

**20,805**      **12,884**

#### Non-current

Acquisition of assets	11,837	-
-----------------------	--------	---

#### Total non-current trade and other payables

**11,837**      **-**

The University purchased the Ipswich Campus of the University of Queensland in January 2015 for \$21.5 million and recognised a gain on fair value at note 7(b). Vendor finance was provided to the University on an interest free basis for the acquisition. An initial instalment of \$4 million was paid on settlement. The remaining balance is disclosed above, with \$5 million due January 2016 and the present value of the remaining \$12.5 million due in January 2017 and January 2018.

### Note 19 Borrowings

#### Current

Unsecured loan	1,467	1,411
----------------	-------	-------

#### Total current borrowings

**1,467**      **1,411**

#### Non-current

Unsecured loan	7,724	9,178
----------------	-------	-------

#### Total non-current borrowings

**7,724**      **9,178**

#### Total borrowings

**9,191**      **10,589**

#### (a) Class of borrowings

##### Unsecured Loan

A \$15 million loan provided by the Queensland Treasury Corporation (QTC) was drawn down in 2011 to assist the University in purchasing land and buildings. This loan was taken out over a 10 year period and is scheduled to be fully re-paid in May 2021.

#### (b) Fair Value

The carrying amounts and fair values of the borrowings at balance date are:

QTC Loan	Carrying amount	9,191	10,589
	Fair value	10,031	11,707

QAO  
certified statements

## UNIVERSITY OF SOUTHERN QUEENSLAND

*Notes to the Financial Statements*

for the Year Ended 31 December 2015

	2015	2014
	\$'000	\$'000

The carrying amount of the QTC Loan is measured at the amortised cost of the future cash outflows using the effective interest rate method. This method exactly discounts the estimated future cash payments to the net carrying amount of the loan, that being the current book value.

**(c) Risk exposures**

The QTC Loan is a variable rate loan and as such is exposed to movements in the variable interest rate payable on the loan. The effect of these movements has been determined to be immaterial.

**Note 20 Provisions****Current provisions expected to be settled wholly within 12 months**

Employee Benefits		
Long Service Leave	3,733	3,428
Annual Leave	11,972	10,740
Total within 12 months	15,705	14,168

**Current provisions expected to be settled wholly after more than 12 months**

Employee Benefits		
Long Service Leave	14,931	13,170
Total after more than 12 months	14,931	13,710

Total current provisions	30,636	27,878
--------------------------	--------	--------

**Non-Current**

Employee Benefits		
Long Service Leave	8,538	8,273
Total non-current provisions	8,538	8,273

<b>Total provisions</b>	<b>39,174</b>	<b>36,151</b>
-------------------------	---------------	---------------

**Note 21 Reserves****Available-for-sale financial assets reserve**

Balance – 1 January	-	-
Prior year adjustment (refer note 14)	4,847	-
Revaluation increments (a)	4,351	-
Balance – 31 December	9,198	-

**Property, plant and equipment revaluation reserve**

Balance – 1 January	169,215	165,221
Revaluation increments/(decrements) (refer note 17) (a)	(13,346)	3,994
Decrement due to transfer of assets to assets held-for-sale (refer note 15)	(9,625)	-
Transfer to retained earnings (b)	(6,237)	-
Balance – 31 December	140,007	169,215

<b>Total Reserves</b>	<b>149,205</b>	<b>169,215</b>
-----------------------	----------------	----------------

- (a) movement in reserves results from fluctuations in the fair value of assets held.
- (b) an asset revaluation reserve previously recognised for a library collection has been transferred to retained earnings in 2015 as the library collection held by the University does not meet the asset recognition threshold of \$1 million.

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Notes to the Financial Statements for the Year Ended 31 December 2015

### Note 22 Fair Value Measurements

#### (a) Fair value measurement

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision where applicable for all financial assets and financial liabilities (except for borrowings) approximate their fair values. For the fair value of borrowings refer to note 19(b).

#### (b) Fair value hierarchy

The University categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurement:

- Level 1 – quoted priced (unadjusted) in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices within Level 1 that are observable for the assets or liability either directly or indirectly
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The University measures and recognises the following assets and liabilities at fair value in the statement of financial position according to these levels on a recurring and non-recurring basis as indicated:

#### Fair value measurements at 31 December 2015

	Note	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Financial Assets</b>					
<i>Recurring fair value measurements</i>					
Available-for-sale financial assets	14	9,198			9,198
<b>Total recurring financial assets</b>		<b>9,198</b>	<b>-</b>	<b>-</b>	<b>9,198</b>
<i>Non-recurring fair value measurements</i>					
Non-current assets classified as held for sale	15	6,914		6,914	
<b>Total non-recurring financial assets</b>		<b>6,914</b>	<b>-</b>	<b>6,914</b>	<b>-</b>
<b>Total financial assets</b>		<b>16,112</b>	<b>-</b>	<b>6,914</b>	<b>9,198</b>
<b>Non-Financial Assets</b>					
<i>Recurring fair value measurements</i>					
Land	17	42,592			42,592
Buildings	17	362,956			362,956
Infrastructure	17	30,698			30,698
Heritage & Cultural Collection	17	2,002		2,002	
<b>Total non-financial assets</b>		<b>438,248</b>	<b>-</b>	<b>2,002</b>	<b>436,246</b>

#### Fair value measurements at 31 December 2014

	Note	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Non-Financial Assets</b>					
<i>Recurring fair value measurements</i>					
Land	17	32,820			32,820
Buildings	17	279,113			279,113
Infrastructure	17	25,960			25,960
Heritage & Cultural Collection	17	1,967		1,967	
<b>Total non-financial assets</b>		<b>339,860</b>	<b>-</b>	<b>1,967</b>	<b>337,893</b>

## UNIVERSITY OF SOUTHERN QUEENSLAND

### Notes to the Financial Statements for the Year Ended 31 December 2015

There were no transfers between levels 1 and 2 for recurring and non-recurring fair value measurements during the year. For a reconciliation and understanding of transfers in and out of level 3 assets, refer notes 14 and 17.

#### (c) Valuation techniques used to derive level 2 and 3 fair values

##### Recurring fair value measurements

Available-for-sale financial assets (level 3) – shares in an unlisted company have been valued on a combined methodology approach, using quoted prices adjusted for non-observable inputs for listed investments combined with a cost approach for other assets and liabilities of the company.

Land (level 3) – valued using a market approach (direct comparison) with adjustments made, due to the specialised nature and use of University land, using a rate per square metre basis.

Buildings and Infrastructure (level 3) – a market approach is not available given the limited comparable sales of these specialised use assets. Valuations were therefore undertaken using a depreciated cost approach. This approach estimates the replacement cost of the asset utilising market data and cost guides available on current construction costs and depreciates those costs, based on condition and age factors, to arrive at the fair value. This approach incorporates componentisation and residual values where appropriate.

Heritage & Cultural Collection (Art Collection) (level 2) – valuation is based on using inputs other than quoted prices that are observable for the artwork, including auction records, consultation with art dealers and private sale information. Comparisons are then made with current market prices for similar assets and adjustments made accordingly.

##### Non-recurring fair value measurements

Non-current assets classified as held for sale (level 2) – valued at the lower of the carrying amount and the fair value less costs to sell at the time of reclassification. The contract price for the assets is indicative of the fair value.

#### (d) Fair value measurements using significant unobservable inputs (level 3)

The following table summarises the quantitative information about the significant unobservable inputs used in the level 3 fair value measurement for available-for-sale assets:

Description	Fair Value at 31 Dec 2015 \$'000	Unobservable inputs	Range of Inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Available-for-sale Financial Assets  <i>Shares in Education Australia Limited</i>	9,198	Net assets of unlisted Education Australia Limited, adjusted for the value of IDP Australia Limited investment using unaudited accounts	10% / -10%	If net assets increased/decreased by 10%, the fair value would increase/decrease by \$151,000
		30% discount applied to shares held by Education Australia Limited in listed equity IDP Australia Limited to reflect escrow arrangement and restrictive shareholder agreement. 30% discount was applied to the ASX value as at 31 December 2015	10% / -10%	If the application of the discount is higher or lower by 10%, the fair value would decrease/increase by \$330,000

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Notes to the Financial Statements

for the Year Ended 31 December 2015

### Note 23 Key Management Personnel and Remuneration

#### Key Executive Management Personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the University during 2015, include:

- Council
- Executive Officers

Further information on these positions can be found in the body of the Annual Report under the section relating to Governance and Management and Senior Executive.

#### Remuneration

Executive remuneration policy of the University's key executive management personnel appointed by Council is set by the Remuneration Sub-Committee of the University Council. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts.

#### Note 23.1 Council

##### (a) Key Executive Management Personnel

Council includes all University Council members during 2015 (other than Vice Chancellor)

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed (Date resigned)
Chancellor	Leads the governing body of the University, the Council and contributes to overall governance by leading and setting strategic directions and developing policy.	s13(2)(a) of the University of Southern Queensland Act 1998	7 <sup>th</sup> March 2014
Governor-in-Council x 5 positions	Contributes to overall governance by leading and setting the strategic directions and developing policy.	s14(2) of the University of Southern Queensland Act 1998	7 <sup>th</sup> October 2009 x 2 7 <sup>th</sup> October 2013 x 3
Additional Members x 3	Contributes to overall governance by leading and setting the strategic directions and developing policy.	s16(3) of the University of Southern Queensland Act 1998	7 <sup>th</sup> October 2013 10 <sup>th</sup> May 2013 8 <sup>th</sup> December 2014
Chair of Academic Board	Contributes to overall governance by leading and setting the strategic directions and developing policy.	s13(2)(c) of the University of Southern Queensland Act 1998	(3rd August 2015) 4th August 2015
Elected Staff Member (General)	Contributes to overall governance by leading and setting the strategic directions and developing policy.	s15(2)(b) of the University of Southern Queensland Act 1998	7 <sup>th</sup> October 2013
Elected Staff Member (Academic)	Contributes to overall governance by leading and setting the strategic directions and developing policy.	s15(2)(a) of the University of Southern Queensland Act 1998	7 <sup>th</sup> October 2009
Elected Student Member	Contributes to overall governance by leading and setting the strategic directions and developing policy.	s15(2)(c) of the University of Southern Queensland Act 1998	14 <sup>th</sup> April 2015

## UNIVERSITY OF SOUTHERN QUEENSLAND

### Notes to the Financial Statements for the Year Ended 31 December 2015

#### (b) Remuneration

University of Southern Queensland Council members do not receive any remuneration for attendance at Council meetings or Council activities. Council members who are also University employees receive their normal remuneration while attending to Council business. Council members who are also public service employees of other entities are remunerated by their employing entity in accordance with arrangements with that entity. The University accepts financial responsibility for travel costs related to Council meetings and Council activities.

#### Note 23.2 Executive Officers

##### (a) Key Executive Management Personnel

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed (Date resigned)
Vice-Chancellor and President	Academic, administrative, financial and other affairs of the University. Executive leadership for whole-of-University strategy, operational plans and policy.	Council	16 <sup>th</sup> January 2012
Senior Deputy Vice-Chancellor	Quality and continual improvement of academic programs.	Council	4 <sup>th</sup> June 2012
Deputy Vice-Chancellor (Academic Services) and Chief Information Officer	Information management and supporting the quality of learning and teaching through systems maintenance and development.	Council	1 <sup>st</sup> February 2013
Deputy Vice-Chancellor (Research and Innovation)	Initiating and monitoring strategic research initiatives to drive research performance and commercialisation.	Council	19 <sup>th</sup> November 2012
Deputy Vice-Chancellor (Students and Communities)	Support for students through all stages of their learning journey. Effective engagement between USQ and the community.	Council	4 <sup>th</sup> June 2012
Executive Director (Finance and People Capability)	Contributes to managing USQ's financial and human resource activities including meeting its fraud, compliance and reporting requirements fully and efficiently. Chief Financial Officer.	Vice-Chancellor	16 <sup>th</sup> July 2012

69

#### (b) Remuneration

Remuneration packages for key executive management personnel comprise the following:

- Short term employee benefits which include:
  - Base - consisting of base salary, allowances and leave entitlements paid during the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
  - Non-Monetary benefits - consisting of provision of motor vehicle and other non-cash benefits together with fringe benefits tax applicable to each benefit.
- Long term employee benefits include long service leave paid.
- Post-employment benefits include employer superannuation contributions.

# UNIVERSITY OF SOUTHERN QUEENSLAND

## Notes to the Financial Statements

for the Year Ended 31 December 2015

- Redundancy payments are provided for within individual contracts of employment. Contracts of employment may also provide for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.
- Performance bonuses are not paid to Executive Officers at the University.

### 1 January - 31 December 2015

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post-Employment Benefits	Termination Benefits	Total Remuneration
	Base	Non-Monetary Benefits				
	\$'000	\$'000				
Vice-Chancellor	514	13	-	87	-	614
Senior Deputy Vice-Chancellor	316	17	-	55	-	388
Deputy Vice-Chancellor (Academic Services & Chief Information Officer)	292	10	-	50	-	352
Deputy Vice-Chancellor (Research and Innovation)	334	21	-	32	-	387
Deputy Vice-Chancellor (Students and Community)	296	19	-	51	-	366
Executive Director (Finance and People Capability)	245	15	-	42	-	302

70

### 1 January - 31 December 2014

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post-Employment Benefits	Termination Benefits	Total Remuneration
	Base	Non-Monetary Benefits				
	\$'000	\$'000				
Vice-Chancellor	499	10	-	85	-	594
Senior Deputy Vice-Chancellor	306	11	-	53	-	370
Deputy Vice-Chancellor (Academic Services & Chief Information Officer)	283	8	-	49	-	340
Deputy Vice-Chancellor (Research and Innovation)	324	5	-	31	-	360
Deputy Vice-Chancellor (Students and Community)	275	13	11	50	-	349
Executive Director (Finance and People Capability)	216	12	-	38	-	266

## UNIVERSITY OF SOUTHERN QUEENSLAND

*Notes to the Financial Statements*

for the Year Ended 31 December 2015

2015	2014
\$'000	\$'000

**Note 24 Remuneration of auditors**

During the year, the following fees were paid for services provided by the auditor of the University, its related practices and non-related audit firms:

**Audit of Financial Statements**

Fees paid to Queensland Audit Office

173	173
-----	-----

Total paid for audit and review

<b>173</b>	<b>173</b>
------------	------------

**Other audit and assurance services**

Fees paid to Queensland Audit Office

7	3
---	---

Total paid for audit and assurance

<b>7</b>	<b>3</b>
----------	----------

**Note 25 Commitments for expenditure****(a) Capital Expenditure Commitments**

Commitments for the acquisition of property, plant and equipment contracted for at the reporting date but not recognised as liabilities, payable:

– within one year

3,058	37,504
-------	--------

**Total capital expenditure commitments**

<b>3,058</b>	<b>37,504</b>
--------------	---------------

Capital expenditure commitments in 2014 included the acquisition of the Ipswich campus and major building works at the Springfield Campus.

71

**(b) Other Expenditure Commitments**

Commitments for minor works and other supplier contracts in existence at the reporting date but not recognised as liabilities payable:

– within one year

11,781	9,230
--------	-------

– later than one year and not later than five years

6,657	13,478
-------	--------

**Total other expenditure commitments**

<b>18,438</b>	<b>22,708</b>
---------------	---------------

**(c) Remuneration Commitments**

Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities, payable:

– within one year

12,918	12,566
--------	--------

– later than one year and not later than five years

21,042	27,322
--------	--------

**Total remuneration commitments**

<b>33,960</b>	<b>39,888</b>
---------------	---------------

**Note 26 Monies held in Trust**

The University administers a bank account (AusAID) to facilitate the distribution of grants to students from third world countries. As the University performs a custodial role in respect of transactions and balances, they are not recognised in the financial statements.

An audit review of transactions and balances on this account is performed annually by the Queensland Audit Office.

**UNIVERSITY OF SOUTHERN QUEENSLAND****Notes to the Financial Statements**

for the Year Ended 31 December 2015

2015	2014
\$'000	\$'000

**Note 27 Events occurring after the balance date**

On the 30<sup>th</sup> October 2015, the University entered into a contract to sell assets located at the Fraser Coast Campus to the University of the Sunshine Coast with a settlement date of 1<sup>st</sup> February 2016. The University has provided vendor finance to the buyer with the first instalment of \$3.5 million due on settlement and the balance of \$3.5 million due 12 months after that date.

In 2016 the asset, non-current assets classified as held for sale (refer note 15), will be replaced by the receipt of cash from the first instalment and a current receivable for the balance due in 2017.

**Note 28 Reconciliation of the net result to the net cash flows from operating activities**

Net Result for the year	81,608	47,528
Depreciation and Amortisation	14,765	13,895
Profit/(loss) on Sale of Non-Current Assets	(211)	42
Gain on Assets acquired at less than Fair Value – refer note 7(b)	(60,984)	-
Change in Assets and Liabilities		
(Increase) / Decrease in Receivables	369	(5,910)
(Increase) / Decrease in Inventories	(134)	128
(Increase) / Decrease in Other Non-financial Assets	(1,514)	523
Increase / (Decrease) in Trade and Other Payables	19,759	(2,277)
Increase / (Decrease) in Provisions	3,023	4,692
Increase / (Decrease) in Other Liabilities	103	(255)
<b>Net cash provided by operating activities</b>	<b>56,784</b>	<b>58,366</b>

72

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2015**

**Note 29 Acquittal of Australian Government financial assistance**

**Note 29.1 EDUCATION – CGS and Other EDUCATION Grants**

	Commonwealth Grant Scheme		Indigenous Support Program		Partnership & Participation Program		Disability Support Program	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	123,360	112,264	929	1,060	7,694	7,829	113	148
Net accrual adjustments	-	-	-	-	-	-	-	-
Revenue for the period	123,360	112,264	929	1,060	7,694	7,829	113	148
Surplus/(deficit) from the previous year	-	-	-	-	3,369	648	205	86
Total revenue including accrued revenue	123,360	112,264	929	1,060	11,063	8,477	318	234
Less expenses including accrued expenses	(123,360)	(112,264)	(929)	(1,060)	(8,427)	(5,108)	(240)	(29)
<b>Surplus/(deficit) for reporting period</b>	-	-	-	-	2,636	3,369	78	205

Notes  
 Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)

3(a)

Net accrual adjustments  
 Revenue for the period  
 Surplus/(deficit) from the previous year  
 Total revenue including accrued revenue  
 Less expenses including accrued expenses  
**Surplus/(deficit) for reporting period**

	Learning & Teaching Performance Fund		Diversity and Structural Adjustment Fund		Promo of Exc in Learn and Teaching		Australian Maths & Science Partnership Program	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	-	-	-	-	70	84	-	-
Net accrual adjustments	-	-	-	-	-	-	-	-
Revenue for the period	-	-	-	-	70	84	-	-
Surplus/(deficit) from the previous year	3	173	717	4,146	102	141	51	697
Total revenue including accrued revenue	3	173	717	4,146	172	225	51	697
Less expenses including accrued expenses	(3)	(170)	(717)	(3,429)	(66)	(123)	(39)	(646)
<b>Surplus/(deficit) for reporting period</b>	-	3	-	717	106	102	12	51

Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)

3(a)

Net accrual adjustments  
 Revenue for the period  
 Surplus/(deficit) from the previous year  
 Total revenue including accrued revenue  
 Less expenses including accrued expenses  
**Surplus/(deficit) for reporting period**

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2015**

**Note 29 Acquittal of Australian Government financial assistance (cont'd)**

**Note 29.1 EDUCATION – CGS and Other EDUCATION Grants (cont'd)**

	Total	
Notes	2015 \$'000	2014 \$'000
Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	132,166	121,385
Net accrual adjustments	-	-
Revenue for the period	132,166	121,385
Surplus/(deficit) from the previous year	4,447	5,891
Total revenue including accrued revenue	136,613	127,276
Less expenses including accrued expenses	(133,781)	(122,829)
<b>Surplus/(deficit) for reporting period</b>	<b>2,832</b>	<b>4,447</b>

**Note 29.2 Higher Education Loan Programs (excluding OS-HELP)**

	HECS-HELP <small>(Australian Government payments only)</small>		FEE-HELP		SA-HELP		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	65,793	58,409	8,925	8,990	1,613	1,609	76,331	69,008
Net accrual adjustments	1,810	2,700	(543)	237	(4)	(186)	1,263	2,751
Revenue earned	67,603	61,109	8,382	9,227	1,609	1,423	77,594	71,759
Surplus/(deficit) from the previous year	-	-	-	-	-	(78)	-	(78)
Total revenue including accrued revenue	67,603	61,109	8,382	9,227	1,609	1,345	77,594	71,681
Less expenses including accrued expenses	(67,603)	(61,109)	(8,382)	(9,227)	(1,609)	(1,345)	(77,594)	(71,681)
<b>Surplus/(deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
for the Year Ended 31 December 2015

**Note 29 Acquittal of Australian Government financial assistance (cont'd)**

**Note 29.3 Scholarships**

	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships		Commonwealth Accommodation Scholarships	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Notes								
Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	1,561	1,482	135	134	218	(136)	292	65
Net accrual adjustments	-	-	-	-	(186)	-	(259)	-
Revenue for the period	1,561	1,482	135	134	32	(136)	33	65
Surplus/(deficit) from the previous year	1,376	1,422	-	(56)	309	575	(67)	(85)
Total revenue including accrued revenue	2,937	2,904	135	78	341	439	(34)	(20)
Less expenses including accrued expenses	(1,637)	(1,528)	(135)	(78)	(341)	(130)	34	(47)
<b>Surplus/(deficit) for reporting period</b>	<b>1,300</b>	<b>1,376</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>309</b>	<b>-</b>	<b>(67)</b>

	Indigenous Access Scholarships		Indigenous Staff Scholarships		Total	
	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	251	226	-	-	2,457	1,771
Net accrual adjustments	(84)	-	-	-	(529)	-
Revenue for the period	167	226	-	-	1,928	1,771
Surplus/(deficit) from the previous year	(170)	(181)	-	13	1,448	1,688
Total revenue including accrued revenue	(3)	45	13	13	3,376	3,459
Less expenses including accrued expenses	3	(215)	(13)	(13)	(2,076)	(2,011)
<b>Surplus/(deficit) for reporting period</b>	<b>-</b>	<b>(170)</b>	<b>-</b>	<b>-</b>	<b>1,300</b>	<b>1,448</b>

QAO  
certified statements

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2015**

**Note 29 Acquittal of Australian Government financial assistance (cont'd)**

**Note 29.4 EDUCATION Research**

	Joint Research Engagement		JRE Engineering Cadetships		Research Training Scheme		Research Infrastructure Block Grants	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Notes								
Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	1,531	1,423	-	14	3,401	3,165	397	343
Net accrual adjustments	-	-	-	-	-	-	-	-
Revenue for the period	1,531	1,423	-	14	3,401	3,165	397	343
3(d)								
Surplus/(deficit) from the previous year	-	-	28	14	-	-	383	377
Total revenue including accrued revenue	1,531	1,423	28	28	3,401	3,165	780	720
Less expenses including accrued expenses	(1,531)	(1,423)	(28)	-	(3,401)	(3,165)	(598)	(337)
<b>Surplus/(deficit) for reporting period</b>	-	-	-	28	-	-	182	383

	Sustainable Research Excellence		Total	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	757	625	6,086	5,570
Net accrual adjustments	-	-	-	-
Revenue for the period	757	625	6,086	5,570
3(d)				
Surplus/(deficit) from the previous year	-	236	411	627
Total revenue including accrued revenue	757	861	6,497	6,197
Less expenses including accrued expenses	(757)	(861)	(6,315)	(5,786)
<b>Surplus/(deficit) for reporting period</b>	-	-	182	411

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2015**

**Note 29 Acquittal of Australian Government financial assistance (cont'd)**

**Note 29.5 Other Capital Funding**

	Education Investment Fund	
	2015	2014
	\$'000	\$'000
Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	-	22,006
Net accrual adjustments	-	-
Revenue for the period	-	22,006
Surplus/(deficit) from the previous year	6,030	17,329
Total revenue including accrued revenue	6,030	39,335
Less expenses including accrued expenses	(6,030)	(33,305)
<b>Surplus/(deficit) for reporting period</b>	-	6,030

Notes

3(e)

**Note 29.6 Australian Research Council Grants**

	Linkage Projects	
	2015	2014
	\$'000	\$'000
Financial Assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	110	77
Net accrual adjustments	-	-
Revenue for the period	110	77
Surplus/(deficit) from the previous year	29	83
Total revenue including accrued revenue	139	160
Less expenses including accrued expenses	(105)	(131)
<b>Surplus/(deficit) for reporting period</b>	34	29

3(f)

QAO  
certified statements

**UNIVERSITY OF SOUTHERN QUEENSLAND**  
**Notes to the Financial Statements**  
**for the Year Ended 31 December 2015**

**Note 29 Acquittal of Australian Government financial assistance (cont'd)**

**Note 29.7 OS - HELP**

	2015	2014
	\$'000	\$'000
Cash received during the reporting period	(9)	136
Cash spent during the reporting period	21	(45)
Net Cash Received	12	91
Cash surplus/(deficit) from the previous year	25	(66)
<b>Cash surplus/(deficit) for the reporting period</b>	<b>37</b>	<b>25</b>

Notes

3(h)

**Note 29.8 Student Services and Amenities Fee**

	2015	2014
	\$'000	\$'000
Unspent/(overspent) revenue from previous period	3,296	2,782
SA-HELP revenue earned	1,609	1,423
Student services fees direct from students	1,675	1,848
Total revenue expendable in period	6,580	6,053
Student services expenses during period	(4,728)	(2,757)
<b>Unspent/(overspent) student services revenue</b>	<b>1,852</b>	<b>3,296</b>

3(b)

## University of Southern Queensland Certificate

We have prepared the annual financial statements pursuant to the provisions of the *Financial Accountability Act 2009* and other prescribed requirements and we certify that:

- (a) the financial statements are in agreement with the accounts and records of the University of Southern Queensland; and
- (b) in our opinion –
  - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects;
  - (ii) the financial statements have been drawn up to present a true and fair view of the transactions of the University of Southern Queensland for the period of 1 January 2015 to 31 December 2015 and of the financial position as at 31 December 2015 in accordance with prescribed accounting standards and conform with the Guidelines for Australian Higher Education Providers issued by the Department of Education;
  - (iii) at the time of this Certificate there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due;
  - (iv) the amount of Australian government financial assistance expended during the year was for the purposes for which it was provided;
  - (v) the requirements of applicable legislation, contracts, agreements and program guidelines that apply to the Australian government financial assistance identified in these financial statements have been complied with; and
  - (vi) the University of Southern Queensland charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

79



**J DORNBUSCH**  
Chancellor

Date – 22nd February 2016



**J THOMAS**  
Vice-Chancellor

Date – 22nd February 2016



**A KERRIDGE**  
Executive Director (Finance  
and People Capability)

Date – 22nd February 2016



QAQ  
Certified statements

## INDEPENDENT AUDITOR'S REPORT

To the Council of the University of Southern Queensland:

### Report on the Financial Report

I have audited the accompanying financial report of the University of Southern Queensland, which comprises the statement of financial position as at 31 December 2015, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Chancellor, Vice-Chancellor and Executive Director (Finance and People Capability).

#### *The Council's Responsibility for the Financial Report*

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Independence*

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

### *Opinion*

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
  - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the University of Southern Queensland for the financial year 1 January 2015 to 31 December 2015 and of the financial position as at the end of that year; and

### **Other Matters - Electronic Presentation of the Audited Financial Report**

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

81



J F WELSH FCPA  
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office  
Brisbane

# Glossary

## Glossary of Terms

For a complete list of USQ terms, please refer to the Definitions Dictionary in the USQ Policy and Procedure Library.

### **Academic Program**

An approved Higher Education Award of the University, consisting of a combination of courses, the successful completion of an offering of which, together with any credit transfers and exemptions in accordance with the relevant requirements, will fulfil the prescribed requirements for that particular Award.

### **Blended Delivery**

Combines different technologies, in particular a combination of traditional (eg. face to face instruction) and online teaching approaches and media.

### **Course**

The basic unit of study and assessment for which a student may be awarded a grade, and may accumulate credit units towards completion of a Program.

### **Enabling Program**

A program for disadvantaged students which meets Commonwealth guidelines for such programs and from which successful completion leads to automatic admission into an Academic Program of the University.

### **External/distance/off-campus**

Each of these terms have been used interchangeably at USQ and represent courses, the offer of which involve arrangements whereby lesson materials, assignments, etc. are delivered to students, either by post or courier service or via the Internet, and for which any associated attendance at the University is of an incidental, irregular, special or voluntary nature.

### **On-campus**

Represents courses, the offer of which involves attendance at the University on a regular basis.

### **Online**

Represents courses in which the instruction, communication among academic staff and students, submission of assignments and feedback is offered mainly through the internet.

### **Student Learning Journey**

A framework that is used to evaluate performance at every stage of the student life cycle. The journey commences at the first point of contact (decision to apply time) and proceeds through to graduation and alumni. The Student Learning Journey prompts people across the organisation to think about the student experience from a holistic perspective and not a series of unrelated events.

### **Virtual Learning Environment**

An encompassing term for the Learning Management System incorporating USQStudyDesk, USQStaffDesk, and USQOpen Desk and their associated systems.

## Acronyms and Abbreviations

<b>ACER</b>	Australian Council for Educational Research
<b>ACODE</b>	Australian Council on Open, Distance and e-Learning
<b>ADFI</b>	Australian Digital Futures Institute
<b>ADL</b>	Academic Development Leave
<b>ADRI</b>	Approach / Deployment / Results / Improvement Quality Cycle
<b>ALTC</b>	Australian Learning and Teaching Council
<b>APPC</b>	Academic Program and Policy Committee of Academic Board
<b>APD</b>	Academic Professional Development
<b>AUSSE</b>	Australasian Survey of Student Engagement
<b>AWARE</b>	Academic Warning and Reflection Exercise
<b>BELA</b>	Faculty of Business, Education, Law and Arts
<b>BMOA</b>	Broad Measure of Agreement
<b>Carrick</b>	Carrick Institute for Learning and Teaching in Higher Education
<b>CEQ</b>	Course Experience Questionnaire
<b>CoP</b>	Community of Practice
<b>CPMS</b>	Course and Program Management System
<b>CRICOS</b>	Commonwealth Register of Institutions and Courses for Overseas Students
<b>ETFSL</b>	Equivalent full-time student load
<b>ESOS</b>	Education Services for Overseas Students
<b>FTE</b>	Full-time equivalent (staffing)
<b>GPA</b>	Grade point average
<b>HES</b>	Faculty of Health, Engineering and Sciences
<b>IAF</b>	Institutional Assessment Framework
<b>IAGe</b>	Institute for Agriculture and the Environment
<b>IRR</b>	Institute for Resilient Regions
<b>ORMP</b>	Operational and Resource Management Plan
<b>SAR</b>	Strategic Alignment Report
<b>SELT</b>	Student Evaluation of Learning and Teaching student satisfaction survey
<b>SRO</b>	Student Relationship Officer
<b>TEL</b>	Technology Enhanced Learning
<b>TEQSA</b>	Tertiary Education Quality and Standards Agency
<b>USQ</b>	University of Southern Queensland
<b>WIL</b>	Work-integrated learning

## Annual Report Compliance Checklist

Summary of requirement		Basis for requirement	Annual report reference
<b>Letter of compliance</b>	A letter of compliance from the accountable officer or statutory body to the relevant Minister	ARRs – section 8	Page 1
<b>Accessibility</b>	Table of contents	ARRs – section 10.1	Page 3
	Glossary	ARRs – section 10.1	Page 82
	Public availability	ARRs – section 10.2	Inside front cover
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 10.3	Inside front cover
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 10.4	Inside front cover
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 10.5	n/a
<b>General information</b>	Introductory Information	ARRs – section 11.1	Page 2, 4–5
	Agency role and main functions	ARRs – section 11.2	Page 8–9
	Operating environment	ARRs – section 11.3	Page 10, 18
	Machinery of government changes	ARRs – section 11.4	n/a
<b>Non-financial performance</b>	Government's objectives for the community	ARRs – section 12.1	Page 19
	Other whole-of-government plans / specific initiatives	ARRs – section 12.2	n/a
	Agency objectives and performance indicators	ARRs – section 12.3	Page 20–35
	Agency service areas and service standards	ARRs – section 12.4	Page 19–35
<b>Financial performance</b>	Summary of financial performance	ARRs – section 13.1	Page 38
<b>Governance – management and structure</b>	Organisational structure	ARRs – section 14.1	Page 16–17
	Executive management	ARRs – section 14.2	Page 6–7
	Government bodies (statutory bodies and other entities)	ARRs – section 14.3	n/a
	<i>Public Sector Ethics Act 1994</i>	<i>Public Sector Ethics Act 1994</i> (section 23 and Schedule) ARRs – section 14.4	Page 12
<b>Governance – risk management and accountability</b>	Risk management	ARRs – section 15.1	Page 10, 13–14, 22, 33
	External scrutiny	ARRs – section 15.2	Page 12
	Audit committee	ARRs – section 15.3	Page 14
	Internal audit	ARRs – section 15.4	Page 13
	Information systems and recordkeeping	ARRs – section 15.5	Page 11
<b>Governance – human resources</b>	Workforce planning and performance	ARRs – section 16.1	Page 33–35
	Early retirement, redundancy and retrenchment	Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 16.2	Page 33

## Annual Report Compliance Checklist (continued)

Summary of requirement		Basis for requirement	Annual report reference
<b>Open Data</b>	Open Data	ARRs – section 17	Published online at <a href="http://www.qld.gov.au/data">www.qld.gov.au/data</a>
<b>Financial statements</b>	Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	Page 79
	Independent Auditors Report	FAA – section 62 FPMS – section 50 ARRs – section 18.2	Page 80–81
	Remuneration disclosures	<i>Financial Reporting Requirements for Queensland Government Agencies</i> ARRs – section 18.3	Page 69–70
<b>FAA</b>	<i>Financial Accountability Act 2009</i>		
<b>FPMS</b>	<i>Financial and Performance Management Standard 2009</i>		
<b>ARRs</b>	<i>Annual report requirements for Queensland Government agencies</i>		

# USQ AT A GLANCE

## Senior Executive

<b>Vice-Chancellor and President</b>
Professor Jan Thomas
<b>Senior Deputy Vice-Chancellor</b>
Professor Janet Verbyla
<b>Deputy Vice-Chancellor (Research and Innovation)</b>
Professor Mark Harvey
<b>Deputy Vice-Chancellor (Academic Services)</b>
Professor Ken Udas
<b>Deputy Vice-Chancellor (Students and Communities)</b>
Mr Carl Rallings
<b>Executive Director (Finance and People Capability)</b>
Mr Athol Kerridge

## Statistics 2015

<b>Staff</b>	
Academic	768
Professional	1021
<b>Financial</b>	
Total Revenue (\$'000)	369 675
Total Assets (\$'000)	626 067
Total Equity (\$'000)	543 872
<b>Student Numbers</b>	
Female	15233
Male	12969
Indeterminate/Unspecified	1
<b>Student Categories</b>	
Domestic (headcount)	23798
International (headcount)	4405
Undergraduate (load)	11519
Postgraduate (load)	3207

## Campus locations

### University of Southern Queensland

Telephone: +61 7 4631 2100

Facsimile: +61 7 4631 2949

Email: [vc@usq.edu.au](mailto:vc@usq.edu.au)

Internet: [www.usq.edu.au](http://www.usq.edu.au)

### USQ Toowoomba

West Street, Toowoomba  
Queensland 4350 Australia

### USQ Springfield

Sinnathamby Boulevard, Springfield  
Queensland 4300 Australia

### USQ Ipswich

11 Salisbury Road, Ipswich  
Queensland 4305 Australia

### USQ Fraser Coast

161 Old Maryborough Road, Hervey Bay  
Queensland 4655 Australia

USQ acknowledges the **Giabal** and **Jarowair** of Toowoomba; the **Jagera**, **Yuggera** and **Ugarapul** of Springfield and Ipswich; and the **Butchulla** of Fraser Coast; traditional owners of the lands where each USQ campus is located.



**University of Southern Queensland**

Toowoomba • Springfield • Ipswich • Fraser Coast

T: +61 7 4631 2100 | F: +61 7 4631 2949 | E: [vc@usq.edu.au](mailto:vc@usq.edu.au)

[www.usq.edu.au](http://www.usq.edu.au)