

Policy Title: Joint Arrangements

Policy Owner: Chief Financial Officer

Keywords: 1) Joint Arrangement 2) Joint Venture 3) Joint Operation
4) Collaboration 5) Partnership 6) External Bodies

Policy Code: PL069

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1. INTENT

This policy provides direction on the establishment of Joint Arrangements and will apply to:

- i. Business Undertakings entered into by ECU;
- ii. Commercialisation of ECU Intellectual Property; and
- iii. Research Collaborations.

2. ORGANISATIONAL SCOPE

All ECU staff, adjuncts and contractors. This policy does not apply to ECU Holdings or its subsidiaries.

3. DEFINITIONS

The [University Glossary](#) and the following definitions apply to this policy.

TERM	DEFINITION
ABN	Australian Business Number. A unique 11 digit number used for business registration with the Australian Tax Office.
Business Undertakings	A separate entity that has its own assets and liabilities and the owners contribute towards its capital. The entity has separate management and is engaged in the transfer or exchange of goods and services on a regular basis to earn a profit. Types of business undertakings include:

TERM	DEFINITION
	<ul style="list-style-type: none"> i. Sole proprietorship; ii. Partnership; iii. Trust; and iv. Company.
Commercialisation	<p>Commercial exploitation of intellectual property (IP). Commercialising IP is about getting a product or service into the market place. Commercialisation methods include:</p> <ul style="list-style-type: none"> i. Licensing; and ii. Company.
Entity	<p>Any legal, administrative, or fiduciary arrangement, organisational structure or other party (including a person) other than the University that gives effect to a Joint Arrangement.</p>
GST	<p>Australian Goods and Services Tax.</p>
Joint Arrangement	<p>Australian Accounting Standard AASB 11 <i>Joint Arrangements</i> defines a Joint Arrangement as "An arrangement of which two or more parties have joint control". A Joint Arrangement may be classified as a:</p> <ul style="list-style-type: none"> i. Joint operation; or ii. Joint venture. <p>These different types of Joint Arrangements are defined as follows:</p> <p>"Joint Operation"</p> <p><i>A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators.</i></p> <p>"Joint Venture"</p> <p><i>A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers.</i></p>
Joint Arrangement Agreement	<p>The legally binding contractual arrangements for a Joint Arrangement.</p>

TERM	DEFINITION
PAYG	Pay As You Go tax withheld from salaries by the employer on behalf of the Australian Taxation Office.
Party	A party or participating entity in the Joint Arrangement.
Research Collaboration	Research conducted jointly by two or more investigators within or across institutions.

4. POLICY CONTENT

Schools and Centres should enter into a Joint Arrangement only where the Joint Arrangement positively contributes to the objectives of the University.

The Joint Arrangement must provide a clear and defined benefit to the University commensurate with the risk associated by ECU entering the Joint Arrangement.

Persons seeking to involve the University in a Joint Arrangement must undertake a due diligence process which will include the input and assistance from the following areas:

- Finance and Business Services Centre;
- Strategic and Governance Services;
- Research Services;
- Executive Dean/Dean of School (if relevant); and
- External expert assistance, as required.

An approved business case is required before a formal decision is made to enter into a Joint Arrangement. The proposed Joint Arrangement must be commercially sound and/or have the potential to deliver demonstrable significant benefits to the University and, as a minimum, should address the following items:

- An assessment on how the proposed Joint Arrangement will align with ECU's strategic priorities and the intended benefits that ECU will derive from participation in the Joint Arrangement;
- The proposed structure of the Joint Arrangement Agreement including, but not limited to:
 - Defining the purpose and scope of the Joint Arrangement;
 - Legal requirements;
 - Financial management and taxation considerations; and
 - Governance and management of the Joint Arrangement;
- Preparing a Joint Arrangement budget;
- Reporting requirements; and
- Risk assessment.

Authority for approving the University's involvement in Joint Arrangements should be in accordance with relevant delegations.

All new Joint Arrangement entities will be reported to Council for noting.¹

In accord with Council Resolution UC 128/21, Strategic and Governance Services will provide an annual certification to the Council in respect of the risk management surrounding ECU's participation in Joint Arrangements.

5. ACCOUNTABILITIES AND RESPONSIBILITIES

In relation to this policy, the following positions are responsible for the following:

Policy Owner

The Chief Financial Officer has overall responsibility for the content of this policy and its operation in ECU.

ECU Staff, Adjuncts and Contractors

ECU Staff, adjuncts and contractors are required to comply with the content of this policy and to seek guidance in the event of uncertainty as to its application.

6. RELATED DOCUMENTS:

6.1 This policy is supported by the following Guidelines:

- [Joint Arrangements Guidelines](#)

6.2 Other documents which are relevant to the operation of this policy are as follows:

- [Creation and Management of Contracts Policy](#)
- [Intellectual Property Policy](#)
- [Research Grants and Funding Management](#)
- [Conflict of Interest Policy](#)
- Strategic and Governance Services Delegations:
 - Delegation of Authorities Manual
 - Agreements:
 - [Agreements by Authorised Position](#)
 - [Agreements by Activity](#)
 - Financial:
 - [Financial by Authorised Position](#)
 - [Financial by Activity](#)
 - Other Administrative Functions
 - [Other Administrative Functions by Authorised Position](#)
 - [Other Administrative Functions by Activity](#)

¹ As confirmed by the Delegations and Authorities Manual.

7. CONTACT INFORMATION

For queries relating to this document please contact:

Policy Owner	Chief Financial Officer
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8. APPROVAL HISTORY

Policy Approved by:	VCPMG (renamed to University Executive in 2015). (20.01.2005) Vice-Chancellor (16.01.2015)
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