

**Australian Universities Quality Agency Ltd
ACN 092 938 200**

AUQA Board Meeting 2006/1

10.00am 07 March 2006

**AUQA Board Room
Level 10, 123 Lonsdale Street
Melbourne, VIC 3000**

MINUTES

1. ATTENDANCE

Present

Emeritus Professor Deryck Schreuder (Chair)
Ms Stella Axarlis*
Rev. Mark Harding
Mr Ian Hawke
Mr Clive Hildebrand
Professor James McWha
Professor Ingrid Moses
Professor Millicent Poole
Mr Colin Walters
Mr Terry Werner
Dr David Woodhouse

* Director Stella Axarlis attended by teleconference

Apologies

Director Peter Sheehan and Observer Dr Carolyn Allport

In attendance (for all or part of the meeting)

Ms. Robyn Adams

Secretariat

Dr. Antony Stella

The Chair welcomed those in attendance, and in particular welcomed the new Board Secretary and the new Audit Director of AUQA. He acknowledged the importance of the papers placed before the Board in the context of looking forward to the mid-year meeting and retreat of the Board.

2. MINUTES OF MEETING 2005/4

The Board **confirmed** the Minutes of meeting 2005/4 held on 22 November 2005.

3. MATTERS ARISING NOT LISTED ELSEWHERE ON THE AGENDA

Director Walters briefed the Board about the Indigenous Higher Education Advisory Council (IHEAC) that has been set up to provide policy advice to the Minister for Education, Science and Training aimed at producing successful outcomes for Indigenous students and staff in relation to their participation, progression, and retention in both study and employment in higher education. He suggested that the sections of AUQA Audit Reports relating to Indigenous staff and students could be analysed in consultation with IHEAC.

The Directors discussed further the cooperation in progress between AUQA and other bodies that have an interest in Indigenous education, and recommended that AUQA do a thematic analysis of the audit reports. The Board also suggested Directors Walters and the Executive Director liaise with the Chair of IHEAC on the best way of doing this analysis. The need to induct more auditors with expertise in Indigenous issues was also noted.

Action: Directors Walters and Executive Director

4. AUDIT MATTERS

4.1 Audits 2005

The Board **noted** the progress of the 2005 audits and **ratified** the audit reports of Charles Darwin University (CDU), Queensland University of Technology (QUT), University of Tasmania (UTas), University of Melbourne (UMelb) and Melbourne College of Divinity (MCD) which had already been approved by correspondence.

Summary Feedback Reports for three audits (namely QUT, CDU and UTas) were **considered** by the Board. Following that Feedback, the merit of walk around sessions was discussed and the Executive Director explained the rationale for the process and how, in general, panels have found it useful. In relation to the Feedback comments on the emphasis given to overseas operations, some Board members indicated that the sector as a whole has noted the increased attention paid to overseas operations. The Executive Director explained that although time spent on overseas campuses has increased, it is never done at the expense of local campuses.

An update about the Management Letter was given by the Executive Director. The Board was advised that such a document would probably be discoverable under FOI legislation. The inconsistency among the States and Territories in the laws related to FOI was also noted. The Board **resolved** that a means need to be found for addressing the issue that gave rise to the initial consideration of Management Letters.

4.2 Audits 2006

The Board **noted** the progress of the 2006 audits.

As agreed in the last Board meeting, the Executive Director had spoken to the CEO of the Batchelor Institute about the timing of the Audit; and he informed the Board that the audit timing is in fact acceptable to the institution. The Board was also advised that any

particular issues relating to the Indigenous focus of the institution will be considered in planning for the Audit.

4.3 Auditors

The Board considered eight nominations for appointment to AUQA's Register of Honorary Auditors. After careful examination of the profiles of the proposed nominees, including the names of their referees, the Directors **approved** the appointment of the proposed nominees to the AUQA's Register of Auditors. In the case of Australian-based auditors, this is subject to attendance at an AUQA auditor training workshop. Directors also noted that overseas auditors receive a detailed briefing on the Australian higher education sector when they first serve on an audit panel.

As requested at the last Board meeting, the auditor appointment procedures, as set out in the Administration Manual, were provided to the Board for discussion. Also as requested, lists of audit panel chairs and of auditor panel experience were circulated. After a discussion on those details, the Board **recommended** the following for further quality improvement:

- 1) To improve the representation of (1) female overseas auditors, (2) auditors from industries and (3) auditors with expertise in Indigenous issues in the AUQA's Register of Auditors, the Directors will propose suitable candidates to the Executive Director. AUQA will write to the vice-chancellors of Australian universities seeking particular suggestions for potential auditors from industries that already have working partnerships with the universities.
- 2) When AUQA places the nominations before the Board, a general explanatory cover note (indicating why the nominee has been considered) will be added for each nomination.
- 3) AUQA's Register of Auditors will be updated to induct new expertise: but at the same time ensuring that the Register facilitates continuity in the auditing processes.

The Board also considered the pros and cons of advertising to attract the right type of auditors and on balance decided against.

Action: Executive Director

5. AUQA POLICY AND BOARD ISSUES

5.1 Board Membership 2006

The Board **noted** that the following Directors' terms of appointment expire on 31 March 2006 (constituencies in brackets): Directors Axarlis & Walters (Commonwealth); Directors Hildebrand & Hawke (States & Territories); Directors McWha & Sheehan (SAIs).

The Executive Director informed the Board that AUQA wrote to the AVCC, DEST, and the MCEETYA Secretariat in November 2005, advising of the need for new appointments to be made.

The AVCC recommended the appointment of Professor Ian O'Connor and Professor James McWha as the two nominees of the self-accrediting institutions on the Board of AUQA.

The Board **noted** that seven out of nine members of AUQA have approved the new nominations, who are therefore appointed.

The Board was also briefed that the nominations from DEST and MCEETYA might take some more time.

5.2 Annual Report

After considering the draft version of the Annual Report for 2005, the Directors gave feedback on changes to the text. A glossary of abbreviations will also be added. The Executive Director will revise the draft report in the light of the suggestions. With these additions and changes, the Board **approved** the annual report.

Action: Executive Director

5.3 AUQA Objective 4

An analysis done by Antony Stella (Audit Director) of the institutional audit reports, as the first stage of addressing objective 4 relating to the standing of Australian higher education and its quality assurance processes, was **considered** by the Board.

The Board noted that benchmarking emerges as an important recommendation in this analysis, and that the audit reports mention comparative data provided by the auditees.

One of the attachments to ED's report (namely a paper entitled 'Ranking of Higher Education Institutions') was taken up for discussion under this agenda item. The Board agreed that AUQA should invite feedback from the higher education institutions and others on both the reports.

Alternative ways to ensure the availability of quality related information in the public domain that might be useful to various stakeholders were also discussed, and minor changes suggested to strengthen the paper.. The Board also suggested various ways of making the document more widely known, such as AUQF and AUQA website. Since the report on objective 4 has lengthy appendices, the Executive was asked to determine how much of it to should be published.

The Board noted that the Constitution of AUQA does not specify to whom the report mentioned in Objective 4 is to be provided After discussion it was decided that the report be shared widely with the HEIs and agencies, be sent to the Members, and to the wider MCEETYA group for information.

The issue of whether there is dichotomy between objectives 1 and 4 of AUQA was considered; and the Board concurred that in cycle 2 it will be possible to address this issue more explicitly.

Action: Executive Director and Antony Stella

5.4 Review of AUQA

The Board received a brief report on the External Review of AUQA from the Executive Director. The Board noted that the review panel's oral report was generally very positive. In particular, they found that AUQA well met its goals, that it has also established a culture of QA procedures with its stakeholders and has launched significant QA initiatives. The Executive Director also informed the Board that the

review panel will make recommendations for further work in some areas, and on new work in planning for the changing environment. The final Report is expected in good time to form the basis of the June meeting of the Board.

5.5 Cycle 2 Options

The Board **considered** the report on feedback received on cycle 2 options. The Directors generally endorsed the views that AUQA should not repeat cycle 1 but rather should move beyond this. There was also support for the view that the Board should think independently of the feedback received from the HEIs. The discussions on National Protocols, implications for the agency audits and the timing of the agency audits, were also considered. The Board agreed that the cycle 2 options, and the other developments that might influence the cycle 2 audits, will be discussed in more detail together with the review panel's report in the next Board meeting.

Action: Board

5.6 Collaboration with the VET Sector

The Board **considered** a paper from Robyn Adams on matters relating to dual-sector institutions and the audits of VET and HE. The Board **endorsed** the proposal presented in the paper to write formally to the NQC and suggest the formation of a Joint Working Group to discuss matters of common interest, and of any possible collaborations. The Board noted the account by Director Axarlis of the soon-to-be-finalised Quality Framework for the VET sector developed by NQC, and agreed that the AUQA action should take account of these new policy developments.

Action: Executive Director

5.7 Annual General Meeting

The Board **noted** the update given by the Executive Director about the arrangements for the AGM scheduled for 19 April 2006.

5.8 Occupational Health and Safety

The Board considered the two changes proposed to the OHS Policy and **approved** the second revision. In relation to the first change, the Board **agreed** that the proposed wording was not necessary (namely "meet reasonable medical and health expenses of staff that are work-related and are not covered by any other source, including any aids necessary for staff to carry out their duties").

Action: Executive Director and Board Secretary

5.9 Risk Register

The Board **noted** that the Risk Register has been reviewed and no changes are proposed since the last review at June 2005.

6. FINANCE MATTERS

The Board received the Statements of Financial Performance and Position to the end of 2005. The Board noted that the accounts show a deficit for the year that is almost exactly as budgeted. The Board was advised that the accounts have been audited, and the External Auditor advises that they will be approved without qualification.

Director Hawke sought a clarification on the items of expenses covered under the title 'remuneration', and reminded the Board that some of the Directors have waived Directors' fee. It was assumed that all reimbursements including travel costs might have been covered under remuneration and the Executive Director agreed to follow-up t and to provide further clarification in the next meeting.

The Board then **approved** the financial reports, subject to clarification of this point, and **authorised** the Executive Director to sign them on behalf of the Board.

Action: Executive Director

7. CHAIR'S REPORT

The Board received an oral report from the Chair on the following items, having expressed his appreciation for the successful review of AUQA and having thanked the AUQA team and all those who were interviewed by the review panel. He informed the Board that his interaction with the review panel had also been positive and that he hoped AUQA would receive a positive review report which would assist the Board in planning future strategies.

- 1) He observed that the timing of the mid-year meeting of the Board and the retreat is good since the Board will have the review report by then and there will be other papers to discuss. That will be the time for the Board to think of the strategic and operational suggestions for AUQA and the range of things AUQA might take up in future.
- 2) He informed the Board about the meetings he and the Executive Director had had with the Members of MCEETYA (Ministers of Queensland and Victoria) and of the upcoming meeting with the Minister of Education in Tasmania. Director Walters offered to assist a meeting with the Minister of NSW, who had not been available during the last appointment
- 3) He shared with the Board his experience in talking to the CEOs of the auditees about their audit experience; and noted that he has been receiving positive feedback about the value and nature of the audit process. He also suggested that in some cases it should lead to a dialogue with AUQA. The Executive Director brought to the notice of the Board two occasions where he had had subsequent and useful discussion with the respective Vice-Chancellors on points raised with the Chair.
- 4) Regarding the self review of the Board, the Chair suggested that it would be initiated when the new Directors to the Board come in since the nominations from DEST and MCEETYA are awaited.
- 5) He informed the Board of his attendance in the forthcoming AEI (Brisbane) and ACU (Adelaide) international conferences representing AUQA on invitation.

Action: Chair and Executive Director

8. EXECUTIVE DIRECTOR'S REPORT

The Board **noted** the report from the Executive Director on AUQA activities

9. DEST / MCEETYA MATTERS

9.1 NSAI audits

The Board received a progress report from the Executive Director on the involvement of AUQA in the Audit Working Group that has been convened by DEST to advise on arrangements for quality audit of NSAs. Director Walters updated the Board on arrangements being coordinated by the Commonwealth for the quality audit of NSAs, and sought endorsement for AUQA's role in conducting an observed audit using the Quality Audit Factors (QAFs).

In the discussions that followed, the Board endorsed the following positions: that the reports of the observed audits will be made to DEST and AUQA; that AUQA will audit institutions against their objectives; that the audits will include coverage of the QAFs; and that this will be spelled out in the main audit documentation. Director Walters noted the endorsement and agreed to inform the Working Group.

Action: Director Colin Walters

9.2 MCEETYA

The Board received a report on the 'MCEETYA review of AUQA' and JCHE progress on the National Protocols. The Executive Director informed the Board that the strategic priorities currently enunciated by MCEETYA are not directly relevant to AUQA. Although it was at a time when the external review of AUQA itself was on train, the Executive Director provided a detailed report to MCEETYA's reviewer, and he and the Chair held discussions with the reviewer and will follow-up with MCEETYA once the Report has been received. Directors Hawke and Werner indicated that the review report has been given to the MCEETYA Secretariat. Director Hawke briefed the Board about the developments in the discussions on National Protocols.

Action: Chair and Executive Director

9.3 Transnational Quality Strategy (TQS)

The Executive Director briefed the Board on the developments regarding the TQS. MCEETYA has established a TQS Working Group which, in turn, has established Expert Groups to advise on different streams of TQS. AUQA has been invited to nominate a representative to participate in an Expert Group towards developing models of approach and the trialing of different approaches to the undertaking of quality assurance assessments of Australian transnational education and training. The Board was advised that Audit Director Stella had been nominated to represent AUQA on the Expert Group, and that Audit Director Kristoffersen would be the main AUQA contact person liaising with the Working Group.

The Board **noted** the involvement of AUQA in the TQS.

10. OTHER BUSINESS

Noting that the term of Directorship soon ends for some Directors, the Board thanked those Directors who would complete their term on 31 March 2006 for the valuable services they have provided to AUQA. In particular the Board thanked Director Stella Axarlis for her contribution as one of the founding directors of AUQA and for the VET expertise she brought to the Board. (She recorded her appreciation and best wishes for all the good efforts of AUQA). Similarly, the Board expressed its appreciation for all the work and support of Dr Clive Hildebrand, should he not be re-appointed to his Directorship. He indicated how he valued of the supportive comments of the Chair and fellow Directors; and, should he not be extended in office, he offered his own good wishes for the future work of the Board.

11. NEXT BOARD MEETING DATES AND TIMES

Meeting AB2006/2 (two-day)	5, 6 June
Meeting AB2006/3	5 September
Meeting AB2006/4	28 November

Signed:.....

Chair AUQA Board.....

Date:.....