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Tertiary Education Commission

Audit Report

New Zealand Institute of Sport

Student Achievement Component and Youth Guarantee Funding

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Released under the
Official Information Act 1982

1 Purpose

The purpose of the audit was to provide assurance that the New Zealand Institute of Sport (NZIS) is meeting the Investment Plan Funding Conditions as referred to in the Tertiary Education Commission (TEC) letters of approval dated 10 December 2014 and 10 February 2016. The funding approved includes Student Achievement Component (SAC) and Youth Guarantee funding.

2 Scope

The scope of the audit was aligned to the performance commitments in the TEC Investment Plan and the associated funding obligations between the TEC and the NZIS. The scope was outlined in the audit arrangements letter.

The focus areas included:

- The reporting through the Single Data Return, including recording enrolments and withdrawals.
- Compliance with Student Achievement Component and Youth Guarantee funding conditions.
- The Annual Maximum Fee Movement (AMFM) policy relating to fees and course costs.
- The refund of fees that have been overcharged.
- The financial support for the equipment infrastructure required to deliver the approved qualifications.
- Whether inducements or benefits have been provided to students.
- Responsibility for subcontracting arrangements.
- Compliance with the requirements in Part 18 of the Education Act 1989.
- Any other TEC funding matters.

An audit is a snapshot of an organisation's performance at a particular point in time and may not, as such, provide a view of ongoing compliance. An audit is based on sampling and issues may remain undetected. The outcome of this audit will contribute to decisions made by the TEC relating to current and future funding.

3 Background

This audit is part of the TEC's ongoing monitoring of Tertiary Education Organisations.

NZIS is a private training establishment based in Wellington offering TEC-funded programmes in sport, fitness and recreation programmes.

The organisation receives SAC and Youth Guarantee funding for the following programmes:

- PC3107 NZIS Diploma in Sport (Advanced Sport Management) (Level 6)
- PC3106 NZIS Diploma in Sport (Advanced Exercise Prescription) (Level 5)
- PC3175 NZIS Diploma in Sport Management and Exercise Prescription (Level 5)
- PC3573 NZIS Certificate in Personal Training (Level 3)

- PC9203 NZIS Certificate in Pre Police Proficiency (Level 3)
- PC3164 NZIS Certificate in Sport Studies (Level 3)
- PC6000 NZIS Certificate in Sport and Recreation (Level 2)
- NC1710 National Certificate in Recreation and Sport (Core Skills) (Level 2).

The table below provides a breakdown of 2015 and 2016 SAC funding:

Fund	2015 (\$ GST exclusive)	2016 (\$ GST exclusive)
Investment Plan		
SAC	\$ 2,707,021	\$ 2,807,021
Equity	\$ 292,104	\$ 292,104
Youth Guarantee	\$ 2,791,435	\$ 2,856,235
Total	\$ 5,790,560	\$ 5,955,360

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4 Key Findings

The key findings were:

- The TEC funding conditions requires a private training establishment to obtain consent for any sub-contracting arrangement before any formal agreement is signed.
- The hours approved by NZQA for the NZIS Certificate in Personal Training, documented on the Services to Tertiary Education Organisations (STEO) webpage incorrect teaching hours.

5 Recommendations

The main recommendations are:

- NZIS is required to contact the TEC and provide information on the formal agreement with the organisations contracted to provide first aid training to students.
- NZIS is to correct the teaching hours on STEO for the NZIS Certificate in Personal Training and confirm the correction with the TEC. NZIS should also review all information documented on STEO to assure the TEC that all programme data is accurate and up-to-date.
- Note: The matters referred to in the recommendations described above, have now been implemented satisfactorily.

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Part Two

Findings

Detailed findings are summarised in each of the audit focus areas.

Audit focus areas	Evidence sighted
<p style="text-align: center;">Overview</p> <ul style="list-style-type: none">• A sample of 36 SAC and Youth Guarantee files was selected for audit. The sample covered files from the December 2015 SDR and records from the August 2016 SDR.• Interviews were held at the main site Wellington with the Group Director NZIS and New Zealand College of Massage (NZCM), Academic Manager, Academic and Quality Assurance Support Director, Senior Manager Quality Assurance and Systems, Financial Controller, Enrolments Administrator and Academic Registration Officer. During a visit to the Christchurch delivery site interviews were held with the Senior Manager Operations and two members of the teaching staff.• NZIS has five NZQA approved delivery sites including Wellington, Christchurch, Auckland, Papatoetoe and Hataitai.• Staff have been involved in the Targeted Review of Qualifications (TRoQ) discussions. A range of new programmes are being developed and are expected to be ready for introduction at the beginning of the 2018 academic year.• NZIS is a private training establishment owned by the Intueri Group of companies.	
1. The reporting through the Single Data Return, including recording enrolments and withdrawals.	<p>Student management system</p> <ul style="list-style-type: none">• NZIS uses a student management system Take2, which is software certified by the Ministry of Education for the Single Data Return. Take2 is used to load enrolments, document withdrawals and report completions.• All data is loaded into Take2 at the main site Wellington with delivery sites processing student applications then submitting the information to the main site for but entering into Take2. The main site reserves full access to the student management system.• Each delivery site records student achieved unit standards following assessment on an Excel spreadsheet. This information progresses through a series of checks before the final result is loaded by Wellington staff into Take 2. There are appropriate checks and balances being applied with completions data relayed back to each delivery site for monitoring student progress.• Take2 has been used as the preferred student management system for many years and performs the required reporting and monitoring functions for management and staff to enable student progress to be tracked.• The student management system was satisfactory.

	<p>File review</p> <ul style="list-style-type: none"> • All student records in the audit sample were valid enrolments for funding purposes, domestic student status was confirmed and minimum attendance requirements met. • Student files held documents that were ordered systematically, consistent in content and presented a complete range of student enrolment information. • Police clearance was obtained for those students enrolled in the Pre Police Proficiency certificate programme being offered at the Wellington and Manukau delivery sites only. <p>Monitoring of Single Data Return data</p> <ul style="list-style-type: none"> • A NZIS process specifies that a confirmation of valid enrolment is being monitored by a regular weekly process. Student data entry is subject to spot checking throughout the data entry process to ensure student details are correct and compliant with conditions of funding. • Procedures are written supporting the timely and accurate preparation of the SDR data prior to the submission to the Ministry of Education. • This checking process is thorough and incorporated into the Intueri system extending across all student management systems data generated by organisations operating within the group. <p>Recognition of Prior Learning</p> <ul style="list-style-type: none"> • Recognition of Prior Learning (RPL) is available and was referred to in the student manual. According to NZIS few students present with a request for RPL or credit transfer. <p>Staff access levels to the student management system and privileges</p> <ul style="list-style-type: none"> • The student management system Take2 according to the NZIS procedures can only be accessed by selected individuals within the organisation. • To prevent any risk to data integrity the access levels are documented and known by staff within the organisation.
<p>2. The Annual Maximum Fee Movement (AMFM) policy relating to fees and course costs.</p>	<ul style="list-style-type: none"> • NZIS is complying with the Annual Maximum Fee Movement Policy. • The student course fees published showed there was no movement in the fees to be charged for 2017 compared with those listed for 2016. An increase of 1.6785% was noted for the NZIS Certificate in Personal Training in 2016, compared with student course costs in 2015. • In 2017 an additional programme was listed under the Course Fees and Dates schedule NZIS Certificate in Sport and Recreation. No fees were aligned to this programme.
<p>3. The refund of fees that have been overcharged.</p>	<ul style="list-style-type: none"> • A financial system is in place and used when students require a refund of overcharged course fees.

<p>4. The financial support for the equipment infrastructure required to deliver the approved qualifications.</p>	<ul style="list-style-type: none"> • Students were not required to individually purchase any item of hardware or equipment necessary to gain the approved qualifications. • The budget prepared for NZIS programmes provided for course equipment such as gym apparatus, computers and other student expenses. • A range of gym equipment is necessary for students to use and show competence in to achieve each qualification. • No student is expected to provide any extra course costs to enable them to complete a programme.
<p>5. Whether inducements or benefits have been provided to students.</p>	<ul style="list-style-type: none"> • From the sample of records reviewed and general observations during the course of the audit there was no evidence of any student being provided with an inducement or benefit to study.
<p>6. Responsibility for subcontracting arrangements.</p>	<ul style="list-style-type: none"> • NZIS includes within all SAC funded programmes first aid training for students. • A formal Memorandum of Understanding (MoU) is in place for the outsourcing of this programme. • Each site employs an organisation to teach the first aid programme to students and a MoU is used to govern the range of services being provided. • The first aid training provider is responsible for reporting completed unit standards to NZQA. • This is the only MoU used for the NZIS programmes. • NZIS is required according to the SAC funding conditions, to receive prior consent from the TEC before entering into a subcontracting or MoU arrangement with a training provider.
<p>7. Compliance with the requirements in Part 18 of Education Act 1989.</p>	<ul style="list-style-type: none"> • The overall standard of recordkeeping was reviewed as satisfactory. • Part 18 of the Education Act 1989 includes, but is not limited to student programme information and records. <p>Course approval</p> <ul style="list-style-type: none"> • NZIS has programme approval from NZQA for the programmes that are funded by TEC. Copies of programme approval letters were available for review. • Several approval letters dated back to 2004 and only minimal information was available. This situation should be resolved with the introduction of the newly approved programmes following the redevelopment of new qualifications at the conclusion of the TRoQ process.

	<p>Number of hours</p> <ul style="list-style-type: none"> • The NZIS Certificate in Personal Training was originally approved in 2013 for 900 hours. Services to Tertiary Organisations (STEO) information shows a reduction in hours with the programme stated as being of 780 hours. • No NZQA approval letters can be produced to verify the actual hours of delivery for this programme. The timetable being used to support the student programme shows that 900 hours are necessary for a student to complete the degree of learning necessary to be competent in all courses. • The development of the new programmes has commenced including a certificate in personal training and will be ready to commence at the beginning of the 2018 academic year. <p>Archiving</p> <ul style="list-style-type: none"> • Archiving policy is in place and being adhered to by NZIS. All student files are maintained centrally at the main office and maintained securely for a period after programme completion.
<p>8. Any other TEC funding matters.</p>	<p>Scholarships</p> <ul style="list-style-type: none"> • A policy guides the award of a yearly scholarship to a student who demonstrates high academic or sporting achievement. • The process is outlined in a section of the Quality System Manual including the criteria necessary for a student application and the awarding of a scholarship by a NZIS Scholarship Committee. <p>Literacy and Numeracy policy</p> <ul style="list-style-type: none"> • All students studying at Levels 2 and 3 are required to be assessed by the on-line literacy and numeracy tool to provide information on student performance and enable educational support to be designed for an individual student. • The Literacy and Numeracy test is performed by a student within the first three weeks of enrolling in class and then may be repeated part-way through the years programme. This enables teaching staff to gauge the progress of a student and where necessary adapt the individual learning plan to ensure success at the end of the programme. • Teaching staff have Literacy and Numeracy qualifications essential for the teaching and support of Literacy and Numeracy students.