

Contract Notification

CN No.	2022-02	Date: 12 January 2022
To:	Chief Executive Officer or equivalent	
Purpose:	2022 Skills First Internal Audit Checklist	
Scope:	All 2022 VET Funding Contracts	
Subject:	2022 Skills First Internal Audit Checklist	

Purpose

To provide all TAFE and non-TAFE Training Providers holding a 2022 VET Funding Contract (the Contract) with an Internal Audit Checklist, to assist them in determining that they have the quality systems, processes and resources in place to meet the requirements of the Contract.

Background

Pursuant to clauses 11.4 to 11.6 of all Contracts, Training Providers are required to conduct an internal audit of their compliance during each calendar year in accordance with the any requirements of the Department. The internal audit must be:

- signed by the CEO of the Training Provider; and
- provided to the Department, or its auditors or reviewers, on request.

The Department has today published the 2022 Skills First Internal Audit Checklist (IAC) in the ‘Documents’ section of the Skills Victoria Training System (SVTS).

Main Points

The 2022 IAC reflects the requirements of the current Contracts and encompasses (but is not limited to) the requirements that may be considered as part of any audit or review by the Department. It should not however be relied on as the sole process for monitoring a Training Provider’s contractual compliance.

The Department understands that Training Providers operate in a range of different contexts and there is enormous diversity in VET course offerings. The Department does not prescribe or mandate how a Training Provider goes about achieving compliance for every aspect of the Contract. However, the IAC can support Training Providers in reviewing their operations and ensure appropriate processes and controls are in place to elicit and evidence compliance.

From time to time, the Department has been publishing documents including “Inside Enquiries” and “Factsheets” to guide and support Training Providers on their contractual compliance. These documents contain information on areas the Department have observed non-compliances or areas where the Department recommends specific focus be given to ensure compliance. While finalising the IAC, understanding of such issues is important as it will enable Training Providers to make a better judgement on their compliance status.

As per clause 1.10 of 2022 Standard VET Funding Contract, the Department may take account of the Training Provider's performance (including at audit or review) in any calendar year when considering future contractual arrangements. Accurate and objective completion of the IAC will assist Training Providers in self-identifying and addressing any non-compliances prior to any audit or review.

Forward actions

- While completing the IAC, if a non-compliance is identified with the Contract, Training Providers must develop a rectification plan within a reasonable timeframe to address the instances of non-compliance within a reasonable timeframe (pursuant to clause 11.7 of all Contracts)
- If a Training Provider is requested to provide results of its 2022 internal audit to the Department, the submission must be made via SVTS enquiries under the category 'Contract Compliance Audit Program – Internal Audit Checklist'.
- All queries concerning this Contract Notification, including any feedback on the 2022 IAC, should also be lodged on SVTS under the same category.

Resources

2022 Skills First Internal Audit Checklist.

Critical Dates

Pursuant to clause 11.5 of all Contracts, the Department requires that all Training Providers complete their 2022 internal audit by 30 June 2022. Completion of an internal audit in calendar year 2021 does not preclude the requirement to complete a further audit in 2022.

Training Providers are strongly encouraged to complete their audit as early as possible to ensure they are aware of their contractual requirements and have ample time to mitigate any compliance risk for the remainder of the calendar year.

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