

AQTF Audit Report - Continuing Conditions of Registration

clever • skilled • creative

Cedar Centre Ltd – NTIS 5987

 TRIM: 10/185641
 Version 3.2 – 29 July 2011
 Training and International Quality

RTO details			
Legal name	Cedar Centre Ltd	Registration expiry	23/06/2012
RTO contact	Mr David Pederick	Phone	07 4630 1722
Audit team			
Lead auditor	Ms Emma Betts		
Phone	07 3225 2362	E-mail	Emma.betts@deta.qld.gov.au
Audit details			
Audit number	5987-22A	Conditions audited	1 - 9
Other audit notes	<ul style="list-style-type: none"> A risk assessment reported the application indicated no changes to scope and had recommended that, pending the outcome of the desk audit, the renewal of registration be approved under delegation. On review of the application by audit services, it was identified the organisation had applied to deliver/assess a number of skill sets which were not on its existing scope of registration. The lead auditor requested the organisation clearly confirm which skill sets it had applied for. The information was provided to registration services to update tracking. All skill sets were from the CHC08 Training Package and comprised of units of competency that the organisation had on its existing scope within other full qualifications. The organisation was not contacted for clarification of any evidence provided, due to the extensive amount of relevant evidence. The organisation was identified as non-compliant with Condition 5. 		
Audit date	14/03/2012	Audit outcome on day of audit	<input type="checkbox"/> Compliant <input checked="" type="checkbox"/> Significant non-compliance <input type="checkbox"/> Minor non-compliance <input type="checkbox"/> Critical non-compliance
Rectification received	03/04/2012	Audit outcome following rectification	<input checked="" type="checkbox"/> Compliant <input type="checkbox"/> Significant non-compliance <input type="checkbox"/> Minor non-compliance <input type="checkbox"/> Critical non-compliance
Audit advice			
Recommendation	<input checked="" type="checkbox"/> Approve application <input type="checkbox"/> Refer to site visit <input type="checkbox"/> Refer to RME		
Strengths	<ul style="list-style-type: none"> The organisation provided a comprehensive amount of evidence for each Condition of registration, which included a guide as to the relevance of each item. The organisation used <i>Course Guide Books</i> to provide information to clients prior to enrolling. The information was easily available, very comprehensive and was written in a manner that would be easily understood by its clients. 		
Opportunities for improvement	<ul style="list-style-type: none"> The organisation provided comprehensive evidence to demonstrate how it complied with relevant legislation, and how it informed staff of their obligations. It is recommended that reference is made to the <i>Vocational Education, Training and Employment Act 2000</i> to ensure staff are made aware of the specific legislation that binds all persons to the delivery of vocational education and training. 		

Condition 1 - Governance

 At time of audit: Compliant Not Compliant

Description of evidence sighted:

- Position description / contract of the Centre Manager (Mr David Pederick – Chief Executive Officer). The position reported to the Board of Directors and was responsible for the management of the organisation including training.
- Organisational chart which demonstrated the channel from trainers and assessors, to the Education Coordinator (training and assessment manager), to the Centre Manager.
- Email chain between Mr Pederick and the registering body which demonstrated Mr Pederick's participation in ensuring





compliance.

- Email from Mr Pederick to Ms Margaret O'Neill (Education Coordinator) which demonstrated Mr Pederick forwarded information regarding professional development workshops for trainers and assessors to attend.
- *Education Department Quality Management Meeting* minutes for January (2012), December (2011), November, October, September, July, May, April, and March. Attendees included the Centre Manager and trainers and assessors from each industry area. The information provided demonstrated the provision of information regarding compliance from the Centre Manager, and active participation from all attendees.
- Formal advice that the Education Department Quality Management Meeting did not occur in August (2011), June, February and January due to staffing changes in the organisation.
- Email from Ms O'Neill to Mr Pederick which demonstrated an agreement to discuss matters about training and assessment across the scope of registration.
- RTO4 form Mr Angus Lucas (Director), Mrs Joy Mingay (Director), Dr Delroy Brown (Director), Mr Christopher Hall (Director), Mr Keith Forsyth (Director / Secretary), Mrs Janice Swannell (Director), Mrs Kathleen Chase (Director). All Directors' match the ASIC extract as at 25/01/2012.
- RTO4 form Mr David Pederick (Chief Executive Officer / Centre Manager).

Evidence checklist:

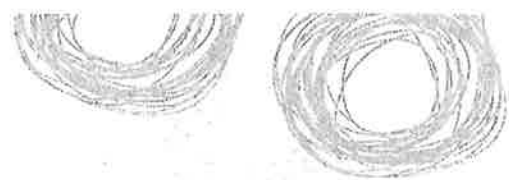
Evidence provided confirms:	Y	N
<ul style="list-style-type: none"> ▪ The RTO's Chief Executive must ensure that the RTO complies with the <i>AQTF Essential Conditions and Standards for Continuing Registration</i> and any national guidelines approved by the National Quality Council or its successors. This applies to all of the operations within the RTO's scope of registration, as listed on the National Training Information Service. 	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ▪ The RTO's senior officers and directors or substantial shareholders who are in a position to influence the management of the organisation must satisfy fit and proper person requirements unless these requirements have already been met through other legislative provisions. [These are the people identified in section 2.1 of the RTO 1(b) form. Each of these people has completed and declared the RTO 4 form - Fit and proper person requirements declaration.] 	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> ▪ The RTO must also explicitly demonstrate how it ensures the decision making of senior management is informed by the experiences of its trainers and assessors. 	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Condition 2 – Interactions with the Registering Body

At time of audit: Compliant Not Compliant

Description of evidence sighted:

- Publication of most recent summary of AQTF audit outcomes on organisation's website.
- Letters and audit reports from most recent monitoring audits in 2007 and 2009 which included hand-written notes from the Centre Manager (at that time) of actions that were undertaken.
- *Continuous Improvement Plan Register 2012* which demonstrated the review schedule for the coming year against key Conditions and Standards across all operations.
- User Choice Automatic Claim Payment Results.
- Competency completion quality indicator report (for 2011).
- Learner (70 submissions) and employer (20 submissions) registering body report (for 2011).
- Completed *Updated RTO details form*, 14/06/2011.
- Documents which demonstrated the application process for an addition to scope.



- Documents which demonstrated the process to change legal details.
- Evidence of archiving activities, which included photographic evidence of the archiving storeroom, a sample coversheet that would be attached to an archive box, and retention of records policy.
- *Student File Movement Register* which demonstrated the process undertaken when accessing student records.
- *Annual Report 2010-2011* which included an income statement, balance sheet, profit and loss statement, compilation report (RLH Accounting), and an independent auditor's report (Queensland Audit Services).

Evidence checklist:		Y	N
Evidence provided confirms:			
▪ The RTO's Chief Executive must ensure that the RTO cooperates with its registering body:			
a. in the conduct of audits and in the monitoring of its operations		<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. by providing accurate and timely data relevant to measures of its performance		<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. by providing timely information about significant changes to its operations		<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. by providing timely information about significant changes to its ownership		<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. in the retention, archiving, retrieval and transfer of records consistent with its registering body's requirements		<input checked="" type="checkbox"/>	<input type="checkbox"/>
f. by providing a statement demonstrating its financial viability, and/or its annual financial statements, and/or a business plan on request of the registering body.		<input checked="" type="checkbox"/>	<input type="checkbox"/>

Condition 3 – Compliance with Legislation

At time of audit: **Compliant** **Not Compliant**

- Description of evidence sighted:**
- Minuted information from within the *Education Department Quality Management Meeting* which discussed legislative and regulatory requirements with staff.
 - Calendar record for Ms O'Neill which demonstrated the conduct of an induction procedure for a new staff member.
 - Staff induction manual which included legislative provisions, duties, and procedures.
 - Copies of multiple procedures and checklists used to comply with legislation and regulatory requirements.
 - Course guides for the industry streams of "Education Support and Children's Services", "Community Services", and "Business/TAE" (available on website and provided to students). The information was comprehensive on legislative and regulatory requirements and included useful phone numbers and websites, and a glossary of terms.
 - *Student Enrolment Checklist* which the organisation advised was used for the induction of new students. The checklist provided a comprehensive list of items to discuss which included an explanation of key terms.

Evidence checklist:		Y	N
Evidence provided confirms:			
▪ The RTO must comply with relevant Commonwealth, State or Territory legislation and regulatory requirements that are relevant to its operations and its scope of registration.		<input checked="" type="checkbox"/>	<input type="checkbox"/>
▪ It ensures its staff and clients are fully informed of these requirements that affect their duties or participation in vocational education and training.		<input checked="" type="checkbox"/>	<input type="checkbox"/>

Condition 4 - Insurance

At time of audit: Compliant Not Compliant

Description of evidence sighted:

- Email from Holland Insurance Brokers on 01/02/2012 which provided advice that the "industry standard of \$10,000,000 is considered adequate for your training organisation's needs".
- Certificate of Currency to the value of \$10,000,000 with an expiry of 17/02/2013.

Evidence checklist:

Evidence provided confirms: Y N

▪ The RTO holds insurance for public liability throughout its registration period that is suitable for the size and scope of its operations.

Condition 5 – Financial Management

At time of audit: Compliant Not Compliant

Following rectification: Compliant Not Compliant

Description of evidence sighted:

- *Annual Report 2010-2011* which included an income statement, balance sheet, profit and loss statement, compilation report (RLH Accounting), and an independent auditor's report (Queensland Audit Services).
- Course guides for the industry streams of "Education Support and Children's Services", "Community Services", and "Business/TAE" (available on website and provided to students). Each guide provided comprehensive information on the qualifications available under that stream. Information included course fee inclusions, enrolment fees, tuition fees (User Choice), payment options, refund policy, reissuing qualification certificates or statements of attainment, and support through studies to complete training and/or assessment.
- The course guides identified that payment options included full payment of the course fees prior to the commencement of training, or a payment plan (negotiated).
- Email from Mr Pederick to a potential client (an employer, not individual student) who advised of the course fees and an invoicing schedule.
- Course price list (2011) which provided a full course cost and single unit cost for each qualification on scope. The document was for internal use as it further provided information for those providing the course costs.
- *Student Services Policies and Procedures Manual* which identified the process for inquiries was for the Lead Assessor to advise the client of course fees.
- Certification from ACPET which identified the organisation was covered by ACPET (expiry 31/10/2012). Of the list of qualifications identified as covered, there were qualifications on the list that were no longer on the organisation's scope. There were also qualifications currently on scope which were not included (note – page 2 was not provided). *Note – please see the National Quality Council special bulletin (June 2011,) and "summary of non-compliances" below, regarding this bullet point.*

Evidence checklist:

Evidence provided confirms: Y N

- The RTO must be able to demonstrate to its registering body, on request, that it is financially viability at all times during the period of its registration.
- The RTO must clearly express the following fee information to each client in a language that clients understand:
 - a) The total amount of all fees including course fees, administration fees, materials fees and any other charges
 - b) Payment terms, including the timing and amount of fees to be paid and any non-refundable deposit/administration fee
 - c) The nature of the guarantee given by the RTO to complete the training and/or assessment once the student has commenced study in their chosen qualification or course
 - d) The fees and charges for additional services, including such items as issuance of a replacement qualification testamur and the options available to students who are deemed not yet competent upon completion of training and assessment, and
 - e) The organisation's refund policy.
- The evidence provided relating to fee information supports the RTO's statement regarding collection of fees in advance (below).

Does the applicant intend to collect fees in advance from individual students? *Note: Fees paid in advance from other clients (e.g. companies, incorporated bodies, government agencies) on behalf of the student are not intended to be covered by Condition 5.*

- Yes – continue No – bypass next dot point

Evidence provided confirms:

- Where the RTO collects fees in advance it must ensure it complies with one of the following options:
- Cross which option is nominated on
- Option 1 – The RTO is administered by a state, territory or commonwealth government agency, or
Option 2 – ~~The RTO holds current membership of an approved Tuition Assurance Scheme, or~~
[Option not currently possible]
 - Option 3 – The RTO may accept payment of no more than \$1000 from each individual student prior to the commencement of the course. Following course commencement, the RTO may require payment of additional fees in advance from the student but only such that at any given time, the total amount required to be paid which is attributable to tuition or other services yet to be delivered to the student does not exceed \$1,500, or
 - Option 4 – The RTO holds an unconditional financial guarantee from a bank operating in Australia for no less than the full amount of funds held by the RTO which are prepayments from students (or future students) for tuition to be provided by the RTO to those students, or
 - Option 5 – The RTO has alternative fee protection measures of equal rigour approved by the registering body.
[A description of the alternative measures proposed must be provided and accompanied by a comprehensive explanation demonstrating how the proposed measures are of a rigour equal to Options 1 – 4. The Director, Training Quality, will determine whether the RTO's fee protection measures demonstrate equal rigour.]

Evidence provided confirms:

- The RTO must have its accounts certified by a qualified Accountant to Australian Accounting Standards at least

annually, and provide the certificate to its registering body on request. If the registering body reasonably deems it necessary, the chief executive must provide a full audit report on the RTO's financial accounts from a qualified and independent accountant.

Summary of non-compliances

- The evidence provided demonstrated that course costs for a fee for service (non-trainee and non-employer funded) client was provided to the client by the Lead Assessor prior to enrolment. The organisation did not provide evidence to demonstrate that the information relating to course costs was clearly expressed to the client in a language that the client would understand.
- The evidence provided demonstrated the organisation's intent to comply with Option 2 within Condition 5. As identified within the National Quality Council special bulletin (June 2011): "It is important to note that a Tuition Assurance Scheme (TAS) is unlikely to be approved before October 2011. RTOs that collect student fees in advance and intend to meet Option 2 will be required to comply with one of the remaining four options". The evidence provided demonstrated that the organisation did not meet compliance with any of the remaining four options.

Rectification required

- The organisation is required to provide evidence to demonstrate that information about course fees payable by a fee for service (non-trainee and non-employer funded) client is clearly expressed in a language that the client would understand.
- The organisation is required to provide evidence to demonstrate that, when the organisation collects fees in advance from individual clients (e.g. – not those who are funded by the state government, or an employer), it complies with one of the four currently approved options. Note: Option 2 has not yet been approved; therefore cannot be selected as an option for collecting fees in advance at this point in time.

Rectification received

- The organisation provided email and payment form evidence to demonstrate how information about course fees payable by a fee for service client is clearly expressed.
- The organisation provided sufficient evidence in its *Course Guide* and *Fee For Service* handout to demonstrate that it complies with Option 3 when collecting fees in advance from individual clients. The evidence was supported by the minutes of a Board of Directors meeting where the new process was approved and carried.

Condition 6 – Certification & Issuing of Qualifications & Statements of Attainment

At time of audit: Compliant Not Compliant

Description of evidence sighted:

- Templates of a qualification, transcript of academic record, and statement of attainment.
- Record of retention policy.
- AVETMISS validation report, dated 31/01/2012.
- Letter from the Department of Education and Training on 24/01/2012 which advised the AVETMISS submission from the same date was processed and completed successfully without validation errors.

Evidence checklist:

Evidence provided confirms:	Y	N
<ul style="list-style-type: none"> ▪ The RTO must issue to persons whom it has assessed as competent in accordance with the requirements of the Training Package or accredited course, a qualification or statement of attainment (as appropriate) that: <ul style="list-style-type: none"> a. meets the Australian Qualifications Framework (AQF) requirements <input checked="" type="checkbox"/> <input type="checkbox"/> b. identifies the RTO by its national provider number from the National Training Information Service <input checked="" type="checkbox"/> <input type="checkbox"/> 		



c. includes the Nationally Recognised Training (NRT) logo in accordance with the current conditions of use.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
▪ The RTO must retain client records of attainment of units of competency and qualifications for a period of 30 years.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The RTO must have a student records management system in place that has the capacity to provide the registering body with AVETMISS compliant data.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
▪ The RTO must provide returns of its client records of attainment of units of competency and qualifications to its registering body on a regular basis, as determined by the registering body. [Not required by Department of Education and Training.]	<input type="checkbox"/>	<input type="checkbox"/>
▪ The RTO must meet the requirements for implementation of a national unique student identifier. [Not required until implementation plan is published on www.training.gov.au]	<input type="checkbox"/>	<input type="checkbox"/>

Condition 7 – Recognition of Qualifications Issued by Other RTOs

At time of audit:	<input checked="" type="checkbox"/> Compliant	<input type="checkbox"/> Not Compliant
Description of evidence sighted:		
<ul style="list-style-type: none"> • Extract copy of a student file which included a training plan, statement of attainment issued by another RTO, and a qualification outline. The evidence demonstrated the organisation had recognised the statement of attainment issued by the other RTO. 		
Evidence checklist:		
Evidence provided confirms:		Y N
▪ The RTO recognises the AQF Qualifications and Statements of Attainment issued by any other RTO.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Condition 8 – Accuracy and Integrity of Marketing

At time of audit:	<input checked="" type="checkbox"/> Compliant	<input type="checkbox"/> Not Compliant
Description of evidence sighted:		
<ul style="list-style-type: none"> • Various marketing brochures for accredited training and assessment, including course brochures, information on traineeships, and course guides. • Various marketing material for other services provided by the organisation, including room hire and catering menus. • <i>Education Department Quality Management Meeting</i> minutes which demonstrated "marketing" as a standing item. 		
Evidence checklist:		
Evidence provided confirms:		Y N
▪ The RTO must ensure that its marketing and advertising of AQF qualifications to prospective clients is ethical, accurate and consistent with its scope of registration.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
▪ The NRT logo must be employed only in accordance with its conditions of use.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Condition 9 – Transition to Training Packages/Expiry of Accredited Courses

At time of audit:	<input checked="" type="checkbox"/> Compliant	<input type="checkbox"/> Not Compliant
Description of evidence sighted:		



- Email from Ms O'Neill which demonstrated communication to all trainers and assessors regarding a new Training Package.
- Email communication between trainers and assessors and Ms O'Neill which discussed transition arrangements.
- Email from Student Services which indicated a process to manage a student in a transitioned qualification. The transition included notes from its management system in date order which demonstrated how the student was managed.

Evidence checklist:

Evidence provided confirms:

Y N

- The RTO must manage the transition from superseded Training Packages within 12 months of their publication on www.training.gov.au.
- The RTO must also manage the transition from superseded accredited courses so that it delivers only currently endorsed Training Packages or currently accredited courses.