

**Tertiary
Education
Commission**
Te Amorangi
Mātauranga Matua



TEC desktop audit report

**Taranaki Outdoor Pursuits and
Education Centre Trust
(Edumis 8091)**

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Tertiary Education Commission
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Contents

Part one: Summary of Audit Results	4
Overall recommendation	4
Audit Ratings	4
Key findings and recommendations	4
Part two: Key findings and recommendations	5
Part three: Other Audit Findings	12
Financial Viability Assessment	12
Minimum Prudential Financial Standards	12
Part four: Audit Process Overview	14
Purpose of the audit	14
Scope of the audit	14
Overview of Taranaki Outdoor Pursuits and Educational Centre	15
Audit process overview	15
Part five: TEO Corrective Actions	16
Corrective Actions	16

Taranaki Outdoor Pursuits and Educational Centre (Edumis 8091)

Part one: Summary of Audit Results

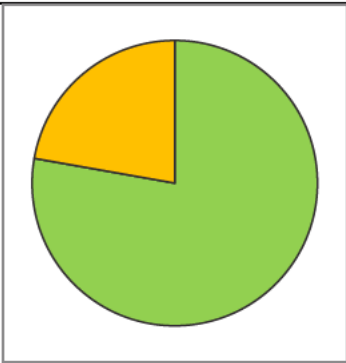
Overall recommendation



Systems, processes and practices are acceptable, with minor nonconformities. Improvements will need to be monitored.

Audit Ratings

Rating	Number of Focus Areas	Percentage
Complies with requirements (C)	7	78%
Improvement Required (I)	2	22%
Does not comply (NC)	Nil	Nil
Total	9	100%



Key findings and recommendations

Overall systems, policies, and procedures are effective and meet legislative and investment plan requirements. In Focus Area 9 (Fees), improvement is required to ensure full compliance with the Annual Maximum Fee Movement (AMFM) policy.

- > Taranaki Outdoor Pursuits and Educational Centre (TSB TOPEC or TOPEC) first received TEC funding in 2020. A survey of the fees charged for the three programmes taught in 2020 and 2021 identified an error in one of the programmes. The organisation is advised to develop an AMFM checklist and refine its quality assurance procedures, to ensure consistent compliance with the statutory requirement.

Part two: Key findings and recommendations

The key findings and recommendations for each focus area are in the table below.

In addition to providing proposed actions and comments in part five of this report, you will be required to send a detailed action plan and relevant evidence to your Senior Auditor **s9(2)(a)**, within four weeks after the date of your final audit report. The email address is: **s9(2)(a)**

Ratings

C = Complies with requirements	I = Improvement Needed	NC = Does not comply	N/A = Not Applicable
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Looking for	Findings and Recommendations	Rating
Focus Area 1: Organisation Eligibility		
<p>Is the TEO an eligible provider?</p> <p>Has the TEO been quality assured by NZQA?</p> <p>Have all sites been approved by NZQA?</p> <p>Have any subcontracting arrangements been approved by TEC and do they remain current?</p> <p>Is the TEO financially viable? Are there any financial issues being managed?</p>	<p>Findings</p> <p>Organisation Eligibility</p> <ul style="list-style-type: none"> > Taranaki Outdoor Pursuits and Education Centre Trust was established in 1986, and has been running outdoor education for Taranaki school students over 35 years. > The organisation was first registered and accredited with the New Zealand Qualifications Authority (NZQA) on 5 September 2016. > In 2017, it became a Private Training Establishment (Edumis 8091), trading as Taranaki Outdoor Pursuits and Educational Centre (TSB¹ TOPEC or TOPEC). It was first funded by the TEC from 2020, to deliver tertiary qualifications and training schemes. <p>External Evaluation and Review</p> <ul style="list-style-type: none"> > Taranaki Outdoor Pursuits and Educational Centre has been quality assured by NZQA. The last published External Evaluation and Review (EER) was on 29 June 2021. The organisation received a Category 1 rating, the highest category awarded. It was assessed as Highly Confident in both Educational Performance and Capability in Self-assessment. 	C

¹ Taranaki Schools Board. The organisation is a registered charity set up by the Taranaki Secondary Schools and collaborating service groups specifically to provide training in outdoor pursuits and leadership. In this report the organisation is hereafter referred to as TOPEC.

Looking for	Findings and Recommendations	Rating
	<p>Approved Delivery Sites</p> <ul style="list-style-type: none"> > TOPEC has one delivery site approved by NZQA. The address is 11 Hydro Road, Burgess Park, New Plymouth, 4371. <p>Subcontracting</p> <ul style="list-style-type: none"> > There are no subcontracting arrangements. <p>Financial Viability</p> <ul style="list-style-type: none"> > s9(2)(b)(ii) [REDACTED] <p>Recommendations</p> <ul style="list-style-type: none"> > There are no recommendations. 	
Focus Area 2: Data Provision, Reporting and Record-Keeping		
<p>Does the Student Management System provide accurate data, forecasting and reporting?</p> <p>Are there reporting and data provision processes in place to ensure all funding requirements are met?</p> <p>Are the TEO's processes and procedures for record keeping documented and comply with clause 13(1) of Schedule 18 of the Education and Training Act 2020 (for on-plan funding under section 425), and 25(1) of Schedule 18 (for</p>	<p>Findings</p> <p>Student Management System</p> <ul style="list-style-type: none"> > TOPEC uses EducatePlus as their Student Management System (SMS). > EducatePlus is designed to provide a SMS that can comply with legislation. It can be used to retrieve Record of Achievement (ROA) and National Student Index (NSI) information. > The organisation also uses EducatePlus to collect and manage Single Data Returns (SDR) data, generate SDR reports, and record Fees-free eligibility. > The Quality Management System (QMS) / Policy and Procedures Manual covers their processes and internal controls for preparing, reporting, and approval of student information. > TOPEC also has an Academic Regulations document to support its QMS. > The Quality Assurance Coordinator carries out internal checks of student data. > The Quality Assurance Coordinator extracts data from EducatePlus to prepare the SDR and Fees-free reports, with guidance provided by the SMS's consultant. The Director signs the SDR attestation. 	

Looking for	Findings and Recommendations	Rating
<p>off-plan funding under section 428).</p>	<p>Course completions</p> <ul style="list-style-type: none"> > No issues were identified relating to accuracy of reporting course completions, from the sample of student records reviewed. <p>Standard of record keeping</p> <ul style="list-style-type: none"> > TOPEC has documented their records management policy. > There were instances in which the attendance records and student communication documents had inconsistent dates; however it was not material for funding purpose. Overall, the standard of record keeping was satisfactory. <p>Recommendations</p> <ul style="list-style-type: none"> > Develop a checklist and refine the quality assurance procedures, to ensure that documents are updated correctly and are compliant with funding conditions. 	
<p>Focus Area 3: Enrolment and Eligibility</p>		
<p>Are there enrolment practices and processes in place that ensure student enrolments are valid and meet funding or eligibility requirements?</p>	<p>Findings</p> <ul style="list-style-type: none"> > TOPEC was compliant with Student Achievement Component – Provision at Level 3 and above (SAC3+), and with Fees-free funding conditions. <p>Enrolment</p> <ul style="list-style-type: none"> > The organisation has a policy and procedures manual to document the applications and enrolment process. In addition, it uses a flowchart to assist the administration of the enrolment process. > It is noted that TOPEC is partnered with local secondary schools that refer suitable candidates for the programmes that are offered. > In the sample of 20 student records reviewed, the enrolments were valid for funding purposes. > Evidence of domestic student status was sighted for all 20 records reviewed. > The following documents were sighted for each enrolment. <ul style="list-style-type: none"> - Student Enrolment form - Residency/Citizenship documents 	<p>C</p>

Looking for	Findings and Recommendations	Rating
	<ul style="list-style-type: none"> - Withdrawal documentation (where applicable) - Attendance records - Term reports (where applicable) - Transcripts (where applicable). <p>Recommendations</p> <ul style="list-style-type: none"> > The organisation provides professional development opportunities for their junior members to study. It is recommended that a policy document be developed, covering staff enrolment decisions in TOPEC programmes, to ensure fairness, consistency and compliance with funding conditions. 	
Focus Area 4: Recognition of Prior Learning (RPL) and Recognition of Current Competence (RCC)		
<p>Has student prior learning been reviewed and appropriately recognised when admitting a student into a programme or qualification?</p>	<p>Findings</p> <ul style="list-style-type: none"> > TOPEC has documented policies for Recognition of Prior Learning (RPL), and Credit Recognition and Transfer (CRT). > TOPEC's SMS has a built-in function to account for RPL and ensure that no funding is claimed. A step by step guide has been developed to show staff how to use the NCEA calculator and AdminPlus (software that is part of EducatePlus). > The student handbooks provide information about approval of prior learning, exemptions, and credit transfer. <p>Recommendations</p> <ul style="list-style-type: none"> > There are no recommendations. 	C
Focus Area 5: Inducements and No Private Advantage		
<p>Are any inducements being offered to students to enrol?</p>	<p>Findings</p> <ul style="list-style-type: none"> > There was no evidence to suggest that students were being offered any inducements to enrol. > There was no evidence to indicate that enrolments were restricted on the basis of private advantage. 	C

Looking for	Findings and Recommendations	Rating
Are any enrolments being restricted on the basis of private advantage?	<p>Recommendations</p> <ul style="list-style-type: none"> > There are no recommendations. 	
Focus Area 6: Withdrawal Process		
Are there withdrawal practices and processes in place that ensures student withdrawals are managed and recorded correctly?	<p>Findings</p> <ul style="list-style-type: none"> > TOPEC has documented their student withdrawal and refund policy in the Academic Regulations document. > The student handbooks have information about required attendance and participation, as well as disciplinary and grievance policies. > The handbooks do not include information about withdrawal and refunds. Tutors are advised to discuss the Academic Regulations during the first class. > TOPEC is complying with their student withdrawal and disciplinary policies. <p>Recommendations</p> <ul style="list-style-type: none"> > It is recommended that the organisation include withdrawal and refund information in the student handbooks. 	C
Focus Area 7: Programmes and Qualifications		
<p>Have programmes and qualifications been approved by NZQA and TEC?</p> <p>Are these programmes and qualifications still current (i.e. not expired)?</p> <p>Are the programmes and qualifications taught or delivered in accordance with NZQA approval and</p>	<p>Findings</p> <ul style="list-style-type: none"> > Taranaki Outdoor Pursuits and Educational Centre held programme approval from NZQA for the following: <ul style="list-style-type: none"> - 126080 Leadership (Level 3) (Training Scheme) - 126081 Leader Facilitation (Level 3) (Training Scheme) - 126082 Pest Eradication and Bush Survival (Training Scheme)(Level 3) - NZ2570 New Zealand Certificate in Outdoor Experiences (Level 3) - NZ3622 New Zealand Certificate in Outdoor Leadership (Leve 4). 	C

Looking for	Findings and Recommendations	Rating
<p>details entered in Services for Tertiary Education Organisations (STEO)?</p>	<ul style="list-style-type: none"> > The programmes 126080, 1260282, NZ2570 and NZ3622 were first taught in 2020. > 126081 was first taught in 2021. > The qualification information recorded in STEO for the above programmes matched with the programme approval documentation. > TOPEC offers flexible scheduling for school learners (three days at school and two days at TOPEC). However, this practice is not recorded in STEO's qualification information. > TOPEC provided further supporting documents to show that both NZ2570 and NZ3622 had received flexible scheduling approval from NZQA. Only the fulltime schedule information is available in STEO, because STEO is inflexible and can only record one format. <p>Recommendations</p> <ul style="list-style-type: none"> > There are no recommendations. 	
Focus Area 8: Use of Funding		
<p>Is TEC funding being used responsibly and for the purpose the TEO has been funded?</p>	<p>Findings</p> <ul style="list-style-type: none"> > There was no evidence to suggest that TEC funding was not being used responsibly. <p>Recommendations</p> <ul style="list-style-type: none"> > There are no recommendations. 	C
Focus Area 9: Fees		
<p>Are all student fees charged appropriately and comply with Ministerial and TEC requirements?</p>	<p>Findings</p> <p>Compliance with the Annual Maximum Fee Movement policy</p> <ul style="list-style-type: none"> > TOPEC provided spreadsheets detailing the fees (GST inclusive) charged to students in 2020 and 2021 for programmes 126080, 126082, NZ2570 and NZ3622. > The organisation is complying with the Annual Maximum Fee Movement (AMFM) policy for NZ2570 and NZ3622. > The organisation did not teach 126080 in 2020, therefore the AMFM policy does not apply. 	I

Looking for	Findings and Recommendations	Rating
	<ul style="list-style-type: none"> > The organisation increased their fees for 126082 from \$150 in 2020 to \$155 in 2021. This was a 3% increase, so it exceeded the allowed 1.1%. > There were no 126082 enrolments in the April 2021 SDR, so no refund is required. <p>Compliance with Fees-free funding conditions</p> <ul style="list-style-type: none"> > TOPEC populates and submits the Fees-free reports through Workspace2. > There were instances of validation errors in their Fees-free reports. The organisation was relatively new to the SDR and Fees-free reporting requirements. Therefore they have been working closely with their SMS consultant and TEC's advisor to improve the quality of their Fees-free reports. <p>Compulsory Student Services Fee</p> <ul style="list-style-type: none"> > The organisation does not charge a Compulsory Student Services Fee. <p>Recommendations</p> <ul style="list-style-type: none"> > It is recommended that TOPEC develop a checklist and refine its quality assurance procedures, to ensure compliance with the AMFM policy. > There are no recommendations on the Fees-free reporting validation errors, because the organisation has already taken action to address the issue. 	

Part three: Other Audit Findings

Further findings of the audit are set out below.

Financial Viability Assessment

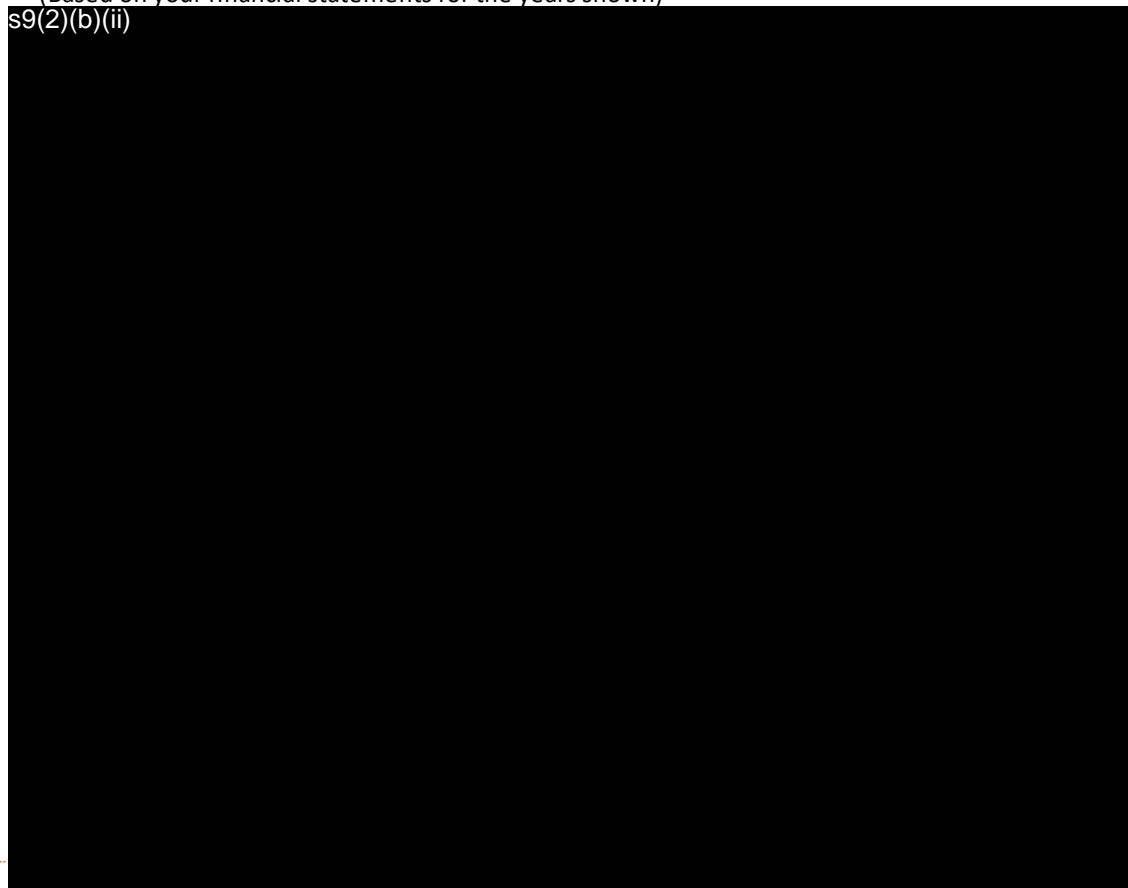
Minimum
Prudential
Financial
Standards

8091-Taranaki Outdoor Pursuits and Education Centre Trust

Risk assessment


(Based on your financial statements for the years shown)

s9(2)(b)(ii)



The PTE was first funded by the TEC in 2020. TOPEC's financial year end is 31 December. The 2020 financial reports and 2021 forecast were due on 31 May 2021. The PTE applied for an extension to 30 June 2021 because their auditors had advised they would be unable to complete the audit by the due date. The TEC received the reports on 30 June 2021.

s9(2)(b)(ii)



The PTE receives Student Achievement Component Level 3 and above funding and Fees-free Payments from the TEC.

Excluding Fees-free Payments, the TEC funded \$128,095 in 2020 (including a debt write-off of \$74,758 for under-delivery funded under the Government Funding Guarantee) for 8.1 TEC-funded EFTS. The organisation is funded \$130,145 for 20 EFTS in 2021.

The April SDR shows 2021 delivery is tracking at 10.5 SAC3+ EFTS. This is up on the 7.3 EFTS in the April 2020 SDR (and the 8.1 EFTS delivered in 2020).

Part four: Audit Process Overview

Purpose of the audit

The purpose of the audit was to provide assurance that your organisation is complying with the Education and Training Act 2020 and conditions imposed on your funding. This audit is part of our ongoing monitoring of tertiary education organisations (TEOs).

This audit used a sample-based approach and reviewed a limited scope of the applicable funding conditions and other requirements. As such, despite our best efforts, some non-compliance may remain undetected and the audit does not provide complete assurance of historical, current or future compliance.

Non-detection of non-compliance does not make that practice compliant, and will not restrict the TEC from taking action under the Education and Training Act 2020 or from recovering funding in the future if non-compliance is later detected. Please refer to the audit guidelines for more information on the inherent limitations of an audit.

Our audit focus will be on assisting TEOs in achieving their objectives through well-reasoned audits, evaluations and analyses of the business viability and education outcomes for students.

Scope of the audit

TEC's monitoring function is set out in section 409(1)(h) of the Education and Training Act 2020, which provides that the TEC's functions are to "*monitor the performance of organisations that receive funding from the Commission including by measuring performance against specified outcomes*".

The scope of the audit was aligned to the performance commitments in the Investment Plan and the associated funding obligations between the TEC and your organisation. The scope was outlined in the audit arrangements letter. TEC Audit Guidelines were also provided to help you understand how TEC undertakes audits and what to expect during the audit.

The scope of the audit was outlined in the audit arrangements letter. This included the following:

- > Your current registration and accreditation status for funding eligibility
- > Your organisation's systems and processes for reporting student data through the Single Data Return, including reporting enrolments, student achievement and withdrawals
- > Compliance with your funding conditions for each fund:
 - Student Achievement Component – Provision at Level 3 and above
 - Fees-free funding
- > Compliance with the Annual Maximum Fee Movement policy, relating to fees and course costs
- > The refund of any fees that have been overcharged (if applicable)
- > Compliance with the Compulsory Student Services Fee (if applicable)
- > Whether your organisation has offered any inducements or benefits to students
- > Responsibility for any subcontracting requirements
- > Your programmes and qualifications
- > Your organisation's process for maintaining student records as required by clause 13(1) of Schedule 18 of the Education and Training Act 2020 (for on-plan funding under section 425), and 25(1) of Schedule 18 (for off-plan funding under section 428)

- > Any other matters relating to funding provided by the TEC.

The outcome of this audit will contribute to decisions made by the TEC relating to current and future funding.

Overview of Taranaki Outdoor Pursuits and Educational Centre

TOPEC is a PTE based in Taranaki with a delivery site in Burgess Park, New Plymouth.

TOPEC offers outdoor education qualifications that are funded by the TEC.

The organisation receives Student Achievement Component – Provision at Level 3 and above (SAC3+) funding for the following:

- > 126080 Leadership (Level 3) (Training Scheme)
- > 126082 Pest Eradication and Bush Survival (Training Scheme) (Level 3)
- > NZ2570 New Zealand Certificate in Outdoor Experiences (Level 3)
- > NZ3622 New Zealand Certificate in Outdoor Leadership (Level 4).

The table below provides a breakdown of TEC funding:

Fund	2020 Allocation \$ GST exclusive	2021 Allocation \$ GST exclusive
Student Achievement Component – Provision at Level 3 and above (SAC3+)	\$128,095	\$130,145
Fees-free funding	\$2,609	\$2,637
Total	\$130,704	\$132,782

Audit process overview

Sample Testing – A sample of 20 student records, all of them SAC3+ students, was selected for the audit. The sample included records from the December 2020 and April 2021 SDRs.

In the December 2020 SDR, 26 students were reported. In the April 2021 SDR, 36 students were reported.

Information for this desktop audit was provided by the s9(2)(a) .

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Part five: TEO Corrective Actions

In addition to providing comments on the draft audit report, the TEO audited is requested to provide a list below of any corrective actions to be undertaken on the audit.

Corrective Actions

Based on the recommendations in Part Two what corrective actions will be undertaken?

Focus Area	Issue	Corrective Action	Date to be completed
2	Inconsistent dates were recorded in the attendance schedule and the communication letters to students.	<ul style="list-style-type: none">Set up electronic Attendance Register per programme for 2022Set up templated Acceptance Letter per programme for 2022	October 2021
3	No enrolment / study policy developed for TOPEC staff in the QMS.	<ul style="list-style-type: none">Study Policy is covered under the Professional Continuous Development cycle as part of Staff Appraisal system. Instructor staff qualifications must be kept up to date and relevant as part of Safety Management System and Adventure Mark certification.	Completed
8	The fees of one course was not compliant with the AMFM policy.	<ul style="list-style-type: none">Put in EOY process for the new year	October 2021
9	Withdrawal and refund information is not recorded in the Student Handbooks.	<ul style="list-style-type: none">Add Course Withdrawal section to 2022 Student Handbooks and include Withdrawal Form to be filled outAdd Course Refund section to 2022 Students Handbooks	October 2021