

AQTF Audit Report - Continuing Conditions of Registration

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The Spectrum Organization Association Inc- # 2441

 TRIM: 10/185641
 Version 3.1 – 29 July 2011
 Training and International Quality

RTO details				
Legal name	The Spectrum Organization Association Inc		Registration expiry	12-12-2011
RTO contact	Ms Melanie Armstrong		Phone	(07) 3881 3310
Audit team				
Lead auditor	Mr Dean Smoothy			
Phone	(07) 3235 4746	E-mail	dean.smoothy@deta.qld.gov.au	
Audit details				
Audit number	2441-11A	Conditions audited	1 - 9	
Other audit notes	<ul style="list-style-type: none"> The risk assessment team has recommended renewal be approved subject to a satisfactory desk audit. It has been noted that the two previous audits have identified minor non-compliances. The auditor spoke with Ms Armstrong on 22 September 2011 and explained the additional evidence which was required. The request of additional evidence was also emailed. 			
Audit date	21-09-2011	Audit outcome on day of audit	<input type="checkbox"/> Compliant <input type="checkbox"/> Significant non-compliance	<input checked="" type="checkbox"/> Minor non-compliance <input type="checkbox"/> Critical non-compliance
Rectification received	26-09-2011	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
Observance				

Condition 1 - Governance

 At time of audit: Compliant Not Compliant

Description of evidence sighted:

- A document demonstrating the professional development and qualifications of the Training Manager, Ms Barnes.
- A letter stating a signed license agreement has been signed and returned to Q-Comp to deliver 30782QLD Course in Functioning as a Rehabilitation and Return to Work Coordinator.
- A letter allowing permission to deliver 30888QLD Certificate IV in Mentoring Diverse Groups.
- A 'Fit and Proper Person Declaration' was sighted for:
 - CEO, Ms Melanie Armstrong
 - Training Manager, Ms Margaret Barnes
 - President, Mr Chris Andrews
 - Treasurer, Ms Kerrie Cheslton.
- It was noted by the auditor that the RTO complies with the AQTF *Essential Conditions and Standards for Continuing Registration* by cooperating with the audit process.
- A signed declaration to abide to the AQTF *Essential Conditions and Standards for Continuing Registration* and any national guidelines approved by the National Quality Council or its successors by the Chief Executive, Ms Armstrong.
- Two monthly management meeting notes demonstrating input from staff and action to be taken against items.
- Two training reports identifying the particulars of current courses which is directed to the committee.
- A report to the committee providing information on the position of the RTO and future directions which may be taken.
- An information report outlining the new programs purpose and direction.



Evidence checklist

Evidence provided confirms:

Y N

▪ The RTO's Chief Executive must ensure that the RTO complies with the AQTF *Essential Conditions and Standards for Continuing Registration* 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.

▪ 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.]

▪ 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.

Condition 2 – Interactions with the Registering Body

At time of audit: Compliant Not Compliant

Following rectification: Compliant Not Compliant

Description of evidence sighted

- A letter identifying a compliant and finalised audit outcome on 30 October 2009.
- An email from an auditor complimenting the professionalism and cooperation during the audit process.
- Two registering body reports (quality indicators) which have been identified as being submitted by the due date.
- A letter identifying an approval of extension to scope of registration.
- A copy of a certificate of 'VETtrak' software service agreement which expires 31 July 2012.
- A letter from 'The Spectrum Organization Association Inc' noting they have a business plan and recent annual reports available from the CEO if requested.

Evidence checklist

Evidence provided confirms:

Y N

▪ 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

b. by providing accurate and timely data relevant to measures of its performance

c. by providing timely information about significant changes to its operations

d. by providing timely information about significant changes to its ownership

e. in the retention, archiving, retrieval and transfer of records consistent with its registering body's requirements

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.

Summary of non-compliances

- No evidence was identified to demonstrate how the RTO met the requirements in reporting changes to ownership.
- No evidence was identified in regards to the retention, archiving, retrieval and transfer of records consistent with its registering body's requirements.

Rectification required

- The RTO is to demonstrate how and who the RTO will notify of any changes to ownership.
- Documentation which identifies the retention, archiving, retrieval and transfer of records consistent with the registering body's requirements outlined in the 'Retention of Record Policy'.



Recognition received

- A document which demonstrates how and who it will advise if there are any significant changes to ownership.
- A detailed procedure which outlines the retention, archiving, retrieval and transfer of records consistent with its registering body's requirements.

Condition 3 – Compliance with Legislation

At time of audit: Compliant Not Compliant

Description of evidence sighted

- Statements of attendance for Ms Barnes to:
 - Ted 10 Implementation and Implications workshop
 - AQTF and Preparing for Audit workshop
 - AQTF Becoming a Registered Training Organisation workshop.
- A 'Student Handbook' which clearly outlines the legislation and the students' responsibilities during their participation in education and training.
- A 'Staff Handbook' outlining their responsibilities, roles and the requirement to maintain currency.
- An 'Employee's Policy and Procedures Manual' covering all legislation, code of conduct, WH&S and staff policies.

Evidence checklist

Evidence provided confirms:

- | | Y | N |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------|
| ▪ 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

- 'Confirmation of Cover' of public liability insurance:
 - from AUSURE insurance brokers
 - with an expiry 28 January 2012
 - with a value of \$10 million
 - as Suncorp Insurance Ltd as the insurers.
- A letter from 'AUSURE' insurance brokers stating that the organisation has public liability insurance which is suitable for the size and operations of the business.

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. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |



Condition 5 – Financial Management

At time of audit: Compliant Not Compliant

Following rectification: Compliant Not Compliant

Description of evidence sighted:

- A letter from 'David Unwin' accountants stating in his opinion the organisation is viable and the financial records have been audited.
- An income and expenses report demonstrating viability.
- The RTO's 'Refund Policy'.
- A schedule of fees and charges which outlines:
 - full fees including course materials and administration fees
 - payments terms and time frames
 - replacement qualifications or statement of attainment fees.
- An audit report from 'David Unwin' accountants, confirming that a financial audit is conducted annually.

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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
▪ 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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Payment terms, including the timing and amount of fees to be paid and any non-refundable deposit/administration fee	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) The organisation's refund policy.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
▪ The evidence provided relating to fee information supports the RTO's statement regarding collection of fees in advance (below).	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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 **how, after 1 July 2011:**

- | | |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cross which option | <p>▪ Where the RTO collects fees in advance it must ensure it complies with one of the following options: <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p><input type="checkbox"/> 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]</p> <p><input checked="" type="checkbox"/> 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</p> |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



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.]

The RTO cannot yet demonstrate compliance with the fees paid in advance option 2 as it is awaiting advice from NQC regarding what constitutes an approved Tuition Approval Scheme.

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

- Although the RTO has listed and stated that the total course fees included material and administration fees it has not stated the amount.
- No guarantee has been given by the RTO to complete the training and/or assessment once the student has commenced study in their chosen qualification or course.
- The fees and charges for additional services and options available to students who are deemed not yet competent upon completion of training and assessment.
- The RTO though its statement in the fees and charges document states that all fees are to be paid in full prior to commencement which does not align to the selection of Option 3.

Rectification required

- Identification of the RTOs' material and administration fees is required to ensure transparency.
- A guarantee which is given by the RTO to complete the training and/or assessment once the student has commenced study in their chosen qualification or course.
- Identified fees, charges or options for students that are deemed not yet competent upon completion of their training and assessment.
- Rectification to the statement in the fees and charges document to ensure that the RTO is complying with Option 3 under Condition 5.

Rectification received

- A document which outlines:
 - the material and administration fees for each course provide by the RTO
 - fees, charges or options for students that are deemed not yet competent upon completion of their training and assessment
 - compliance with Option 3 under Condition 5.
- A document which outlines the guarantee which is given by the RTO to complete the training and/or assessment once the student has commenced study in their chosen qualification or course.



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

At time of audit: Compliant Not Compliant

Following rectification: Compliant Not Compliant

Description of evidence sighted

- A sample qualification.
- A sample statement of attainment.
- A sample record of results.
- A certificate of a 'VETtrak' software service agreement.
- Two letters from the 'Department of Education and Training' stating that its submission of AVETMISS data had been received.

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 type="checkbox"/> <input checked="" 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"/> <p>[Evidence required to demonstrate how the RTO plans to comply by 3 January 2011]</p> <ul style="list-style-type: none"> ▪ 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. <input checked="" type="checkbox"/> <input type="checkbox"/> ▪ The RTO must meet the requirements for implementation of a national unique student identifier. <input type="checkbox"/> <input type="checkbox"/> <p>[Not required until implementation plan is published on www.training.com.au]</p> | | |

Summary of non-compliance

- No evidence was identified that the RTO retains client records of attainment of units of competency and qualifications for a period of 30 years.

Rectification required

- Evidence to identify that the RTO retains client records of attainment of units of competency and qualifications for a period of 30 years inline with the departments 'Retention of Student Results and Assessment Records' policy.

Rectification received

- A document which identifies the RTOs requirements in relation to the retention of clients records of attainment of units of competency and qualifications for a period of 30 years.



Condition 7 – Recognition of Qualifications Issued by Other RTOsAt time of audit: Compliant Not Compliant**Description of evidence sighted:**

- A document stating the RTO will recognise qualifications and statements of attainment.
- A 'Record of Results' demonstrating the RTO accepted previous units studied by the student.

Evidence checklist:

Evidence provided confirms:

Y N

- The RTO recognises the AQF Qualifications and Statements of Attainment issued by any other RTO.

 Condition 8 – Accuracy and Integrity of MarketingAt time of audit: Compliant Not CompliantFollowing rectification: Compliant Not Compliant**Description of evidence sighted:**

- The auditor viewed the RTO's website.
- A 'Advertising and Marketing Policy'.
- A copy of an advertisement which was distributed through Quest Newspapers.

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.
- The NRT logo must be employed only in accordance with its conditions of use.

 Summary of non-compliances:

- The NRT logo has been used on the home page of the RTO's website which is in contradictory to the conditions of use.

Rectification required:

- Evidence that the NRT logo is only used within its conditions of use which is directly aligned to accredited courses.

Rectification received:

- Notification that the NRT logo is no longer in use on the home page of the RTO's website which has been verified by the auditor.

Condition 9 – Transition to Training Packages/Expiry of Accredited CoursesAt time of audit: Compliant Not Compliant**Description of evidence sighted:**

- A 'Transition Requirements and Maintaining Current Scope of Registration' policy.

Evidence checklist:

Evidence provided confirms:

Y N

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

 

