

Engaging in the Audit

The audit process can be very stressful. I get that. But it's time to man-up or women-up as is most likely the case! You have done the hard work and have scoured every inch of your RTO finding the issues and have put in place compliant arrangements to prevent potential non-compliances. Great work! Your audit is approaching and it is now time to showcase your RTO to the regulator. How does the audit process work?

If you are seeking a renewal of registration then you would have completed the application approximately 90 days before the end of your current registration period. The application is quite simple and includes some entity documents, declarations and the details of your operation. Take the opportunity during your renewal of registration to review your scope of registration. Get rid of the items on your scope that you are needing to maintain and do not get any commercial return on. Think of scope of registration as an asset that needs to be maintained. If you are not getting a return of that asset then move it on.

Delivery Activity Data Summary

About 12 to 10 weeks out from the audit, a Support Officer within the regional office will send an email requesting the provision of RTO Delivery Data. This information is requested to be compiled into the ASQA Delivery Activity Data Summary ([click](#)). This information return will need to include all training products on your scope of information and be accurately compiled. This information may be cross checked with your student information system data during the site visit so make sure it is accurate. This data is used to develop the scope of the regulatory audit. The selection of training products to be audited is influenced by the degree of activity (enrolments/completions), delivery locations and industry areas. We find that ASQA will generally audit 2 training products from each industry area where delivery has occurred. If you have training products on your scope that have been approved without an audit then these will generally be audited if delivery has occurred. If you have notified the regulator of training products which are utilised in third-party arrangement, then these will always be audited.

Student survey

About 10 to 8 weeks out from the audit, you may be provided an email from ASQA requesting that you forward a templated email to a sample of students containing an invitation to complete a student survey. The survey is now a standard component of the ASQA new audit model and focuses on seeking feedback from your learners about their experience in relation to marketing and recruitment, their enrolment, support services, their training and assessment and completion. You will generally not receive any feedback or notification of the results of this survey. It is intended to inform ASQA's audit approach including their selection of audit scope and site visits. You can read more about how the student surveys are conducted at the following link ([click](#)). Be aware that student surveys may also occur at other times outside the audit process.

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Audit scheduling

About 8 to 6 weeks out from your audit date the ASQA auditor will generally give you a call and introduce themselves and propose an audit date. You generally are required to accept this date but there is some wriggle room. If you have something major happening at that time, then you can request an alternative date that is more suitable. The time to do this is during the initial phone call so in the preparation for an audit make sure you are aware of your schedule and the timeframe that is most suitable for you to engage in the audit. It will not be acceptable to push the audit date back too far so generally try and work in the timeframe the auditor has suggested.

Notice of scheduled site audit and request for pre-audit evidence

About 6 to 4 weeks out from your audit, you will be provided with a "Notice of scheduled site audit" which is provided via email. The notice identifies that the audit has been scheduled and the legislation under which the audit is being conducted. The details of the site visit will be provided, so check these and make sure the auditor is coming to the right address on the date agreed. If any of the details are not correct it is quite straightforward to email the auditor back and inform them of the discrepancy. ASQA will always initially seek to conduct the audit at the nominated head office of the RTO. The notice will also inform you of the audit scope which will include the clauses to be audited and the qualifications or training products selected from your scope of registration to be sampled in the audit. Be aware that; where a qualification is being audited, you will not be advised of the units of competency to be sampled in those qualifications until the day of the site visit. This is why you need to have everything ready.

Most importantly, the notice will request some evidence to be sent to the auditor prior to the site visit. This is called 'pre-audit evidence'. The auditor will list the items required and specify a date the information is required to be provided. The pre-audit evidence is typically emailed to the regional office. These emails are a standard template; however, the auditor does have the allowance to amend this template and request other pre-audit evidence on top of the standard list. The Melbourne office is notorious for this. The following are the standard items that will be requested as pre-audit evidence:

1. Strategies for training and assessment for all training products listed.
2. A copy of any agreements your organisation has in place with other parties to deliver or assess the above training products on your behalf.
3. Details of each trainer and assessor's qualifications, training/assessment & vocational competence and industry currency - as relevant to the above training products.
4. A copy of your organisation's marketing materials relevant to the above training products i.e. student information handbook

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Other items that auditors may include in addition to the above items are the RTO Staff Handbook or Policy and Procedure. Some auditors will also request a sample of the assessments being used for a qualification although this is becoming rarer. Make sure that you send this pre-audit evidence as one consolidated submission on or prior to the date nominated. I generally apply a rule that any document provided to the regulator is always provided in a PDF format. This prevents the format of documents being smashed by different software programs. If I have several files to be sent, I will always get the client to pop these into a zip folder to be sent as one attachment. Be aware that the ASQA email gateway will accept emails up to about 12 meg. Beyond that, you might consider sending a link to a shared folder such as dropbox. We have done this quite regularly and ASQA seem fine to click on the link and download files. There were a few olds and bolts in the Sydney office that struggled with this, but I think they are ok now. :) Ok, pre-audit evidence sent,,, Tick!

The site visit

You are nervous. I know. But it is time to put your best foot forward and showcase the compliance and systems of your RTO. The site visit may be conducted over several days. Typically for a small scope of registration involving 1 or 2 qualifications, the audit could be conducted by one person on a single day. It is very common in an audit to have an experienced auditor teamed up with a person who is learning the ropes. ASQA have been haemorrhaging experienced auditors so there is lots of new faces out there under instruction in the 'workplace'.

The audit will commence with an opening meeting where the auditor will explain the audit process and the legislation under which the audit is conducted. The auditor will explain how evidence will be gathered and the potential consequences that may result from the audit. This is all standard stuff, so don't think that you auditor is particularly scary at this point. You will be required to sign a sheet that indicates your attendance at the opening meeting. This is normal. I typically recommend clients to have a very brief presentation ready to present to the auditor. When I say brief I seriously mean 5-7 minutes. The auditor will be keen to get started with the first standard but this is an opportunity for you to provide the auditor some context to your operation. Auditing like risk assessment is all about the context. The auditor will have been provided some information about your organisation, but nobody knows your organisation better than you. A quick opening brief sets the context and gives you the opportunity to explain some basic operational aspects that might influence how your services are delivered. I suggest the following key points:

- Open and welcome
- Identify the entity and branding
- Show the organisational structure and appointments

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- Identify the operating locations facilities
- Identify the target learner
- Briefly describe the delivery model
- Briefly address perceived any risks such as third-party arrangements

During the audit

Ok, the audit has now commenced and the auditor will open with a standard and a clause and fire off their first question. ASQA have recently introduced their new audit model. There is a good explanation of this at the following link ([click](#)). Following this model, the auditor will commence with standard 4 relating to marketing and work their way through various clauses until they arrive at standard 3 relating to the issuance of AQF certificates. This is what we call holistic auditing and is not new to the VET sector. I first used holistic auditing with NARA who introduced a student pathway model which is basically the same (everything old is new again!). Most auditors struggle with this type of model, particularly if their audit tool or report is not formatted in this sequence. Don't be surprised if the auditor does not follow the 'new audit model' and defaults back into a lineal audit approach commencing with standard 1. In reality, it doesn't really matter. You will simply respond to questions and requests for evidence as they occur.

Just a couple of main points to finish off with to follow during the conduct of the audit:

- I recommend that you set up the room for the audit with the big table in the middle that seats up to 6-8 people, like a conference table. Make sure you run power under the table so that you and the auditor can plug their computers in. Virtually all auditors these days will arrive with a laptop. On this table, have your computer set up and connected to a projector which is projecting information on to the wall. Most audit evidence these days can be presented electronically and auditors are fine with this (generally). I always tell clients that an audit is a show and tell process.
- Make sure you have at least 2-3 people from your organisation involved in the audit. If you are a small RTO and it means that you need to pull a trainer in for the day, then do it. There will usually be one primary person that is responding to the questions. The other people are taking notes, disappearing to retrieve evidence from another room and also operating the computer and projector. It is desirable that the person who is responding to questions is not also trying to navigate the

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computer. If you have prepared for the evidence and questions in this guide, then you will know what to expect and as soon as the auditor mentions some keywords, the person on the computer is already moving to that evidence.

- Just a small point about having people other than yourself attending the audit. First thing is, try to avoid having any alpha male/female personality types in on the audit. Unless you have confidence that they can control themselves for the day, it is not the time to have anyone in their that will intimidate the auditor or impose some silly show of strength. This is a waste of emotional energy and usually only impact negatively on your audit. The auditor is running the show, so let them be 'in-charge' and cooperate with them professionally and with confidence. I also **do not** recommend that you have your consultant in on your audit. We do not attend our client's audits. Actually we do make an exception for a couple of auditors in the Sydney office, but other than this; we take the approach that our client needs to know their stuff and represent themselves. Through coaching and practice audits, we prepare the client to tackle anything that comes. Beware of consultants who do not take this approach. They are not doing you any favours short or long term. Most auditors think very poorly of an RTO that needs their consultant to be at the audit.
- Make sure that you take notes. Come organised with the basic document with all the clauses to be audited listed with lots of space to record notes. Generally, take notes on the questions that the auditor asks and their response to the evidence you present. Particularly note issues that arise where the auditor may consider something non-compliant or request additional evidence. If there are non-compliances, then these notes will be critical for you to commence your rectification work directly following the audit. I recommend that our clients get at least two people taking notes. The morning after the audit, get together and conduct a wash-up and consolidate the notes, findings and opportunities for improvement. These small initiatives can have a very powerful and positive effect.
- Try and have all the evidence available in the room. It is a huge time waster if people need to leave the audit to go and find evidence in another location of the building. Most evidence will be electronic and will be on the computer. Other evidence that is not on the computer may include things like learner records. Now, we do not know which learners the auditor will sample but I would recommend having up to 10 complete learner records for the qualifications being audited based on learners that have completed the relevant courses in the last 6 months. The auditor may not select these but you can offer them and this may save some time during the day. Also, have a side table in the room with relevant hard copy documents of evidence that the auditor may request. I typically recommend that the client have a hard copy of their policy and procedure, learner handbook, enrolment information package, examples of marketing, sample AQF certificates, training and assessment strategies and training qualifications/PD. If your audit is an initial registration, I **do not** recommend printing every assessment guide and learning guide for the audit. Maybe print one unit just as a sample and allow the auditor to select their sample and then be prepared to print these documents on demand. The auditor may also be happy to view these documents via the projector.

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- When responding to questions, don't think that you need to have every single detail in your mind. A strategy that I coach clients with is to prepare them to provide a broad response in relation to an initial question about a clause. As an example, the auditor might ask: *"Can you talk me through your arrangements to handle complaints and appeals?"*. That is a big question and not something that can really be answered in a single response. I would recommend that you would respond with something like: *"Yes, well we have established details within the learner handbook to inform the learner about their right to make a complaint or seeking appeal. We also have a policy and procedure that guides our approach in responding to and handling complaints and appeals. This includes an arrangement for an independent third party review. These policies are available to the public on our website. We also establish a link between the outcomes of complaints and appeals and our continuous improvement process."* Now, you will notice in this response that I have simply canvassed the overarching arrangements and have not got into detail. This now presents the opportunity for the auditor to ask a secondary question, which will usually be at a lower level of evidence and something that you can then show and explain.
- Final point, you need to fight the fight. During the audit, there may be occasions where the auditor raises concern about your approach or operation and indicates that they do not think that it meets the requirements of the standard. This is not the time to lie down and allow the auditor to wash over you. It is a call to action that must be responded to. You need to professionally and politely explain your arrangements and present further details that may address the auditor's concerns. This is particularly important in the auditing of assessment where your subject matter expertise is a key factor in explaining how the assessment meets the requirements of the unit of competency. My point is, if a problem arises and you don't respond to address it then it will flow through to a non-compliance. If it is non-compliant then, ok, but if the auditor is applying their personal preferences on the audit, you need to call this out and seek clarification on where this requirement is specified within the standards. You can spot personal preferences very easily if you know the standards. A simple question like: *"Is this something that you personally prefer to see or is this actually specified within the standards"* Key point is, fight the fight and don't allow the auditor to come to conclusions before they have seen every scrap of evidence that is relevant. Do not allow the auditor to impose their personal preferences in the audit. Call it out!!
- Sorry, second final point, if minor issues arise with documentation during the day, then have someone available in the room that can scurry away onto a computer in another room and fix the issue and bring back rectified evidence. Don't particularly asked for permission to do this, just do it and provide the rectified evidence (you can gauge this yourself based on how reasonable the auditor is). If you ask for allowance to do this, some audiences will deny the request based on their lack of understanding or acceptance of the audit evidence process. Once the evidence is presented to them, then it is difficult for them to ignore. Also, if there are some very minor issues that can be rectified post audit (that night), then seek an allowance from the auditor to provide them this information either overnight or within a few hours following the audit. Sometimes there are the most minor issues which can be easily rectified and which potentially hold up a fully compliant audit outcome. Most reasonable auditors will allow the RTO to make a quick change and provide supplementary evidence.

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Ok, that is it!

Seriously, good luck with your audit. If you get some non-compliances, it is not the end of the world. Commence your rectification work straight away and confirm the requirements in the audit report and then submit overwhelming evidence that puts these non-compliances to bed. If you have done the work, then these non-compliances should be minor at best. If you get through the audit without any non-compliances, then you are a champion. Celebrate with a nice glass of champagne. :)

Good training.

Joe Newbery

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