DEPARTMENT OF **EDUCATION, TRAINING AND EMPLOYMENT**

Newsletter

Please ensure that this Newsletter is distributed to all members of your staff – it provides a valued source of information to assist you in managing your obligations under the PQS Agreement.

Contract Connector

Issue 29 – May 2014

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NOTE: Throughout the Newsletter Supervising Registered Training Organisations (SRTOs) are able to access website information through the inclusion of hyperlinks.

Should a link not work when clicked – copy and paste that portion of the link that has "broken" and sits on the next line of the article – place this into the browser. Check that the full pathway has been copied across – then activate the hyperlink as normal. It should work.

SUPPLIER RESPONSIBILITY

Suppliers are reminded of their responsibility to ensure compliance with all policy guidelines and agreement requirements. In particular:

Any changes to a Supplier's Scope of Registration [a]

- Where qualifications are either added to or removed these changes must be advised to Contract Management and Performance immediately. Notification can be provided by email and then by submitting a variation request through Variations Online (VOL) to either remove the qualification from your Schedule or remove the qualification from being published on QTIS.

Any changes to a Supplier's Legal Name or a change in control [b]

- Must be notified to Contract Management and Performance before the changes occur.

Failure to advise the Department will result in a situation where no valid Agreement is in place and no payments will be made. It is at the Department's discretion as to whether it consents or refuses to consent to any change in Control of the Supplier.

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FULL CONTESTABILITY [2]

From 1 July 2014, the majority of government investment in VET outcomes will be managed through the fully contestable and demand-driven skills market. With the expanded choice for individuals and employers to select qualifications, it is expected that the network of pre-qualified suppliers (PQS's) will increase significantly.

As a result Contract Management and Performance staff will no longer have the capacity to:
- make payments outside of the monthly payment cycle,
- allow rectification of data that is submitted on the last working day of the month,
- backdate any variations; or
- pursue PQS that don't adhere to policy guidelines

To receive funding as a pre-qualified supplier under any of the funding arrangements your organisation must adhere to the following:
Agreement variations [a]
The Department does not automatically update a Pre-Qualified Supplier's Delivery Schedule when a qualification is superseded or when the Pre-Qualified Supplier is no longer registered for a qualification.
A Pre-Qualified Supplier **can** only **commence training in a new qualification from the date it has been approved by the Department**. Variations will not be backdated.
Where Suppliers fail to submit variation requests electronically on Variations Online (VOL) – any data submitted in relation to that delivery cannot be validated. This will result in errors and there will be no payment.
Additionally any request to backdate your administrative error will not be considered.
Monthly Data Submissions [b]
In line with your PQS Agreement please note that a PQS will only receive payment for a data submission which is error free and meets the standard Departmental validations for the relevant program.
Please note that **payments will be made monthly**.

In order for payments to be processed in a timely manner by the Contract Management and Performance team, it is vital to ensure end of month AVETMISS submissions are complete, **submitted on time** and error free. You are encouraged to submit your data more frequently to achieve an error free status – but it must occur before the last working day of the month.

Suppliers are reminded (once more) they have:
- 90 days to make a claim for training delivery from the date the competency has been achieved for the 2010-2015 User Choice Program; and,

- 30 days to make a claim for training delivery from the date the competency has been achieved for the Certificate 3 Guarantee Program

Failure to adhere to this timeframe may result in your organisation not receiving payment.

PURCHASING ONLINE (POL) ACCOUNTS [3]

Purchasing Online Account holders are reminded of their responsibility to retain their logon and password for access to this system. There has been a notable increase at end of month, for individuals with an account, to request a password reset in order to apply for variations.

Individuals that haven't retained their POL Account details and wait until end of month to request a password reset may experience delays in receiving their temporary password due to the volume of requests submitted at this time.

Also, variations lodged at this time may not be processed in time for data validation and payment. It is in your best interest to ensure prior to end of month that you know your logon and password. Should you have any questions about your POL Account, please email your query to purchasingonline@dete.qld.gov.au.

INTRODUCTION TO PQS COMPLIANCE AUDITS [4]

This is a brief introduction for those RTOs that have yet to participate in a PQS compliance audit.

The Department, through its renamed Market Quality Unit, conducts contract compliance audits on RTOs holding PQS Agreement(s). These audits provide the Department an opportunity to evaluate the RTO's compliance with their Agreement(s). Audits are conducted under s10 of those Agreements.

The aim of a compliance audit is to measure individual PQS holder's compliance with the Department's funded training objectives, its PQS program policies, PQS Agreement and legislation and to make an assessment as to whether the Department is receiving value for money. All RTOs receiving public funds under one or more PQS programs can expect to be selected for a compliance audit at some point during the program's life. PQS programs and participating RTOs are assessed for audit discretely, i.e. an assessment of one program may have little bearing on the other.

In almost every case, PQS holders will receive about two months advance notice of intention to audit. Audits will be scheduled for two consecutive working days to be

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conducted onsite at the RTO's Queensland premises. Delivery of the final report may take up to two months.

RTOs can expect the following from their auditors:

- Preparation, professionalism, discretion, impartiality and integrity in all conduct
- A desire to understand the RTO's business to best inform the conduct of the audit and its outcome
- A willingness to listen and be reasonable in all considerations
- A strong desire to determine the extent to which the Department's funding is achieving Program objectives.

The overall process will be familiar to those who have received an ASQA NVR audit. Those PQS holders whose audit indicates high compliance can reasonably expect the following benefits:

- Continued participation in PQS programs
- No, or minimal, recovery of overpayments
- No referral of outcomes to departmental regional offices to investigate the legitimacy of employment and training arrangements
- No referral of outcomes to ASQA for possible inclusion on its audit schedule
- Likely exclusion from compliance audit activity, for the audited program, for the foreseeable future, and
- Potential invitation for pilot participation in new programs.

Program Evidence Guides and direct contact with departmental Contract Managers are the best sources of information to guide PQS holders in matters of compliance prior to audit.

The SRTO evidence guide for the 2010-2015 User Choice Policy is available at http://www.training.qld.gov.au/resources/training-organisations/pdf/srto-evidence-guide.pdf,

Please note: The Certificate 3 Guarantee Evidence Guide was emailed to relevant PQS holders on 12 April 2014.

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The Queensland Government reform action plan for further education and training

Great state. Great opportunity.

USER CHOICE

End Of Financial Year Closure [(5)]

The PQS agreements run for a 5 year period from 1 July 2010 to 30 June 2015 maintaining the same Agreement Number throughout the program. In order to manage the data flow throughout the 5 year program period, the Department's payment system separates the training activity for each financial year.

In order to finalise training activity at the end of the financial year, suppliers have 90 days (until 30 September) to submit error free data.

Data errors appearing on the Validation Report **MUST** be addressed to ensure payment will be made for all training delivered up to and including 30 June 2014.

Where errors relate to a student's Training Contract such as cancellations and amendments etc, Suppliers need to follow up with the relevant Training Queensland Regional Office.

For all other funding types with Program completion dates in the same timeframe, Suppliers must ensure that all data is submitted and error free within the required timeframe as specified in their Agreement.

There will be no extension granted to submit 2013-2014 financial year data past 30 September 2014.

DECLARATIONS [(6)]

Correction to April Newsletter

Last month the ICT10 Information and communication Technology Training Package was incorrectly advertised as **ICT13 instead of ICT10.** The Department apologises for any confusion this created.

ICT10 – Information and Communications Technology Training Package

Qualification	Code	Priority
Certificate II in Telecommunications	ICT20213	2
Certificate II in Telecommunications Cabling *	ICT20213	1
Certificate III in Telecommunications Cabling *	ICT30213	1

*Fee Free qualification

The following qualifications have been approved for User Choice funding:

RII09 – Resources and Infrastructure Industry Training Package.

Qualification	Code	Priority
Certificate II in Drilling Oil/Gas (On shore)	RII21113	2
Certificate III in Civil Construction Plant Operations	RII30813	1

Note: All declared apprenticeships/traineeships and details about User Choice funding can be found on Queensland Training Information Service (QTIS) located on the Departments Home Page http://qtis.training.qld.gov.au/TrainingNews

Remember: You must have scope of registration before applying for the addition of any qualification to your Schedule A/Delivery Schedule. Only when scope has been approved can you then apply for the qualification to be added to your Schedule A/Delivery Schedule through Variations on Line using your Purchasing on Line (POL) account. Failure to do this will result in no payment.

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CERTIFICATE 3 GUARANTEE PROGRAM

RESULTS OF THE WAREHOUSING REVIEW [7]

As reported in the April 2014 edition of the Contract Connector, the Department has recently completed its performance review of investment into the Certificate III in Warehousing Operations (TLI31610) qualification.

The review revealed that on average RTOs were delivering the qualification in significantly less hours than what has been outlined in the approved hours of delivery (595 hours). As a result of this finding, the Department will reduce the level of government investment to 200 funded hours, which more accurately reflects the training effort currently provided by suppliers. This will ultimately result in the government provided subsidy for the qualification to change as follows:

- Non-concessional student subsidy reduced from $2,954 to $980.
- Concessional student subsidy reduced from $3,587 to$1,200.

This change to subsidy level will be implemented as at 1 July 2014 for all new commencements.

Further, the review also revealed to the Department that the majority of the suppliers (approximately 80%) with Certificate 3 Guarantee Agreements for this qualification are not meeting all of the requirements of their contract, as outlined in the Key Performance Indicators (KPIs).

There are 2 KPIs that suppliers are required to meet, with the first KPI related to the successful completion of qualifications by students. The Department's Certificate III Guarantee Agreement requires suppliers to achieve at least a 65% success rate against this KPI. The second KPI relates to the completion of student surveys on the quality of the training, which the Department requires each student to complete.

All of the suppliers included in the review have been provided with written feedback on their performance. Where suppliers have failed to meet 1 or more of the KPIs, the Department has asked suppliers to provide advice to on how they will implement processes to ensure that both KPIs are successfully met in the future.

Certificate 3 Guarantee Agreement suppliers are reminded that failure to meet the KPIs of their agreements could result in the termination of their agreement.

ERRORS… VALIDATION FOR CERTIFICATE 3 GUARANTEE – NEW [8]

From 1 January 2014 Contract Management and Performance introduced a new validation to Certificate 3 Guarantee Program details of which are below:-

34009 – No tuition fees reported

You will receive this error if you make a claim for payment and do not report the student contribution fees as per policy requirements. Fees should be reported per Unit of Competency and rounded to the nearest dollar.

PARTICIPANT ELIGIBILITY FOR POST SCHOOL QUALIFICATIONS – REMINDER [9]

To be eligible to enrol in the Certificate 3 Guarantee program participants must not hold and not be enrolled in a certificate III or higher qualification (qualification completed at school and foundation skills training are not counted).

To assist in this process the Department has modified its Apprentice Information Self Service (AISS) for use in determining students' eligibility.

Life is what happens to you when you are busy making other plans

John Lennon