

Academic Quality and Standards Unit

ESOS NATIONAL CODE AUDIT PROCEDURE

Date approved:	Dec 2007	Date Procedure will take effect:	Immediately	Date of Next Review:	May 2016
Approved by:	Director, Academic Quality and Standards Unit				
Custodian title & e-mail address:	Institutional Compliance Officer Academic Quality and Standards Unit				
Author:	Institutional Compliance Officer				
Responsible Faculty/ Division & Unit:	Academic Quality and Standards Unit				
Supporting documents, procedures & forms of this Procedure:	ESOS National Code Audit Checklist ESOS National Code Audit Report ESOS National Code Audit Schedule Declaration of Conformity template Declaration of Conformity Covering Letter template				
References & Legislation:	Education Services for Overseas Students Act 2000 Education Services for Overseas Students Legislation Amendment (Tuition Protection Service and Other Measures) Act 2012 Education Services for Overseas Students (Registration Charges) Amendment (Tuition Protection Service) Act 2012 Education Services for Overseas Students (TPS Levies) Act 2012 Education Services for Overseas Students Legislation Amendment Act 2011 Education Services for Overseas Students Amendment (Re-registration of Providers and Other Measures) Act 2010 Education Services for Overseas Students (Registration Charges) Act 1997 National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students 2007				
Audience:	Internal				
Expiry date of procedure (if applicable):	Not applicable				

Submit your feedback on this Policy document using the [Policy Feedback Facility](#).

Contents

1	Introduction / Background	3
2	Scope / Purpose	3
3	Definitions	3
4	Audit Program	4
5	Audit Schedule	6
6	Conducting the Audit	6
7	Reporting of Outcomes	7
8	Rating Scale of Outcomes	8
9	Guidance Questions	9
10	Declaration of Conformity	9
11	Penalties for Non-Compliance	9
12	Records	9
13	Roles and Responsibilities	9
14	Version Control Table	11

1 Introduction / Background

1. The ESOS Act and associated legislation regulates Australian education institutions in the delivery of educational services to international students. The National Code sets out the specific standards that institutions are to meet when delivering education to international students.
2. Part D of the National Code requires UOW to provide TEQSA with an annual Declaration of Conformity that UOW meets the standards set out in the National Code.
3. Conducting an annual ESOS National Code Audit Program will provide an independent, formal approach to UOW's ESOS compliance requirements and will ensure:
 - a. the University complies with the National Code, and
 - b. the National Code is effectively implemented and maintained.
4. The ESOS National Code Audit Report will form the basis for the annual Declaration of Conformity.

2 Scope / Purpose

1. This procedure defines the steps required to plan, perform, report on, record and follow-up on the annual ESOS National Code Audit Program.
2. The Audit Program covers the Part D standards of the National Code and applies to all UOW policies and procedures that are directly or indirectly affected by Part D.
3. The Part D standards are:
 - a. Standard 1: Marketing information and practices.
 - b. Standard 2: Student engagement before enrolment.
 - c. Standard 3: Formalisation of enrolment.
 - d. Standard 4: Education agents.
 - e. Standard 5: Younger students.
 - f. Standard 6: Student support services.
 - g. Standard 7: Transfer between registered providers.
 - h. Standard 8: Complaints and appeals.
 - i. Standard 9: Completion within the expected duration of study.
 - j. Standard 10: Monitoring course progress.
 - k. Standard 11: Monitoring attendance.
 - l. Standard 12: Course credit.
 - m. Standard 13: Deferring, suspending or cancelling the student's enrolment.
 - n. Standard 14: Staff capability, educational resources and premises.
 - o. Standard 15: Changes to registered providers' ownership or management.

3 Definitions

Word / Term	Definition (with examples, if required)
Annual Registration Charge	An annual fee payable by CRICOS registered providers based on the total number of international student enrolments on student visas in each

	An annual fee payable by CRICOS registered providers based on the total number of international student enrolments on student visas in each course in each calendar year
AQS	Academic Quality and Standards Unit
CRICOS	Commonwealth Register of Institutions and Courses for Overseas Students; a database of Australian education institutions who can recruit, enrol or teach overseas students
CRICOS registered providers	Australian education providers registered with TEQSA as offering courses to people studying in Australia on student visas
ESOS Act	Educational Services for Overseas Students Act 2000 and associated legislation
ISO	International Organisation for Standardisation; a non-governmental organisation and network of the national standards institutes of 157 countries
National Code	The National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students 2007
PEO	Defined in the ESOS Act as “the person who has executive responsibility for the operation of the provider”. At UOW, this is the Director, Academic Quality and Standards Unit
PRISMS	Provider Registration and International Students Management System; a secure computer system that lists Australian education institutions and their courses, and interfaces with the Department of Immigration and Citizenship regarding international students studying in Australia on a student visa
Quality Auditor	An independent staff member who has successfully completed internal Quality Audit training
TEQSA	Tertiary Education Quality and Standards Agency; Australia's independent national regulator of the higher education sector
TPS Levy	Tuition Protection Service Levy; a fee similar to an insurance premium, all CRICOS registered providers must pay this fee annually

4 Audit Program

1. The ESOS National Code Audit Program is carried out on a regular basis by an internal Quality Auditor to verify the University's compliance with the National Code.
2. The Audit Program consists of:
 - a. a major external audit, conducted once every five years,
 - b. smaller internal audits of individual Standards, conducted periodically in the intervening years, and
 - c. an annual Declaration of Conformity.
3. The Audit Program encompasses all Divisions or Units that are directly or indirectly affected by

the requirements of the National Code.

External Audit

4. The major external audit of the University's compliance with the ESOS Act and National Code is conducted every five years.
5. Each external audit may take several days; this includes preparation of questions, conducting the audit, documenting all audit findings and providing an overall rating which is signed off by the quality auditors and the Institutional Compliance Officer. The process may take longer than the specified period if the auditors require.
6. The external audit must include a full inspection of the University's premises as well as auditing compliance with the ESOS National Code.
7. The results of the external audit must be provided by the PEO to TEQSA.
8. The last external audit was conducted in 2012.

Internal Audit

9. In between the major external audits, regular internal audits will be conducted that shall:
 - a. ensure all Standards are audited at least once in between the major external audits, and
 - b. cover all policies and procedures directly or indirectly referred to in the National Code.

Independence

10. To ensure the independence of the audit process, staff members appointed as auditors must have no involvement in the processes that they are auditing.

Audit Checklist

11. The ESOS National Code Audit Checklist provides direction on auditing the 15 standards and outlines the evidence required to support compliance. The checklist comprises three sections for each Standard:
 - a. Standard-specific requirements: Each Standard has a checklist that lists the National Code requirements for that Standard and the evidence required to support compliance.
 - b. Audit Analysis: Allows quality auditors to rate the strengths, non-compliance, improvement opportunity, additional comments or observations for each Standard.
 - c. ESOS compliance recommendation: Quality auditors will make a recommendation as to the University's compliance with each Standard.
12. Quality auditors are required to record what evidence has been found to support whether compliance or non-compliance exists for each of the Standards. They may make as many observations or comments as they determine necessary regarding compliance or non-compliance.

Audit Report

13. The ESOS National Code Audit Report confirms that an internal audit took place and records the internal audit findings.
14. There are three sections in the Audit Report, which is formatted to be updated directly:
 - a. Section 1: Auditor information (auditors' names, audit date, audit objectives),

- b. Section 2: Standards checklists,
 - c. Section 3: Audit analysis and results, and
 - d. Section 4: Recommendation and approvals by relevant parties.
15. At the completion of the audit, the Audit Report is completed by the quality auditors and forwarded to the Institutional Compliance Officer.
16. The Audit Report forms the basis for writing the University's Declaration of Conformity.

5 Audit Schedule

- 1. The audit schedule is developed and managed by the Institutional Compliance Officer. It is designed to audit each of the 15 standards at least once in the five-year period between external audits

6 Conducting the Audit

Communication

- 1. The Institutional Compliance Officer will communicate the details of the audit schedule to all stakeholders. This communication will be prior to the audit and allow stakeholders enough time to prepare.
- 2. The communication of the audit details will take place at least four weeks prior to the audit. This will also include a request for documentation to be submitted one week prior to the audit date.

Quality Auditors

- 3. The quality auditors will include two personnel from the Academic Quality and Standards Unit, both of whom should be trained and active as Quality Auditors in UOW Administration's audit program. Only qualified personnel may perform the internal audit.
- 4. The Institutional Compliance Officer will provide support and advice as needed by the quality auditors.

Conduct

- 5. All parties involved within the audit are to ensure that they act in an ethical and professional manner; that is, displaying trust, integrity, confidentiality and discretion during the entire audit.
- 6. Quality auditors must undertake their role in a professional and truthful manner, ensuring they diligently investigate issues and adopt an evidence-based approach to their findings. Quality auditors must be free from bias and conflicts of interest they should make their assessments in a fair and objective manner.

Documentation and Supporting Documentation

- 7. One week before the audit, the Institutional Compliance Officer will provide quality auditors with copies of the following documentation:
 - a. Audit Checklist template,
 - b. Audit Report template,
 - c. Final Audit Report from the previous audit, and
 - d. Any supporting documentation that has been collected.
- 8. In preparation for the audit, quality auditors are to investigate and review any supporting

documentation that may be available via the internet or intranet (such as policies, procedures, flow charts, process maps, forms, websites, and student files). This information is also to be taken to the audit.

9. During the audit, quality auditors may request additional information or evidence be made available if they determine it is needed during the audit process. All available information or evidence should be included to assist and support the audit outcome.

Opening Meeting

10. On the day of the audit, quality auditors will meet with the Institutional Compliance Officer to go over the audit objectives and discuss any issues that may have arisen during review of the documentation. The Institutional Compliance Officer will outline the organised schedule for the onsite visits to the affected Divisions.

Audit Interviews

11. Quality auditors shall interview appropriate personnel and determine whether actual practises conform to the requirements of the National Code and whether there is appropriate evidence to support compliance for each of the Standards.
12. Quality auditors can use the list of guidance questions found in [Section 8](#) and the pre-prepared Audit Checklist as tools to initiate and maintain discussions.
13. Quality auditors shall review any documentation (policies, plans, procedures, flow charts, process maps, student records) or other evidence that is applicable to the assessment of compliance activities.
14. Any issues, questions, concerns or areas for clarification that were noted during the preparation phase should be raised and used to drive questioning.

Documenting Outcomes

15. During the audit, quality auditors will use the Audit Checklist to record their observations and include a rating (refer [Section 7](#)) for each of the requirements. They may also make relevant notes on the Audit Checklist which will assist in completing the final report.
16. Any records viewed at the time of the audit must be documented on the Audit Checklist. These can be referred to as the 'objective evidence' and will help to support the auditor's findings when completing the Audit Report.

Non Compliance

17. A rating of non-compliance represents a lack of compliance with specific requirements of the National Code. When a non-compliant item is identified, quality auditors must present the nature of the non-compliance and any supporting evidence for the rating.
18. Any items rated non-compliant will be classified as a 'critical change'. Action of any non-compliant items must be commenced within one month of the final Audit Report being distributed.

Completing the Report

1. Once the Audit has been completed, quality auditors will reconvene to discuss their findings and complete the Audit Report. The content of the Report must be clear, factual and provide evidence to support why the rating has been selected. The Institutional Compliance Officer will be available throughout this period to for any assistance.
2. Quality auditors will forward their completed Audit Report to the Institutional Compliance Officer.

Audit Acknowledgements

3. After completion of the audit, the Institutional Compliance Officer shall communicate via email with the relevant staff members in the audited Divisions, thanking them for participating in the audit and advising when the Audit Report shall be sent to them for comment.
4. The Institutional Compliance Officer will also advise quality auditors via email any next steps that are required.

7 Reporting of Outcomes

Preliminary Report

1. The Institutional Compliance Officer will review the completed Audit Report to ensure it is clear, factual, has evidentiary basis and completed correctly, and then approve the Report.
2. Once approved, copies of the Audit Report will be distributed by the Institutional Compliance Officer to the relevant Heads, Directors, Unit Managers and personnel involved in the audit. They will be invited to forward any comments, discrepancies or clarifications to the Institutional Compliance Officer within 10 working days after distribution of the Report.
3. Advice on responsibility and expected timeframes for action items will be sought at this time from appropriate Managers.
4. The Institutional Compliance Officer will meet with all stakeholders within 20 working days after distribution of the Report, to discuss the audit findings, comments, discrepancies and clarifications. At this meeting, each action item (responsibility, timeframe and required change) will be finalised so that for action can commence.

Final Report

5. The Institutional Compliance Officer will collate all report findings, comments, discrepancies, clarifications and action items to form the final Audit Report, which is to be endorsed by the Director, Academic Quality and Standards Unit.
6. Once the final Audit Report is endorsed, the Institutional Compliance Officer will distribute a copy to all stakeholders.

Follow-up and Action Items

7. Each person responsible for an action item shall ensure they inform the Institutional Compliance Officer of progress at regular intervals. The Institutional Compliance Officer will be available to provide assistance and advice to the responsible party throughout the process.
8. All action items specified in the final Audit Report will be followed up by the Institutional Compliance Officer, who will report to the Director, Academic Quality and Standards Unit the status and completion of action items at least once every three months.

8 Rating Scale of Outcomes

1. There are three categories in which audit outcomes can be rated:
 - 1.1. Compliances
 - a. Documented policies and procedures that conform to the requirements of the National Code or ESOS Act,
 - b. Policies and procedures are followed correctly,
 - c. Evidence of compliant activities,

- d. Open communication channels, and/or
 - e. Appropriate assessment of compliance activities.
- 1.2. Non-Compliances
- a. A serious deficiency in compliance activities,
 - b. No documented policies and/or procedures,
 - c. Policies and/or procedures that do not conform to the requirements of the National Code or ESOS Act,
 - d. Policies and/or procedures not implemented or followed,
 - e. Incorrect business practices,
 - f. No evidence of compliance available, and/or
 - g. A series of minor non-compliances or lapses accumulating to an overall deficiency in compliance and may have an adverse effect on the University's reputation.
- 1.3. Improvement Opportunity
- a. An issue that may lead to a non-compliance if it is not corrected, and/or
 - b. A suggestion to improve a policy or process
2. There is also an extra category for additional comments and/or observations, which may include:
- a. Commendations that are noted by quality auditors, and/or
 - b. Comments or observations about relationships between Divisions, or other matters noted during the audit.

9 Guidance Questions

1. The following questions may be used as a starting point to assist quality auditors in conducting the audit:
- Can you explain what you do?
 - Do you have a documented procedure regarding this process?
 - Can you show me evidence of this?
 - How do you store your records?
 - How do you receive feedback for improvements or changes?
 - How do your clients find information about this process?
 - How do you find out information about compliance issues?

10 Declaration of Conformity

1. UOW is required to provide TEQSA with an annual Declaration of Conformity that contains:
- a. Unique identification of the Declaration of Conformity,
 - b. The name and contact address of the registered provider,
 - c. The CRICOS number of the registered provider,
 - d. A statement that the registered provider conforms with the National Code,
 - e. The date of the Declaration of Conformity,

- f. The signature of the PEO,
 - g. Reference to the existence of any associated supporting documentation, and
 - h. A report on the implementation of any corrective and preventative actions identified as being necessary.
2. The Declaration is prepared by the Institutional Compliance Officer in August each year and signed by the Director, Academic Quality and Standards Unit, who is the PEO.

11 Penalties for Non-Compliance

1. The ESOS Act sets out various penalties should UOW be found to be non-compliant with the National Code. The penalties range from a fine to imprisonment.
2. The PEO is ultimately responsible for compliance and may be held personally responsible for any non-compliance.

12 Records

1. Records regarding ESOS audits are coordinated by the Institutional Compliance Officer and are to be stored in the University's online records management systems.

13 Roles and Responsibilities

Primary Education Officer

1. The PEO has specific responsibilities under the ESOS Act and the National Code. They are:
 - a. Registering the name on CRICOS,
 - b. Providing information to DEST about international students accepted for study,
 - c. Sending "notice of visa breaches" to students,
 - d. Maintaining appropriate records for students accepted for study,
 - e. Registering course details on CRICOS,
 - f. Maintaining user access for staff members using PRISMS,
 - g. Ensuring the University's Annual Registration Charge is paid, and
 - h. Ensuring the University's TPS Levy is paid.
2. The PEO is ultimately responsible for UOW's compliance with the ESOS Act and National Code.

Director, Academic Quality and Standards

3. The Director, Academic Quality and Standards Unit has the following responsibilities:
 - a. Sign-offs on the University's compliance with the ESOS Act and the National Code.
 - b. Reports on ESOS compliance to the Deputy Vice-Chancellor (Education) and the University Council.
 - c. Supports this Audit Procedure and endorses ESOS National Code Audit Reports.

Institutional Compliance Officer

4. The Institutional Compliance Officer is the PEO's delegated authority for completing day-to-day ESOS compliance activities and has the following responsibilities:
 - a. Coordinates the ESOS National Code Audit Program:

- i. Plans the internal audit schedule,
- ii. Coordinates audits in line with the schedule, and
- iii. Plans and negotiates appropriate timeframes with auditors to visit and conduct the audits.

Quality auditor

5. Quality auditors have the following responsibilities:
 - a. Prepare and conduct the audits, and
 - b. Document findings and prepare ESOS National Code Audit Report.

Directors / Managers / Heads

6. Directors/Managers/Heads are responsible for providing information and ensuring staff members are actively involved in the audit as required.

14 Version Control Table

Version Control	Date Effective	Approved By	Amendment
1	14 Dec 2007	ESOS National Code Project Coordinator	First version released
2	5 May 2009	Manager, Conferrals	Minor revisions
3	August 2013	Director, Academic Quality and Standards Unit	Major review to reflect organisational changes; converted to new template