



THE UNIVERSITY OF
SYDNEY

Dr Michael Spence
Vice-Chancellor and Principal

25 January 2012

The Manager
Philanthropy and Exemptions Unit
Personal and Retirement Income Divisions
The Treasury
Langton Crescent
PARKES ACT 2600
By email: NFPReform@treasury.gov.au

Dear Sir/Madam

Exposure Draft – Australian Charities and Not-for-profits Commission Bill 2012 and Review of NFP Governance Arrangements Discussion Paper

I am writing to support the submission of The University of Melbourne dated 24 January 2012 concerning the exposure draft of the Bill which provides for the establishment of the Australian Charities and Not-for-Profits Commission ACNC, and the Review of Not-for-Profit Governance Arrangements consultation paper.

Given their similar histories and ages it is not surprising that the circumstances of these two universities, in terms of the gifts and bequests which have been made to them, are substantially the same. For that reason, at least, the issues of concern to Melbourne are of like concern to this University.

The one aspect of the submission from Melbourne which I would like to reinforce concerns the possible need to differentiate the regulatory and governance requirements between various groups of participants in the not-for-profit sector. Such a differentiation could reflect the proportionate, risk based, and non-duplicative approach to regulation which is identified in exposure draft as being central to the proposed legislation.

So, there will be some groups in the sector (and I would submit that universities are one such group) which are already the subject of extensive legislative and regulatory oversight. In the case of this University it is established by its own Act of the NSW Parliament, has ministerial appointees on its Senate and its financial affairs are audited by the Auditor-General of NSW whose report is made publicly available each year. Moreover, its activities can be the subject of scrutiny by each of the NSW Ombudsman, the NSW Independent Commission Against Corruption and the Public Information Commissioner. Additionally, the University is subject to the quality and accountability requirements of the Commonwealth Higher Education Support Act and associated regulations, while the recently enacted Tertiary Education and Quality Standards Agency (TEQSA) legislation to which the Melbourne submission refers, in its



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operational effect, provides for further oversight of the governance and financial management of universities.

I doubt that universities would be the only group to which considerations of this kind would apply. Whatever the case may be on that account, it is submitted that the provisions for the operation of the Commission should enable it to insure that different groups of organisation types in the not-for-profit sector are not required to undertake greater regulatory burdens than are necessary to mitigate the risks which they represent.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michael Spence'.

Michael Spence