

CONTENTS

1	PURPOSE.....	1
2	SCOPE.....	1
3	POLICY STATEMENT	1
	Material losses	1
	Reporting of losses	1
	Losses register	2
	Disclosure	2
4	RESPONSIBILITIES	2
	Compliance, monitoring and review	2
	Reporting.....	2
	Records management.....	3
5	DEFINITIONS	3
	Terms and definitions.....	3
6	RELATED LEGISLATION AND DOCUMENTS	3
7	FEEDBACK.....	3
8	APPROVAL AND REVIEW DETAILS.....	3

1 PURPOSE

- 1.1 This policy outlines how CQUniversity will manage losses.
- 1.2 This policy forms part of the University's financial management practice manual, which contributes towards meeting the University's obligations under the [Financial and Performance Management Standard 2019](#) (Qld), by ensuring the existence of a process that details the identification, recording and, where necessary, the reporting of losses.

2 SCOPE

- 2.1 This policy applies to all losses incurred by CQUniversity including CQUniversity's controlled entities.

3 POLICY STATEMENT

- 3.1 This policy supports, but does not replace, the requirements of the [Crime and Corruption Act 2001](#) (Qld). Where material losses are identified, particularly as a result of suspected official misconduct, advice must be sought regarding the legislative requirements of the *Crime and Corruption Act*.

Material losses

- 3.2 Material losses refer to losses of money with a value greater than \$500, losses of other property with a value greater than \$5,000 or any item listed on the Portable and Attractive Items Register or the Asset Register.

Reporting of losses

- 3.3 Regardless of value, all losses must be reported to the Deputy Director Financial Accounting and Operations. Losses should be reported in the same calendar year that they occurred.

- 3.4 Where in the opinion of the Vice-Chancellor and President, there is evidence that a material loss may have arisen from a cause which could constitute an offence under the *Crime and Corruption Act*, the Vice-Chancellor and President will report the loss as soon as practicable (but no later than six months) to:
- the appropriate State Government Minister
 - the Auditor-General
 - a police officer (if the loss is suspected to be the result of a criminal offence), or
 - the Crime and Misconduct Commission (if the loss is suspected to be the result of official misconduct by an employee).
- 3.5 Losses which are not a material loss are not required to be reported outside of the University.
- 3.6 Recovery of losses regardless of value or materiality, are not required to be formally reported outside of the University.

Losses register

- 3.7 A record of losses, regardless of type or value, must be recorded in the Losses Register including losses from controlled entities. The Deputy Director Financial Accounting and Operations will maintain the Register, which must include the following details of each loss:
- a description of the lost property, including its value
 - the reason for the loss
 - the action taken regarding the loss, including actions to remedy any internal control weaknesses or action to obtain reimbursement
 - details of the approval given for writing off the loss, and
 - any other information specific to each loss.
- 3.8 The Chief Operating Officer will review and sign-off the Losses Register on a quarterly basis.
- 3.9 Where appropriate, the Chief Operating Officer will forward the Losses Register to the Audit, Risk and Finance Committee for advice and assessment regarding internal control measures.

Disclosure

- 3.10 Losses may be recorded in the University's financial statements under the Other Expenses note, as per the requirements of [Financial Reporting Requirements for Queensland Government Agencies \(FRR 3D\) Expenses](#). If a loss is recorded that is not an asset on the balance sheet e.g. a portable and attractive item, there will be no transaction recorded in the general ledger, however the Portable and Attractive Items Register will be updated to record the loss of equipment.

4 RESPONSIBILITIES

Compliance, monitoring and review

- 4.1 The Chief Operating Officer and Deputy Director Financial Accounting and Operations are responsible for implementing, monitoring, reviewing and ensuring compliance with this policy.
- 4.2 Compliance and monitoring will be assessed through monthly reconciliations and regular analytical reviews.

Reporting

- 4.3 No additional reporting is required.

Records management

- 4.4 Employees must manage records in accordance with the [Records Management Policy and Procedure](#). This includes retaining these records in a recognised University recordkeeping information system.
- 4.5 University records must be retained for the minimum periods specified in the relevant [Retention and Disposal Schedule](#). Before disposing of any records, approval must be sought from the Records and Privacy Team (email records@cqu.edu.au).

5 DEFINITIONS

- 5.1 Terms not defined in this document may be in the University [glossary](#).

Terms and definitions

Loss: broadly defined as a decrease in economic benefits and may include such things as the write-off of bad debts, thefts, accidental and wilful damage or property destruction and losses due to negligence.

Material loss: losses of money with a value greater than \$500, losses of other property with a value greater than \$5,000 or any item listed on the Asset Register.

6 RELATED LEGISLATION AND DOCUMENTS

[Crime and Corruption Act 2001](#) (Qld)

[Financial Accountability Act 2009](#) (Qld)

[Financial and Performance Management Standard 2019](#) (Qld)

[Financial Reporting Requirements for Queensland Government Agencies \(FRR 3D\) Expenses](#)

7 FEEDBACK

- 7.1 Feedback about this document can be emailed to policy@cqu.edu.au.

8 APPROVAL AND REVIEW DETAILS

Approval and Review	Details
Approval Authority	Council
Delegated Approval Authority	Audit, Risk and Finance Committee
Advisory Committee	N/A
Required Consultation	N/A
Administrator	Chief Operating Officer
Next Review Date	27/04/2024

Approval and Amendment History	Details
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Notes	This document was formerly known as the Losses Policy (FMPM) (last approved 11/07/2019).