

**Tertiary  
Education  
Commission**  
Te Amorangi  
Mātauranga Matua



## TEC desktop audit report Hillary Outdoors Education Centres (Edumis 9619)

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Tertiary Education Commission  
Te Amorangi Mātauranga Matua  
National Office  
44 The Terrace  
PO Box 27048  
Wellington, New Zealand

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# Hillary Outdoors Education Centres (Edumis 9619)

## Part one: Summary of Audit Results

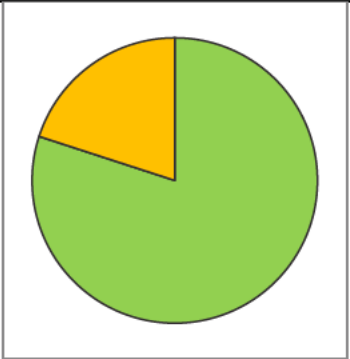
### Overall recommendation



Systems, processes and practices are acceptable, with minor nonconformities. Improvements will need to be monitored.

### Audit Ratings

Rating	Number of Focus Areas	Percentage
Complies with requirements (C)	8	80%
Improvement Required (I)	2	20%
Does not comply (NC)	Nil	Nil
<b>Total</b>	<b>10</b>	<b>100%</b>



### Key findings and recommendations

Overall systems, policies and procedures are effective and meet legislative and investment plan requirements. In the focus area of Organisation Eligibility, there was one area requiring improvement.

> s9(2)(b)(ii)



## Part two: Key findings and recommendations

The key findings and recommendations for each focus area are in the table below.

In addition to providing proposed actions and comments in part five of this report, you will be required to send a detailed action plan and relevant evidence to your Senior Auditor, **s9(2)(a)**, within four weeks after the date of your final audit report. The email address is **s9(2)(a)**

### Ratings

C = Complies with requirements	I = Improvement Needed	NC = Does not comply	N/A = Not Applicable
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Looking for	Findings and Recommendations	Rating
<b>Focus Area 1: Organisation Eligibility</b>		
<p>Is the TEO an eligible provider?</p> <p>Has the TEO been quality assured by NZQA?</p> <p>Have all sites been approved by NZQA?</p> <p>Have any subcontracting arrangements been approved by TEC and do they remain current?</p> <p>Is the TEO financially viable? Are there any financial issues being managed?</p>	<p><b>Findings</b></p> <p><b>Organisation Eligibility</b></p> <ul style="list-style-type: none"> <li>&gt; Sir Edmund Hillary Outdoors Education Trust (Edumis 9619) trading as Hillary Outdoors Education Centres have been running Tertiary Programmes in outdoor studies for over 25 years.</li> <li>&gt; The organisation was first registered and accredited with the New Zealand Qualifications Authority (NZQA) on 31 August 1994.</li> </ul> <p><b>External Evaluation and Review</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres have been quality assured by NZQA. The last published External Evaluation and Review (EER) was on 6 December 2018. The organisation received a Category 2 rating. It was assessed as Confident in both Educational Performance and Capability in Self-assessment.</li> </ul> <p><b>Approved Delivery Sites</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres has two delivery sites approved by NZQA. The first is at 3 Access Road, Turangi, and the second site is at Orama on Great Barrier Island. The tertiary programmes are predominantly delivered from the Turangi site. Students may visit Great Barrier Island as part of their field trips. Only Turangi is listed in STEO as a delivery site.</li> </ul> <p><b>Subcontracting</b></p> <ul style="list-style-type: none"> <li>&gt; The organisation's previous administration team had not applied for TEC's consent for subcontracting arrangements. The new administration team has corrected this failure.</li> </ul>	I

Looking for	Findings and Recommendations	Rating
	<p><b>Financial Viability</b></p> <ul style="list-style-type: none"> <li>&gt; s9(2)(b)(ii) [REDACTED]</li> </ul> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>&gt; The organisation will need to ensure that its subcontracting approval application be made well in advance of the academic year commencing.</li> <li>&gt; There are no further recommendations on the financial viability management plan because the organisation has been working with TEC to meet the requirements in future.</li> </ul>	
<b>Focus Area 2: Data Provision, Reporting and Record-Keeping</b>		
<p>Does the Student Management System provide accurate data, forecasting and reporting?</p> <p>Are there reporting and data provision processes in place to ensure all funding requirements are met?</p> <p>Are the TEO's processes for record keeping documented and comply with clause 13(1) of Schedule 18 of the Education and Training Act 2020 (for on-plan funding under section 425), and 25(1) of Schedule 18 (for off-plan funding under section 428).</p>	<p><b>Findings</b></p> <p><b>Student Management System</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres use TUPLE as their Student Management System (SMS).</li> <li>&gt; TUPLE is a division of Adapt IT. TUPLE is designed to help small Private Training Establishments (PTEs) manage their data and comply with the Single Data Return (SDR) reporting requirements.</li> <li>&gt; They use TUPLE to collect and manage SDR data, and run standard SDR compliant exports.</li> <li>&gt; The Quality Management System (QMS) / Education Policy document covers their processes and internal controls for preparing, reporting, and approval of student information.</li> <li>&gt; The Tertiary Programme Manager carries out internal checks of student data. An open door policy is implemented to encourage staff to double check with each other that procedures are being completed correctly.</li> <li>&gt; The Tertiary Administrator prepares the SDR and Fees-free reports, and the Chief Executive signs the SDR attestation.</li> </ul> <p><b>Course completions</b></p> <ul style="list-style-type: none"> <li>&gt; No issues were identified relating to the accuracy of the reporting of course completions from the sample of students records reviewed.</li> </ul>	

Looking for	Findings and Recommendations	Rating
	<p><b>Standard of record keeping</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres have documented their records management policy.</li> <li>&gt; The standard of record keeping was satisfactory.</li> </ul> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>&gt; There is no reference in the Education Policy document to the records management policy. It is recommended that relevant records management information be included in the Education Policy document, to show compliance with clause 13(1) of Schedule 18 of the Education and Training Act 2020.</li> <li>&gt; The organisation has detailed steps in the QMS for checking Fees-free eligibility. It is recommended that a screen shot confirming eligibility for Fees-free study is filed in the SMS or with the student's enrolment record.</li> <li>&gt; The organisation is advised to include additional comments in their student files when an exemption has been granted. For example, a decision was made to enrol two students who were not meeting the admission requirements at the time they commenced their studies. Those students would have had to wait a further 12 months before the next intake. The two records were: student NSN <b>s9(2)(a)</b> who received an exemption for the age requirement, and student NSN <b>s9(2)(a)</b> who received an exemption to commence the level 5 Diploma programme while completing the last two credits for the level 4 certificate programme. In both cases, there were no explanatory comments recorded in the students' files.</li> </ul>	
<b>Focus Area 3: Enrolment and Eligibility</b>		
<p>Are there enrolment practices and processes in place that ensure student enrolments are valid and meet funding or eligibility requirements?</p>	<p><b>Findings</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres was compliant with Student Achievement Component – Provision at Level 3 and above (SAC3+), Fees-free, and Hardship funding conditions.</li> </ul> <p><b>Enrolment</b></p> <ul style="list-style-type: none"> <li>&gt; The organisation has a flow chart to document the applications and enrolment process.</li> <li>&gt; In the sample of 14 student records reviewed, the enrolments were valid for funding purposes.</li> <li>&gt; Evidence of domestic student status was sighted for all 14 records reviewed.</li> <li>&gt; The following documents were sighted for each enrolment.</li> </ul>	<b>C</b>

Looking for	Findings and Recommendations	Rating
	<ul style="list-style-type: none"> <li>- Student Enrolment form</li> <li>- Interview notes</li> <li>- References</li> <li>- Residency/Citizenship documents</li> <li>- First Aid certificates for the Level 5 Diploma students</li> <li>- Evidence of fees paid and refunds (where applicable)</li> <li>- Withdrawal documentation (where applicable)</li> <li>- Attendance records</li> <li>- Tertiary Education Results Statement (where applicable).</li> </ul> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>&gt; There are no recommendations.</li> </ul>	
<b>Focus Area 4: Recognition of Prior Learning (RPL) and Recognition of Current Competence (RCC)</b>		
<p>Has student prior learning been reviewed and appropriately recognised when admitting a student into a programme or qualification?</p>	<p><b>Findings</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres have documented policies for Recognition of Prior Learning (RPL) and Credit Recognition and Transfer (CRT).</li> <li>&gt; In its QMS, the organisation has a flow chart to assist in the decision making process. It also has processes to cover the following: <ul style="list-style-type: none"> <li>- Application and Timing</li> <li>- Assessment of evidence</li> <li>- Eligibility to apply</li> <li>- Record Keeping</li> <li>- Fees.</li> </ul> </li> <li>&gt; There were no records in the sample reviewed where RPL or CRT was applicable.</li> <li>&gt; The Tertiary Programme Manager advised that they have yet to receive any applications for RPL or CRT.</li> </ul>	<b>C</b>



Looking for	Findings and Recommendations	Rating
	<p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>&gt; There are no recommendations.</li> </ul>	
<b>Focus Area 5: Inducements and No Private Advantage</b>		
<p>Are any inducements being offered to students to enrol?</p> <p>Are any enrolments being restricted on the basis of private advantage?</p>	<p><b>Findings</b></p> <ul style="list-style-type: none"> <li>&gt; There was no evidence to suggest that students were being offered any inducements to enrol.</li> <li>&gt; There was no evidence to indicate that enrolments were restricted on the basis of private advantage.</li> </ul> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>&gt; There are no recommendations.</li> </ul>	<b>C</b>
<b>Focus Area 6: Withdrawal Process</b>		
<p>Are there withdrawal practices and processes in place that ensures student withdrawals are managed and recorded correctly?</p>	<p><b>Findings</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres have documented their student withdrawal and refund process in the QMS.</li> <li>&gt; The organisation’s Tertiary Student Handbook has information about attendance, withdrawal and refund, and disciplinary and grievance policies.</li> <li>&gt; Hillary Outdoors Education Centres are complying with their student withdrawal and disciplinary policies.</li> </ul> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>&gt; There are no recommendations.</li> </ul>	<b>C</b>
<b>Focus Area 7: Programmes and Qualifications</b>		
<p>Have programmes and qualifications been approved by NZQA and TEC?</p>	<p><b>Findings</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres held programme approval from NZQA for the following: <ul style="list-style-type: none"> <li>- NZ3765 New Zealand Certificate in Outdoor and Adventure Education (Multi-skilled) (Level 4)</li> <li>- NZ3766 New Zealand Diploma in Outdoor and Adventure Education (Multi-skilled) (Level 5).</li> </ul> </li> </ul>	<b>C</b>

Looking for	Findings and Recommendations	Rating
<p>Are these programmes and qualifications still current (i.e. not expired)?</p> <p>Are the programmes and qualifications taught or delivered in accordance with NZQA approval and details entered in Services for Tertiary Education Organisations (STEO)?</p>	<ul style="list-style-type: none"> <li>&gt; Both programmes were first taught in 2020 to replace the expired programmes of PC9148 Certificate in Outdoor Adventure Skills (Level 4) and PC9149 National Diploma in Outdoor Recreation (Level 5).</li> <li>&gt; The qualification information recorded in STEO for both NZ3765 and NZ366 matched with the programme approval documentation.</li> </ul> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>&gt; There are no recommendations.</li> </ul>	
<b>Focus Area 8: Use of Funding</b>		
<p>Is TEC funding being used responsibly and for the purpose the TEO has been funded?</p>	<p><b>Findings</b></p> <ul style="list-style-type: none"> <li>&gt; There was no evidence to suggest that TEC funding was not being used responsibly.</li> </ul> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>&gt; There are no recommendations.</li> </ul>	<b>C</b>
<b>Focus Area 9: Fees</b>		
<p>Are all student fees charged appropriately and compliant with Ministerial and TEC requirements?</p>	<p><b>Findings</b></p> <p><b>Compliance with the Annual Maximum Fee Movement policy</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres provided spreadsheets detailing the fees (GST inclusive) charged to students in 2020 and 2021 for NZ3765 and NZ3766.</li> <li>&gt; The organisation is complying with the Annual Maximum Fee Movement policy.</li> </ul> <p><b>Compliance with Fees-free funding conditions</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres populate and submit the Fees-free reports through Workspace2.</li> <li>&gt; There were no issues identified with this reporting process.</li> </ul> <p><b>Compulsory Student Services Fee</b></p> <ul style="list-style-type: none"> <li>&gt; The organisation does not charge Compulsory Student Services Fee.</li> </ul>	<b>C</b>

Looking for	Findings and Recommendations	Rating
	<p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>&gt; There are no recommendations.</li> </ul>	
<b>Focus Area 10 : Hardship Fund for Learners (HAFL)</b>		
<p>Is the TEO complying with Hardship Fund for Learners (HAFL) funding conditions?</p>	<p><b>Findings</b></p> <ul style="list-style-type: none"> <li>&gt; Hillary Outdoors Education Centres are complying with the HAFL funding conditions.</li> <li>&gt; The 2020 Hardship Fund for Learners (HAFL) helped provide temporary financial assistance for learners facing hardship due to the COVID-19 pandemic. The funding was allocated directly to TEOs, who could then provide assistance to learners who needed it.</li> <li>&gt; HAFL funding can be used to: <ul style="list-style-type: none"> <li>“cover any basic living costs that the TEOs’ currently enrolled learners are unable to meet, including, but not limited to, food, utilities, rent or other unexpected expenses. As the hardship can be in many forms, TEOs are trusted to exercise their judgement as to how they can best support their learners in a way consistent with the purpose of the fund.”</li> </ul> </li> <li>&gt; In the HAFL return for 31 December 2020, there were a total 21 enrolled students reported in receipt of an amount of s9(2)(a) each.</li> <li>&gt; The organisation has provided a bank statement to show the Direct Credit payments to students’ bank accounts.</li> </ul> <p><b>Recommendations</b></p> <ul style="list-style-type: none"> <li>&gt; There are no recommendations.</li> </ul>	C

## Part three: Other Audit Findings

Further findings of the audit are set out below.

### Financial Viability Assessment

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Minimum  
Prudentia  
I Financial  
Standards

9619-Sir Edmund Hillary Outdoors Education Trust

#### **Risk assessment**


(Based on your financial statements for the years shown)

s9(2)(b)(ii)




The PTE's financial year end is 31 March, so the 2020 financial statements and the 2021 forecast were due on 31 August 2020. TEC agreed to their request for an extension to 20 November because of the extra pressures the COVID-19 lockdowns had imposed on their auditors. We did not receive their financial information until 5 January 2021.

s9(2)(b)(ii)




In our email of 6 January 2021 we stated

s9(2)(b)(ii)



s9(2)(b)(ii)



The TEC funds Equity Funding, Fees-free Payments, and Student Achievement Component – Provision at Level 3 and above funding.

Funding (excluding Fees-free Payments) was \$132,765 in 2018 (21.4 EFTS delivered), \$102,930 in 2019 (17.1 EFTS delivered) and \$162,469 in 2020 (22.0 EFTS delivered). Funding in 2021 is \$127,571 (for 20.5 EFTS).

The PTE delivered 107% in 2018, 100% in 2019 and 91% in 2020. As 2020 funding was covered by the fees guarantee there is no recovery for under delivery for the 2020 Student Achievement Component – Provision at Level 3 and above.

## Part four: Audit Process Overview

### Purpose of the audit

The purpose of the audit was to provide assurance that your organisation is complying with the Education and Training Act 2020 and conditions imposed on your funding. This audit is part of our ongoing monitoring of tertiary education organisations (TEOs).

This audit used a sample-based approach and reviewed a limited scope of the applicable funding conditions and other requirements. As such, despite our best efforts, some non-compliance may remain undetected and the audit does not provide complete assurance of historical, current or future compliance.

Non-detection of non-compliance does not make that practice compliant, and will not restrict the TEC from taking action under the Education and Training Act 2020 or from recovering funding in the future if non-compliance is later detected. Please refer to the audit guidelines for more information on the inherent limitations of an audit.

Our audit focus will be on assisting TEOs in achieving their objectives through well-reasoned audits, evaluations and analyses of the business viability and education outcomes for students.

### Scope of the audit

TEC's monitoring function is set out in section 409(1)(h) of the Education and Training Act 2020, which provides that the TEC's functions are to "*monitor the performance of organisations that receive funding from the Commission including by measuring performance against specified outcomes*".

The scope of the audit was aligned to the performance commitments in the Investment Plan and the associated funding obligations between the TEC and your organisation. The scope was outlined in the audit arrangements letter. TEC Audit Guidelines were also provided to help you understand how TEC undertakes audits and what to expect during the audit.

The scope of the audit was outlined in the audit arrangements letter. This included the following:

- > Your current registration and accreditation status for funding eligibility
- > Your organisation's systems and processes for reporting student data through the Single Data Return, including reporting enrolments, student achievement and withdrawals
- > Compliance with your funding conditions for each fund:
  - Fees-free Funding
  - Student Achievement Component – Provision at Level 3 and above
  - Hardship Funding for Learners
- > Compliance with the Annual Maximum Fee Movement policy relating to fees and course costs
- > The refund of any fees that have been overcharged (if applicable)
- > Compliance with the Compulsory Student Services Fee (if applicable)
- > Whether your organisation has offered any inducements or benefits to students
- > Responsibility for any subcontracting arrangements
- > Your programmes and qualifications
- > Your organisation's process for maintaining student records as required by clause 13(1) of Schedule 18 of the Education and Training Act 2020 (for on-plan funding under section 425), and 25(1) of Schedule 18 (for off-plan funding under section 428).
- > Any other matters relating to funding provided by the TEC.

The outcome of this audit will contribute to decisions made by the TEC relating to current and future funding.

## Overview of Hillary Outdoors Education Centres

Hillary Outdoors Education Centres is a PTE based in Turangi with a delivery site on Great Barrier Island (for field trips and school trips).

The organisation offers outdoor education qualifications that are funded by the TEC.

The organisation receives Student Achievement Component – Provision at Level 3 and above (SAC3+) funding for the following:

- > NZ3765 National Zealand Certificate in Outdoor and Adventure Education (Multi-skilled) (Level 4)
- > NZ3766 National Zealand Diploma in Outdoor and Adventure Education (Multi-skilled) (Level 5).

The table below provides a breakdown of TEC funding:

Fund	2020 Allocation \$ GST exclusive	2021 Allocation \$ GST exclusive
Student Achievement Component – Provision at Level 3 and above (SAC3+)	157,469	127,436
Fees-free funding	63,837	64,539
Hardship Fund for Learners (HAFL)	5,000	4,000
Equity Funding	n/a	137
<b>Total</b>	<b>226,306</b>	<b>196,112</b>

## Audit process overview

**Sample Testing** – A sample of 14 student records (all of them are SAC3+ students) was selected for the audit. The sample included records from the December 2019, December 2020 and April 2021 Single Data Returns (SDR).

In the December 2019 SDR there were 18 students reported, and in the December 2020 SDR there were 22 students reported.

Information for this desktop audit was provided by the s9(2)(a) [REDACTED], and additional information was provided by the s9(2)(a) [REDACTED].

## Part five: TEO Corrective Actions

In addition to providing comments on the draft audit report, the TEO audited is requested to provide a list below of any corrective actions to be undertaken on the audit.

### Corrective Actions

Based on the recommendations in Part Two what corrective actions will be undertaken?

Focus Area	Issue	Corrective Action	Date to be completed
1	Seeking approval for subcontracting arrangements has not always been timely.	The organisation will need to regularly review NZQA and TEC's policy on subcontracting, and make sure that approval is granted before the academic year commences.  Update the QMS to include a reminder about checking subcontracting consents.	Completed
2	Records management information is in a separate document.	Update the QMS to include relevant records management information in the Education Policy document to show compliance with clause 13(1) of Schedule 18 of the Education and Training Act 2020.	Completed
2	Fees-free checks were not filed in the SMS.	Update the QMS to add a step to include a screen shot of the Fees-free check in the student file.	Completed
2	Exemptions to admission criteria have not always been documented or explained.	Revise the QMS to ensure that additional comments will be added in student files when an exemption has been granted.	Completed