

## UTP20 - 01 – Internal Auditing

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Title: UTP20 -01 - Internal Auditing

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## 1. Policy

UTP20 – 01 - Internal Auditing is a part of UTP20 and must be read in conjunction with UTP20 - Continuous Improvement Policy and Procedure.

## 2. Definitions

**Audit** means a 'systematic, independent and documented process for obtaining audit evidence'<sup>1</sup> to determine whether the activities and related outcomes of the RTO comply with the VET Quality Framework and associated legislative instruments and any national guidelines approved by the National Skills Standards Council or its successors.

According to ISO 31000:2009, **Risk** is 'the effect of uncertainty on objectives.'

## 3. Process

### 3.1 Regular internal audit

Regular internal audit will be conducted twice per year prior to board management meeting. Outcome of the regular internal audit will be reported to the board management meeting.

The process will detail the activities that correspond with the policy in regard completion of the Internal Audits.

The UTAIT Audit Process will systematically collect evidence in an objective manner, assess findings and determine if the RTO is compliant with the VET Quality Framework and associated legislative instruments and any national guidelines approved by the National Skills Standards Council or its successors.

The 5 defined categories must be incorporated into the audit plan and process:

1. The UTAIT Chief Executive will source and retain an external education consultant who will complete an Internal Audit of UTAIT, the following procedure will be followed to ensure that a competent external auditor is retained:
  - a. The auditor must provide evidence of completion of:
    - i. a Diploma of Quality Auditing
    - ii. a Certificate IV in Training & Assessment (preferable TAE)
    - iii. a degree or higher in Education and
    - iv. have at least two years experience auditing RTOs to the VET Quality Framework and
    - v. at least 2 years work experience in management of a RTO

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<sup>1</sup> Standards Australia AS/NZS ISO 19011:2003 Guidelines for Quality and/or Environmental Management System Auditing (2010) 3.1.

### 3.2 Irregular internal audit

Irregular internal audit will be conducted when there is a significant event occurs. Significant event includes but not limit to the following:

- UTAIT receives major complaint from industry about the quality of training and assessment,
- Preparation for an external audit,
- Change of major legislations that affects licensing or accreditation requirements for a course in UTAIT's scope of registration,
- Change of training package...

Schedule for irregular audit will be prepared by the Director-Compliance based on the nature of the event that triggers the internal audit.

## 4. Audit Preparation

1. The UTAIT Chief Executive will convene a meeting with the executive team to discuss specific areas to be assessed at the audit, this meeting will be known as the Audit Preparation Meeting and must be completed at least 4 weeks prior to each audit
  - a. The UTAIT Chief Executive in consultation with executive team will select the units of competency to be audited
  - b. Generally, a selection of two units from two qualifications will be completed during each one day audit
  - c. In preparation for the audit, responsibilities will be noted for allocation to specific personnel
2. The UTAIT Chief Executive will formally advise staff of their responsibilities in regard implementing and maintaining a quality and compliant system
3. The UTAIT Chief Executive will formally advise staff of the planning schedule for internal audits within one month of the start of each calendar year
4. The UTAIT Chief Executive will review previous audit reports, board meeting reports and corrective action register at least 4 weeks prior to each audit
5. The UTAIT Chief Executive and the Director of Compliance will ensure they are fully conversant with their obligations from a statutory and regulatory perspective in regard the VET Quality Framework and associated instruments and any national guidelines approved by the National Skills Standards Council or its successors

## 5. The Audit & Corrective Actions

1. The auditor will select specific processes to audit in consultation with the UTAIT Chief Executive
2. The audit will follow a process format, including review of intent to action to objectively identify evidence of activities transforming input to output
3. The auditor will request evidence that will be reviewed and analysed for a judgment as to the level of possible compliance with the applicable standards

4. The audit process will include interviews with staff and students
5. A site audit will be completed where the auditor will review equipment and facilities to ensure resources meet the VET Quality Framework and training package requirements
6. At the end of the audit day, the auditor will provide a audit closeout, detailing findings both positive and negative (this will be a verbal discussion between the CEO and auditor)
7. The audit report is a product of the audit and will detail comprehensive findings regarding possible contraventions with the respective Act and recommendations for rectification and suggestions for improvements
8. The audit report must be submitted to UTAIT within 2 weeks of completion of audit
9. The audit report will be reviewed by UTAIT Chief Executive and directors
10. Within 2 weeks of receiving the audit report, the UTAIT Chief Executive will convene a meeting with the executive team to present the audit report findings and discuss any concerns, possible contraventions and recommendations from the auditor
  - a. Minutes of the meeting will be documented and the audit report will be signed off by UTAIT Chief Executive
11. The UTAIT Chief Executive will allocate responsibilities for correcting any possible contraventions, identified risks (inc OH&S) and/or improvements
12. The allocation of tasks will be documented by the UTAIT Chief Executive; the record will include:
  - a. Detail of non compliance/improvement or risk
  - b. Date of action raised
  - c. Detail the action required
  - d. Who is responsible to action the finding
  - e. Date that action must be completed
  - f. Comments for reflection discussion at half yearly board meeting
  - g. Signoff by UTAIT Chief Executive on completion
13. The UTAIT Chief Executive will meet with the Director - Training to formally hand over the record
14. The Director - Training will allocate and monitor corrective actions to ensure completion by set dates
15. The Director - Training will meet with the UTAIT Chief Executive at end each two weeks to provide a status report in completion of rectifications/improvements. The document closeout in the record will be completed by both parties
  - a. In the circumstance that actions are not completed within set timelines, an adequate reason must be provided by Director - Training and this reason will be documented into the Continuous Improvement register for follow-up at next meeting

## 6. Half Yearly Board of Management Meeting

To ensure that the RTO continues to improve its services, the RTO systematically checks processes to actual outcomes, this is completed at the half yearly board meeting.



The UTAIT Chief Executive will schedule half yearly board meetings to be completed within 4 weeks of completion of each audit.

Results from audits and reviews of feedback will be analysed by the UTAIT Chief Executive in collaboration with the directors and feedback from the executive team.

The UTAIT Chief Executive is responsible to ensure that the RTO completes scheduled internal audits on a half yearly basis; the CEO will be involved in these audits and review the finding, and sign off on audit findings.

### Revision History

Version	Continuous Improvement Reason	Continuous Improvement Change
1.0	Original document	