



Audit Handbook



State and Territory Registering Bodies

Australian Capital Territory
ACT Accreditation and Registration Council
Tel: (02) 6205 7091
www.arc.act.gov.au

New South Wales
Vocational Education Training and Accreditation Board (VETAB)
Tel: (02) 9244 5335
www.vetab.nsw.gov.au

Northern Territory
Department of Education and Training
Tel: (08) 8901 1340
www.deet.nt.gov.au

Queensland
Department of Employment and Training
Tel: (07) 3247 5102
www.training.qld.gov.au/audit

South Australia
Department of Further Education, Employment, Science and Technology
Tel: (08) 8226 3065
www.training.sa.gov.au

Tasmania
Tasmanian Qualifications Authority
Tel: (03) 6233 6364
www.tqa.tas.gov.au

Victoria
Victorian Registration and Qualifications Authority
Tel: (03) 9637 2806
www.vrqa.vic.gov.au

Western Australia
Training Accreditation Council WA
Tel: (08) 9441 1910
www.tac.wa.gov.au

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SECTION 1

INTRODUCTION TO THE AQTF

The Australian Quality Training Framework (AQTF) is the national set of standards which assures nationally consistent, high-quality training and assessment services for the clients of Australia's vocational education and training (VET) system. The AQTF was initially established in 2001 for implementation in 2002 and this version is effective from 1 July 2010.

The Ministerial Council for Tertiary Education and Employment, which includes all Ministers for VET in Australia, has approved these quality arrangements.

Components of the AQTF

The components of the AQTF are:

AQTF Essential Conditions and Standards for Initial Registration – Applicants seeking to become a registered training organisation (RTO) must meet these standards in order to be registered to deliver and assess nationally recognised training and issue nationally recognised qualifications. The *AQTF Essential Conditions and Standards for Initial Registration* includes nine Conditions of Registration and three Standards. The focus of these Conditions and Standards is the demonstration of preparedness to deliver quality training and assessment services.

AQTF Essential Conditions and Standards for Continuing Registration – RTOs must meet these standards in order to deliver and assess nationally recognised training and issue nationally recognised qualifications. The *AQTF Essential Conditions and Standards for Continuing Registration* includes nine Conditions of Registration and three Standards, with a strong focus on continuous improvement, as well as a requirement for RTOs to gather information on their performance against three Quality Indicators.

The Quality Indicators – The Quality Indicators have been designed to help RTOs conduct evidence-based and outcomes-focused continuous quality improvement, and assist a registering body to assess the risk of an RTO's operations. Under the AQTF, RTOs are required to collect and use data on three Quality Indicators which have been endorsed by the National Quality Council (NQC): Learner Engagement, Employer Satisfaction and Competency Completion.

AQTF 2007 Standards for State and Territory Registering Bodies – The Registering Body is responsible for registering training organisations and for quality assuring the training and assessment services they provide, in accordance with the AQTF and relevant legislation within each jurisdiction. The Standards and a set of supporting National Guidelines provide a national quality assurance framework.

AQTF 2007 Excellence Criteria – These are criteria that RTOs may use voluntarily to continue improving the quality of their training and assessment and to gain recognition of their performance.

Key features of the AQTF

Outcomes focussed

The AQTF focuses on the quality of services and outcomes being achieved for clients rather than the inputs used to get there. This means that RTOs have more flexibility in demonstrating how their individual approaches provide quality training outcomes for their clients.

Nationally consistent

Individuals expect that they can use the skills from nationally endorsed qualifications across Australia and employers expect that the staff they hire have the same skills no matter where they were trained.

For this reason the AQTF includes national guidelines for a registering body to ensure consistent interpretation and implementation of AQTF.

Streamlined

The Standards for RTOs have been simplified and streamlined to focus on outcomes. The AQTF places the focus of quality assurance on training and assessment, client services and management systems.

Transparent

National guidelines, handbooks and guides are readily accessible through the national training website at www.training.com.au.

The beneficiaries of the AQTF

Learners have equitable access to quality training and assessment services tailored to their needs and the learning outcomes they seek.

Industry, unions, enterprises and regulators have confidence that RTOs are delivering training and assessment services to achieve the skill requirements of nationally recognised qualifications developed by industry.

Registered Training Organisations (RTOs) can focus on providing quality training and assessment in the way that best suits their business. No matter what the size or scope of the organisation, an RTO can also seek recognition of excellence.

Registering Body (the body which registers training organisations) is part of the national system of registration and audit that is outcomes-focused and risk-managed to streamline quality assurance processes. The registering body has clear Conditions and Standards by which to monitor and confirm that RTOs are providing quality training and assessment services.

SECTION 2

ABOUT THIS HANDBOOK

An outcomes-focused audit model underpins the AQTF, where auditors assess the extent to which RTOs are achieving and sustaining quality training, assessment and client services.

The *AQTF Audit Handbook* guides the registering body and auditors in the planning, conduct and reporting of outcomes-focused audits of RTOs against the *AQTF Essential Conditions and Standards for Continuing Registration*. Moderation processes are also used to ensure a consistent approach within and across states and territories.

The *AQTF Audit Handbook* also provides guidance on how to determine whether organisations applying for registration as an RTO comply with the *AQTF Essential Conditions and Standards for Initial Registration*.

This book has eight sections:

- Section 1 provides an introduction to the AQTF.
- Section 2 explains the purpose and use of this Handbook.
- Section 3 provides an introduction to auditing and the AQTF.
- Section 4 explains the principles that underpin all audits conducted against the AQTF Essential Conditions and Standards.
- Section 5 describes the processes that auditors must follow when auditing against the Standards and the Conditions of Registration.
- Section 6 provides guidance on audit techniques, particularly when examining the quality of training and assessment and continuous improvement.
- Section 7 discusses the roles and responsibilities of members of the audit team.
- Section 8 provides explanations for terms used in this handbook and associated national documents.
- Appendix 1 is the National Code of Practice for Auditors and Technical Advisers and describes the conditions that an auditor and technical adviser must meet when fulfilling their roles during audits.
- Appendix 2 is a checklist for opening and closing meetings.

Organisations applying for registration as an RTO, RTOs and clients of the VET system are free to access this Handbook to gain a detailed understanding of audit principles and practices under the AQTF.

Organisations applying for registration as an RTO are referred to as ‘applicants’ throughout the guide.

The Handbook will be reviewed periodically to ensure that it continues to meet the needs of auditors, registering bodies and other stakeholders in conducting high-quality audits for the national VET system.

To support the operation of a national VET system, national guidelines have been agreed between registering bodies and approved by the Ministerial Council for Tertiary Education and Employment (MCTEE) National Senior Officials Committee (NSOC) and the National Quality Council (NQC). A brief description of each guideline and other AQTF national documents, including those which may be useful to auditors, is provided at the end of this handbook.

Auditors should particularly refer to the *AQTF Users' Guide to the Essential Conditions and Standards for Initial Registration* and the *AQTF Users' Guide to the Essential Conditions and Standards for Continuing Registration*. These Guides have been prepared to help applicants prepare for registration and RTOs to demonstrate their achievement of quality outcomes for clients. They are important guides for applicants, training organisations and auditors because they provide additional information about each element within the Standards and give guidance about evidence which might indicate that an applicant is sufficiently prepared to gain registration or that an RTO is continuously improving its training and assessment services.

This Handbook has been approved by the MCTEE National Senior Officials Committee (NSOC) and the National Quality Council (NQC), to support the operation of a national VET system. Associated guides include:

- *AQTF Users' Guide to the Essential Conditions and Standards for Initial Registration*
- *AQTF Users' Guide to the Essential Conditions and Standards for Continuing Registration*
- AQTF National Guidelines for a Registering Body, which include:
 - AQTF National Guideline for Audit Consistency
 - AQTF National Guideline for Conducting Audits of the Inter-jurisdiction Operations of RTOs
 - AQTF National Guideline for Managing Non-compliance
 - AQTF National Guideline for Responding to Complaints about VET Quality
 - AQTF National Guideline for Risk Management
 - AQTF National Guideline for Industry Body Engagement.

All AQTF national documents and audit templates are publicly available at www.training.com.au.

SECTION 3

INTRODUCTION TO AUDITING AND THE AQTF

AQTF Essential Conditions and Standards for Initial Registration

The focus of the *AQTF Essential Conditions and Standards for Initial Registration* is the capability of an applicant to operate effectively as an RTO.

To gain registration an applicant must demonstrate that it has completed the required planning and that it has sufficient resources in place to operate on its registration as an RTO. The registering body will assess the applicant's compliance with the *AQTF Essential Conditions and Standards for Initial Registration*, including the Conditions of Registration, through audit. The audit will determine whether the planning that the applicant has carried out is comprehensive enough for the applicant to be sustainable and for it to achieve quality outcomes. The applicant's preparedness to implement the continuous improvement of its operations will also be assessed. The applicant's compliance with the Conditions of Registration will also be assessed.

As the size and complexity of proposed RTOs will vary, auditors must be flexible in their consideration of the evidence provided at audit. They should determine whether the strategies proposed by the applicant to operate as an RTO suit the scope of the plan for the business.

AQTF Essential Conditions and Standards for Continuing Registration

The focus of the *AQTF Essential Conditions and Standards for Continuing Registration* is on outcomes; that is, the extent to which an RTO is achieving and sustaining quality training and assessment outcomes, client services and management systems.

To maintain registration RTOs must demonstrate compliance with the *AQTF Essential Conditions and Standards for Continuing Registration*. To assess an organisation's compliance, the registering body may conduct an outcomes-focused audit against the *AQTF Essential Conditions and Standards for Continuing Registration* as per its role detailed in the AQTF 2007 Standards for State and Territory Registering Bodies and the relevant legislation.

It is up to each RTO to determine how it meets the *AQTF Essential Conditions and Standards for Continuing Registration* and how it can best demonstrate the outcomes being achieved for clients in the manner best suited to its unique business environment. Therefore, auditors need to be open-minded about the different types of evidence RTOs may provide and must use their professional judgement when assessing evidence against the Standards.

Conditions of Registration will be audited at each renewal of registration in accordance with risk management guidelines.

Audit

AQTF audits are conducted within the first 12 months of registration for new RTOs and subsequently on a risk assessment basis during the five-year registration period.

The extent to which each RTO is monitored and audited by the registering body throughout its registration period is based on an assessment of risk to the quality of training and assessment outcomes and the national VET system. The registering body uses information about the RTO's performance and its operating context to make the risk assessment. The process for doing this is described in the AQTF National Guideline for Risk Management, which assists in:

- Scheduling and scoping audits of RTOs to direct resources to areas of risk
- Streamlining quality assurance arrangements for RTOs where risks are low.

In line with contemporary models of regulation, RTOs which have a lower risk rating can expect a lower level of quality assurance intervention by the registering body.

An audit is a planned, systematic and documented process used to assess an RTO's compliance with the *AQTF Essential Conditions and Standards for Continuing Registration*, or an applicant's compliance with the *AQTF Essential Conditions and Standards for Initial Registration*. It provides an RTO with information about the quality of its training, assessment, client services and the management systems it uses to support the continuous improvement of its operations and outcomes. It also provides applicants with valuable feedback on its strategies to attain quality outcomes.

There are different types of audit that may be scheduled by a registering body:

- An audit to assess an application for initial registration against the *AQTF Essential Conditions and Standards for Initial Registration*
- An audit against the *AQTF Essential Conditions and Standards for Continuing Registration* for extension to scope of registration or renewal of registration
- A post-initial audit against the *AQTF Essential Conditions and Standards for Continuing Registration*, conducted within the first year of registration, to confirm that an RTO has deployed its planned approach to delivering training and assessment
- A monitoring audit to confirm that an RTO is continuing to comply with the *AQTF Essential Conditions and Standards for Continuing Registration*
- A national strategic industry audit, conducted to confirm that an RTO's training and assessment services are meeting the requirements of a particular industry or licensing authority
- An audit to investigate a complaint made against an RTO.

Wherever practicable, registering bodies will integrate AQTF audits with other VET-related audits in order to minimise their effect on an RTO's operations. Audit teams need to ensure that the role of each member of the audit team is clear and that the audit process is managed effectively.

After conducting an audit, the audit team makes a recommendation about an RTO's compliance with the *AQTF Essential Conditions and Standards for Continuing Registration* to the registering body for its consideration. For applicants audited against the *AQTF Essential Conditions and Standards for Initial Registration*, the auditor makes a finding about the applicant's compliance with the *AQTF Essential Conditions and Standards for Initial Registration*.

The registering body operates in accordance with the AQTF 2007 Standards for State and Territory Registering Bodies and the legislation under which it is established. This requires that each RTO be treated in accordance with principles of natural justice and procedural fairness in the planning, conduct and reporting of audits. RTOs can challenge audit outcomes and appeal a decision made by the registering body.

These arrangements are also described in the AQTF National Guideline for Responding to Complaints about VET Quality.

SECTION 4

AQTF AUDIT PRINCIPLES

These audit principles underpin the way all AQTF audits are conducted. They provide a reference point for auditors when conducting audits.

The auditing principles specify that audits are:

- Systematic
- Outcomes-focused
- Evidence-based
- Flexible
- Focused on continuous improvement
- Fair, open and transparent.

Systematic

Audits are conducted in a systematic manner based on an appropriate sampling strategy to ensure that confidence can be placed in the audit findings, conclusions and recommendations.

To be systematic, audits must be carefully planned, and all members of the audit team need to be aware of their roles and responsibilities (see Section 7).

The registering body makes decisions about scheduling an audit of an RTO or of an applicant for registration as an RTO and about the audit's scope.

The registering body makes these decisions using the AQTF National Guideline for Risk Management. In relation to the scope of each audit, the registering body will determine the following:

- Whether the audit is to be a desk audit or a site audit
- The delivery sites to be visited
- The extent to which the RTO's operations in other jurisdictions and offshore are to be evaluated. This includes consideration of whether site audits are required or whether alternative methods of collecting evidence about the quality of the RTO's operations are to be used.
- The Standards and elements to be audited
- Which Conditions of Registration (if any) are to be audited
- The number of qualifications to be audited – either on the scope of an RTO or the proposed scope of an applicant for registration
- The number of units of competency for which training and assessment arrangements are to be examined in detail.

Auditors, in conjunction with the registering body and the RTO or applicant, determine, where relevant:

- The staff and students to be interviewed or surveyed
- The range of student files to be examined
- The training and assessment materials to be examined.

Audit findings must be recorded systematically. Notes taken must be clear, detailed, complete and unambiguous, as they could be used after the audit to provide clarification.

Outcomes-focussed

Outcomes are the results of actions implemented by an RTO to achieve quality training, assessment, client services and effective management systems. A primary role for the audit team is to confirm from evidence provided by the RTO that the outcomes from the RTO's processes meet the requirements of *AQTF Essential Conditions and Standards for Continuing Registration*. This evidence may include data collected against quality indicators and other evidence provided by the RTO. The RTO's approach to the management of its operations (in particular, continuous improvement) will provide evidence that the outcomes achieved are sustainable.

RTOs

To focus on outcomes, auditors evaluate evidence from the RTO about what it has achieved against the Standards and the elements of the *AQTF Essential Conditions and Standards for Continuing Registration*.

The auditor considers whether the:

- RTO has met the requirements of each Standard
- Results were achieved through the planned and systematic deployment of specific actions taken by the RTO
- Actions taken by the RTO are improving the way the RTO provides training, assessment and client services.

This approach will also make clear whether the outcomes the RTO has achieved are sustainable throughout its registration period.

When considering the extent to which aspects of the RTO's operations have been continuously improved, the auditor looks for evidence that the RTO has continually enhanced its performance so that the changing needs of clients and industry continue to be met. Continuous improvement does not relate to actions to achieve compliance as such actions are considered rectifications.

Auditors should focus on what improvements the RTO has achieved and that these achievements are a result of lessons learnt from data collected from stakeholders. The auditor should not neglect the deployment of policies and procedures and the effectiveness of these procedures in achieving quality outcomes. If the RTO has not achieved quality outcomes the auditor can then focus on processes used by the RTO in order to identify why the RTO is not operating effectively.

The *AQTF Users' Guide to the Essential Conditions and Standards for Continuing Registration* suggests a range of evidence that RTOs may choose to present to demonstrate their outcomes in addressing the standards.

Applicants for registration

Applicants for registration are required to demonstrate their capability to achieve quality outcomes on registration. The auditor evaluates the extent to which the applicant complies with the *AQTF Essential Conditions and Standards for Initial Registration*.

The auditor considers whether the applicant has met the requirements of each Standard. The auditor needs to determine whether the planned approach to achieving quality outcomes is systematic, is sufficiently cognisant of the VET environment in which the applicant will operate and whether the applicant's planned continuous improvement processes will lead to significant and sustainable improvement to the quality of its operations.

Evidence-based

Audit conclusions and recommendations about an organisation's compliance with the *AQTF Essential Conditions and Standards for Initial Registration/AQTF Essential Conditions and Standards for Continuing Registration* are based on valid, current, sufficient and authentic evidence. Findings are clearly based on evidence collected at the audit and, where non-compliance is recorded, the gaps in evidence are clearly identified.

RTOs

An RTO must be given the opportunity to present to the audit team evidence that it has met the required outcomes. Auditors must not have preconceptions about the form that evidence may take.

The judgement about how evidence is related to compliance is guided by considering these questions:

Q: Is the evidence valid? Is it clearly related to the Standard that is being audited?

Q: Has the RTO provided sufficient evidence for a judgement about compliance to be made?

Q: Is the evidence current or is it no longer relevant to the operations of the RTO?

Q: Is the evidence presented by the RTO authentic? Does it require further authentication?

As the audit progresses, the auditor must provide the RTO with opportunities to discuss the evidence provided and to provide more evidence, should it be needed. Clarity is critical here and the auditor should focus discussions with the RTO on the following points:

- 'This is the standard'
- 'This is the evidence you (the RTO) have provided'
- 'Here is a gap and it is for these reasons' (relating back to the principles of evidence, above)
- 'Do you have any other evidence that would close the gap?'

By using this approach, the RTO has reasonable opportunities to provide relevant evidence and help it clearly understand the audit findings.

Applicants for registration

The approach to collecting evidence when working with RTOs applies to working with applicants for registration. Auditors may find that they are required to provide more time in clarifying and confirming the applicant's understanding of the *AQTF Essential Conditions and Standards for Initial Registration* and their future requirements under the *AQTF Essential Conditions and Standards for Continuing Registration*. The auditor's role is to check that there is sufficient quality evidence in place to demonstrate the applicant has the capability to operate as an RTO.

Flexible

The audit method and evidence requirements accommodate the organisation's size and scope of operations and the context in which it operates.

RTOs

RTOs vary in size and scope, from a one-person organisation delivering units of competency in a niche market in one location, to a large TAFE institute with numerous qualifications on its scope of registration and delivering nationally. They include community providers, enterprise-based RTOs, industry-based RTOs and schools.

This diversity means that a 'one size fits all' approach to evidence of compliance cannot be used. The audit team must be open to considering the different forms of evidence that each RTO may provide before making a judgement about whether a particular piece of evidence demonstrates achievement of the outcomes required by the *AQTF Essential Conditions and Standards for Continuing Registration*.

Planning an audit in conjunction with the RTO will assist in the preparation for an audit and an agreed approach best suited to the RTO's operational context. The opening meeting of the audit also provides an opportunity to find out how the RTO operates.

Points for discussion may include:

- The range of clients the RTO deals with
- How relationships with clients are managed
- How training and assessment are planned and implemented
- How the RTO involves industry in ensuring that training and assessment are of a high standard
- The number of staff in the RTO and their responsibilities
- How the RTO ensures that there is consistency in the quality of operations, where relevant, across jurisdictions and offshore operations
- How communication takes place in the RTO.

This contextual information is important because it helps to assess whether the RTO has a systematic and sustainable approach to achieving the required outcomes. The context of the RTO is also important when suggesting improvements. The auditor makes a judgement about what is possible, practical and effective, given the RTO's context.

Applicants for registration

These contextual issues are just as important when auditing applicants against the *AQTF Essential Conditions and Standards for Initial Registration*. The applicant's plan for its business and/or strategic plan will provide a starting point for discussion about the size of the proposed RTO in its first few years, its potential clients and range of operations.

Focused on continuous improvement

An audit will be conducted in a way that encourages the organisation to demonstrate that it is meeting the requirements of the relevant AQTF Essential Conditions and Standards, acknowledges the organisation's identified strengths and notes opportunities for the RTO to improve the quality of its training and assessment and client services. In addition, RTOs/applicants will be asked to provide feedback on the audit process so that audit practice continuously improves.

RTOs

The auditor may recognise opportunities for improvement that will assist the RTO to better meet clients' needs or specific issues that could be addressed. It is not the auditor's role to act as a consultant to the RTO, but rather to identify issues and opportunities. However, the RTO may be provided with information about how to access resources that may help improve the quality of its outcomes.

Auditors are also encouraged to reflect on and improve their audit practices. Data is collected about their performance with a view to identifying opportunities to improve audit conduct. To assist, the RTO will be given the opportunity to provide formal feedback on the audit process.

Applicants for registration

As the purpose of the registration audit is to confirm that the applicant has demonstrated capability to operate effectively as an RTO, auditors have fewer opportunities for making suggestions about continuous improvement. However, auditors may identify an aspect of the applicant's operations that, while meeting compliance requirements, could be adjusted to improve effectiveness. Organisations will also benefit from receiving information about how to access resources that may help improve the way it intends to operate.

Fair, open and transparent

The audit will be structured, wherever practicable, to minimise its impact on the organisation's business operations. The RTO/applicant's management and staff will be informed about the audit process in advance and given a reasonable opportunity to provide evidence of compliance in a form suited to the organisation's operations. The RTO/applicant will be informed of the processes for lodging complaints and appeals about the audit process and outcomes.

RTOs or applicants for registration operate under the constraints of any business and need to receive appropriate information so that they can plan their time. An RTO or applicant for registration must be given at least two weeks notice (under usual circumstances) of when an audit will take place, so its staff can confirm, before the audit, the number of sites to be visited and the staff the auditor(s) wish to meet. An audit schedule must be developed in conjunction with the RTO or applicant and agreed so that staff time can be used most efficiently. The RTO or applicant should also be advised who in the registering body they can contact before the audit if they have any questions or concerns.

The audit process and outcomes must be outlined at the audit opening and feedback sessions (please refer to Appendix 2 – Checklists for opening and closing meetings). The auditor must ensure that the RTO or applicant is consulted about any changes to the schedule as the audit progresses.

It is critical that the auditor put RTO/applicant staff and others who contribute evidence at ease during the audit to promote open and frank dialogue. This can be achieved by:

- Ensuring that RTO/applicant staff and all interviewees fully understand the audit process and the implications of the audit
- Informing interviewees about the opportunity they will be given to address any non-compliance, if found
- Stressing that the audit is a useful means for improving the quality of training, assessment and client services
- Informing interviewees that an audit is an evidence-based assessment of the RTO/applicant's operations against the *AQTF Essential Conditions and Standards for Initial Registration / AQTF Essential Conditions and Standards for Continuing Registration* and that it is not a punitive exercise
- Encouraging questions and answering them clearly and unambiguously
- Never personally criticising the staff of an RTO/applicant
- Never behaving in an intimidating way
- Ensuring that the RTO/applicant's audit representatives are aware of the audit complaints procedures open to them.

When interviewing RTO/applicant's staff or clients, the auditor must provide information about their role. The auditor must also explain how comments will contribute towards evidence collected about the RTO's operations that will lead to judgements about compliance with the *AQTF Essential Conditions and Standards for Initial Registration* or the *AQTF Essential Conditions and Standards for Continuing Registration*.

Where practicable, there should be regular communication with the RTO/applicant's audit representative(s) throughout the audit, either through formal, planned meetings, or by discussing findings as the audit progresses, depending on the size and complexity of the RTO/applicant and the preferences of the RTO/applicant's representative(s). As the audit progresses, the audit team should keep the RTO/applicant informed by discussing the evidence that is presented, checking the accuracy of findings as they develop and giving the RTO/applicant opportunities to provide further evidence where it is needed. This is particularly important if substantial gaps are discovered on RTO/applicant's compliance. The issue must be explained clearly to the RTO/applicant as soon as the opportunity arises. Asking RTOs/applicants how they could demonstrate compliance is critical.

If the audit takes more than one day, a brief meeting at the close of each day should be scheduled to inform the RTO/applicant of any issues that have arisen during the day.

The discussion in the feedback session should hold no surprises for the RTO/applicant. Therefore, it is essential that any gaps in evidence of complying with the *AQTF Essential Conditions and Standards for Initial Registration* or the *AQTF Essential Conditions and Standards for Continuing Registration* that are identified during the course of the audit be discussed with the RTO/applicant as soon as they arise and the RTO/applicant must be given the opportunity to provide further evidence. The RTO/applicant's strengths should be acknowledged and opportunities for improvement should be identified while the audit is being conducted. The key to effective feedback, whether it is positive or negative, is that it should be specific and timely.

RTOs/applicants must be advised at the close of the audit that there is a formal complaints process open to them if they are concerned about the way the audit was conducted or about the audit's conclusions.

SECTION 5

THE AUDIT PROCESSES

This section of the Handbook describes the processes followed by auditors during site audits and desk audits. It discusses the steps auditors follow, from planning the audit, to collecting evidence, to developing the report and collecting feedback on the audit process. It also describes the application of the audit principles.

The site audit

A site audit allows the auditor to explore through interviews and a broad range of evidence the extent to which an RTO complies with the *AQTF Essential Conditions and Standards for Continuing Registration* or the applicant complies with the *AQTF Essential Conditions and Standards for Initial Registration*. In addition, the auditor will be determining whether the Conditions of Registration are satisfied, depending on the purpose and scope of the audit.

The process to follow for a site audit is:

- Planning the audit
- Opening the audit
- Collecting evidence
- Analysing the evidence collected
- Providing feedback
- Developing the audit report.

Once the registering body has decided that a site audit will be conducted, the lead auditor starts the audit planning process. The components of the site audit process are outlined below.

Activity	Relevant audit principles
Planning the audit	
<p>Obtain details of audit type and scope from the registering body.</p> <p>Contact the RTO/applicant. The lead auditor makes an appointment to discuss the audit with the RTO/applicant's representative and asks for information to be provided (orally or in writing) that can supplement information held by the registering body about the RTO/applicant's operations in the qualifications selected for audit.</p> <p>This may include information about:</p> <ul style="list-style-type: none"> • Modes of delivery/intended delivery, for example, online, distance, fully workplace-based or fully institution-based delivery • Key client groups • Inter-jurisdiction or offshore delivery • Partnership arrangements/intended partnership arrangements. <p>The RTO/applicant should also be asked how they wish to provide evidence of their compliance with the standards. This information is essential to developing the audit plan.</p>	<ul style="list-style-type: none"> • Systematic • Flexible • Fair, open and transparent.
<p>Identify and confirm resources (including audit team members and audit documentation) required to conduct the audit.</p>	<ul style="list-style-type: none"> • Systematic
<p>Review previous audit reports, where they are available, and note issues to be followed up from previous audits. Consider any risks from the RTO's operating context or applicant's planned operating context that may need to be discussed.</p> <p>Provide a draft schedule to the RTO/applicant for confirmation and/or adjustment. Allocate responsibilities to the audit team.</p> <p>Include organising a meeting.</p> <p>Where relevant, confirm that the Conditions of Registration will be included in the audit scope.</p>	<ul style="list-style-type: none"> • Systematic • Flexible • Fair, open and transparent.
<p>Brief the audit team, if applicable, and confirm roles. Brief technical advisers on their role, if they are participating in the audit, including which aspects of the RTO/applicant's operations they will be evaluating in conjunction with the auditor.</p>	<ul style="list-style-type: none"> • Systematic

Activity	Relevant audit principles
Opening the audit	
<p>This opening meeting gives the RTO/applicant an opportunity to provide the audit team with an overview of its business, to confirm the audit schedule and process, and to ask any questions.</p> <p>The Opening Meeting Checklist in Appendix 2 is a checklist that auditors can use to ensure the RTO has been fully briefed.</p>	<ul style="list-style-type: none"> • Evidence-based • Fair, open and transparent.
Collecting evidence	
<p>RTOs</p> <p>Evidence is collected by interviewing staff and clients, where appropriate, and by reviewing documents.</p> <p>The focus of the audit is on the outcomes achieved by the RTO and this should be the starting point of an audit. In the first instance, these should be explored broadly, using evidence of outcomes relevant to the Quality Indicators and the Standards. This is important so that the RTO can inform the auditor about:</p> <ul style="list-style-type: none"> • The outcomes achieved • Analysis of these outcomes • How these outcomes are driving continuous improvement in the RTO. <p>This will help to build a picture of the RTO's operations, in particular its strengths and challenges.</p> <p>If there is insufficient evidence that the RTO is achieving the desired outcomes, the audit team will need to ascertain why outcomes are not being achieved and further investigation of RTO processes will be required.</p> <p>Once evidence is gathered about the RTO's operations in terms of the Standards, the outcomes for relevant elements can be examined as required. It does not matter what processes the RTO uses to achieve an outcome, as long as there is a clear cause and effect relationship between the processes and the outcomes.</p> <p>The form of documentation presented, as well as the amount of documentation RTOs keep, will vary depending on their size and management systems. When reviewing evidence, the audit team needs to consider:</p> <ul style="list-style-type: none"> • Relevance to quality outcomes, the Standards and elements • Alignment with other evidence collected for verification • Sufficiency – perhaps a broader sample is needed • Links to other Standards and elements to acknowledge the inter-relationship • Effective use of audit time and resources. 	<ul style="list-style-type: none"> • Systematic • Flexible • Outcomes-focused • Evidence-based • Focused on continuous improvement • Fair, open and transparent.

Activity	Relevant audit principles
Collecting evidence	
<p>Where an RTO is operating across jurisdictions or offshore and these operations are included in the scope of the audit it is important to determine if the processes and outcomes demonstrated at the audit site are consistent across the RTO's operations. The RTO should be asked how consistency is maintained and to provide evidence of this. Such evidence might include:</p> <ul style="list-style-type: none"> • Records of assessment validation outcomes and information about how these outcomes have impacted on assessment at other sites • Strategies for training and assessment that take into account the different contexts in which training and assessment take place • Evidence of ongoing communication between sites • Student records that are maintained centrally and that can be accessed by the audit team • Evidence of professional development that has been conducted across sites • Collation of stakeholder feedback from all sites and analysis that is site specific as well as relevant to the overall operations of the RTO. <p>Preliminary conclusions should be cross-checked with the rest of the audit team members and other information gathered.</p> <p>Applicants for registration</p> <p>Evidence is gathered by interviewing the applicant's Executive Officer or their nominee and staff already engaged by the applicant.</p> <p>The focus of the audit is on the capability of the applicant to operate effectively as an RTO once it gains registration. This should be explored to determine:</p> <ul style="list-style-type: none"> • Whether the applicant has a clear understanding of where and how it will operate • Whether the applicant has a clear understanding of the structure of the proposed RTO • Who its clients will be • How it intends to implement the strategies it has proposed to support its initial registration self-assessment in the short and longer term. <p>This will help to build a picture of the applicant's planned operations, in particular its strengths and challenges.</p> <p>If there is insufficient evidence that the applicant is adequately prepared to achieve the desired outcomes the audit team will need to identify where the potential shortfalls are and further investigation of applicant's planned processes will be required.</p>	

Activity	Relevant audit principles
Collecting evidence	
<p>The form of documentation presented, as well as the amount of documentation applicants intend to keep, will vary depending on their proposed size and management systems. When reviewing evidence, the audit team needs to consider:</p> <ul style="list-style-type: none"> • Relevance to quality outcomes, the Standards and elements • Alignment with other evidence collected • Sufficiency – perhaps a broader sample is needed • Links to other Standards and elements to acknowledge the inter-relationship • Effective use of audit time and resources. <p>Once evidence is gathered about the applicant’s planned operations in terms of the <i>AQTF Essential Conditions and Standards for Initial Registration</i>, preliminary conclusions should be cross-checked with the rest of the audit team members and other information gathered if required.</p>	
<p>Staff interviews</p> <p>RTOs</p> <p>Staff interviews are used to:</p> <ul style="list-style-type: none"> • Gain an understanding of how the RTO operates, particularly regarding professional development, delivery and assessment and continuous improvement • Confirm that staff understand and use the RTO’s processes • Canvass staff views about the RTO’s strengths and opportunities for improvement • Corroborate audit findings. <p>After introductions have been made and the purpose of the audit explained, the auditor should encourage the staff member to talk about their own experience. For example, to assess the extent to which the RTO’s operations are systematic you could ask:</p> <p><i>‘I’m interested in how you are kept informed about the way the RTO operates. Can you tell me how you were inducted into the RTO and how you are kept up to date with information relevant to your job?’</i></p> <p>Or, to examine how the RTO engages with industry when developing strategies for training and assessment:</p> <p><i>‘Could you explain how the strategy for training and assessment for this qualification was developed? How do you use it?’</i></p>	

Activity	Relevant audit principles
Collecting evidence	
<p>Applicants for registration</p> <p>Staff interviews are used to:</p> <ul style="list-style-type: none"> • Gain an understanding of how the applicant intends to operate • Confirm that staff understand the planned processes • Corroborate audit findings. <p>After introductions have been made and the purpose of the audit explained, the auditor should encourage the staff member to talk about their understanding of their role when the applicant is registered as an RTO. For example, to assess the extent to which the staff member understands their prospective role you could ask:</p> <p><i>'I'm interested in whether you will have a role in the decisions made by the Executive Officer about the way in which the RTO will operate. Have you been provided any information about this?'</i></p> <p>Or, to examine how the applicant has engaged with industry when developing strategies for training and assessment:</p> <p><i>'Could you explain how the strategy for training and assessment for this qualification was developed? How will you use it?'</i></p>	
<p>Student/client interviews at RTO audits</p> <p>The identity of individual learners should be protected and not be identified by name in an audit report.</p> <p>Learner or client interviews provide the same kind of information as staff interviews, although with a different focus. Learners or clients indicate how satisfied they are with the RTO's services and whether they feel that their needs are catered for.</p> <p>As with the staff interviews, after introductions have been made, it is important to give the learner or client a context for the questions, perhaps by starting the discussion with a statement like:</p> <p><i>'I'm interested in finding out about the services that are available to learners ...'</i></p> <p>When interviewing learners it can be more effective to talk to a small group.</p> <p>When interviewing a group of students, they should be advised that they are also welcome to talk to you individually.</p> <p>Conclusions cannot be drawn from one-off events or unsubstantiated claims. If an issue is raised in an interview, it needs to be checked with subsequent interviewees and the interview sample broadened, if necessary.</p>	

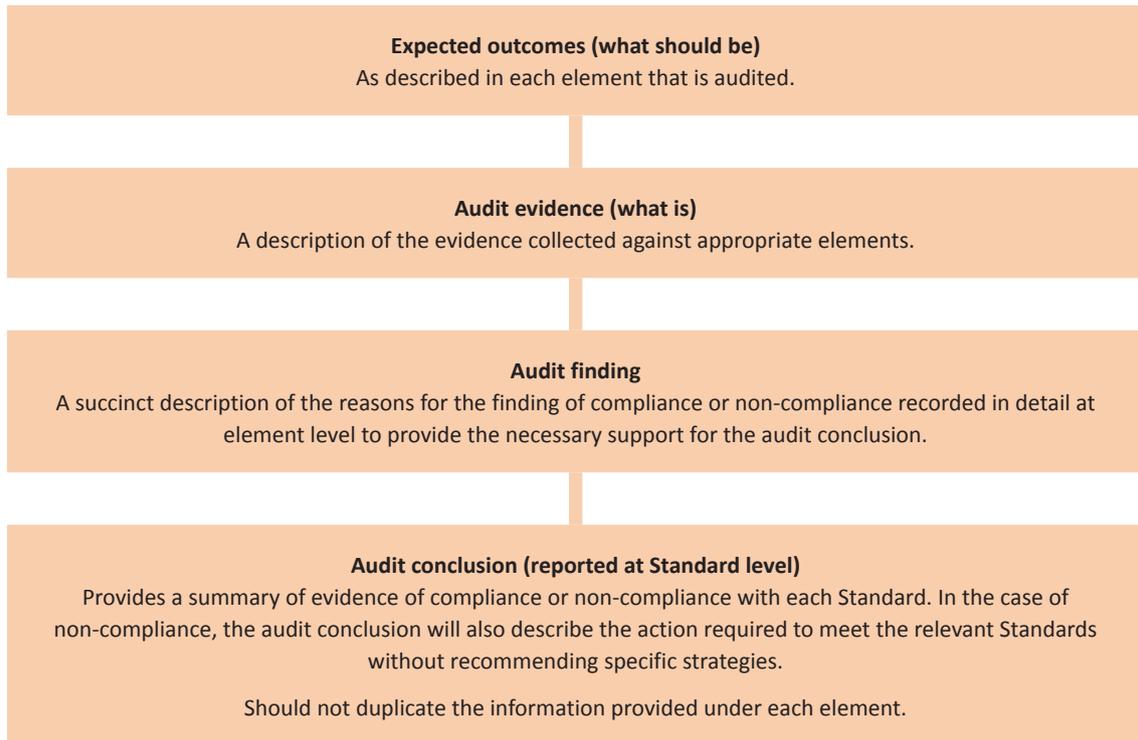
Activity	Relevant audit principles
Analysing the evidence collected	
<p>RTOs</p> <p>Analysis of information collected occurs during the audit as a picture of the RTO's outcomes and compliance begins to form, and at the end of the audit when all of the information collected has been considered.</p> <p>Analysis at audit is the process of examining and validating the available evidence in order to develop and report conclusions that are clear, reasonable and objective so that those reading the audit report can understand it without having to refer to detailed supporting evidence.</p> <p>The term 'reasonable' in this context refers to the ability of the registering body to understand the reasons why the audit team reached a particular conclusion. The audit findings should be presented objectively and factually, with a clear rationale for the recommendation.</p> <p>The term 'objective' refers to conclusions that are fair, balanced and free of bias.</p> <p>The audit team considers the outcomes achieved by the RTO when formulating decisions about its compliance.</p> <p>Auditors should ask themselves questions such as:</p> <ul style="list-style-type: none"> • Has training and assessment been improved to meet the changing needs of clients, industry and Training Package requirements? • Have these improvements been achieved through the systematic collection and analysis of data? • Do client services meet the needs of clients? • Is the organisation operating effectively? • Do staff know what their responsibilities are and do they meet these responsibilities? <p>If the RTO has not been active for very long, it may not have had the opportunity to achieve outcomes for clients. In this case, the audit team may need to make a judgement about whether the processes the RTO has instituted are likely to achieve the desired outcomes.</p> <p>The audit team determines:</p> <ul style="list-style-type: none"> • Whether the evidence collected supports (or does not support) a judgement that the RTO meets the requirements of the <i>AQTF Essential Conditions and Standards for Continuing Registration</i>. • Whether sufficient valid evidence has been collected • What gaps there are, if any, in the evidence, and the causes of any apparently poor outcomes achieved by the RTO • Whether further investigation needs to take place • Whether there are opportunities for improved performance. 	<ul style="list-style-type: none"> • Systematic • Flexible • Outcomes-focused • Evidence-based • Focused on continuous improvement • Fair, open and transparent.

Activity	Relevant audit principles
Analysing the evidence collected	
<p>It is essential that the audit team organises the evidence collected so that it can be analysed effectively and will support the conclusions drawn.</p> <p>The audit team members will record the evidence presented by the RTO either directly into the national audit report template (refer to www.training.com.au) or by using another recording tool during the audit and then translating this information into the national reporting template.</p> <p>Whatever format is used at the audit, the record must be reliable and all members of the audit team must be encouraged to contribute to discussions about the RTO's performance.</p> <p>When considering the information collected, refer directly to the wording in the <i>AQTF Essential Conditions and Standards for Continuing Registration</i>. For example, the word 'systematic' is used in Element 3.2. This does not mean that an RTO must have a formal 'system' in place (for example, a quality system), rather that the approach the RTO uses is organised, comprehensive, repeatable, and subject to review and improvement.</p> <p>There is little prescription in the Standards, and auditors should be open to a range of evidence provided by RTOs.</p> <p>If there is conflicting evidence and all avenues have been exhausted to resolve the conflict, the audit team should draw audit conclusions after considering the weight that should be given to each piece of evidence.</p> <p>Any conclusions drawn by the audit team must be supported by clear, unambiguous, reliable and corroborated evidence. Any decisions made about non-compliance must be defensible.</p> <p>Applicants for registration</p> <p>Analysis of information collected occurs during the audit as a picture of the applicant's compliance begins to form, and at the end of the audit when all of the information collected has been considered.</p> <p>Analysis at audit is the process of examining and validating the available evidence in order to develop and report conclusions that are clear, reasonable and objective so that those reading the audit report can understand it without having to refer to detailed supporting evidence.</p> <p>The term 'reasonable' in this context refers to the ability of the registering body to understand the reasons why the audit team reached a particular conclusion. The audit findings should be presented objectively and factually, with a clear rationale for the recommendation.</p> <p>The term 'objective' refers to conclusions that are fair, balanced and free of bias.</p> <p>The audit team considers whether the processes planned by the applicant applying for registration are likely to achieve the desired outcomes.</p>	

Activity	Relevant audit principles
Student/client interviews at RTO audits	
<p>The audit team determines:</p> <ul style="list-style-type: none"> • Whether the evidence collected supports (or does not support) a judgement that the applicant meets the requirements of the <i>AQTF Essential Conditions and Standards for Initial Registration</i>. • Whether sufficient valid evidence has been collected • What gaps there are, if any, in the evidence • Whether further investigation needs to take place. <p>It is essential that the audit team organises the evidence collected so that it can be analysed effectively and will support the conclusions drawn.</p> <p>The audit team members will record the evidence presented by the applicant either directly into the national audit report template (refer to www.training.com.au) or by using another recording tool during the audit and then translating this information into the national audit report template.</p> <p>Whatever format is used at the audit, the record must be reliable and all members of the audit team must be encouraged to contribute to discussions about the applicant’s application.</p> <p>When considering the information collected, refer directly to the wording in the <i>AQTF Essential Conditions and Standards for Initial Registration</i>. For example, the terms ‘strategy’ and ‘defined process’ are used throughout the Standards. These terms are used to ensure that the applicant is proposing a clear blueprint for managing the RTO once registration is gained. The amount of documentation to support the applicant’s blueprint will depend on the complexity and scope of the proposed RTO. Auditors should not have a set view of what constitutes a strategy or defined process. Instead they should be checking that what is proposed provides sufficient direction to management and staff. There is little prescription in the Standards, and auditors should be open to a range of evidence provided by applicants.</p> <p>If there is conflicting evidence and all avenues have been exhausted to resolve the conflict, the audit team should draw audit conclusions after considering the weight that should be given to each piece of evidence.</p> <p>Any conclusions drawn by the audit team must be supported by clear, unambiguous, reliable and corroborated evidence. Any decisions made about non-compliance must be defensible</p>	

Activity	Relevant audit principles
Providing feedback	
<p>The closing meeting provides the audit team with an opportunity to confirm the basis of their findings with the RTO/applicant. It provides the RTO/applicant with an opportunity to comment on the audit conclusions.</p> <p>The closing meeting should not be rushed. The lead auditor should:</p> <ul style="list-style-type: none"> • Thank the RTO's/applicant's staff for their assistance • Outline the RTO's/applicant's strengths • Discuss any opportunities for improvement identified by the audit team • Outline the findings and recommendations. <p>If the audit team have concluded that the RTO/applicant does not meet one or more of the Standards the lead auditor should:</p> <ul style="list-style-type: none"> • Discuss any gaps in evidence that need to be addressed for the RTO to become compliant with the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> or for the applicant to become compliant with the <i>AQTF Essential Conditions and Standards for Initial Registration</i> • Inform the RTO/applicant of future action • Answer any questions. <p>The Closing Meeting Checklist in Appendix 2 can be used to ensure that the RTO/applicant has been fully briefed about the outcomes of the audit, especially if negative findings have been made about an RTO/applicant's operation.</p> <p>When providing information to the RTO/applicant at the closing meeting it is important to be sensitive and convey clear messages about the audit team's findings. It is essential to leave the RTO/applicant with an honest picture of the audit outcomes and a clear sense of the gaps identified.</p>	<ul style="list-style-type: none"> • Fair, open and transparent
Developing the audit report	
<p>The audit report may be developed before the closing meeting or soon after the conclusion of the audit.</p> <p>The audit report is an important record and should be clear, consistent and accurate in accordance with the reporting format of the national audit report template, which is available at www.training.com.au. It must detail the evidence that leads to a finding of compliance or a finding of non-compliance. The report must provide a conclusion against each Standard to summarise the audit outcomes. The report should note any strengths and opportunities for improvement in relation to the <i>AQTF Essential Conditions and Standards for Initial Registration/AQTF Essential Conditions and Standards for Continuing Registration</i>. The evidence and findings must also be detailed for each aspect of the <i>AQTF Essential Conditions and Standards for Initial Registration/AQTF Essential Conditions and Standards for Continuing Registration</i>.</p>	<ul style="list-style-type: none"> • Fair, open and transparent • Outcomes-focused • Evidence-based • Focused on continuous improvement.

The following diagram explains how audit findings are formulated:



The auditor’s reasoning should clearly lead to the conclusion. When drawing together the report for the registering body the auditor includes a summary at Standard level of findings for each element. This summary provides a conclusion about the RTO’s/applicant’s compliance or non-compliance with each Standard, and includes details of any major gaps in evidence, the implications for the quality of training and assessment, and suggested responses. The summary does not replicate the detail of the audit report at element level. The summary at Standard level reports, where identified, on the RTO’s/ applicant’s strengths and any opportunities for improvement.

Where relevant the auditor also reports on the audit findings in relation to the Conditions of Registration.

Using the National Audit Report template for the AQTF Essential Standards

Reporting an audit conclusion of compliance at Standard level in the *AQTF Essential Conditions and Standards for Continuing Registration* will look something like the sample below.

Standard 1 The RTO provides quality training and assessment across all of its operations		
Evidence	Result	✓
<p>RTO LMN is compliant with Standard 1.</p> <p>The RTO is collecting data from its key clients that demonstrate a high level of satisfaction with training and assessment outcomes and learner and client services. The RTO also collects data from all of its trainers and assessors and engages them in making decisions about improvements to training and assessment. The RTO's results from continuous improvement demonstrate that the RTO is systematic in its approach and is evaluating the effectiveness of these improvements.</p> <p>The RTO's training and assessment strategies have recently been reviewed in response to outcomes of industry consultation. The RTO has access to the facilities, equipment and training and assessment resources that reflect current industry requirements and meet the requirements of the Training Package qualifications assessed at audit.</p> <p>Trainers and assessors hold the relevant trainer and assessor competencies and where this is not the case suitable arrangements are in place for their direct supervision. Trainers have continued to develop their competency.</p>	Compliant	✓
	Non-compliant	
	Not audited	
Strengths		
RTO LMN has very effective relationships with its industry clients and the RTO uses input from these clients to validate its training and assessment strategies.		
Opportunities for improvement		
RTO LMN has very effective relationships with its industry clients and the RTO uses input from these clients to validate its training and assessment strategies.		

Reporting an audit finding of compliant at AQTF Element level in the *AQTF Essential Conditions and Standards for Initial Registration* will be similar to the following:

2.3 The applicant has in place a process and mechanism to provide all clients information about the training, assessment and support services to be provided, and about their rights and obligations, prior to enrolment or entering into an agreement.		
Evidence	Result	✓
<p>KMN Training has developed procedures for staff about the provision of pre-enrolment information. This information is to be provided through either directing potential students to the applicant’s website, or if they do not have access to the Internet, by providing them with hard copy brochures. The applicant also provided an information session outline, PowerPoint presentation and handouts for students. The pre-enrolment procedure and the Internet information both stated that potential students are required to attend an information session before they will be considered for entry into a course.</p> <p>The pre-enrolment information included a comprehensive description of the programs, entry requirements, the qualifications that students will receive on completion and possible employment and further education and training opportunities, information about complaints and appeals, legislation that affects students’ participation in training and assessment, support services available, and students’ rights and responsibilities.</p> <p>In addition, the applicant’s induction materials for staff included reference to the applicant’s planned processes for provision of information to students before enrolment..</p>	Compliant	✓
	Non-compliant	✓
	Not audited	
Findings		
<p>KMN Training has satisfactory arrangements in place for all prospective clients to be supplied with information about the training, assessment and support services to be provided, and about their rights and obligations.</p>		

Reporting an audit conclusion of non-compliance at Standard level in the *AQTF Essential Conditions and Standards for Continuing Registration* will look something like the sample that follows. Note that examples of evidence analysed which support the conclusion reached are included against each element.

Standard 1 The RTO provides quality training and assessment across all of its operations		
Evidence	Result	✓
<p>RTO BCD is non compliant in Standard 1.</p> <p>The RTO provided evidence that some aspects of the quality of training and assessment had been improved as a result of feedback collected from stakeholders. However, this activity related only to face-to-face training and assessment and not to online training and assessment activity, which makes up the bulk of the RTO's business (refer Element 1.1).</p> <p>There was insufficient learning support for online students, thus the strategy for training and assessment was inadequate, given the learners' characteristics (refer Element 1.2)</p> <p>The training and assessment materials for the online programs did not reflect current workplace requirements as specified in the Training Package. The unsuitability of these materials indicates that the current level of attrition in online learning programs will continue as clients' needs are not being met. Students are not being provided with training and assessment that meets current workplace practice and, because of this, the quality of training and assessment is undermined (refer Elements 1.3, 1.5).</p> <p>The RTO will need to develop a strategy to collect, analyse and act on feedback from online students, as the basis for continuous improvement of training and assessment.</p> <p>The RTO will need to revise its strategy for training and assessment so that online students receive adequate learning support.</p> <p>The RTO will also need to revise its online learning and assessment materials for this qualification so that they meet the needs of learners and the requirements of the Training Package.</p>	Compliant	
	Non-compliant	✓
	Not audited	
Strengths		
RTO BCD has an excellent professional development program in place for staff.		
Opportunities for improvement		
It is suggested that consultation with industry stakeholders in the development of strategies for training and assessment, which is currently kept as a set of emails, is formally summarised and analysed so that when the strategies are reviewed this information is more accessible.		

The following sample illustrates the reporting of a finding of non-compliance at Element level in the *AQTF Essential Conditions and Standards for Continuing Registration*.

3.3 The RTO monitors training and/or assessment services provided on its behalf to ensure that it complies with all aspects of the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> .		
Evidence	Result	
<p>XYZ Training is conducting workplace training and assessment on behalf of the RTO. A written agreement between the two organisations has been in place since February 2009.</p> <p>The agreement did not include: responsibilities for quality assuring and continuous improvement of training and assessment, client services and administrative systems, including collecting of stakeholder feedback (AQTF Elements 1.1, 1.5, 2.1, 2.2, 3.1, 3.2); the provision of information to clients before enrolment and client support (AQTF Element 2.3); or responsibility for managing complaints and appeals (AQTF Element 2.7). Through discussions with RTO management and management at XYZ Training, it was confirmed that neither party considered they had responsibility for these aspects of the <i>AQTF Essential Conditions and Standards for Continuing Registration</i>.</p> <p>Communication between the RTO and XYZ Training is solely by telephone and no record is kept of these discussions. Neither party was able to provide examples of monitoring or reviewing the agreements as telephone calls were about logistical matters.</p>	Compliant	
	Non-compliant	✓
	Not audited	
	Not applicable	
Findings		
<p>RTO BCD did not have satisfactory arrangements in place to quality assure and monitor the training and assessment carried out on its behalf.</p>		

Using the National Audit Report template for the AQTF Conditions of Registration

When auditing the AQTF Conditions of Registration, the auditor's role is to determine whether there is evidence to conclude that the Condition has been met. As with the AQTF Essential Standards, audit decisions should be guided by the complexity and scope of the organisation's operations/planned operations.

Here is an example of a summary report for the AQTF Conditions of Registration:

Condition of Registration		Compliant	Non-compliant	Not audited
1	Governance	✓		
2	Interactions with the Registering Body	✓		
3	Compliance with Legislation	✓		
4	Insurance		✓	
5	Financial Management	✓		
6	Certification & Issuing of Qualifications & Statements of Attainment		✓	
7	Recognition of Qualifications issued by other RTOs		✓	
8	Accuracy and Integrity of Marketing	✓		
9	Transition to Training Packages/Expiry of Accredited Courses	✓		
Summary of non-compliances				
<p>The RTO did not have evidence of current public liability insurance; its statement of attainment template did not meet the requirements of the current AQF Implementation Handbook; and, an examination of student files revealed that two students had not received recognition of units of competency gained at another RTO.</p>				
Recommendations				
<p>The RTO is required to provide evidence that it holds all the required current insurances.</p> <p>The RTO is required to revise its templates so that its clients receive Statements of Attainment that meet AQF Implementation Handbook requirements.</p> <p>The RTO is required to revise its processes so that all students eligible for recognition of qualifications issued by other RTOs are given this recognition.</p>				
Strengths				
<p>The information provided to prospective clients about fees, charges and refunds is very well presented and accessible.</p>				
Opportunities for Improvement				
<p>The RTOs marketing materials would be improved if the minor typographical errors in the website information about training and assessment were corrected.</p>				

Below is an example of a finding of compliance at Condition of Registration level for the *AQTF Essential Conditions and Standards for Initial Registration*.

Condition 7 – Recognition of Qualifications Issued by other RTOs		
The organisation must confirm that it will recognise the AQF qualifications and Statements of Attainment issued by any other RTO.		
Evidence	Result	✓
<p>The applicant had the following in place:</p> <ul style="list-style-type: none"> • Procedure for recognition of qualifications issued by other RTOs • Induction program for administrative staff, including information about their responsibilities for administrating recognition processes • Marketing and student orientation materials that clearly stated that the RTO would recognise qualifications issued by other RTOs, together with information about how to apply for this recognition • Student records management system that had capacity to record the units of competency for which recognition was provided. 	Compliant	✓
	Non-compliant	
	Not audited	
Findings		
The applicant demonstrated sufficient capacity to recognise the AQF qualifications and statements of attainment issued by any other RTO.		

Below is an example of a finding of non-compliance at Condition of Registration level for the *AQTF Essential Conditions and Standards for Continuing Registration*.

Condition 8 – Accuracy and Integrity of Marketing		
<p>The RTO must ensure its marketing and advertising of AQF qualifications to prospective clients is ethical, accurate and consistent with its scope of registration. The NRT logo must be employed only in accordance with its conditions of use.</p>		
Evidence	Result	✓
<p>The RTO’s only marketing strategy was to use its website. The website information was accurate in all aspects except for two items:</p> <ul style="list-style-type: none"> The NRT logo was used on the front page of the website, but this page referred to non NRT training, which is potentially misleading to prospective clients. The description of training included reference to online training, but the RTO does not deliver online training. 	Compliant	
	Non-compliant	✓
	Not audited	
Findings		
<p>The RTO does not comply with Condition of Registration 8 because marketing materials are inaccurate and the NRT logo is used contrary to NRT logo specifications.</p>		

The desk audit

Desk audits are scheduled according to the business rules in the AQTF National Guideline for Risk Management. A desk audit can be used to:

- Make a judgement about compliance with the *AQTF Essential Conditions and Standards for Continuing Registration* based on documentation provided by the RTO.
- Make a judgement about an applicant’s readiness to be audited against the *AQTF Essential Conditions and Standards for Initial Registration*
- To prepare for a site audit.

The same audit principles that apply to site audits apply to desk audits.

A desk audit is limited by the documentation that an RTO/applicant can provide. If further information is required, a follow-up telephone call to clarify and discuss particular issues or to request additional evidence can be made.

The following steps are used for desk audits:

Activity	Relevant audit principles
<p>Confirm the aspects of the Conditions and/or Standards that are going to be audited.</p>	<ul style="list-style-type: none"> • Systematic
<p>Ensure that the resources required to conduct the desk audit are in place. This may include getting agreement from technical advisers to participate, audit tools and background information on the RTO/applicant.</p>	<ul style="list-style-type: none"> • Systematic • Flexible
<p>Conduct the audit, completing the audit report to record the findings. Using the Standards as a guide, examine the evidence provided and identify and gaps if they exist.</p> <p>If evidence is lacking, request further evidence from the RTO/applicant. It is important to explain clearly why the evidence submitted is insufficient, and what additional type of evidence is needed. If the quality of the evidence is insufficient and the RTO/applicant cannot, or does not, provide additional evidence by the required date, a judgement can be made that:</p> <ul style="list-style-type: none"> • The RTO is non-compliant or that • The application for registration cannot progress. 	<ul style="list-style-type: none"> • Systematic • Flexible • Outcomes-focused • Evidence-based • Focused on continuous improvement • Fair, open and transparent

SECTION 6

THE AUDIT APPROACH

Suggested approaches for AQTF audits

This section of the Handbook suggests approaches to audit that could be used. It also discusses risk factors and their effects on the auditing approach.

The *AQTF Essential Conditions and Standards for Initial Registration/AQTF Essential Conditions and Standards for Continuing Registration* are not designed to be audited in a linear fashion, starting with Element 1.1 and then working consecutively through the elements. This linear approach is not recommended because the elements are interconnected and an organisation's evidence will be better understood if it is considered holistically and in the context of the organisation's operations.

Whatever approach to audit is used with an RTO, it must focus on the outcomes that the RTO is (or is not) achieving before discussing the processes used to achieve those outcomes. Discussion of outcomes is not relevant to applicants for registration.

The requirements of the Standards set down in the audit plan must be audited. The approach to audit must be discussed with the RTO/applicant for registration prior to the audit so that there is clarity and agreement about how the audit will proceed.

Holistic audit approaches

The following possible approaches focus on the outcomes and evidence from core RTO processes that can be linked back to the relevant requirements of the *AQTF Essential Conditions and Standards for Continuing Registration*. These approaches foster a more holistic way of viewing an RTO's business and achievement of planned approaches to quality training and assessment.

These approaches can be used with applicants for registration, but the focus will not be on outcomes as the applicant's strategies will not have been implemented.

The following approaches are described in further detail below:

- From marketing to awarding a credential
- A continuous improvement approach
- An approach using strategies for training and assessment.

From marketing to awarding a credential

RTOs

The auditor asks the RTO representative to 'step through' the processes used with specific groups of clients, from:

- Marketing and providing information to clients (Elements 2.3, 2.6, 2.7, 3.1, 3.3) to
- Identifying individual clients' needs (Elements 2.1, 2.5, 3.1) to
- Developing (or adjusting) the strategy for training and assessment (Elements 1.2, 1.4, 1.5, 2.4, 3.3) to
- Providing client support (Standard 2) to
- Delivering to clients (Elements 1.3, 2.4, 2.5, 3.3) to
- Assessing clients (Elements 1.2, 1.3, 1.5, 2.4, 2.5, 3.3) to
- Providing feedback to clients (Elements 2.4, 2.5, 2.6, 2.7, 3.3) to
- Recording results of clients (Element 2.6, 3.3, 3.4) to
- Awarding credentials to clients (Elements 2.6, 3.3, 3.4).

The review and continuous improvement of outcomes and processes can also be addressed using this approach (Elements 1.1, 2.2, 2.4, 3.1, 3.2, 3.3).

The audit should be focused on evidence of outcomes wherever relevant, using questions (while examining supporting evidence) such as:

- *Did these clients receive information about training, assessment and client services before they registered/enrolled? How do you know that this information was suitable for your clients? Have any changes been made to the information provided to clients in response to feedback?*
- *How is the effectiveness of training and assessment measured for these clients? What were your findings? Did you make any changes as a result of these findings?*

These questions would then lead to other questions about process, for example:

- *Take me through the assessment tools you used for these units of competency. Could you show me how you established that they meet the requirements of the Training Package?*
- *What do you do to ensure your assessors for this qualification are making reliable judgements?*

Applicants for registration

With applicants for registration as an RTO the approach described above can be used. Questions will be focussed on the organisation's planned strategies and processes and their understanding of how they will be implemented:

- *Given your intended clients, how do you know that the information you have planned to provide them about the RTO and its services will be accessible to them?*
- *What have you learnt from consulting with industry? What impact did this have on your strategies for training and assessment?*
- *If you gained registration in two weeks how would you get the RTO 'up and running'?*

A continuous improvement approach

RTOs

Auditors can also construct the audit around continuous improvement outcomes and processes. The RTO representative should be asked to provide some examples of improvements that have been made to the way the RTO operates, including the:

- Way in which training and assessment is planned and delivered
- Way in which services are provided to clients
- Administration processes used.

A discussion of continuous improvement will give you a good overview of how the RTO is operating, particularly in relation to Elements 1.1, 1.2, 1.3, 1.5, 2.1, 2.2, 2.4, 2.5 2.6, 2.7 and all of Standard 3. Follow-up questions, requiring supporting evidence for the responses, will address the remaining elements, if they have not already been covered.

When exploring outcomes relating to continuous improvement, examples of questions that could be used (together with supporting evidence) include:

- *What data do you collect about your services?*
- *What have you learnt from this information?*
- *What changes have you made to training and assessment and to the way in which your services are provided to clients?*
- *How do you know that your strategies for training and assessment meet industry requirements and Training Package/accredited course requirements?*
- *Can you give me an example of adjustments made to a training and assessment strategy? Why did you make them?*
- *Have you made any recent changes to administrative processes? How did these changes come about?*

Process questions could include:

- *How do you ensure that the organisation delivering training and assessment on your behalf is providing good quality training and assessment?*
- *Take me through the processes you use to ensure that continuous improvement is systematic throughout the RTO. How are your staff members involved with continuous improvement strategies and implementation?*

Applicants for registration

Questions will be about the processes the applicant intends to use to improve the quality of its operations and also about what it would like to achieve.

Questions could include:

- *How will you ensure that stakeholders such as students, trainers and industry clients will contribute to improving the quality of training and assessment?*
- *How will you collect data on the quality of client services? How will you ensure that your data collection processes and tools are effective?*
- *How will you ensure that the administration processes planned for the business continue to be effective as the RTO grows and changes?*

An approach using strategies for training and assessment

RTOs

Another way to structure an audit is by using training and assessment strategies as the starting point. This means exploring Standard 1 and many aspects of Standards 2 and 3. The remaining elements can be explored through the collection of further evidence.

Outcomes-focused questions (together with supporting evidence) might include:

- *How do you know that your strategies for training and assessment produce high-quality outcomes?*
- *Could you explain how assessment was carried out for these two units of competency?*
- *What informed the development of the assessment tools?*
- *You've identified learners who may have literacy support needs. How did you know that their needs were met?*
- *You developed this strategy with input from local employers. Do you know whether they were satisfied with the way training and assessment was subsequently carried out? Based on this information, have you made any changes to the strategy?*
- *Has data been collected on the quality of assessment conducted by the organisation that is assessing on your behalf? Has your RTO made any changes in light of this data?*

Process questions could include:

- *Could you explain how the strategy for training assessment for this qualification was developed and how trainers and assessors use the strategies?*
- *How do you inform your clients about the support services that you offer?*
- *How do you ensure that the partnering organisation is implementing the assessment strategy that you both agreed to?*

These approaches can be starting points for audits. A combination of approaches may be used. The key is to adopt an approach that has been agreed with the RTO, that is logical, that considers the elements holistically and that concentrates on outcomes before moving on to processes where an outcome has not been clearly demonstrated.

Applicants for registration

By exploring the applicant's training and assessment strategies the auditor can gain a clear sense of how prepared an applicant is to provide training and assessment that meets the needs of intended learners, the requirements of Industry and the requirements of the Training Package/accredited course.

- *Potential industry clients have provided input to your strategy for training and assessment. How will you ensure that the training and assessment provided to these clients meets their stated preferences?*
- *How will trainers and assessors use the strategies for training and assessment?*
- *You've planned to deliver this qualification online. How do you know that this style of delivery will suit the clients you have identified? What do you know about the support they might require when studying online? How will this support be provided?*
- *Do you envisage any challenges when monitoring the training and assessment provided on your behalf in the partnership agreement you have described? How will you manage these challenges?*

Considering risk

The AQTF National Guideline for Risk Management describes the processes used by the registering body to schedule and determine the scope of an RTO's audit. These processes assign a risk rating to each RTO and applicant for registration and also assess the risks associated with applications for registration and an RTO's operating context.

The auditor must consider any factors that potentially increase the risk associated with an applicant or an RTO's ability to meet the requirements of the *AQTF Essential Conditions and Standards for Initial Registration/AQTF Essential Conditions and Standards for Continuing Registration*. The auditor must be aware of potential risks when planning and carrying out the audit in order to make an opportunity to explore them and to decide how they are managed by the RTO, or will be managed by the applicant for registration.

SECTION 7

THE AUDIT TEAM

Audit team roles and responsibilities

An audit may be conducted by a single lead auditor or by an audit team consisting of a lead auditor, one or more auditors and/or a technical adviser. The National Code of Practice for Auditors and Technical Advisers describes the conditions that an auditor and technical adviser must adhere to when fulfilling their roles during audits (Appendix 1).

Lead auditor

The role of the lead auditor is to:

- Confirm the scope of the audit with the registering body
- Contact the RTO or applicant and make an appointment for the audit
- Identify and confirm resources (including audit team members and audit documentation) required to conduct the audit
- Review documentation and develop a plan and schedule for the audit in conjunction with the RTO or applicant and then confirm these arrangements
- Brief the audit team
- Conduct the opening meeting
- Identify and gather information
- Manage audit team resources by ensuring that there is effective communication between the members of the audit team, and by working with the RTO or applicant's representative to ensure that auditors and technical experts have access to the materials, sites and personnel they require
- Coordinate the audit findings by meeting with the audit team to synthesise the evidence collected
- Prepare the audit report with support from the audit team
- Conduct the feedback session with the RTO or applicant and confirm follow-up
- Provide information to the RTO or applicant about the complaints process and follow-up action required
- Provide feedback to the audit team.

Auditors

The role of an auditor is to:

- Participate in the opening meeting
- Identify and gather information
- Analyse information
- Evaluate information
- Report findings
- Participate in the feedback session
- Undertake other duties as requested by the lead auditor.

Technical Advisers

The participation of a technical adviser in AQTF quality assurance audits is also described in the AQTF National Guideline for Industry Body Engagement. The Guideline outlines opportunities for the registering body, and industry bodies such as industry regulators and industry skills councils to collaborate in a variety of ways, both before and during audits, to quality assure the training and assessment services offered by RTOs or applicants. Technical advisers may be used to provide advice to auditors where a registering body has determined that access to expert industry advice is necessary to ensure that strategies for training and assessment meet industry requirements. Technical advisers can advise the audit team on current industry, regulatory or workplace requirements.

Technical advisers must be familiar with the content of the vocation; have proof of expertise through relevant, current experience in the industry sector; must have knowledge of training and assessment issues related to their industry; and ideally meet the requirements of AS/NZS ISO 19011:2003, Guidelines for Quality and/or Environmental Management Systems Auditing (Section 7.2 – Personal Attributes).

Technical advisers are not auditors and will at all times during a site audit work under the direction and supervision of an auditor. At a site audit the role of a technical adviser is to assist the auditor to:

- Identify and gather information about strategies for training and assessment, the quality of training and assessment, the qualifications of staff and adherence to legislation and regulatory requirements as they affect the quality of training and assessment
- Analyse and evaluate information
- Report findings and clarify issues relating to training and assessment, including legislative and regulatory requirements
- Undertake other duties as requested by the lead auditor.

Technical advisers will normally participate in the opening meeting for the audit and may also participate in the closing meeting. Technical advisers may also participate in a desk audit by evaluating training and assessment materials.

The registering body may also choose to access technical experts to provide input to an assessment of the RTO or applicant. This might include financial advisors to assess an RTO or applicant's financial status. The outcomes of this assessment may have an impact on the audit findings and the lead auditor is required to consult with the registering body or technical expert regarding the presentation of these findings in the audit report.

Observers

Sometimes observers attend audits to ensure that correct audit processes are being followed. Also, trainee auditors or members of the registering body's staff may attend audits as observers. Auditors from registering bodies in other states or territories may attend as observers on occasions as part of the national strategy to build national consistency in audit approaches across Australia. Observers do not have an active role in the audit. The registering body will seek permission from the RTO or applicant if an observer is to attend the audit.

Audit team competencies

Confidence and reliance in the AQTF audit process depends on the competence of audit teams who conduct audits on behalf of state and territory registering bodies.

The registering body must ensure that for each AQTF audit the lead auditor and/or audit team has the minimum competency requirements specified in this Handbook.

An audit team may comprise a lead auditor and one or more auditors, and may also include technical advisers who provide specific knowledge or expertise to the audit team. Technical advisers must operate under the direction of an auditor. Any technical adviser involved in an audit is not required to comply with the minimum competency requirements specified for auditors.

It is also possible that an audit team may include auditors in training. These individuals should audit only with direction or guidance from the lead auditor.

The lead auditor is the audit team leader, responsible for the audit's management and reporting. If only one auditor is conducting an audit, that auditor must perform all the relevant duties of a lead auditor as specified in this Handbook, and meet all essential competency requirements.

Audit team competence should be demonstrated by a blend of essential components, which are generic to quality management systems and specific to the VET context. The essential competency requirements of an audit team are:

- Personal attributes, which must be met by all auditors
- Generic skills, which must be met by all auditors
- VET knowledge, which must be met by all auditors
- Audit qualifications, which must be met by the lead auditor
- Work experience, which must be met by the lead auditor
- VET qualifications, which must be met collectively by the audit team.

Personal attributes

Auditors must be able to meet the requirements of AS/NZS ISO 19011:2003, Guidelines for Quality and/or Environmental Management Systems Auditing (Section 7.2 – Personal Attributes). Auditors must be ethical, open minded, diplomatic, observant, perceptive, versatile, tenacious, decisive, and self-reliant.

Generic skills

Each auditor must have the following generic skills:

- Verbal communication and interpersonal skills, including negotiation and conflict-resolution skills
- The ability to work with others and in teams
- Written communications skills, including report writing
- Planning and organisational skills
- Conceptual, analytical and problem-solving skills
- Computer and internet skills.

VET knowledge

Each auditor must have the following VET-specific knowledge:

- AQTF
- Management systems and processes, particularly in a VET context, and how to analyse them
- How legislation relates to RTOs' operations
- The range of VET contexts and operations
- How effective strategies for training and assessment can be developed
- How to assess the quality of training and assessment and identify improvements
- The principles of evidence and how to apply them in an outcomes-based auditing environment.

Audit qualifications

A lead auditor must possess formal auditor qualifications such as those described in the AS/NZS ISO 19011:2003, Guidelines for Quality and/or Environmental Management Systems Auditing, or its equivalent.

Note: for AQTF auditors, the following units of competency are determined to be equivalent to the lead auditor qualification requirements in the AS/NZS ISO19011:2003 Guideline:

- BSBAUD402B Participate in a quality audit
- BSBAUD501B Initiate a quality audit
- BSBAUD503B Lead a quality audit
- BSBAUD504B Report on a quality audit.

Work experience

Lead auditors are required to have relevant, current work experience in:

- Education or training
- Quality systems auditing.

VET qualifications

The audit team must collectively hold or be able to demonstrate competencies equivalent to the following units from the Training and Assessment Training Package (TAA04):

- TAAENV401B Work effectively in vocational education and training
- TAADES401B Use Training Packages to meet client needs
- TAAASS401C Plan and organise assessment
- TAAASS402C Assess competence
- TAAASS403B Develop assessment tools
- TAACMQ503B Lead and conduct training and/or assessment evaluations.

SECTION 8

TERMINOLOGY

The following terms are common to the VET sector and are used in the AQTF documents. Each term is followed by a definition and, where appropriate, further explanation. If the definition of a word or phrase listed below is inconsistent with the definition of the same word or phrase used in particular legislation, the definition provided in that legislation takes precedence.

Access and equity	Policies and approaches aimed at ensuring that vocational education and training are responsive to the individual needs of clients whose age, gender, cultural or ethnic background, disability, sexuality, language skills, literacy or numeracy level, unemployment, imprisonment or remote location may present a barrier to access, participation and the achievement of suitable outcomes. Access and equity principles do not mean that an RTO has to accept anyone as a client.
Accredited course	A structured sequence of vocational education and training that has been accredited by a state or territory course accrediting body and leads to an Australian Qualifications Framework (AQF) qualification or statement of attainment.
Appeal	An appeal is where a client of an RTO, or other interested party, may dispute a decision made by the RTO. The decision made by the RTO may be an assessment decision or may be about any other aspect of the RTO's operations.
Apprenticeship/traineeship	A structured training arrangement for a person employed under an apprenticeship/traineeship training contract. It usually involves the person receiving training and being assessed both on- and off-the-job.
Apprenticeship/traineeship training contract	A contract governing the terms of an apprenticeship or traineeship that is made between an employer and a person employed by them as an apprentice or trainee. The contract must be registered with the relevant state or territory's government department or agency in accordance with that state's or territory's legislation. The training provided under the contract must be delivered by an RTO approved by that state's or territory's department or agency and a Training Plan developed by the RTO must form the basis of the person's training and assessment.
Articulation	The arrangements that facilitate the movement or progression of learners from one qualification or course to another, or from one education and training sector to another.

Assessment	The process of collecting evidence and making judgements on whether competency has been achieved, to confirm that an individual can perform to the standard expected in the workplace, as expressed by the relevant endorsed industry/enterprise competency standards of a Training Package or by the learning outcomes of an accredited course.
Assessment guidelines	The endorsed component of a Training Package that underpins assessment and sets out the industry's approach to valid, reliable, flexible and fair assessment.
Assessment tools	An assessment tool includes the following components: the context and conditions for the assessment, the tasks to be administered to the candidate, an outline of the evidence to be gathered from the candidate and the evidence criteria used to judge the quality of performance (i.e. the assessment decision making rules). It also includes the administration, recording and reporting requirements.
<i>AQTF Essential Conditions and Standards for Initial Registration</i>	The requirements an organisation must meet in order to become a registered training organisation (RTO). The <i>AQTF Essential Conditions and Standards for Initial Registration</i> comprise: <ul style="list-style-type: none"> a) Conditions of Registration b) Standards and underpinning elements. c) Quality Indicators.
<i>AQTF Essential Conditions and Standards for Continuing Registration</i>	The requirements an RTO must meet in order to maintain its registration. The <i>AQTF Essential Conditions and Standards for Continuing Registration</i> comprise: <ul style="list-style-type: none"> a) Conditions of Registration b) Standards and underpinning elements. c) Quality Indicators.
Audit	A planned, systematic and documented process used to assess an applicant's or an RTO's compliance with the <i>AQTF Essential Conditions and Standards for Initial Registration</i> or the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> . Registering bodies conduct audits as a condition of registration. RTOs can conduct internal audits to assess their compliance with the Standards and their own policies and procedures as part of their continuous improvement process.
Australian Qualifications Framework (AQF)	The policy framework that defines all qualifications recognised nationally in post-compulsory education and training in Australia. The AQF comprises titles and guidelines that define each qualification, as well as the principles and protocols covering cross-sectoral qualification links and the issuing of qualifications and statements of attainment.

<p>Australian Quality Training Framework (AQTF)</p>	<p>The Australian Quality Training Framework (AQTF) is a set of nationally agreed quality assurance arrangements for training and assessment services delivered by training organisations.</p> <p>The first version of AQTF was implemented in 2002, and revised in 2002 and 2007. This version of the AQTF was implemented 1 July 2010.</p> <p>The AQTF comprises:</p> <ul style="list-style-type: none"> a) <i>AQTF Essential Conditions and Standards for Initial Registration</i> b) <i>AQTF Essential Conditions and Standards for Continuing Registration</i> (including the AQTF Quality Indicators) c) AQTF 2007 Standards for State and Territory Registering Bodies d) AQTF 2007 Excellence Criteria.
<p>Authenticity</p>	<p>One of the rules of evidence. To accept evidence as authentic, an assessor must be assured that the evidence presented for assessment is the candidate's own work.</p>
<p>AVETMISS</p>	<p>The Australian Vocational Education Training Management Information Statistical Standard (AVETMISS) for VET Providers is a national data standard that ensures the consistent and accurate capture of VET information about students, their courses, units of activity, and qualifications completed. It provides the mechanism for national reporting of the VET system.</p>
<p>Benchmarking</p>	<p>The continuous process of measuring and comparing products, services and practices with comparable systems or organisations both inside and outside the VET sector for the purpose of continuous improvement.</p>
<p>Chief Executive</p>	<p>The most senior executive of an RTO.</p>
<p>Client</p>	<p>A learner, enterprise or organisation that uses or purchases the services provided by an RTO.</p>
<p>Client services</p>	<p>The services provided by an RTO to clients in order to assist and support the successful achievement of learning outcomes.</p>
<p>Complaint</p>	<p>A complaint is any expression of dissatisfaction with an action product or service of an education and training provider (or of the registering body) made to the registering body.</p>
<p>Compliance</p>	<p>The requirements of the <i>AQTF Essential Conditions and Standards for Initial Registration</i> and the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> have been met, based on the evidence reviewed.</p>
<p>Competency</p>	<p>Competency is the consistent application of knowledge and skill to the standard of performance required in the workplace. It embodies the ability to transfer and apply skills and knowledge to new situations and environments.</p>

Continuous improvement	A planned and ongoing process that enables an RTO to systematically review and improve its policies, procedures, products and services in order to generate better outcomes for clients and to meet changing needs. It allows an RTO to constantly review its performance against the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> and to plan ongoing improvements to its performance. Continuous improvement involves collecting, analysing and acting on relevant information collected from clients and other interested parties, including the RTO's staff.
Contractors	Individuals who are engaged by an RTO through a contractual arrangement to undertake training and assessment. Contractors are included in the group 'staff' for the purposes of the <i>AQTF Essential Conditions and Standards for Initial Registration</i> and the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> .
Co-assessment	If a person does not have the assessment competencies determined by the NQC and the relevant vocational competencies at least to the level being assessed, one person with all the assessment competencies as determined by the NQC and one or more persons who have the relevant vocational competencies at least to the level being assessed may work together to conduct the assessments.
Co-requisites	A co-requisite is a unit of competency that must be undertaken as part of the same program of training delivery and/or assessment as another unit, unless it has already been completed.
Course accrediting body	The authority responsible, under the VET legislation and decision-making framework for accrediting courses for delivery both inside and outside Australia.
Credit transfer	Credit transfer assesses the initial course or subject that an individual is using to claim access to, or the award of credit in, a destination course. The assessment determines the extent to which the client's initial course or subject is equivalent to the required learning outcomes, competency outcomes, or standards in a qualification. This may include credit transfer based on formal learning that is outside the AQF.
Currency	One of the rules of evidence. In assessment, currency relates to the age of the evidence presented by candidates to demonstrate that they are still competent. Competency requires demonstration of current performance, so the evidence must be from either the present or the very recent past.
Data	The information collected about aspects of an RTO's operations and performance.

Desk audit	An audit where an applicant seeking registration or an RTO submits documents or information to the registering body to be assessed as evidence for compliance with the <i>AQTF Essential Conditions and Standards for Initial Registration</i> or the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> .
Dimensions of competency	Dimensions are part of the broad concept of competency, which includes all aspects of work performance as represented by task skills, task management skills, contingency management skills and job/role environment skills.
Direct supervision	Means that a person conducting training who does not hold the training competencies determined by the National Quality Council (NQC) receives regular guidance, support and direction from a person designated by the RTO who does hold those training competencies determined by the NQC. It is not necessary for the supervising person to be present during all training delivery.
Director	Director of an RTO is a person who controls or governs the affairs of the RTO. A director may be appointed to the position of director or an alternate director and is acting in that capacity, regardless of the name that is given to their position. It also includes those who may not have been validly appointed as a director but act in the position of a director.
Documented	Recorded in written form
Entry requirements	Specified prior knowledge, skill, and experience, expressed in terms of competency, and may include licensing or industry recognised standards. Where entry requirements are identified, these are mandatory. Entry requirements: <ul style="list-style-type: none"> • Do not form part of a qualification for training and assessment purposes • Must be completed prior to enrolling in a qualification • Must be specific to the knowledge, skills or experience required to enter a qualification.
Excellence criteria	A set of criteria in the AQTF against which an RTO may self-evaluate for quality improvement, or be formally evaluated on a voluntary basis in order to seek recognition as either 'quality committed' or 'outstanding'.

Fairness	One of the principles of assessment. Fairness in assessment requires consideration of the individual candidate's needs and characteristics, and any reasonable adjustments that need to be applied to take account of them. It requires clear communication between the assessor and the candidate to ensure that the candidate is fully informed about, understands, is able to participate in, the assessment process, and agrees that the process is appropriate. It also includes an opportunity for the person being assessed to challenge the result of the assessment and to be reassessed if necessary.
Flexible scheduling and delivery of training and assessment	An approach to VET that allows a range of learning and assessment strategies to be adopted in a variety of learning environments, in order to cater for differences in individual learning interests, needs, styles, and opportunities.
Flexibility	One of the principles of assessment. To be flexible, assessment should reflect the candidate's needs; provide for recognition of competencies no matter how, where or when they have been acquired; draw on a range of methods appropriate to the context, competency and the candidate; and, support continuous competency development.
Financial viability risk	An assessment of the current and probable future financial health of an applicant or RTO which indicates the likelihood that it will be unable to operate in the future. This requires an assessment of financial projections at initial registration, and an assessment of the liquidity, financing and other financial risk indicators at continuing registration.
Fit and proper person requirements	Individual characteristics or past behaviour standards that must be met by individuals who are in a position to influence the management of an RTO. Failure to meet the requirements may impact on the suitability of the individual to contribute to the delivery of education and training. A test of whether an individual satisfies fit and proper person requirements may consider past criminal convictions, any record of registration cancellations or conditions on registration, a history of personal bankruptcy or insolvency, disqualifications under the Corporations Act 2001 and other relevant matters.
Industry	Representative bodies that have a stake in the training, assessment and client services provided by RTOs. These representative bodies could include industry skills councils, industry associations, unions, regulatory bodies, licensing bodies and group training companies (not an exhaustive list).
Industry Skills Councils (ISC)	National bodies recognised and funded by the Australian Government to develop and maintain Training Packages specific to the industry area(s) for which they have coverage.

Learner	An individual who is receiving, responding to and processing information in order to acquire and develop competence. This incorporates the processes of preparing and presenting for assessment.
Learning	The process followed by a learner <ul style="list-style-type: none"> a) Formal learning refers to learning that takes place through a structured program of instruction and is linked to the attainment of a formal qualification or award (for example, a certificate, diploma or university degree). b) Non-formal learning refers to learning that takes place through a structured program of instruction, but does not lead to the attainment of a formal qualification or award (for example, in-house professional development programs conducted by a business). c) Informal learning refers to learning that results through experience of work-related, social, family, hobby or leisure activities (for example, the acquisition of interpersonal skills developed through several years as a sales representative).
Learning program	See Training program.
Management system	The framework of structures, policies and processes used to ensure that the organisation can achieve its objectives.
Moderation	The process of bringing assessment judgements and standards into alignment. It is a process that ensures the same standards are applied to all assessment results within the same Unit(s) of Competency. It is an active process in the sense that adjustments to assessor judgements are made to overcome differences in the difficulty of the tool and/or the severity of judgements.
Module	A group of learning outcomes in an accredited course where the copyright owner can establish that it is not possible to develop an appropriate unit of competency.
Multi-site delivery	An arrangement in which an RTO manages delivery and assessment from a site or sites other than its head office. This definition includes inter-jurisdiction delivery as well as transnational/offshore delivery.
National Recognition	Recognition by an RTO of the AQF qualifications and statements of attainment issued by all other RTOs, thereby enabling national recognition of the qualifications and statements of attainment issued to any person. Recognition by each state and territory's registering body of the training organisations registered by any other state or territory's registering body and of its registration decisions. Recognition by all state and territory course-accrediting bodies and registering bodies of each other's accredited courses and accreditation decisions.

National Skills Framework (NSF)	The system of VET that sets out the system's requirements for quality and national consistency in terms of qualifications and the delivery of training. The NSF applies nationally, and has been endorsed by the Ministerial Council for Tertiary Education and Employment (MCTEE).
National Training Information Service (NTIS)	The national register for recording information about RTOs, Training Packages and accredited courses. NTIS is part of the National Skills Framework.
Nationally Recognised Training (NRT) logo	The logo used nationally to signify that training and assessment products and services meet the requirements agreed under the National Skills Framework.
Non-compliance	The requirements of the <i>AQTF Essential Conditions and Standards for Initial Registration</i> or the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> have not been met, based on the evidence reviewed. There are three categories of non-compliance, each explained below.
	<p>Minor non-compliance</p> <p>The requirements of the <i>AQTF Essential Conditions and Standards for Initial Registration</i> or the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> have not been met, based on the evidence reviewed, but there is no, or minor, adverse impact on learners and/or other consumers of goods and services produced in the training environment or the current (or future) workplace.</p>
	<p>Significant non-compliance</p> <p>The requirements of the <i>AQTF Essential Conditions and Standards for Initial Registration</i> or the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> have not been met, based on the evidence reviewed, and there are indications of a significant adverse impact on learners and/or other consumers of goods and services produced in the training environment or the current (or future) workplace.</p>
	<p>Critical non-compliance</p> <p>The requirements of the <i>AQTF Essential Conditions and Standards for Initial Registration</i> or the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> have not been met, based on the evidence reviewed, and there is a critical adverse impact on learners and/or consumers of goods and services produced in the training environment or the current (or future) workplace.</p>
Operations	An RTO's operations includes training, assessment and support services related to its scope of registration, including those delivered across jurisdictions and offshore.
Outcomes	The consequences of actions implemented by an RTO to achieve high-quality training, assessment and client services.

Outcomes-focussed auditing	An audit approach in which the primary role for the audit team is to confirm that outcomes from RTO processes meet the requirements of the Standards. This decision will be informed by data collected in relation to Quality Indicators and other evidence provided by the RTO.
Packaging requirements	The process of grouping competencies in a Training Package into meaningful combinations which represent whole jobs or key functions in the workplace.
Partnering	Partnering arrangements apply to situations where an organisation conducts training and/or assessment services on behalf of the RTO, or vice versa.
Policy	A documented statement of a definite course of action that is to be adopted and implemented.
Pre-requisites	Units of competency that are critical to achieving the subsequent competency.
Principles of assessment	To ensure quality outcomes, assessment should be fair, flexible, valid, and reliable. See also: Fairness, Flexibility, Reliability and Validity.
Procedure	A documented method or set of instructions that describes how a process is carried out.
Process	The systematic actions, people and resources required to achieve an outcome.
Qualification	Qualification is defined as follows: formal certification, issued by a relevant approved body, in recognition that a person has achieved learning outcomes or competencies relevant to identified individual, professional, industry or community needs.
Quality	The ability of a set of inherent characteristics of a product, system or process to meet specified standards or objectives and fulfil the expectations of customers and interested parties.

Quality Indicators	<p>Quality Indicators are a set of three indicators which are part of the <i>AQTF Essential Conditions and Standards for Continuing Registration</i>. When considered in the context of the RTO's business, data against the Quality Indicators provides a measure of the RTO's performance and the quality of outcomes it is achieving for clients.</p> <p>Three Quality Indicators have been identified as being useful for the purpose of continuous improvement within RTOs and to inform the risk profile of RTOs as established by registering bodies. The quality indicators are:</p> <ul style="list-style-type: none"> • Employer satisfaction (including satisfaction with competency development and the quality of training and assessment). This indicator focuses on employers' evaluations of learners' competency development, its relevance to work and further training, and the overall quality of training and assessment. • Learner satisfaction (learner engagement and competency development). This indicator focuses on the extent to which learners are engaging in the types of activity that are likely to promote high-quality skills, as well as on learners' perceptions of the quality of their competency development and the support they receive from the RTO. • Competency completion rate. This will be calculated for qualifications and units of competency or modules delivered, based on data provided by RTOs about: <ul style="list-style-type: none"> – the number of enrolments in the previous calendar year, and – the number of qualifications completed and/or units of competency or modules awarded in the previous calendar year.
Reasonable adjustment	<p>Adjustments that can be made to the way in which evidence of candidate performance can be collected. Whilst reasonable adjustments can be made in terms of the way in which evidence of performance is gathered, the evidence criteria for making competent/not yet competent decisions (and/or awarding grades) should not be altered in any way. That is, the standards expected should be the same irrespective of the group and/or individual being assessed; otherwise comparability of standards will be compromised.</p>
Recognition of Prior Learning (RPL)	<p>An assessment process that assesses an individual's non-formal and informal learning to determine the extent to which that individual has achieved the required learning outcomes, competency outcomes, or standards for entry to, and/or partial or total completion of, a qualification.</p>
Record	<p>A written, printed or electronic document providing evidence that activities have been performed.</p>
Registered Training Organisation (RTO)	<p>A training organisation registered by a state or territory registering body in accordance with the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> within a defined scope of registration. See also Scope of registration.</p>

Registering body	The authority responsible, under the VET legislation and decision-making framework, and in accordance with the AQTF 2007 Standards for State and Territory Registering Bodies, for registering training organisations, including all the processes relating to registration and the imposition of sanctions on RTOs.
Registration	<p>Formal recognition by a registering body, in accordance with the AQTF 2007 Standards for State and Territory Registering Bodies. A training organisation must be registered in order to deliver and assess nationally recognised training and issue nationally recognised qualifications.</p> <p>Initial registration is when a training organisation meets the requirements of the <i>AQTF Essential Conditions and Standards for Initial Registration</i>.</p> <p>Continuing registration is when a registered training organisation continues to meet the requirements of the <i>AQTF Essential Conditions and Standards for Continuing Registration</i>.</p> <p>Renewal of registration refers to the process of seeking another registration period as a registered training organisation.</p>
Reliability	One of the principles of assessment. There are five types of reliability: internal consistency; parallel forms; split-half; inter-rater; and, intra rater. In general, reliability is an estimate of how accurate or precise the task is as a measurement instrument. Reliability is concerned with how much error is included in the evidence.
Risk indicators	<p>Performance risk indicators Performance risk indicators are indicators that reflect the performance outcomes from audit compliance, data from quality indicators and complaints history. They are indicators of the likelihood that quality skills outcomes will not be achieved.</p> <p>Financial risk indicators Financial risk indicators are indicators that reflect the financial health of an applicant/RTO and the potential impact on the delivery of quality skills outcomes. They are indicators of the likelihood that quality skills outcomes will not be achieved.</p> <p>Governance risk indicators Governance risk indicators are indicators that reflect the adequacy of governance structures in place to deliver quality skills outcomes. Indicators of Governance risk include satisfaction of fit and proper person requirements, quality of business planning and transparency of ownership and management structure. They are indicators of the likelihood that quality skills outcomes will not be achieved.</p> <p>Supplementary risk indicators Supplementary risk indicators are indicators that reflect aspects of the applicants/RTO operations. They are indicators of the potential impact if quality skills outcomes are not delivered and may also influence the scope of an audit or monitoring activity.</p>

Rules of evidence	These are closely related to the principles of assessment and provide guidance on the collection of evidence to ensure that it is valid, sufficient, authentic and current.
Sanction	<p>An action that a registering body imposes on an RTO for non-compliance with the <i>AQTF Essential Conditions and Standards for Continuing Registration</i>. Sanctions may include:</p> <ul style="list-style-type: none"> • The imposition of specific conditions on the RTO's registration (which can cover any aspect of its registration, including its scope of registration, the locations where it may provide training or the type of delivery and assessment activities it may provide) • Amendment of registration (including a reduction in the RTO's scope of registration) • Suspension of registration • Cancellation of registration.
Scope of registration	<p>The particular services and products that an RTO is registered to provide. The RTO's scope defines the specific AQF qualifications, units of competency and accredited courses it is registered to provide, and whether it is registered to provide:</p> <ul style="list-style-type: none"> • Both training delivery and assessment services, and to issue the relevant AQF qualifications and statements of attainment, or • Only assessment services, and to issue AQF qualifications and statements of attainment.
Senior officer	<p>A senior officer includes directors, secretaries and other people who manage an RTO. A senior officer of an RTO that is neither an individual nor a corporation means a partner in the partnership if the entity is a partnership or an office holder of the unincorporated association if the entity is an unincorporated association. It can also include a person who makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the entity or who has the capacity to affect significantly the entity's operations or financial standing.</p>

<p>Simulated work environment</p>	<p>The requirement for a unit of competency to be assessed in a simulated workplace environment may be identified either within the unit of competency itself or within the relevant Training Package Assessment Guidelines.</p> <p>A simulated workplace may be required for the following reasons:</p> <ul style="list-style-type: none"> • The learner may not have access to a workplace. • The available workplace may not use the relevant skill, equipment or process. • Conducting assessments may be disruptive or interfere with work requirements, e.g. there may be ethical, privacy or confidentiality issues to consider. • It may not be appropriate to apply the skills in the workplace due to potential risks such as health and safety or equipment being damaged. <p>For the purposes of assessment, a simulated workplace may be described as one in which all of the required skills are performed with respect to the provision of paid services to an employer or the public can be demonstrated as though the business was actually operating.</p> <p>In order to be valid and reliable, the simulation must closely resemble what occurs in a real work environment.</p> <p>The simulated workplace should involve a range of activities that reflect real work experience. The simulated workplace should allow the performance of all of the required skills and demonstration of the required knowledge.</p> <p>It is critical that when a simulated workplace is being set up, the assessor is thoroughly familiar with the competency standard/s as well as experienced in the current circumstances and environment of the workplace.</p> <p>In deciding whether a simulation or an assessment environment has been adequately set up, the following should be considered.</p> <p>Are there opportunities to:</p> <ul style="list-style-type: none"> • Test the full range of equipment • Use up-to-date equipment and software • Reflect times and deadlines • Show the complexity of dealing with multiple tasks • Involve prioritising among competing tasks • Deal with customers, including difficult ones • Work with others in a team • Communicate with diverse groups • Find, discuss and test solutions to problems • Explore health and safety issues • Answer practically oriented, applied knowledge questions • Show the level of written and verbal expression sufficient for, but not exceeding, the work requirements.
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Site audit	An audit conducted by a registering body at the premises of an applicant seeking registration or an RTO and/or at locations where it delivers training and assessment.
Staff	Individuals working for the RTO, including contractors.
Stakeholders	Individuals or organisations affected by, or who may influence, the RTO's services but who are not directly involved in purchasing or using the RTO's services.
Statement of attainment	A statement of attainment is issued by a registered training organisation when an individual has completed one or more units of competency/modules from nationally recognised qualification(s)/course(s).
Strategic audit	Where a specific area of risk has been identified, a strategic industry audit is conducted to confirm that a RTO's training and assessment services are meeting the requirements of a particular industry or licensing authority.
Substantial shareholder	Substantial shareholders in a listed company are those who hold an interest in 5% or more of the total number of votes attached to the voting shares in a company. Substantial shareholders in an unlisted company are those who hold an interest in 25% or more of the total number of votes attached to the voting shares in a company.
Sufficiency	One of the rules of evidence. Sufficiency relates to the quality and quantity of evidence assessed. It requires collection of enough appropriate evidence to ensure that all aspects of competency have been satisfied and that competency can be demonstrated repeatedly. Supplementary sources of evidence may be necessary. The specific evidence requirements of each unit of competency provide advice on sufficiency.
System	A series of processes that are inter-related and repeatedly provide quality outcomes.
Training	The process used by an RTO to facilitate learning.
Training and assessment strategy	A framework that guides the learning requirements and the teaching, training and assessment arrangements of a vocational education and training qualification. It is the document that outlines the macro-level requirements of the learning and assessment process, usually at the qualification level.
Training Package	A nationally endorsed, integrated set of competency standards, assessment guidelines and AQF qualifications for a specific industry, industry sector or enterprise.

Training Plan	A documented program of training and assessment required for an apprenticeship/traineeship training contract. It is developed by an RTO in consultation with the parties to the contract as the basis for training and assessing a person undertaking an apprenticeship or traineeship.
Training program	A program (also known as a learning program), developed by an RTO, that meets the training and assessment requirements of a qualification from a Training Package, one or more designated units of competency, or an accredited course. The training program may specify such matters as essential and elective units, the sequence and timing of training and assessments, and the resources required. It may form part of a training and assessment strategy.
Unique student identifier	A unique national VET student number for all nationally recognised training. The system and details are yet to be implemented. However, some jurisdictions have a state VET student number. If RTOs are required to submit data as part of funding arrangements then this will be part of the reporting requirements. RTOs will need to contact the appropriate jurisdiction which will advise on collection requirements.
Unit of competency	Specification of industry knowledge and skill and the application of that knowledge and skill to the standard of performance expected in the workplace.
Validation	Validation is a quality review process. It involves checking that the assessment tool produced valid, reliable, sufficient, current and authentic evidence to enable reasonable judgements to be made as to whether the requirements of the relevant aspects of the Training Package or accredited course have been met. It includes reviewing and making recommendations for future improvements to the assessment tool, process and/or outcomes.
Validity	<p>One of the rules of evidence and one of the principles of assessment. There are five major types of validity: face, content, criterion (i.e. predictive and concurrent), construct and consequential.</p> <p>In general, validity is concerned with the appropriateness of the inferences, use and consequences that result from the assessment. In simple terms, it is concerned with the extent to which an assessment decision about a candidate (e.g. competent/not yet competent, a grade and/or a mark), based on the evidence of performance by the candidate, is justified. It requires determining conditions that weaken the truthfulness of the decision, exploring alternative explanations for good or poor performance, and feeding them back into the assessment process to reduce errors when making inferences about competence.</p> <p>Unlike reliability, validity is not simply a property of the assessment tool. As such, an assessment tool designed for a particular purpose and target group may not necessarily lead to valid interpretations of performance and assessment decisions if the tool was used for a different purpose and/or target group.</p>

Vocational competency	<p>Vocational competency is defined as broad industry knowledge and experience, usually combined with a relevant industry qualification. A person who has vocational competency will be familiar with the content of the vocation and will have relevant current experience in the industry. Vocational competency must be considered on an industry-by-industry basis and with reference to the guidance provided in the Assessment Guidelines of the relevant Training Package.</p>
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APPENDIX 1

NATIONAL CODE OF PRACTICE FOR AUDITORS AND TECHNICAL ADVISERS

The National Code of Practice for Auditors and Technical Advisers describes the conditions that an auditor and technical adviser must adhere to when fulfilling their roles during audits. Auditors and technical advisers are required to sign this code of practice before undertaking audits. The code requires auditors and technical advisers to act in a professional and ethical manner, protecting the rights of the organisations they audit and meeting the needs of clients. In doing so, they must be objective, independent, honest, constructive and diligent.

Conflict of interest

Auditors and technical advisers must disclose in advance any information that could limit their capability to make unbiased audit judgments, and they must manage any potential conflicts of interest. Potentially conflicting or competing interests that should be declared include past or present financial, professional or personal relationships with the RTO, its employees or competitors.

Auditors and technical experts should never accept gifts, inducements, commissions or benefits from RTO staff, or any other interested party, beyond modest hospitality.

Auditors and technical advisers must not promote any personal business interests while conducting audits.

Auditors and technical advisers must not suggest to RTOs that registration would be simpler, easier or less expensive if any specific consultancy services were used by the training organisation, person or body.

Auditors must not misrepresent their own or others' qualifications, competence or experience.

Confidentiality

Auditors and technical advisers must not discuss or disclose any information relating to an audit except where they are reporting in any of the following circumstances:

- To their client (the state or territory registering body that has commissioned the audit)
- To associated agencies on a 'need to know' basis
- Under applicable laws
- After authorisation in writing by the RTO and the client.

Intellectual property

Auditors and technical advisers must take all responsible steps to protect ownership of intellectual property and any commercial-in-confidence material or information disclosed in the course of an audit.

Responsibility to be informed

Auditors must be informed about, and up to date with, the AQTF, including nationally agreed products, policies and practices for training delivery and assessment.

Customer focus

Auditors must ensure that an RTO or applicant clearly understands the audit processes and its rights in that process.

Auditors will be polite, respectful, considerate and non-discriminatory in dealing with RTO/applicant representatives.

Fair presentation

Auditors and technical advisers must report their findings comprehensively, truthfully and accurately, based on the evidence presented. They must not communicate false, erroneous or misleading information that could compromise the integrity of any audit.

Accountability

Auditors and technical experts must not act in any way that could prejudice the reputation of the registering body, or the audit process, and must fully cooperate with any inquiry into any alleged breach of this National Code of Practice.

Continuous improvement

Auditors must participate in specified professional development activities provided by their state or territory registering body and continue to develop their auditing skills. Where it is relevant to do so, they should inform the registering body about the effectiveness of audit processes and documentation.

APPENDIX 2

CHECKLISTS FOR OPENING AND CLOSING MEETINGS

Opening Meeting Checklist

Opening Meeting Checklist			
Organisation:			
TOID:			
Site:		Date:	
Items addressed:			✓
Introductions			
Explain the purpose of the audit (initial, post-initial, renewal of registration, strategic, monitoring, complaint).			
Confirm the legal status of the organisation (if applicable).			
Sign no conflict statement and confidentiality statement.			
Confirm scope/NTIS.			
Confirm audit against registration standards and conditions (if applicable).			
Explain sampling process.			
Explain evidence (documents, interviews, etc.).			
Explain limits to audit – refer to audit principles and Code of Conduct.			
Explain possible findings (strengths, opportunities for improvement and non-compliances) and actions to be taken.			
Explain the approval process (new organisations and renewal of registrations only).			
Detail the agenda – who will look at what.			
Confirm the administration details for the audit (e.g. guides, meeting rooms, access, meal times, confirm any travel arrangements to other sites, interviews with staff and learners).			
Verify that staff are aware of the audit.			
Invite questions.			
Notes			
Name	Role	Signature	Date
	<i>Lead auditor</i>		
	<i>Auditor</i>		

Closing Meeting Checklist

Closing Meeting Checklist			
Organisation:			
TOID:			
Site:		Date:	
Lead Auditor:			
Items addressed:			✓
Thank you			
Outline general findings.			
Give a summary of strengths in organisation.			
Make suggestions for improvement.			
Discuss the learner/employer survey feedback summary (if applicable).			
Inform of any non-compliances.			
Discuss actions to be taken.			
Discuss timelines for clearance/completion of the audit.			
Provide details of the authority's administration processes (include procedure for appeals and complaints).			
Explain that an audit report will be forwarded to the organisation.actions to be taken.			
Explain the approval process (new organisations and renewal of registrations only).			
Discuss subsequent audits (if applicable).			
Provide/complete the audit evaluation form.			
Finalise copies of documentation (original to organisation).			
Notes			
Name	Role	Signature	Date
	<i>Lead auditor</i>		
	<i>Auditor</i>		
	<i>RTO representative</i>		

AQTF NATIONAL PUBLICATIONS

Registered Training Organisations will use these documents	
<i>AQTF Essential Conditions and Standards for Initial Registration</i>	<p>The <i>AQTF Essential Conditions and Standards for Initial Registration</i> applies to applicants seeking registration as an RTO. This publication lists AQTF requirements including:</p> <ul style="list-style-type: none"> • Conditions of Registration • Three Standards relating to training and assessment, client services and management systems
<i>AQTF Essential Conditions and Standards for Continuing Registration</i>	<p>The <i>AQTF Essential Conditions and Standards for Continuing Registration</i> applies to all RTOs. This publication lists AQTF requirements for RTOs including:</p> <ul style="list-style-type: none"> • Conditions of Registration • Three Standards relating to training and assessment, client services and management systems • A set of RTO Quality Indicators.
<i>AQTF Users' Guide to the Essential Conditions and Standards for Initial Registration</i>	<p>This guide assists applicants seeking registration, registering bodies and auditors to interpret and apply the Standards.</p>
<i>AQTF Users' Guide to the Essential Conditions and Standards for Continuing Registration</i>	<p>This guide assists RTOs, registering bodies and auditors to interpret and apply the Standards.</p>
Registering Body will use these documents	
<i>AQTF 2007 Standards for State and Territory Registering Bodies</i>	<p>This document lists the standards that apply to a registering body. It includes:</p> <ul style="list-style-type: none"> • Three Standards • Quality Indicators for assessing registering body performance • A set of operational protocols to ensure national recognition of registration decisions.
<i>AQTF National Guidelines for a Registering Body</i>	<p>The <i>AQTF National Guidelines for a Registering Body</i> includes six guidelines that relate to various operations of a registering body:</p> <ul style="list-style-type: none"> • AQTF National Guideline for Audit Consistency • AQTF National Guideline for Conducting Audits of the Inter-jurisdiction Operations of an RTO • AQTF National Guideline for Managing Non-compliance • AQTF National Guideline for Responding to Complaints about Vocational Education and Training Quality • AQTF National Guideline for Risk Management • AQTF National Guideline for Industry Body Engagement

	<p>AQTF National Guideline for Audit Consistency</p> <p>This guideline provides a framework for capacity building and for the development and continuous improvement of auditor performance. It describes the processes used to ensure that auditors have a consistent approach to audit.</p>
	<p>AQTF National Guideline for Conducting Audits of the Inter-jurisdiction Operations of an RTO</p> <p>This guideline describes the national agreed processes related to conducting audits of the inter jurisdiction operations of RTOs. It includes principles and protocols for conducting audits in other jurisdictions.</p>
	<p>AQTF National Guideline for Managing Non-compliance</p> <p>This guideline describes the nationally consistent approach each registering body uses to respond to the outcomes of audit that highlight any non-compliance with the <i>AQTF Essential Conditions and Standards for Initial Registration</i> and <i>AQTF Essential Conditions and Standards for Continuing Registration</i>.</p>
	<p>AQTF National Guideline for Responding to Complaints about Vocational Education and Training Quality</p> <p>This guideline describes the nationally agreed complaint handling process available to resolve concerns about Vocational Education and Training Quality. It sets out principles, protocols and the complaints handling process.</p>
	<p>AQTF National Guideline for Risk Management</p> <p>This guideline describes the nationally consistent risk management approach to be used by a registering body in decisions about scheduling and scope of audits.</p>
	<p>AQTF National Guideline for Industry Body Engagement</p> <p>This guideline describes how industry bodies can be engaged in the quality assurance arrangements. It sets out the roles and responsibilities of the registering body and regulators and includes a set of principles, protocols and options for industry engagement.</p>
Auditors will use this document	
<i>AQTF Audit Handbook</i>	<p>This Handbook is a key tool for auditors in applying the outcomes-focused audit model. It describes the principles that underpin a nationally consistent, risk-managed approach to AQTF audits.</p> <p>Auditors will also use the <i>AQTF Essential Conditions and Standards for Initial Registration</i> and the <i>AQTF Users' Guide to the Essential Conditions and Standards for Initial Registration</i>.</p> <p>Auditors will also use the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> and the <i>AQTF Users' Guide to the Essential Conditions and Standards for Continuing Registration</i>.</p>

Registration

The AQTF is underpinned by the principle of transparency. All stakeholders in the VET system should have access to documents detailing the different components of AQTF. All national documents are available for download from the national website: www.training.com.au.

The Excellence Criteria focus on encouraging and recognising overall high performance in training providers. Application for assessment against the Excellence Criteria is voluntary. The full suite of AQTF 2007 Excellence Criteria documents is also available from www.training.com.au