

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

**AUQA Board Meeting 2007/3
10.00am, Tuesday 21 August 2007**

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

MINUTES

1. ATTENDANCE & APOLOGIES

Present

Emeritus Professor Deryck Schreuder (Chair)
Mr Ian Hawke (deputy Chair)
Mr Clive Hildebrand
Emeritus Professor Michael Koder
Professor Bill Lovegrove
Professor James McWha
Professor Ian O'Connor
Mr Colin Walters
Mr Terry Werner
Dr David Woodhouse

Director Patrick Coleman and observer Carolyn Allport sent apologies.

Director Alan Pettigrew participated through teleconference.

Others in attendance for part of the meeting were: Rob Carmichael, Aysen Mustafa, and Jeanette Baird.

Board Secretary – Dr Antony Stella

The meeting started at 1000 hrs with the Chair's welcome.

2. MINUTES OF MEETING 2007/2 HELD ON 05 JUNE 2007

The Board **confirmed** the Minutes of meeting AB2007/2 held on 05 June 2007.

3. MATTERS ARISING NOT LISTED ELSEWHERE ON THE AGENDA

A number of significant matters and items were deemed to require discussion and they had been "starred" on the Agenda. Directors were invited to indicate if they wished to change the status of any items. Considering the updates and additional papers provided on the agenda items, the Board identified items 4.5 and 5.4 as requiring discussion.

On a motion from the Chair, the Board agreed to the actions recommended in the papers (and which were not starred or taken up for discussion at the meeting), and they were deemed to have the approval of the Board.

The starred items were then taken for discussion.

4. AUDIT MATTERS

4.1 Audits 2007

The Board **received** a report on the 2007 audit program.

4.2 Audits 2008

The Board **received** a report on the 2008 audit program.

4.3 Audits 2009

The Board **received** a report on the 2009 audit program.

4.4 NSAI Audits

The Board **received** a report on the NSAI audits including those to be carried out by AUQA, and those expected to be carried out by other bodies. The need to be well informed of the audit program of the other audit bodies and to liaise with them was noted.

Action: Executive Director, All Audit Directors

4.5 Progress Reports

The Board received a report on the Progress Reports submitted to AUQA by the auditees after the previous board meeting.

As one of the auditees had not previously undertaken satisfactory action on the recommendations of an audit report, at its last meeting the Board had advised AUQA to write to the head of that auditee over the implications involved..

The Executive Director briefed the Board on the subsequent actions taken by AUQA and their consequent impact on the auditee. While further actions taken by the auditee have been in general satisfactory, on one specific issue the Board requested the Chair to initiate a follow-up (at a higher governance level) in accordance with AUQA's procedures for action on Progress Reports.

Action: Chair, Executive Director

5. AUQA POLICY AND BOARD ISSUES

*5.1 Audit Follow-up

- (a) Director Woodhouse briefed the Board about the letter sent from AUQA to the Ministers responsible for higher education in the States, Territories and the Commonwealth asking how they follow-up the AUQA audit report of the HEIs of their jurisdictions. The responses from the Ministers indicated a spectrum of actions undertaken.
- (b) In the 2007/2 Board meeting (held on 5 June 2007), the Board considered the draft Policy on 'Special Purpose Reviews'. After a thorough discussion on the implications of the strategies outlined in the document, the Board advised that a new document should be prepared that would reflect a strengthened approach to 'audit follow-up' - rather than emphasising 'issues of concern'.

The revised proposal on strengthening audit follow-up was considered by the Board and suggestions were made for further revision. Discussion points included: prioritisation of the Recommendations, timing of the Progress Reports, visit of AUQA staff to discuss the Progress Report on prioritised Recommendations, people to meet during such visits, strengthening the link between progress reports and IAF visits of DEST, and briefing JCHE about these developments.

A revised paper will now be prepared, incorporating the agreed changes.

The need to ensure a five year audit cycle was stressed and the Executive Director will develop the rest of the Cycle 2 audit schedule to ensure this element.

Action: Executive Director

*5.2 Document Handling

As advised by the Board (in its meeting of 5 June 2007), the AUQA 'Record Keeping Working Group' was formed on 29 June to advise on the changes necessary to current AUQA policies and practices. The working group produced a draft audit records management policy which was circulated by email to the Directors before the board meeting. Two other policies were also amended accordingly.

The Board appreciated the work of the working group and considered the recommendations. Director Werner, a member of the working group, briefed the Board. It was suggested that some fine-tuning was required and the working group will provide the revised policies on record keeping to the next meeting of the Board.

Action: Working Group

It was noted that there will be further actions in relation to some policies.

Action: Executive Director

5.3 Review of AUQA

The Board **received** the progress report on the Action Plan.

5.4 Audit Cycle 2

The Board considered a mock-up of a Cycle 2 Audit Report that was prepared at the request of the Chair, to assist Directors in considering the ways in which Cycle 2 Reports should differ from Cycle 1 reports, particularly regarding their presentation and tone.

Discussion at the meeting focussed on the balance between commendations and recommendations, difficulties in prioritising the recommendations, the tone of the report and its likely institutional impact, and the expectation that the report would focus on performance and outcomes at the institutional level.

The Board suggested a wider consideration on these issues with JCHE.

Directors will send further comments to AUQA by e-mail and this will be taken up for discussion again in the next Board meeting. (It is hoped that the document will be able to be reviewed on a prior basis by the JCHE).

Action: All Directors, Executive Director

*5.5 Self-review of the Board

Directors considered the draft questionnaire sent to them in advance and discussed the ways to use that for the self review process. Directors agreed that Part-A of the questionnaire can be sent to AUQA for compilation and Part-B (with qualitative comments) will be sent to the Chair to help initiate telephone interviews with Directors. The Board will allot some time in the next Board meeting to discuss the outcome of the questionnaires and the telephone interviews.

Action: Chair, Board Secretary

6. FINANCE MATTERS

6.1 Financial Statements

The Board **received** the financial report for the period ending June 2007.

*6.2 Finance Committee Matters

The Board **approved** the Finance Committee's recommendations to place the AD position at 'HEW 10 c' category of the university job levels; and to review the job levels of the accountant and data analyst positions. The Board noted the need to secure greater funding from MCEETYA to meet the additional resource implications. The Executive Director agreed to review the budget format for the 2008 budget and to produce a brief budget strategy document working from the key assumptions underpinning the AUQA budget approach.

Action: Executive Director

***7. CHAIR'S REPORT**

The Chair reported confidentially on the work of the 'Remuneration Group' concerning the annual Performance Review for the ED and the recommendation of a salary adjustment for the ED covering the 2006-7 period.

The Board extended congratulations to the ED for a successful year in the leadership of AUQA and election to the Presidency of INQAAHE.

8. EXECUTIVE DIRECTOR'S REPORT

The Board **received** the report from the Executive Director on AUQA activities.

9. DEST / MCEETYA MATTERS

9.1 MCEETYA Matters

There were no specific matters under this item not covered elsewhere.

9.2 Transnational Quality Strategy (TQS)

There were no specific developments related to TQS to report to the Board.

10. OTHER BUSINESS

Following dates were proposed for the 2008 meetings of the Board:

26 February 2008

3 June 2008

19 August 2008

25 November 2008

11. NEXT BOARD MEETING

A fourth meeting of the Board will be held as per schedule on 29 November 2007.