

AQTF Audit Report - Continuing Conditions of Registration

COTTONSOFT SOFTWARE PTY. LTD. T/A Cottonsoft Software Pty Ltd, Flexlearn Institute – NTIS 1626

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TRIM: 10/185641
Version 3 – 2 November 2010
Training and International Quality

RTO details				
Legal name	COTTONSOFT SOFTWARE PTY. LTD.		Registration expiry	26 October 2010
RTO contact	Mr Neville Maloney		Phone	(07) 3324 1124
Audit team				
Lead auditor	Cassandra Frentiu			
Phone	07 3247 5517	E-mail	Cassandra.frentiu@deta.qld.gov.au	
Audit details				
Audit number	1626-7A	Conditions audited	1 - 9	
Other audit notes	• The organisations representative that I spoke with in relation to this audit was Mr Neville Maloney who is the Chief Executive Officer. -			
Audit date	10 November 2010	Audit outcome on day of audit	<input type="checkbox"/> Compliant <input type="checkbox"/> Significant non-compliance	<input checked="" type="checkbox"/> Minor non-compliance <input type="checkbox"/> Critical non-compliance
Rectification received	11 November 2010	Audit outcome following rectification	<input checked="" type="checkbox"/> Compliant <input type="checkbox"/> Significant non-compliance	<input type="checkbox"/> Minor non-compliance <input type="checkbox"/> Critical non-compliance
Audit advice				
Recommendation	<input checked="" type="checkbox"/> Approve application			
Strengths	Nil identified			
Opportunities for improvement	Nil identified			

Condition 1 - Governance

At time of audit: Compliant

Description of evidence sighted:

- Fit and Proper Person Requirements Declaration for Neville Barry Maloney and Ian James Price both signed by a JP
- AVETMISS Emails from the organisation to Registration Services – Training and International Quality
- 'Trainee Workplace Visit' document
- 'Cottonsoft Improvement Record' document
- 'Training Record' document
- Scanned screen copy of the database the organisation uses to record information. This is available to staff to keep them up to date.
- The organisations representative advised verbally that the organisation is a small RTO and the two Chief Executives Neville Maloney and Ian Price ensure that the organisation complies with AQTF Essential Conditions and Standards for Continuing Registration and any national guidelines approved by the National Quality Council or its successors.

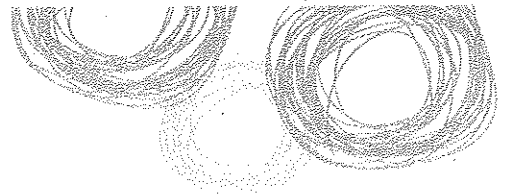
Evidence checklist:

Evidence provided confirms:

- The RTO's Chief Executive must ensure that the RTO complies with the AQTF *Essential Conditions and Standards for Continuing Registration* and any national guidelines approved by the National Quality Council or its successors. This applies to all of the operations within the RTO's scope of registration, as listed on the National Training Information Service.

Y N





- The RTO's senior officers and directors or substantial shareholders who are in a position to influence the management of the organisation must satisfy fit and proper person requirements unless these requirements have already been met through other legislative provisions.
 [These are the people identified in section 2.1 of the RTO 1(b) form. Each of these people has completed and declared the RTO 4 form - Fit and proper person requirements declaration.]
- The RTO must also explicitly demonstrate how it ensures the decision making of senior management is informed by the experiences of its trainers and assessors.

Condition 2 – Interactions with the Registering Body

At time of audit: Compliant Not Compliant
 Following rectification: Compliant Not Compliant

Description of evidence sighted:

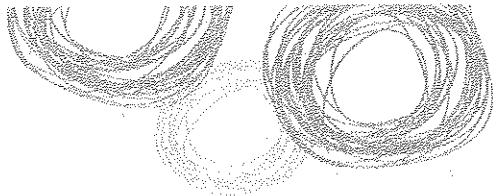
- AQTF Compliance Audit document provided to the organisation by DETA .
- The organisation did not submit its renewal application three months prior to its registration expiry date as required by DET. The organisations registration expired on the 26 October 2010. The renewal application was received on 29 October 2010.
- 'Cottonsoft Employer Questionnaire 2009' document.
- 'Quality Indicator Reports July 2009' document.
- User Choice letter to the organisation by the Department of Education and Training.
- Scanned screen copy of the database the organisation uses to record student information.
- 'Vocational Education and Training Enrolment Form' document.
- A copy of the 'Directors Declaration' document.
- 'Financial Viability' Document from the organisations accountants.
- The organisation representative advised verbally how they will ensure that the RTO cooperates with its registering body in the conduct of audits, providing accurate and timely data, providing information on changes to operations and ownership, and record requirements.

Evidence checklist:

Evidence provided confirms:	Y	N
■ The RTO's Chief Executive must ensure that the RTO cooperates with its registering body:		
a. in the conduct of audits and in the monitoring of its operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. by providing accurate and timely data relevant to measures of its performance	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. by providing timely information about significant changes to its operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. by providing timely information about significant changes to its ownership	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. in the retention, archiving, retrieval and transfer of records consistent with its registering body's requirements	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f. by providing a statement demonstrating its financial viability, and/or its annual financial statements, and/or a business plan on request of the registering body.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Summary of non-compliances

- The organisation was not able to provide accurate and timely data to its registering body as the Renewal Application was not received three months prior to registration expiry.



Rectification required
• Nil – Renewal application received
Rectification received
• Nil – Renewal application received

Condition 3 – Compliance with Legislation

At time of audit: **Compliant**

Description of evidence sighted:

- 'Cottonsoft Traineeship Trainee Handbook' which lists the assessment appeals policy, financial safeguard policy, privacy considerations.
- 'Staff Induction Policy and Procedure' manual.
- The organisations representative advised verbally that the two Chief Executives will ensure the RTO complies with relevant legislation and regulatory requirements relevant to its operations and scope of registration.
- The organisations representative advised verbally that staff and clients are informed of these requirements through Handbooks, Policy and Procedure Manuals, and discussions.

Evidence checklist:

Evidence provided confirms:	Y	N
▪ The RTO must comply with relevant Commonwealth, State or Territory legislation and regulatory requirements that are relevant to its operations and its scope of registration.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
▪ It ensures its staff and clients are fully informed of these requirements that affect their duties or participation in vocational education and training.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Condition 4 - Insurance

At time of audit: **Compliant**

Description of evidence sighted:

- 'Certificate of Currency' for public and products liability from the organisations insurer – expiry 16 October 2010.
- Renewal Invoice for a further 12 months of insurance.

Evidence checklist:

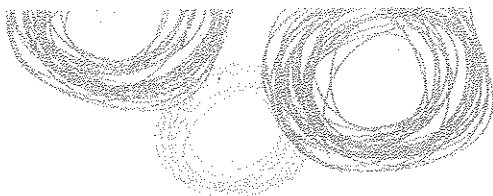
Evidence provided confirms:	Y	N
▪ The RTO holds insurance for public liability throughout its registration period that is suitable for the size and scope of its operations.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Condition 5 – Financial Management

At time of audit: **Compliant**

Description of evidence sighted:

- The organisations 'Enrolment Information Form'.
- The organisations 'Refund and Complaints Policy'.
- 'Cottonsoft Statement for Financial Performance for period ended 30 June 2010' document.



- Copy of an email sent to a student from Cottonsoft regarding issuance of a certificate.
- Scanned screen copy of the database the organisation uses to record student information. It displays details of a certificate being reissued to a student that requests one.
- Tax Invoice the student receives after fees and charges are collected.
- The organisations representative advised verbally that students don't pay fees in advance, however on the odd occasion that this does occur; the organisation has option 3 in place.
- 'Financial Viability' Document from the organisations accountants.

Evidence checklist:

Evidence provided confirms:	Y	N
<ul style="list-style-type: none"> ▪ The RTO must be able to demonstrate to its registering body, on request, that it is financially viability at all times during the period of its registration. <input checked="" type="checkbox"/> <input type="checkbox"/> ▪ The RTO must clearly express the following fee information to each client in a language that clients understand: <ul style="list-style-type: none"> a) The total amount of all fees including course fees, administration fees, materials fees and any other charges <input checked="" type="checkbox"/> <input type="checkbox"/> b) Payment terms, including the timing and amount of fees to be paid and any non-refundable deposit/administration fee <input checked="" type="checkbox"/> <input type="checkbox"/> c) The nature of the guarantee given by the RTO to complete the training and/or assessment once the student has commenced study in their chosen qualification or course <input checked="" type="checkbox"/> <input type="checkbox"/> d) The fees and charges for additional services, including such items as issuance of a replacement qualification testamur and the options available to students who are deemed not yet competent upon completion of training and assessment, and <input checked="" type="checkbox"/> <input type="checkbox"/> e) The organisation's refund policy. <input checked="" type="checkbox"/> <input type="checkbox"/> ▪ The evidence provided relating to fee information supports the RTO's statement regarding collection of fees in advance (below). <input checked="" type="checkbox"/> <input type="checkbox"/> 		

Does the organisation collect fees in advance from students?

- Yes – continue No – bypass next dot point

Evidence provided confirms how, after 3 January 2011:

Cross which option is	<ul style="list-style-type: none"> ▪ Where the RTO collects fees in advance it must ensure it complies with one of the following options: <input checked="" type="checkbox"/> <input type="checkbox"/> 	
	<ul style="list-style-type: none"> <input type="checkbox"/> Option 1 – The RTO is administered by a state, territory or commonwealth government agency, or Option 2 – The RTO holds current membership of an approved Tuition Assurance Scheme, or [Option not currently possible] 	
	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Option 3 – The RTO may accept payment of no more than \$1000 from each individual student prior to the commencement of the course. Following course commencement, the RTO may require payment of additional fees in advance from the student but only such that at any given time, the total amount required to be paid which is attributable to tuition or other services yet to be delivered to the student does not exceed \$1,500, or 	
	<ul style="list-style-type: none"> <input type="checkbox"/> Option 4 – The RTO holds an unconditional financial guarantee from a bank operating in Australia for no less than the full amount of funds held by the RTO which are prepayments from students (or future students) for tuition to be provided by the RTO to those students, or 	



- Option 5 – The RTO has alternative fee protection measures of equal rigour approved by the registering body.

[A description of the alternative measures proposed must be provided and accompanied by a comprehensive explanation demonstrating how the proposed measures are of a rigour equal to Options 1 – 4. The Director, Training Quality, will determine whether the RTO's fee protection measures demonstrate equal rigour.]

- The RTO cannot yet demonstrate compliance with the fees paid in advance option 2 as it is awaiting advice from NQC regarding what constitutes an approved Tuition Approval Scheme.

Evidence provided confirms:

- The RTO must have its accounts certified by a qualified Accountant to Australian Accounting Standards at least annually, and provide the certificate to its registering body on request. If the registering body reasonably deems it necessary, the chief executive must provide a full audit report on the RTO's financial accounts from a qualified and independent accountant.

Condition 6 – Certification & Issuing of Qualifications & Statements of Attainment

At time of audit: Compliant Not Compliant

Following rectification: Compliant Not Compliant

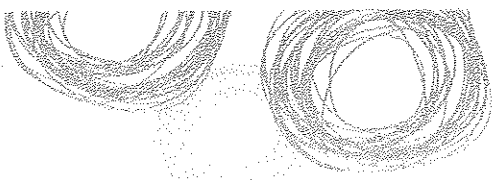
Description of evidence sighted:

- The organisations qualification template
- The organisations 'Traineeship Trainee Handbook' notes that records of achievement are kept on the database and archives are kept for 30 years. Also a document on 'Notes on Management Policies' states that records will be kept for 30 years.
- An 'Authenticity Compliance Certificate' stating the organisation has purchased a student records management database that has the capacity to provide AVETMISS compliant data
- 'AVETMESS easy / Sample Screens' document
- The organisations representative advised verbally that the RTO will provide client records to its registering body as determined.

Evidence checklist:

Evidence provided confirms:	Y	N
▪ The RTO must issue to persons whom it has assessed as competent in accordance with the requirements of the Training Package or accredited course, a qualification or statement of attainment (as appropriate) that:		
a. meets the Australian Qualifications Framework (AQF) requirements	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. identifies the RTO by its national provider number from the National Training Information Service	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. includes the Nationally Recognised Training (NRT) logo in accordance with the current conditions of use.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
▪ The RTO must retain client records of attainment of units of competency and qualifications for a period of 30 years.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
▪ The RTO must have a student records management system in place that has the capacity to provide the registering body with AVETMISS compliant data. [Evidence required to demonstrate how the RTO plans to comply by 3 January 2011]	<input checked="" type="checkbox"/>	<input type="checkbox"/>
▪ The RTO must provide returns of its client records of attainment of units of competency and qualifications to its registering body on a regular basis, as determined by the registering body.	<input checked="" type="checkbox"/>	<input type="checkbox"/>





<ul style="list-style-type: none"> The RTO must meet the requirements for implementation of a national unique student identifier. <input type="checkbox"/> <input type="checkbox"/> <p>[Not required until implementation plan is published on www.training.com.au]</p>
Summary of non-compliances
<ul style="list-style-type: none"> Qualification testamur does not include the employability skills statement and the industry descriptor.
Rectification required
<ul style="list-style-type: none"> Evidence that the qualification testamur meets the Australian Qualifications Framework (AQF).
Rectification received
<ul style="list-style-type: none"> The RTO Provided an amended qualification testamur that now complies with the requirements of the Australian Qualification Framework (AQF).

Condition 7 – Recognition of Qualifications Issued by Other RTOs	
At time of audit:	<input checked="" type="checkbox"/> Compliant
Description of evidence sighted:	
<ul style="list-style-type: none"> 'Notes on Management Policy' document A copy of the 'Third Party Report assessment tool' document 'Application for RPL' form which includes the opportunity to list certificates and statement of attainments issued by other RTO's Certificate to Joni Teal who attended the "Developing Effective RPL Tools Workshop' held by DET Certificate to Joni Teal who attended the RPL Seminar held by ACPET The organisation's representative advised verbally that AQF qualifications and Statements of Attainment issued by other RTO's are recognised by the organisation. 	
Evidence checklist:	
Evidence provided confirms:	Y N
<ul style="list-style-type: none"> The RTO recognises the AQF Qualifications and Statements of Attainment issued by any other RTO. 	<input checked="" type="checkbox"/> <input type="checkbox"/>

Condition 8 – Accuracy and Integrity of Marketing	
At time of audit:	<input checked="" type="checkbox"/> Compliant
Description of evidence sighted:	
<ul style="list-style-type: none"> A copy of the organisations advertisement in a newspaper The organisations representative advised verbally that all marketing and advertisement is arranged by the Chief Executive who ensures that it is ethical, accurate, consistent and that the NRT logo is used in accordance with its conditions 	
Evidence checklist:	
Evidence provided confirms:	Y N
<ul style="list-style-type: none"> The RTO must ensure that its marketing and advertising of AQF qualifications to prospective clients is ethical, accurate and consistent with its scope of registration. 	<input checked="" type="checkbox"/> <input type="checkbox"/>
<ul style="list-style-type: none"> The NRT logo must be employed only in accordance with its conditions of use. 	<input checked="" type="checkbox"/> <input type="checkbox"/>

Condition 9 – Transition to Training Packages/Expiry of Accredited Courses

At time of audit: Compliant

Description of evidence sighted:

- Matrix for Certificate II IT transitioning from ICA20199 to ICA20105
- The organisations representative advised verbally that the Chief Executive manages the transition from superseded training packages within 12 months of NTIS publication and that delivery only occurs from currently endorsed training packages.

Evidence checklist:

Evidence provided confirms:

- | | Y | N |
|---|-------------------------------------|--------------------------|
| ▪ The RTO must manage the transition from superseded Training Packages within 12 months of their publication on the National Training Information Service. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ▪ The RTO must also manage the transition from superseded accredited courses so that it delivers only currently endorsed Training Packages or currently accredited courses. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

