

TREASURY POLICY

Section	Finance
Contact	Chief Financial Officer
Last Review	December 2016
Next Review	December 2017
Approval	FC16/37
Effective date	December 2016

Purpose:

The purpose of this policy is to provide a framework for the banking, borrowing and investment requirements of the University, which maintains the flow of essential finance to operations and for the capital investment, in a manner that manages the risks inherent in these activities.

Policy:

The Treasury function at Massey University has two major roles:

- a) The University Banker
- b) Financial Risk Management

Massey University has a documented Treasury Framework, which details the requirements of these two roles.

The Treasury Framework will contain explicit direction in respect of: -

- Operations including: Banking relationships, cash management, cash forecasting, funds management
- Borrowing
- Investing/Lending
- Risk management

The Treasury Framework must be approved by the Finance Committee of Council, and must be reviewed annually.

The implementation of the Treasury Framework is the responsibility of the AVC-Strategy, Finance, IT and Commercial Operations (AVC-SFIC), and all Treasury functions must operate in accordance with the approved Treasury Framework.

It is an express provision of this policy that any two of the Vice Chancellor, AVC Operations, International & University Registrar and or AVC- SFIC can open a bank account on behalf of the University.

Audience:

All staff

Relevant Legislation:

Education Act 1989 and Amendments
Public Finance Act 1989 and Amendments

Legal Compliance:

All financial activities of the University must comply with the above legislation.

S192 (4) of the Education Act 1989 requires written consent from the Secretary of Education to:

- sell or dispose of assets or interest in assets
- mortgage or charge assets or interests in assets
- grant leases of land or buildings
- to borrow, issue debentures or raise money;

and also regulates the Debt to Equity ratio, and Debt Servicing ratios.

S23 of the Public Finance Act 1989 prohibits investment in shares and fixed interest securities other than Government Stock, Treasury Bills, and investments or bank bills held with registered New Zealand banks.

Related Procedures and Documents:

[Treasury Framework](#)

[Delegations Document](#)

Document Management Control:

Prepared by: Chief Financial Officer

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