

**Academic audit manual
for use in Cycle 4
academic audits**

**New Zealand Universities Academic Audit Unit
Te Wāhanga Tātari**

**Compiled by
John M. Jennings**

December 2007



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for use in
Cycle 4 academic audits**

**by the
New Zealand Universities
Academic Audit Unit
Te Wāhanga Tātari**

**compiled by
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the New Zealand Universities Academic Audit Unit.
This manual is also available as a portable document format (pdf) file
available on the Unit's website**

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Preface

Introduction

This manual is the fifth to be produced by the New Zealand Universities Academic Audit Unit since it began operations in 1994. In the writing of this manual, recognition has been given to the development of quality systems and quality infrastructures within New Zealand universities over the past thirteen years, and the manual omits much of the background to quality assurance theory along with many of the details of institutional operational practice that is included in earlier editions of the manual.¹

Earlier manuals, however, retain their value. Readers are referred to David Woodhouse, *Audit manual: handbook for institutions and members of audit panels* (third edition, 1998) for a background to academic audit, discussion of terminology, and an appendix (Appendix 5, 'Factors for audit', p.59-85) containing details of audit factors for full institutional audits. Copies of that publication are available from the New Zealand Universities Academic Audit Unit, P O Box 9747, Marion Square, Wellington 6141, at a cost of \$25 each (plus GST); and the publication is available as a portable document format (pdf) file on the Unit's website, <http://www.nzuaau.ac.nz>.

Feedback

Since the release of the December 2002 edition of the *Academic audit manual*, the Unit has sought, and received, feedback on the Unit's performance. The Unit has kept a watching brief on feedback as it has been received and has amended operational details to take up suggestions made throughout Cycle 3, although the extent of such change was limited by the desire to maintain consistency in process across the whole of Cycle 3 audits. The Unit has now reconsidered all of this feedback and sought ways to build on the strengths of the academic audit process as identified by the universities and panels, to improve the process and, wherever feasible, to streamline the process.

Tertiary Education Reforms of 2006-2007

The Board requires the Unit to ensure that its future activities will be relevant to the new environment that is likely to arise from the current Tertiary Education Reforms. From discussions and written documentation, the Board of the Unit has formed the view that the intention of these reforms is to introduce a quality assurance and monitoring system where the Tertiary Education Commission will monitor university performance, and the Commission will seek information on the processes that support the core activities of universities – research, teaching, learning and community engagement – from a quality assurance system that involves university 'self-assessment and validation'.

¹ The first three editions of *the Audit manual: handbook for institutions and members of audit panels*, written by David Woodhouse, were produced in 1994, 1995 and 1998 for use during the pilot audits in 1994, Cycle 1 audits in 1995-1998, and Cycle 2 academic audits 2000-2001 respectively. A new-format *Academic audit manual for use in Cycle 3 academic audits*, which drew heavily on the 1998 edition of the *Audit manual*, was published in December 2002.

The Cabinet papers and Tertiary Education Commission papers relating to the reforms give notice of a shift in quality assurance across the tertiary sector in New Zealand towards ‘self-assessment and validation’. The Board believes that the approach to quality assurance and quality enhancement activities undertaken for over a decade by the Unit on behalf of the New Zealand Vice-Chancellors’ Committee is well aligned with this shift. Independent external academic audit administered by this Unit goes beyond mere validation; it has become an evaluation and review of each university’s self-assessment and programme of improvement initiatives, with the aim of supporting and enhancing the university’s own programme of improvement.

International practice

The challenge for the Unit is to enhance the present methodology to take into account a growing maturity in the universities arising from their involvement in the three Cycles of audit already administered. The aim is also to ensure the audit process continues to add value for universities. The process of whole-of-institution Cycle 4 academic audits will continue to be in line with international practice – namely, university self-assessment leading to the production of a portfolio with supporting documentation; the evaluation of the portfolio and documentation together with site interviews by a panel independent of the university being audited; the production of a report by the panel, based on panel members’ observations, which contains commendations of good practice, recommendations for improvement, and affirmations of institutional initiatives.

In its practice, the Unit will continue to abide by the good practice guidelines of the International Network of Quality Assurance Agencies in Higher Education by recognising that quality and quality assurance are primarily the responsibility of the universities themselves, by respecting the autonomy, identity and integrity of the universities, and by contributing to both quality improvement and accountability.

Acknowledgements

I want to thank the readers of drafts of this academic audit manual who were drawn from across the New Zealand tertiary sector. I am grateful to them for their willingness to offer opinions, to raise important questions, and to give advice. All their comments have been given careful consideration and advice taken in most cases. The manual is a much better document because of their input.

A version of the indicative framework for the self-assessment portfolio (*Table 2*, pages 18-20) was discussed at the annual meeting of university quality personnel – Quality Enhancement Meeting 12 – held at Lincoln University in September 2007. The final version as presented here has addressed the concerns expressed at that meeting.

John M. Jennings
Director
December 2007

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1

The Unit, audit principles and the scope of Cycle 4

1.1 The New Zealand Universities Academic Audit Unit

The chief function of the New Zealand Universities Academic Audit Unit [hereafter 'the Unit'] is to support New Zealand universities in their continuing achievement of standards of excellence in their academic responsibilities in research and teaching. In fulfilling this function, the Unit concentrates its effort on the enhancement of the universities' own programmes of continuous improvement. The purpose of institutional audits of the universities is best described in the Unit's objective:

Timely completion of academic audits producing audit reports acknowledged as authoritative, fair and perceptive, and of assistance to universities.

Vision, mission and objectives, Objective 1²

In each audit, the process begins and ends with the university's own programme of continuous improvement. External audit begins within the university with a self-assessment which is not just an evaluation but which includes the university's proposed quality improvement plans for moving forward. The audit panel's thinking and recommendations begin from, and move out from, the university's own quality improvement plans. The university's implementation of its own improvement plans, as modified and enhanced by the audit panel, forms the basis of the follow-up interaction between the university and the Unit. The Unit and its work – both external audit and ongoing professional interaction – must add value to the university's own programme of quality improvement. Audit must be owned as part of the university's programme of quality improvement and not experienced as an intrusion into its internal life; audit must not ignore the university's own initiatives or destroy the university's own creativity.

1.2 Principles for institutional quality systems and academic audit

The Unit's declared purpose of institutional audits is consistent with the following principles³ which any quality system for an institution of higher education should embody.

- *Academic quality is best guaranteed when responsibility for it is located as close as possible to the academic processes of research, teaching, learning and community service. Quality and its assurance are primarily a professional issue, not a management function. Ultimately, quality is not maintained and enhanced through systems or controls but through professional commitment.*
- *Quality assurance is a continuous, active and responsive process. Critical evaluation of performance and the actions that flow from this should be a regular and progressive feature of academic work. Active sharing and dissemination of good practice and the modification of ideas are central to the proper operation of quality assurance systems.*

2 See the Vision, Mission and Objectives in Appendix A1 to this manual, sections A1.1, A1.2 and A1.3.

3 These principles were developed by David Woodhouse, first Director of this Unit, and Cedric Hall, then Professor of Education at Victoria University of Wellington.

- *A quality system is effective if it results in the achievement of quality delivery and quality outcomes.* The academic outcomes of the teaching, learning, research and community service activities are indicators of this effectiveness.
- *Effective quality assurance in higher education requires the use of external academic and professional points of reference.* A university's academic work and its processes for guaranteeing the quality of that work must be responsive to national and international contexts. This requires the involvement of the university's staff in outside professional activities, and the use of external participants in the internal quality assurance processes.

The Unit's approach to academic audits is based on three principles – partnership, ownership and enhancement.

- *Partnership*
Academic audit is a partnership between the Unit and the university. Audit panels include academics who provide peer review of evidence offered. Audit panels also include non-academics, many of whom are involved in quality systems related to education outside the university sector; these people bring their particular experience to bear on issues inside the university sector. Taken as a team, the panel provides independent advice to the university about the university's own programme of self-improvement. Audit panels do not see themselves as experts telling the university what to do. While audit panels have expertise and experience, they see themselves as colleagues, working with the quality personnel inside the university to encourage them in their work to enhance the research, teaching, community engagement and student learning experience.
- *Ownership*
The Unit accepts that the process of academic audit as administered by the Unit is owned by the Unit. However, the Unit is more interested in the processes of audit that lead to change, and those processes must be owned by the university. The work of the Unit, most significantly in the report and its commendations, recommendations and affirmations, is but one contribution to the whole. The work of the Unit must feed into processes of change that are owned by the university.
- *Enhancement*
The word enhancement carries with it the notion of improving processes already in place in the university, rather than just imposing processes from a different context. Enhancement is about improvement and innovation, and audit teams look for ways of building on the processes already in place in a university.

The Unit also subscribes to the principles of auditing as defined in Australian/New Zealand Standard AS/NZS ISO 19011:2003.⁴

- *Ethical conduct: the foundation of professionalism*
Trust, integrity, confidentiality and discretion are essential to auditing.

4 *Guidelines for quality and/or environmental management systems auditing*, 4 Principles of auditing.

- *Fair presentation: the obligation to report truthfully and accurately*
Audit findings, audit conclusions and audit reports reflect truthfully and accurately the audit activities. Significant obstacles encountered during the audit and unresolved diverging opinions between the audit panel and the institution are reported.
- *Due professional care: the application of diligence and judgement in auditing*
Auditors exercise care in accordance with the importance of the task they perform and the confidence placed in them by universities and other interested parties. Having the necessary competence is an important factor.
- *Independence: the basis for the impartiality of the audit and objectivity of the audit conclusion*
Auditors are independent of the activity being audited and are free from bias and conflict of interest. Auditors maintain an objective state of mind throughout the audit process to ensure that the audit findings and conclusions will be based only on the audit evidence.
- *Evidence-based approach: the rational method for reaching reliable and reproducible audit conclusions in a systematic audit process*
Audit evidence, whether written or oral, is verifiable. It is based on samples of the information available, since an audit is conducted during a finite period of time and with finite resources. The appropriate use of sampling is closely related to the confidence that can be placed in the audit conclusions.

In administering academic audits consistent with these principles, the Unit emphasises institutional self-assessment; it also emphasises quality improvement as the most effective means of achieving accountability. The Unit is required to make judgements about the scope and effectiveness of a university's quality assurance procedures and practices, and their relation to nationally and internationally accepted good practices. These judgements are based in the first place on the self-assessment portfolio submitted by the university, as considered by the audit panel and then tested and elaborated through further written and oral evidence gathered during the Site Visit to the university.

In order to evaluate the effectiveness of the quality assurance procedures, it is necessary for the auditors to investigate the results of applying these procedures and to check the extent to which the university is achieving the outcomes required by its objectives. The university is expected to have the necessary checking mechanisms in place and to be able to demonstrate to the Unit that the procedures are being used and are working, or that there are plans for addressing any shortfall.

1.3 The scope of Cycle 4 academic audits

The universities have indicated their wish for Cycle 4 academic audits to be whole-of-institution. Whole-of-institution audit covers the following topics.

- Teaching and learning
- Research environment
- Te Tiriti o Waitangi
- Academic and support staff
- Institutional quality assurance

- Management and administrative support
- Community engagement
- External academic collaborations and partnerships.

In 2005, the New Zealand Vice-Chancellors' Committee changed the terms of reference of the Unit; the primary term of reference is to 'consider and review the universities' mechanisms for monitoring and enhancing the ongoing academic quality of academic programmes, their delivery and their learning outcomes, and the extent to which the universities are achieving their stated aims and objectives in these areas'.⁵ The evaluation of mechanisms relating to the assessment of the quality of research *per se* may fall outside of these terms of reference and might duplicate the assessment activities related to the Performance-Based Research Fund. The terms of reference, however, can include consideration of the extent to which the research culture, research environment and research activities enhance teaching and learning, as well as the effect that teaching and service aspects of staff responsibilities have on research.

The whole-of-institution academic audit will focus on the ability of institutional processes to support the achievement of outputs and outcomes.⁶ It is clear that boundaries should be placed on the exercise if it is not to attract the criticism of unrealistic and excessive additional workload. To this end, an indicative framework has been developed for the self-assessment portfolio. (See section 3.2 of this manual, including *Table 2*, pages 18-20.)

5 The full set of terms of reference for the Unit are set out in Appendix A1 of this manual, section A1.5.

6 For the Unit, outputs are performance data, such as completions and retentions; outcomes arise from the application of skills and techniques learned and the knowledge gained to the workplace and to the benefit of society.

2

Institutional academic audit process

2.1 The self-assessment

Irrespective of the activities of the Unit or of any other external requirements, regular review of processes, activities, output data and other evidence should be an integral part of a university's total planning, implementation and modification cycle. On-going self-assessment can have beneficial institutional quality maintenance and enhancement effects, regardless of the catalyst for the review. The starting point for the self-assessment, as later for the audit panel investigation, is the objectives that the university has formulated.

The university's self-assessment should address questions such as:

- What are the internal quality procedures?
- Are they appropriate?
- Are they effective?
- How do we know?

2.2 The self-assessment portfolio

The self-assessment results in the submission to the Unit of a written portfolio that tests the effectiveness of the university's quality system in support of the core activities (research, teaching, learning and community engagement) and that contains the judgements of the whole university's community. Audit panels will look closely for evidence that confirms that adequate consultation and involvement of students and other stakeholders has taken place during the self-assessment process.

The universities will continue to manage their self-assessment process in the way best suited to their needs, but the structure of the portfolio desired by the Unit is set out in the indicative framework detailed in *Table 2*, p.18-20. The final detail of activities to be audited will be negotiated with each university as might best add value for the university. The aim of the indicative framework is to provide some degree of focus and to help control the workload placed on universities. The Unit hopes that the self-assessment will build to the greatest extent possible on the on-going review activities of the universities, although it is appreciated that the demands of a whole-of-institution audit are greater than would be expected of normal review activities, and will most probably require special tasks outside of normal activities.

Details of requirements for the self-assessment portfolio are provided in section 3.2 of this manual.

2.3 Audit panel

The Unit selects potential members for an audit panel bearing in mind the scope of the audit, any special characteristics of the university, and the need to have a panel that is coherent and balanced in background and experience. The size and composition of audit panels is always under review, and there is a tension in gaining a balance between size and a representative composition. For Cycle 4, the panel will normally have the following composition:

- a senior person (usually an academic or academic administrator) from a New Zealand university as Chair
- a New Zealand academic,
- a non-academic with experience and understanding of quality assurance and quality enhancement processes as well as an awareness of the way quality assurance is applied in a university context,
- an academic from an overseas university.

The Unit requires a balance of experience, with an audit panel which, collectively, has:

- knowledge of the processes of universities or those of other tertiary institutions,
- a positive attitude towards the future of the university sector,
- experience of university research and teaching,
- experience resulting from holding university management and administrative posts at least at Faculty/School/Division level,
- the capability of being forward-looking,
- an awareness of the contemporary context in which universities work and of the national and international environments in which students will live and work as graduates.

The Director of the Unit is in attendance to the panel to ensure the audit process is within the terms of reference, and is responsible for writing the first draft of the report. The Director is not an auditor. A notetaker is also in attendance, and the notes taken are destroyed at the time the academic audit report is released. Unless otherwise arranged, all communication between the university and members of the panel is via the Unit.

The Unit's policies with respect to the responsibilities of auditors, including their appointment, are provided as Chapter 4 of this manual.

2.4 Evaluation of the self-assessment portfolio

When the self-assessment portfolio is sent by the university to the Unit and to all members of the audit panel, the members of the audit panel examine the portfolio to reach first impressions about the reliability and effectiveness of the quality system. In evaluating and checking the university's self-assessment portfolio, the audit panel will:

- respect the objectives and values of the university,
- comment on the university's conclusions and proposed improvement activities,
- consider the extent to which the university's quality assurance systems and processes that support and contribute to the quality of the university's research, teaching and learning are effective in assisting the university achieve its objectives.

About four weeks after the submission of the university's self-assessment portfolio, the audit panel meets at the office of the Unit in Wellington for a day (Preliminary Meeting) to review audit procedures, to share first impressions of the portfolio, and to identify any further information or clarification that the university might be required to provide at the time of the Site Visit. Further information will be requested only when there is good reason to do so, and the

panel will give a clear indication as to why the further information is requested – such as whether to clarify, to allow more detailed evaluation, to fill in gaps – and will take care not to ask for material already in hand. Further information requested will be made available by the university for scrutiny by the audit panel during the Site Visit.

2.5 The Planning Visit

Two weeks after the Preliminary Meeting, and about four weeks before the Site Visit, the panel Chair and the Unit Secretariat visit the university to clarify structural issues and the provision of further information at the time of the Site Visit. They will also discuss the Site Visit programme which will be finalised as soon as possible after the Planning Visit following consultation between the university, the Unit Secretariat and the Chair of the panel.

2.6 The Site Visit

The panel conducts a Site Visit of the university for four days, with the aim of conducting two days of interviews with an appropriate range of people within the university and other communities of interest, with one day prior, and one day after the interviews for the panel to read supplementary material and to consider and develop its audit report.

The aim of the interviews is to gain clarification on issues and to assist the panel in its review of the effectiveness of systems for monitoring and enhancing the quality of research, teaching, learning and community service of the university being audited. Interviews also help the panel to determine the extent to which systems are appropriate for their purpose, and how well systems work. Interviews provide the opportunity to test actual practice against written material and to assess the effectiveness of the application of the systems that are appropriate for achieving the university's stated aims and objectives. In effect, the external evaluation is testing the quality of the university's on-going self-assessment and the portfolio of evidence arising from the self-assessment review. Interviews are aimed at finding out how things actually happen.

Interviews will be carefully targeted and the panel will make clear prior to the Site Visit the main topics and/or issues to be discussed at each interview session. Wherever possible, the panel will seek to explain the context and rationale underlying the questions. While there is a desire to give greater clarification to the purpose of each session, the panel must also be free to ask questions about other things, particularly if there are issues that arise during the Site Visit, or if there are issues that the panel needs to test with a range of people from senior to lower levels. In each interview session, wherever possible all participants will have a chance to be heard.

Universities that are multi-campus, have offshore campuses and/or operate transnational teaching programmes present particular challenges, and the pattern and nature of visit(s) for a university with these characteristics are decided by the Unit in consultation with the university.

During the Site Visit, sampling and further investigation of some departments or courses or processes may be warranted. Visits to specific areas of the university might also take place if to do so is beneficial to the academic audit.

At the end of the Site Visit and before the panel leaves, the Chair of the panel will make a short oral report to the senior management of the university.

2.7 The audit report

Following the Site Visit, a report is produced which describes the panel's findings in relation to the issues it has considered and the university's programme of quality improvement with respect to the focus of the audit. The report is based upon the evidence gathered from written materials and interviews, and the aim of the report is to assist the university in improving its own programme of continuous improvement of quality.

The first draft of the report is prepared by the Unit. The draft report is then refined in consultation with the panel. Examples of significant, innovative and effective good practice will be the subject of *commendations*. Suggestions for improvement, whether to the university's own enhancement initiatives, or in areas in which the panel is of the view that something should be addressed, will be the subject of *recommendations*. Enhancement initiatives identified by the university, and improvement activities underway within the university, which the panel supports will be the subject of *affirmations*.

When ready, the Unit will send the draft report to the university for comment on errors of fact, tone and expression. The Unit will also invite formal responses to recommendations. The panel considers all comments from the university and makes appropriate amendments to the report.

Details about the panel's consideration of university comments are provided in Policy P7.7 'The audit report' in Chapter 5 of this manual.

The Unit will send the final report to its Board for its consideration and approval. When approved, the final report will be released to the university, and will be released as a public document two weeks later.

2.8 Follow-up

After the release of the report, appropriate efforts are made – through formal or informal visits and/or communications – to discuss the findings of the report and the ways in which follow-up to the recommendations can be integrated into the university's own programme of quality improvement. The Unit relies on the professional commitment of the university to take any actions on the recommendations, and the Unit maintains an on-going professional interest in the quality enhancement work of the university. Any form of reporting to the Unit on progress with respect to the report recommendations will be in the form most convenient for the university.

2.9 Feedback

As part of its own internal quality assurance processes, the Unit discusses the audit process and the performance of the audit panel with the auditors themselves, and seeks feedback on the audit process and on the usefulness of the report from the university. Following consideration of comments received, the Unit Secretariat prepares a report on the degree to which the audit process and audit report have achieved the Unit's objective – that is, the *timely completion of academic audits producing audit reports acknowledged as authoritative, fair and perceptive, and of assistance to universities*. The report on the audit process, including recommendations for improvement, is presented to the Board of the Unit for its consideration.

2.10 Timetable for audit

Table 1 sets out an indicative timetable pattern for the conduct of an audit. It is usual for the time of the Site Visit to be determined in consultation with the university. The timetable is set out in three sections - as weeks before the Site Visit, the week of the Site Visit, and weeks after the Site Visit.

Table 1

Indicative timetable for academic audit

About twelve months before the date of the submission of the self-assessment portfolio, the Director of the Unit will visit the university to ensure a clear understanding of the requirements of the Cycle 4 academic audit. Prior to the submission of the portfolio, the Director will consult with the university to ensure that realistic limits are placed on the size of the portfolio and the number and size of supporting documents.

The weeks *before* the Site visit

| Weeks before the Visit | University's responsibilities | Unit's responsibilities |
|------------------------|--|--|
| 25 | | <i>Unit submits the nomination for Chair of the panel to the university</i> |
| 24 | University responds to the nomination for the Chair of the panel | |
| 23 | | |
| 22 | | <i>Unit submits the nominations for the audit panel to the university</i> |
| 21 | University responds to the nominations for the audit panel | |
| 20 | | <i>Unit confirms the appointment of the audit panel</i> |
| 19 | | <i>Unit negotiates with the audit panel to determine a time for the Preliminary Meeting</i> <i>Unit makes arrangements for the travel and accommodation for the Preliminary Meeting, Planning Meeting and Site Visit.</i> |
| 18 | | |
| 17 | | |
| 16 | | |
| 15 | | |
| 14 | | |
| 13 | | |
| 12 | University submits its self-assessment portfolio to the Unit and to each member of the audit panel | |
| 11 | | |
| 10 | | |
| 9 | | <i>Each audit panel member distributes his/her brief written comments on the self-assessment portfolio to all other members of the panel</i> |
| 8 | | <i>Preliminary Meeting of the panel to discuss:</i> * <i>main issues for audit</i> * <i>further documentation or evidence required at the time of the Site Visit</i> * <i>draft programme for the visit</i> |
| 7 | | <i>Unit sends the university notice of further information required at the time of the Site Visit</i> |

| | | |
|---|--|--|
| 6 | Planning Visit to the university by the panel Chair and the Unit Secretariat | <i>Panel Chair and Unit Secretariat visit the university to discuss the Site Visit programme and the supply of further documentation or evidence at the time of the Site Visit</i> |
| 5 | | <i>Final programme for the Site Visit confirmed</i> |
| 4 | | |
| 3 | | |
| 2 | | |
| 1 | | <i>Unit reviews audit process and Site Visit with the Chair of the panel</i> |

*The week of the Site Visit
(see Table 3)*

The weeks *after* the visit

| Weeks after the Visit | University's responsibilities | Unit's responsibilities |
|-----------------------|---|---|
| 1 | | <i>Unit drafts the report of findings based on the evidence read and heard</i> |
| 2 | | <i>Unit sends the initial draft report to the audit panel</i> |
| 3 | | <i>Panel members send their comments on the initial draft report to the Unit</i> |
| 4 | | <i>Unit prepares a revised initial draft report and sends it to the audit panel</i> |
| 5 | | <i>Panel members send their comments on the revised initial draft to the Unit</i> |
| 6 | | <i>Unit prepares draft report and sends it to the university for comment on errors of fact, tone and expression and formal responses to recommendations</i> |
| 7 | | |
| 8 | University sends comments on the draft report to the Unit | |
| 9 | | <i>Panel members consider the comments from the university</i> |
| 10 | | <i>Unit prepares the final report and sends it to the university for confirmation that the Unit has addressed the comments</i> |
| 11 | University responds to the final report | |
| 12 | | <i>Unit sends report to the Board of the Unit for approval</i> |
| 13 | | <i>Members of the Board respond to, and approve, the final report</i> |
| 14 | | <i>Unit sends the final report to the university</i> |
| 15 | | |
| 16 | | <i>Unit releases the final report as a public document</i> |

3

The responsibilities of the university

3.1 The self-assessment

Two of the principles for a quality system for a university – as enunciated in section 1.2 of this Manual – are that academic quality is best guaranteed when responsibility for it is located as close as possible to the academic processes of research, teaching, learning and community service; and that quality assurance is a continuous, active and responsive process with critical evaluation of performance being a regular and progressive feature of academic work. Thorough on-going self-assessment is itself part of the university's quality assurance processes.

Meaningful self-assessment has several merits, including:

- the recognition of institutional autonomy and responsibility,
- the maintenance of a process of critical self-development,
- the production of, and reflection on, information, some of which is not normally evident.

Self-assessment should go beyond description to analysis of strengths and weaknesses, and to consideration of ways for addressing the latter.

A self-assessment conducted with respect to an external audit should, as much as possible, be built on the university's existing planning and reporting cycle and quality improvement programme. It should integrate information and conclusions derived from a number of sources, including the university's own annual data-collection activities, professional body accreditation activities and other external and internal reviews, including communities of interest. This will avoid time wasted in re-collecting data, while permitting cross-checking of data and offering a broader range of perspectives on the subject of the self-assessment.

A quality audit is concerned with the university's own objectives relevant to the audit and with the success of the university in achieving those objectives. The following questions provide a structure for self-assessment, and are to be addressed in the self-assessment portfolio. (See *Table 2*, pages 18-20.)

Commitments

What are the goals and objectives and the expected outputs and outcomes in this area and how were they determined?

Strengths and progress

What are the key strengths in this area and what positive progress has been made in achieving the goals and objectives?

What are the output/outcome data and other evidence used to determine strengths and to judge progress, and how relevant and effective are they?

Challenges

What are the key challenges for the university in this area?

Monitoring

What key quality mechanisms and processes are used to monitor ongoing quality and to provide input into continuous improvement in this area, and how effective are they?

Enhancement

Arising from the self-assessment, what are the areas in which enhancement is needed?

What enhancement activities will be undertaken during the next planning period – say, three years – who will be responsible, and what are the expected outputs and outcomes of those enhancement activities?

How will the university monitor the effectiveness of changes arising from the enhancement activities?

A self-assessment should be well-planned with appropriate involvement of the university community in the process. There is a need for some general information and orientation for at least a wide range of staff and student representatives, so that there is a general understanding of the purposes of the self-assessment, the process, their part in it, and any possible implications for the university as a whole and for them in particular. The self-assessment should be understood and owned by the university so that the results and implications of the assessment and of the ensuing audit process are followed through.

The process of self-assessment and the extent of the use of survey questionnaires, working parties, workshops and assessment teams will vary according to the structure and culture of the university, the objectives and focus of the audit, and the allocation of resources to the task. Essential factors, however, are:

- that the Vice-Chancellor and other senior staff are, and are seen to be, totally committed to and supportive of the self-assessment and its purposes,
- that a senior person with appropriate training or expertise or experience is appointed to co-ordinate and lead the self-assessment process supported by the university's quality committee or equivalent,
- that the self-assessment process is well planned and focused on the aims, objectives and scope of the audit,
- that the self-assessment builds as much as possible on current relevant evaluative activity and relevant existing materials and other evidence.

3.2 The self-assessment portfolio

The self-assessment portfolio is the written outcome of the self-assessment conducted for the audit and will have been developed in accordance with the scope and purpose of the audit; it should reflect reality as revealed by the self-assessment. It is important that the final draft of the portfolio be widely discussed and generally accepted as a fair representation in all relevant areas of the university.

For the Unit, the basic requirement is that the portfolio should initiate for the panel the process of carrying out its role. There is no necessary correlation between quality and quantity, and a bulky description may well result from a lack of clear systems and arrangements, and may generate more questions than answers.

3.2.1 The need for an indicative framework

Each Cycle 4 academic audit is to be ‘whole-of-institution’. Whole-of-institution is a large canvas, and given the size and complexity of a university, it is considered desirable that the scope of the audit be well defined. Outputs alone do not tell us about the quality of the teaching and learning experience and there needs to be greater attention paid to the ‘processes-output/outcome’ connections given that the purpose of good processes must be to support the achievement of good outputs and outcomes.

Thus the academic audit will focus its attention much more than in past cycles of audit on the way internal processes support, monitor and enhance the achievement of outputs and outcomes in keeping with the objectives of the university, and on factors that have the most influence on student learning and student achievement and success.

The management of the self-assessment process will be left to the university to manage in the way best suited to the needs of the university. However, the Unit requires the portfolio to follow the indicative framework set out in *Table 2*, and explained below. The Unit has always hoped that, as far as possible, the self-assessment will build to the greatest extent possible on the on-going review activities of the universities. It is appreciated, however, that the demands of a whole-of-institution audit are greater than would be expected of normal review activities. The Unit accepts that academic audit will most probably require the dedication of special time and resources to deal with tasks outside of normal activities. The development of an indicative framework is intended to bring more focus on key quality-related matters.

3.2.2 The purpose and structure of the indicative framework

The *purpose* of the framework is to provide a structure both for the university as it undertakes its self-assessment, and for the academic audit panel as it undertakes the evaluation and review.

The *structure* of the framework is set out in *Table 2*, pages 18-20. There are seven main topics. Activities to be tested by the audit process have been assigned to those topics. The framework for the self-assessment and panel enquiry is set out as eight questions with respect to the university’s commitment statements, strengths and progress achieved, challenges, monitoring processes, and enhancement initiatives arising from the self-assessment.

Topics

Topics are the areas to be covered by the Cycle 4 audit – namely:

- Teaching and learning
- Te Tiriti o Waitangi
- Institutional quality assurance
- Community engagement
- Research environment
- Academic and support staff
- Management and administrative support
- External academic collaborations and partnerships.

The university should consider providing updates on the progress in addressing the recommendations and enhancement initiatives in the audit report and self-assessment portfolio respectively. Such updates should be incorporated into appropriate sections of the portfolio.

Activities

The *Activities* identified in topics 1-8 emphasise those activities most closely associated with ensuring high quality and relevant teaching and learning experiences for students at all levels, and those that impact most on student achievement and success. The Unit will negotiate with each university over the list of activities so that while the academic audit of each university remains whole-of-institution, it also permits a focus in certain areas which the university considers will best add value.

Self-assessment

For each of the sections within topics 1-8, the *Self-assessment* framework sets out the same eight questions. The questions focus on the commitments made by the university in the range of activities covered by the section, the strengths and progress towards meeting the university's commitments in that area, the challenges faced by the university in this area, the on-going monitoring of quality in that area, and the aims and scope of enhancement initiatives in that area that are consistent with the agreed strategic direction of the university and that, hopefully, can be factored into the day-to-day operations of the university.

Commitments

It may be the case in some sections that commitment statements may not be set down in formal goals and objectives. Nevertheless, there will be a purpose and expected output and outcome resulting from undertaking the activities in this area, and these should be defined.

Strengths and progress

It is important for the university to recognise and celebrate the strengths and key achievements in the activities it undertakes. While one of the aims of academic audit is to support a culture of continuous improvement, it does not follow that there are no areas of evidence-based high quality performance.

Progress against goals and objectives and expectations should be measured in some way, and discussions on progress must provide the evidence to support the self-assessment of progress. The Tertiary Education Commission is working to determine key performance indicators for institutions after consultation with the sector, and evaluation indicators are being developed for use by the sector.⁷ Universities should have ownership of this data and evidence which should be shared with the audit panels. Given this is a quality audit, it follows that there should also be an interest in the relevance and effectiveness of key quality mechanisms and processes and activities which result in the output and outcome data and other evidence reported through quantitative and qualitative performance indicators.

Challenges

The extent of progress toward achieving objectives can be challenged by events and pressures external to the university

⁷ It is understood that 'evaluation indicators' are primarily examples of evidence, similar to suggested forms of evidence as provided in 'Factors for audit' in David Woodhouse, *Audit manual: handbook for institutions and members of audit panels* (third edition, 1998), Wellington, New Zealand Universities Academic Audit, 1998, appendix 5, pages 59-85. The publication is available from the Unit, P O Box 9747, Marion Square, Wellington 6141, and in portable document format (pdf) file on the Unit's website.

(including the opportunities offered to students by other tertiary providers) and by the changing political, social and economic context in which universities work. The ‘Challenges’ section seeks information about factors that have, are, or will influence and impact on the university’s ability to achieve its goals and objectives in this area.

Monitoring

New academic programmes are subject to peer review and approval by the Committee on University Academic Programmes Committee of the New Zealand Vice-Chancellors’ Committee prior to their delivery, and to a Graduating Year Review at the time the first cohort of students has completed the qualification. The university is responsible for the maintenance and enhancement of the on-going quality of academic programmes. This ‘Monitoring’ sections seeks information about the effectiveness of key quality mechanisms and processes used by the university to monitor the on-going quality of academic programmes and their delivery, and to provide input into their improvement.

Enhancement

Self-assessment can contribute to the identification of output achievement that should be enhanced, and to processes and activities in support of teaching, student learning and student achievement that should also be enhanced. The reality is that not everything that is identified as requiring improvement can be addressed at the same time. The university will want enhancement initiatives to be consistent with its strategic direction and focus. The university is in the best position to know what it can do in the immediate term – say, three years. This ‘Enhancement’ section of the framework seeks information on those enhancement activities that can and will be undertaken in the short-term, with indications of responsibilities, expected outputs and outcomes as well as mechanisms to monitor the effectiveness of resulting change. Such information will assist the audit panel to understand the way the university intends to move forward. The recommendations to be made by the audit panel will begin from the university’s own enhancement initiatives, and the panel will recommend enhancements to them if considered appropriate, or will affirm them in support of the university’s enhancement plan. The audit panel will also offer recommendations in other areas where the panel believes enhancement is required.

Table 2

Indicative framework for the self-assessment portfolio

| | <i>Topics</i> | <i>Activities</i> | <i>Self-assessment</i> |
|--|------------------------------|--|---|
| Background documentation | | | |
| University to provide appropriate institutional planning document(s), annual report(s) and data reported to government agencies | | | |
| Update on the ‘mid-term’ report on Cycle 3 recommendations and university enhancement initiatives Given the focus of Cycle 3 was teaching quality, programme delivery and the achievement of learning objectives, the university may wish to incorporate reports on recommendations and enhancement initiatives from Cycle 3 into relevant sections that follow. | | | |
| 1 | Teaching and learning | <p>1.1 The development, design, implementation and delivery of academic programmes and courses that:</p> <ul style="list-style-type: none"> * develop intellectual independence, * are relevant to the needs of the disciplines, * are relevant to the needs of learners and other stakeholders. <p>1.2 The learning environment and learning support for students, including learning support for students from targeted groups.</p> <p>1.3 Student achievement and success.</p> | <p>Commitments <i>What are the goals and objectives and the expected outputs and outcomes in this area and how were they determined?</i></p> <p>Strengths and progress <i>What are the key strengths in this area and what positive progress has been made in achieving the goals and objectives? What are the output/outcome data and other evidence used to determine strengths and to judge progress, and how relevant and effective are they?</i></p> <p>Challenges <i>What are the key challenges for the university in this area?</i></p> <p>Monitoring <i>What key quality mechanisms and processes are used to monitor ongoing quality and to provide input into continuous improvement in this area, and how effective are they?</i></p> |
| 2 | Research environment | <p>2.1 Research students and research supervision.</p> <p>2.2 Teaching and learning within a research environment.</p> <p>2.3 The interdependence of research and teaching.</p> <p>2.4 The role of critic and conscience of society.</p> | <p>Enhancement <i>Arising from the self-assessment, what are the areas in which enhancement is needed? What enhancement activities will be undertaken during the next planning period – say, three years – who will be responsible, and what are the expected outputs and outcomes of those enhancement activities? How will the university monitor the effectiveness of changes arising from the enhancement activities?</i></p> |

| | <i>Topics</i> | <i>Activities</i> | <i>Self-assessment</i> |
|---|---|--|---|
| 3 | <i>Te Tiriti o Waitangi</i> | 3.1 The application of the principles ⁸ of Te Tiriti to: * access to learning, * curriculum. | Commitments <i>What are the goals and objectives and the expected outputs and outcomes in this area and how were they determined?</i> |
| 4 | <i>Academic and support staff</i> | 4.1 The determination of an appropriate academic staff profile across the institution. 4.2 Recruitment, appointment and induction strategies. 4.3 The implementation and monitoring of workload models. 4.4 Professional support, development and appraisal of academic staff. | Strengths and progress <i>What are the key strengths in this area and what positive progress has been made in achieving the goals and objectives?</i> <i>What are the output/outcome data and other evidence used to determine strengths and to judge progress, and how relevant and effective are they?</i> |
| 5 | <i>Institutional quality assurance</i> | 5.1 The internal planning-implementation-reporting-evaluation-enhancement cycle as applied to academic processes, academic programmes and courses. | Challenges <i>What are the key challenges for the university in this area?</i> |
| 6 | <i>Management and administrative support</i> | 6.1 The development of a management and administrative infrastructure that provides effective support to research-informed teaching and learning. 6.2 The determination of an appropriate management and administrative staff profile. 6.3 Professional support, development and appraisal of management and administrative staff. | Monitoring <i>What key quality mechanisms and processes are used to monitor ongoing quality and to provide input into continuous improvement in this area, and how effective are they?</i> |
| | | | Enhancement <i>Arising from the self-assessment, what are the areas in which enhancement is needed?</i> <i>What enhancement activities will be undertaken during the next planning period – say, three years – who will be responsible, and what are the expected outputs and outcomes of those enhancement activities?</i> <i>How will the university monitor the effectiveness of changes arising from the enhancement activities?</i> |

8 A discussion of the implications for universities arising from the principles of Te Tiriti is found in John M Jennings (compiler), *New Zealand universities and Te Tiriti o Waitangi*, Wellington, New Zealand Universities Academic Audit Unit, 2004, ‘AAU Series on Quality’ no.4.
Available at http://www.nzuaau.ac.nz/nzuaau_site/publications/asq/Te%20Tiriti%20o%20Waitangi.pdf

| | <i>Topics</i> | <i>Activities</i> | <i>Self-assessment</i> |
|---|---|--|---|
| 7 | <i>Community engagement</i> | 7.1 The identification of stakeholders and communities of interest, the seeking of advice, and the application of information gained to curriculum and student learning. | <p>Commitments <i>What are the goals and objectives and the expected outputs and outcomes in this area and how were they determined?</i></p> <p>Strengths and progress <i>What are the key strengths in this area and what positive progress has been made in achieving the goals and objectives?</i> <i>What are the output/outcome data and other evidence used to determine strengths and to judge progress, and how relevant and effective are they?</i></p> |
| 8 | <i>External academic collaborations and partnerships</i> | 8.1 The development of external collaborative research and academic ventures and partnerships that impact on curriculum and student learning and achievement. | <p>Challenges <i>What are the key challenges for the university in this area?</i></p> <p>Monitoring <i>What key quality mechanisms and processes are used to monitor ongoing quality and to provide input into continuous improvement in this area, and how effective are they?</i></p> <p>Enhancement <i>Arising from the self-assessment, what are the areas in which enhancement is needed?</i> <i>What enhancement activities will be undertaken during the next planning period – say, three years – who will be responsible, and what are the expected outputs and outcomes of those enhancement activities?</i> <i>How will the university monitor the effectiveness of changes arising from the enhancement activities?</i></p> |

3.3 The size of the portfolio

The self-assessment portfolio text should be limited to about 15,000 words, excluding tables and graphs. The emphasis will be on the testing by the university of the effectiveness of what is being done, rather than a description of what the university expects to be done. The accompanying documentation should be limited to one A4 size storage box, and will include high-level documentation that exists (such as strategic documents, plans, key internal review reports in key areas, institution-wide survey summaries, data and similar evidence). Operational documents (such as policies and procedures) should not be included, but they may be required by the panel at some stage and therefore should be available to the panel during the Site Visit.

More attention will be paid in Cycle 4 academic audits to the relationship of processes to output data. The Unit will seek university agreement for panel access to plans and data and evidence

such as those reported by the university to the Tertiary Education Commission and Ministry of Education to ensure congruency and to avoid duplication. The panel will focus its interest on questions about the quality of processes and activities that give rise to the output data and other evidence.

Prior to the submission of the self-assessment portfolio, the Unit will negotiate with the university as to what is expected. The amount of paper presented to the panel needs to be well managed, and to this end, the Director of the Unit will visit the university about twelve months before the due date for the portfolio submission to discuss requirements. At that time, and again just prior to the submission of the portfolio, the Unit will discuss the portfolio and supporting documents with the university and, with the university, will make a determination on what is required before the university assembles multiple copies for submission and sends them off.

Six copies of the material will be prepared in hardcopy. The portfolio text will be made available in portable document format (pdf). Together with all other supporting documentation available in electronic form, the pdf file will be included on a compact disc (CD). The university will send two copies of the hardcopy documentation and CD to the Unit (one for the use of the Unit Secretariat, one for the Unit Library) and one copy to each panel member.

3.4 The Planning Visit

About four weeks after the university has submitted the self-assessment portfolio, the audit panel meets at the office of the Unit in Wellington for a day (Preliminary Meeting). Arising from that meeting, the panel will determine if it requires any further information at the time of the Site Visit.

Two weeks after that Preliminary Meeting, and about four weeks before the Site Visit, the panel Chair and Unit Secretariat visit the university. The main business of that visit is:

- to ensure the role and responsibilities within the audit process of the Unit and university are clear,
- to discuss the practical implications for the university in providing at the time of the Site Visit the further information requested by the audit panel, and to ensure there is a clear understanding as to why the further information is requested – such as whether to clarify, to allow more detailed evaluation, or to fill in gaps,
- to discuss with the university the people whom both parties regard as being best able to assist the panel in its investigation of particular issues or areas for clarification,
- to discuss the first draft of a programme for the Site Visit, including regional campus site visits if deemed appropriate,
- to discuss with the university the logistics associated with the Site Visit and any matters relating to the university's responsibilities to ensure that the relevant information and staff are available during the Site Visit.

Following this Planning Visit, the panel Chair and the Unit Secretariat (in further consultation with the university if necessary) will continue negotiations over the final programme for the Site Visit, with the aim of determining a final programme as quickly as possible.

3.5 The Site Visit

The principal purpose of the Site Visit is to validate the statements, descriptions, conclusions and proposed improvement activities as presented in the university’s self-assessment portfolio, to acquire further insight into the university’s operation through first-hand investigation and personal interaction. A visit allows a qualitative assessment of factors that cannot be easily documented in written form. The interviews carried out during the panel visit, and the panel’s own reflections on them, are the culmination of the process through which the panel reaches its conclusions.

Depending on the culture and customs of the university, the public meetings of the visit may begin with a powhiri and/or an informal gathering. The powhiri is to observe the proprieties of being welcomed onto the campus and acknowledged by the tangata whenua. The informal gathering is of a social nature, and the university should determine who should attend. The purpose of the gathering is to introduce the auditors as individual people and fellow professionals.

The list of groups to be met gives a range of activities to be slotted into the programme, and the desire to follow audit trails gives natural sub-orderings to the sessions. The panel does not normally move around the campus to a great extent, as this is usually time-consuming, but where the audit process will benefit from visits to particular departments or locations on campus – either by auditors with special expertise, or by the whole panel – it is necessary to ensure adequate timetabling in the Site Visit programme.

The university has the responsibility to provide rooms and facilities suitable for the holding of meetings required by the panel. The Unit’s requirements will be made clear to the university during the Planning Visit. The Site Visit programme will have been designed with sufficient flexibility to give the university time to provide further information or for the panel to set up further interviews or re-interviews with specific people, should the need for these emerge during the visit.

Table 3 sets out an indicative timetable for a Site Visit.

Table 3

Indicative timetable for the Site Visit

| | | |
|--------------|---|--|
| Day 1 | <i>Panel arrives early morning Powhiri/informal gathering/welcome</i> | |
| Morning | <i>Panel only</i> | Reading of materials, such as further information requested by the panel and materials provided by the university that up-date information provided in the portfolio |
| Lunch | | |
| Afternoon | <i>Panel only</i> | Preparation for interview sessions in Days 2 and 3 |

| | | | |
|--------------|-----------|--|--|
| Day 2 | Morning | <i>Interviews (2 sessions of interviews, Panel only, 2 sessions of interviews)</i> | Senior management – e.g.: Vice-Chancellor Council Pro Vice-Chancellors Senior non-academic management |
| | Lunch | <i>Discussions over lunch</i> | Undergraduate students |
| | Afternoon | <i>Interviews (2 sessions of interviews, Panel only, 2 sessions of interviews)</i> | Samples of middle management and quality assurance – e.g.: Heads of Department Faculty officers University-wide committees |
| Day 3 | Morning | <i>Interviews (2 sessions of interviews, Panel only, 2 sessions of interviews)</i> | Student administrators and student support – e.g.; Students' Associations Student learning support Student groups |
| | Lunch | <i>Discussions over lunch</i> | Postgraduate students |
| | Afternoon | <i>Interviews (2 sessions of interviews, Panel only, 2 sessions of interviews)</i> | Samples of staff – e.g.;; Academic staff Technical staff Administrative staff 'External' stakeholders |
| Day 4 | Morning | <i>Interviews (2 sessions of interviews)</i> | Recall interviews |
| | | <i>Panel only</i> | Preparation of report |
| | Lunch | | |
| | Afternoon | <i>Panel only Senior management Panel leaves late afternoon</i> | Further preparation of the report Oral report to senior management |

No group interviewed should contain more than about eight people, except that meetings over lunch (or other refreshments) may be larger. In the case of groups larger than eight, either they can be split into subgroups with each subgroup containing one or two panel members, or the panel members move about the group and engage with a wide cross-section of those present.

In addition to these general categories of interviewees, a university may have specific characteristics that suggest other groups or different compositions of groups, or even different locations to be visited. Such characteristics could include, for example, multiple campuses or joint activities with other universities or tertiary providers.

3.6 The draft report

About six weeks after the Site Visit, the Unit sends the university a copy of the draft report for corrections of fact and for comments on the emphasis, tone or expression of the report. As well, the university is invited to make formal responses to the recommendations. The panel considers all comments from the university and makes appropriate amendments to the report.

Details about the panel's consideration of university comments are provided in Policy P7.7 'The audit report' in Chapter 5 of this manual.

3.7 Following the release of the report

The audit report is a public document, and a copy is sent to the university about two weeks before its general release, so the university can prepare such public comments as it may wish to make on the report or its findings.

After the public release of the report, discussions with the university will determine the nature of the on-going professional interaction through which the Unit will keep itself informed as to progress arising from the audit report. The purpose of the ongoing interaction is:

- to receive feedback on the audit process,
- to discuss the recommendations in the report to ensure a clear understanding by the university,
- to seek opinion as to the extent to which the university considers the report to be authoritative, fair and perceptive and of assistance to the university in its own programme of continuous improvement,
- to have dialogue with those responsible for follow-up action as to how recommendations will be integrated into the university's own programme of quality improvement,
- to confirm a timetable for, and the nature of, follow-up reporting on progress.

4

The responsibilities of auditors

This chapter draws on the Unit's policies – Policy P8 'The role and responsibilities of auditors', Policy P9 'External observers on audit panels' and P10 'Privacy with respect to audit activities'. These three policies were reviewed in 2007.

Policy P8

The role and responsibilities of auditors

P8.1 The principle of extended peer review

The Unit carries out its audits by a process of extended peer review, in which academics from within New Zealand are joined by academics from overseas (Australia in particular) and by people outside of academia – people in business, industry and the professions. The principle of extended peer review is manifest in the appointment of non-academics. It is useful to seek the opinion of people with knowledge of, and/or expertise in, some aspects of what is being reviewed, but who have applied it in a different context, sometimes with different underlying assumptions.

Given their composition, audit panels can provide:

- inter-institutional and international comparison,
- input and feedback on academic activities from outside academia,
- comparison with quality assurance mechanisms outside academia,
- an appreciation of how well the university relates to the outside world.

P8.2 The appointment of auditors

Auditors are appointed in the manner as set out in *Constitution, 5.2 Appointment of audit panels*, reproduced below.

Constitution, section 5.2 Appointment of audit panels

The size of an audit panel is influenced by any particular characteristics of the institution to be audited, the scope of the audit, and the availability of prospective panel members. An audit panel typically includes a senior person (usually an academic or academic administrator) from a New Zealand university as Chair, a New Zealand academic, an academic from outside New Zealand, and a non-academic with an understanding of universities and university education.

The Director of the Unit, or a professional member of the Unit's staff representing the Director, will be in attendance with the panel to ensure the proper performance by the audit panel in terms of the processes laid down in the Unit's current academic audit manual, and to ensure as far as possible that the audit process achieves the Unit's objective with respect to academic audit.

In appointing academic auditors to an audit panel, the Unit will follow this procedure.

- The Director will consult with the Chair of the Board to determine the name of a person suitable for the position of Chair of the audit panel. The Director will forward the name to the university to be audited to ask the university to advise the Unit if there is any reason the person named should not serve as Chair of the panel.
- After consideration of the comments from the university, and the submission of the name of an alternative person if there are good and valid reasons provided by the university for not supporting the first person named, and with the consent of the person proposed, the Chair of the Board will approve the appointment of a Chair of the panel on behalf of the Board.
- The Chair of the panel and the Director will determine a list of possible panel members. The Director will check with those proposed as to their availability before referring the list of names to the university to ask the university to advise the Unit if there is any reason why any person named in the list should not serve on the audit panel. The Director will send the list of names to the Chair of the Board for information and comment.
- After the comments of the university and of the Chair of the Board have been considered by the Chair of the panel and the Director, the Director will forward a list of the final selection to the Chair of the Board with a request that the membership of the audit panel be approved.
- When the audit panel is approved, the Director will advise the university and members of the Board.

At the time of appointment, auditors are required to sign a statement of confidentiality, thus:

I am bound to respect the confidential nature of the material to be read and discussed during the audit process, and I will not divulge any information, written or oral, to any other party.

P8.3 The characteristics of auditors

The Unit aims to assemble a panel that has expertise and experience in quality audit and higher education. It is not expected that each panel member possesses all the characteristics and experience as listed below, but as a group, the panel should possess all the qualities and attributes.

Quality audit aspects

- Commitment to principles of quality audit and quality assurance in higher education.
- Knowledge of quality assurance methods and terminology.
- Experience of quality reviews.
- Ability to relate processes to outputs and outcomes.
- Appreciation that inconsistencies can occur between the theory of quality and organisational realities.

Higher education aspects

- Knowledge of higher education, including:

- * an understanding of tertiary education policies and funding frameworks within which universities function,
 - * an awareness of the responsibilities of universities arising from Te Tiriti o Waitangi.
- Experience of graduates.
 - Experience in teaching.
 - Experience in research.

General aspects

- Experience in managerial positions.
- Ability to focus knowledge and experience to evaluate quality assurance procedures and techniques, and to suggest good practices and/or starting points for improvements.
- Ability to work in a team, firmly but co-operatively.
- Ability to communicate effectively.
- Breadth of perspective.
- Discretion.
- Commitment and diligence, in accord with the 'Personal attributes' detailed in Australian/New Zealand Standard AS/NZS ISO 19011:2003, and reproduced at the end of this policy as *Table 4*.

Panel members are selected so that the panel as a whole possesses the expertise and experience to enable the audit to be carried out effectively. Members may translate their different perspectives into different emphases in their attention to the process, and a concentration on certain aspects of the portfolio. External academics are able to offer points of comparison with other institutions, while external practitioners or professional experts provide the link with industry, commerce and the professions, appraise the university and its graduates from an employment perspective, and offer points of comparison with quality systems and processes outside academia.

P8.4 Conflicts of interest

As an audit panel is being selected, prospective auditors and the university are asked if they know of any personal or professional matters that could pose a conflict of interest in the persons nominated as auditors for the university. If a prospective auditor responds in the affirmative, the Unit may remove her/him from consideration, or, having considered the reasons, decide that in fact no conflict exists. If the university responds in the affirmative, or wishes on other grounds for a person not to be selected as an auditor, the reasons must be given by the university. The final decision whether to select a particular person as an auditor rests with the Unit.

Possible conflicts may be categorised as personal, professional or ideological between which there may be some overlap.

- *Personal conflicts* could include animosity or close friendship between an auditor and the Vice-Chancellor or other senior manager of the university, or being related to one,

or being a graduate or past employee of the university, or if an auditor were excessively biased for or against the university due to some previous event.

- *Professional conflicts* could occur if an auditor had been a failed applicant for a position in the university, were a current applicant or prospect for a position in the university, were a senior adviser, examiner or consultant to the university, or were with a university that is strongly competing with the one being audited.
- An example of an *ideological conflict* would be an auditor's complete lack of sympathy to the style, type or ethos of the university.

If the existence of a conflict of interest emerges (or, more rarely, is created) during the audit process, the auditor should tell the Chair of the panel and/or the Unit Secretariat (who normally will be the Director but who might be another professional member of the Unit's staff) with the panel. These two – after consultation with the Director of the Unit if the Director is not with the panel, and with the Chair of the Board if the Chair of the Board is available – will decide on the appropriate action to be taken.

Problems could arise for a Board member, who had been a member of an audit panel, if the Board raised serious questions about the performance or result of the audit, or the university were to appeal to the Board against the conclusions of the audit report. Therefore, Board members do not normally act as auditors; if they were so to act, they would be excluded from any subsequent related discussions at Board meetings.

P8.5 The responsibilities of the Chair of the panel

The Chair of the panel is the key person in an audit and should be experienced as an auditor, either through service on an academic audit panel, or as a convenor of university internal institutional review committees. The performance of the Chair of the panel will be in accord with the roles and responsibilities of a lead auditor as detailed in Australian/New Zealand Standard AS/NZS ISO 19011:2003, and reproduced at the end of this policy in *Table 4*.

It is the responsibility of the Chair of the panel to create an atmosphere in which critical professional discussion can take place, where opinions can be freely and courteously exchanged, and in which justice and clarity prevail. Much of the tone and success of the occasion depends on the Chair's enabling the panel to do its work as a team rather than as a set of individuals, and also to bring out the best in those whom the panel meets.

P8.5.1 Before the Site Visit

Before the Site Visit, the Chair of the panel must gain a thorough overall perspective of the self-assessment portfolio, and have a firm grasp of the range of issues to be addressed, the main issues to be explored in more detail, and the scope of decisions or conclusions which are indicated. Prior to the Preliminary Meeting of the panel, the Chair will discuss with the Unit the context and characteristics of the university, the scope and focus of the audit, the backgrounds of the panel members and their availability through all stages of the audit process, the programme for the event and the key issues and personalities involved.

P8.5.2 At the Preliminary Meeting

At the Preliminary Meeting of the panel, the Chair of the panel will ensure that all members of the panel are fully aware of the purpose of the audit and understand their roles. The Chair will

also impress on members their commitment to confidentiality with respect to the materials and information that they will read and discuss. The Preliminary Meeting will also agree on the process to be used for the appraisal of the panel at the conclusion of the audit.

P8.5.3 During the Site Visit

During the Site Visit, the Chair of the panel has particular responsibilities.

- At the start of each group meeting, the Chair should welcome the group and may introduce the panel members. The Chair may outline the major items which the panel wishes to cover during the discussion.
- The Chair should keep the flow of discussion to the agreed time, without unnecessarily curtailing or excluding contributions. However, the Chair must be prepared to intervene if the discussion is being diverted, trivialised, monopolised, or stuck on mere differences of opinion.
- In meetings of representative groups, the Chair should be alert to distinguish between those opinions that fairly represent the constituency as a whole, and those which may be views of one individual.
- If, for any meeting, the panel splits into sub-groups, chaired by other members of the panel, each sub-chair must have an agreed agenda and accurately report the results of the sub-group to the next panel-only meeting for inclusion in subsequent panel discussion.
- The Chair and the Unit Secretariat must balance adherence to the agreed programme with flexibility in admitting unanticipated issues. Any revisions should be clearly understood by the panel, the university and the group(s) involved.
- In the private panel meetings between interviews, the Chair should lead the panel in summarising the discussions so as to maintain an accurate record and help the panel to keep a collective position.
- As the Site Visit nears the end, the Chair should guide the panel towards decisions or conclusions which are appropriate, carefully thought through and clearly expressed.
- In the final session with the panel and senior management group of the university, the Chair outlines the panel's conclusions to the management group. Although the management group may seek clarification of some points, substantive discussion should not occur at this meeting. The Chair may on occasion need to be firm about this.

P8.5.4 After the Site Visit

After the Site Visit, the main responsibility of the Chair of the panel is to liaise with the Unit to ensure that the final audit report is accurate and fair in all respects. About three months after the public release of the report, the Chair will accompany the Unit staff member on a visit to the university to review the audit process and to consider follow-up work by the Unit as set out in the Policy **P7 *The responsibilities of the Unit in academic audits*, P7.11 *Follow-up with the university***, to learn of the way in which the university will address the recommendations contained in the report, and the nature and timeline of follow-up reporting to the Unit on progress on the recommendations.

P8.6 The responsibilities of members of the panel

It is essential that the panel works together as a team, and members should not attempt to apply pre-conceived templates to their consideration of the university, nor appear to address enquiries from entirely within the perspective of their own speciality or the practices of their own university.

P8.6.1 Before the Site Visit

Before the Site Visit, panel members are to have read thoroughly the university's self-assessment portfolio and so familiarise themselves with the university's policies, procedures and criteria for quality and the purpose and possible outcomes of the audit. Adequate exploration of issues by the audit panel during the audit process depends on panel members being thoroughly familiar with the university's self-assessment portfolio as the confidence of the university in the review and the respect of its staff for the panel are greatly reduced if auditors' remarks or questions reveal ignorance of the information provided.

P8.6.2 At the Preliminary Meeting

At the Preliminary Meeting, held about four weeks after the university's self-assessment portfolio has been distributed, panel members consider the comments on issues of particular interest or concern, and may request any further information or clarification they need from the university. This input guides the preparation of an initial programme for the Site Visit. As important as the material being discussed is, the Preliminary Meeting provides an opportunity for the panel members to start to become a team rather than a group of individuals, with a common purpose rather than divergent goals.

The intention of the Preliminary Meeting is to ensure that all panel members:

- understand the purpose, context, parameters and constraints of audit in general and of any aspects peculiar to this audit,
- understand what sort of judgements and recommendations are expected,
- are familiar with the Unit's procedures for conducting an audit,
- recognise that any preliminary judgements formed during the reading of the portfolio will be subject to amendment as a result of the Site Visit, with the final conclusions based on explicit and secure evidence,
- avoid judging the university solely or primarily in terms of one campus,
- have an opportunity to share ideas, and to get to know each other and sufficient of each other's background to understand their various contributions to the discussion,
- recognise the need to contribute their own ideas, experience, expertise and knowledge with sensitivity to each other's views and contributions.

P8.6.3 During the Site Visit

At the start of the Site Visit, the panel meets prior to interviews at which time final adjustments may be made to the Site Visit programme in the light of issues that crystallise at that time. At this meeting, also, the panel members usually share out the responsibility for leading on particular topics.

The purposes of this pre-interviews meeting are to:

- review the further information provided by the university since the Preliminary Meeting,
- share new ideas, hypotheses and inputs following further reflection on the portfolio,
- remind panel members that while they must be rigorous, they should act as colleagues and peers rather than inspectors, and should engage the university in terms of its own objectives,
- remind panel members of the desirability of making recommendations as to what is done or what is to be done (the issues) and of not making recommendations on how it is to be done (processes),
- remind panel members of the desirability of recommendations building on improvement initiatives proposed by the university,
- review the physical arrangements for the Site Visit, the availability of further materials for inspection, and of people for ad hoc meetings,
- clarify the constraints on and flexibility in the visit programme, and make any desired (and feasible) amendments to it.

P8.6.4 Interviews

During interviews with members of the university during the Site Visit, the panel is trying to clarify issues, and glean explanations, justifications and further information. Creating an atmosphere for genuine dialogue is extremely important. Questioning should be rigorous but fair and consistent. In particular, panel members need to:

- explore discrepancies between what is written and what is said,
- seek clarification and confirmation when required,
- listen as well as ask,
- concentrate on major rather than minor issues,
- participate in a collaborative manner,
- be aware that the dynamics of the panel and of its relation to the staff of the university will change and develop during the visit.

Panel members may also offer occasional suggestions as appropriate, but without slipping into the role of consultant. The panel must do its utmost to consider fully all information relevant to its conclusions.

P8.6.5 After the Site Visit

After the Site Visit, panel members read, comment on and, as desired, contribute to the draft or drafts of the audit report. All panel members should be satisfied that the report is accurate and balanced.

On completion of the report, the Unit will conduct an evaluation of the effectiveness of the audit panel as set down in **P7 *The responsibilities of the Unit in academic audits*, P7.10 *Appraisal of the conduct of the audit***.

Table 4

Personal attributes of auditors and the responsibilities of the Chair

as detailed in
Guidelines for quality and/or environmental management systems auditing;
 7.2 Personal attributes, and 7.3.2 Generic knowledge and skills of audit team leaders
 Australian/New Zealand Standard AS/NZS ISO 19011:2003

| Personal attributes | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|---|--|-------------|---|---|------------|---|--------------------------------|-----------|---|--|------------|---|--|-----------|---|---|-----------|---|---|----------|---|--|--------------|---|--|
| An auditor should be: | <table style="width: 100%; border: none;"> <tr> <td style="padding: 2px 10px 2px 0;">ethical</td> <td style="padding: 2px 10px 2px 0;">–</td> <td style="padding: 2px 0 2px 10px;">fair, truthful, sincere, honest and discreet</td> </tr> <tr> <td style="padding: 2px 10px 2px 0;">open-minded</td> <td style="padding: 2px 10px 2px 0;">–</td> <td style="padding: 2px 0 2px 10px;">willing to consider alternative ideas or points of view</td> </tr> <tr> <td style="padding: 2px 10px 2px 0;">diplomatic</td> <td style="padding: 2px 10px 2px 0;">–</td> <td style="padding: 2px 0 2px 10px;">tactful in dealing with people</td> </tr> <tr> <td style="padding: 2px 10px 2px 0;">observant</td> <td style="padding: 2px 10px 2px 0;">–</td> <td style="padding: 2px 0 2px 10px;">actively aware of physical surroundings and activities</td> </tr> <tr> <td style="padding: 2px 10px 2px 0;">perceptive</td> <td style="padding: 2px 10px 2px 0;">–</td> <td style="padding: 2px 0 2px 10px;">instinctively aware of and able to understand situations</td> </tr> <tr> <td style="padding: 2px 10px 2px 0;">versatile</td> <td style="padding: 2px 10px 2px 0;">–</td> <td style="padding: 2px 0 2px 10px;">adjusts readily to different situations</td> </tr> <tr> <td style="padding: 2px 10px 2px 0;">tenacious</td> <td style="padding: 2px 10px 2px 0;">–</td> <td style="padding: 2px 0 2px 10px;">persistent, focused on achieving objectives</td> </tr> <tr> <td style="padding: 2px 10px 2px 0;">decisive</td> <td style="padding: 2px 10px 2px 0;">–</td> <td style="padding: 2px 0 2px 10px;">reaches timely conclusions based on logical reasoning and analysis</td> </tr> <tr> <td style="padding: 2px 10px 2px 0;">self-reliant</td> <td style="padding: 2px 10px 2px 0;">–</td> <td style="padding: 2px 0 2px 10px;">acts and functions independently while interacting effectively with others</td> </tr> </table> | ethical | – | fair, truthful, sincere, honest and discreet | open-minded | – | willing to consider alternative ideas or points of view | diplomatic | – | tactful in dealing with people | observant | – | actively aware of physical surroundings and activities | perceptive | – | instinctively aware of and able to understand situations | versatile | – | adjusts readily to different situations | tenacious | – | persistent, focused on achieving objectives | decisive | – | reaches timely conclusions based on logical reasoning and analysis | self-reliant | – | acts and functions independently while interacting effectively with others |
| ethical | – | fair, truthful, sincere, honest and discreet | | | | | | | | | | | | | | | | | | | | | | | | | | |
| open-minded | – | willing to consider alternative ideas or points of view | | | | | | | | | | | | | | | | | | | | | | | | | | |
| diplomatic | – | tactful in dealing with people | | | | | | | | | | | | | | | | | | | | | | | | | | |
| observant | – | actively aware of physical surroundings and activities | | | | | | | | | | | | | | | | | | | | | | | | | | |
| perceptive | – | instinctively aware of and able to understand situations | | | | | | | | | | | | | | | | | | | | | | | | | | |
| versatile | – | adjusts readily to different situations | | | | | | | | | | | | | | | | | | | | | | | | | | |
| tenacious | – | persistent, focused on achieving objectives | | | | | | | | | | | | | | | | | | | | | | | | | | |
| decisive | – | reaches timely conclusions based on logical reasoning and analysis | | | | | | | | | | | | | | | | | | | | | | | | | | |
| self-reliant | – | acts and functions independently while interacting effectively with others | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The Chair of the panel | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The Chair of the panel should have acquired additional knowledge and skills in audit leadership to facilitate the efficient and effective conduct of the audit. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The Chair should be able: | <ul style="list-style-type: none"> – to plan the audit and make effective use of resources during the audit – to represent the audit panel in communication with the university – to organise and direct audit panel members – to provide direction and guidance to auditors-in-training – to lead the audit panel to reach the audit conclusions – to prevent and resolve conflicts – to ensure the preparation and completion of the audit report | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Policy P9

External observers on audit panels

P9.1 Background

Requests to observe the visits from people interested in acquiring a fuller understanding of the audit process have come from staff of overseas agencies, overseas academics, prospective auditors, and members of the Unit Board.

The Unit welcomes the interest in the audit process indicated by such requests, and whilst safeguarding the integrity and effective management of the audit, will endeavour to meet all reasonable requests.

Procedures for accepting observers into the audit process include the agreement of the Unit Director, the Chair of the panel, and the audited university, as well as the agreement of the observer to the same confidentiality requirements as the audit panel members.

P9.2 Guiding principles

The key principles which guide the Unit in agreeing to accept observers are:

- the integrity of the audit process,
- minimal inconvenience to the university being observed,
- no more than one observer per audit panel,
- preferably, the panel should be quite experienced,
- appropriate experience and understanding of higher education by the observer.

P9.3 Formal agreement

The protocol for the observation of an audit includes:

- the observer shall receive a copy of the university's portfolio submitted to the Unit for the audit panel,
- the observer shall be briefed by the Unit Director and/or the Unit staff member responsible for the audit,
- the observer should remain silent throughout Site Visit interviews,
- the Chair of the panel and/or the Unit staff member responsible for the audit may exclude the observer from any meeting or interview at their discretion,
- the observer may, at the discretion of the Chair of the panel and/or the Unit staff member responsible for the audit, ask questions about the audit process,
- during the course of the Site Visit, the observer should raise any questions which arise with the Unit staff member responsible for the audit in private, and be sensitive to the need not to place demands upon the staff member which may deflect her/him from the central role of Site Visit management,

- any questions and/or issues arising from the audit shall be discussed with the Unit Director and/or the Unit staff member responsible for the audit following the completion of the Site Visit,
- the observer will adhere to the same confidentiality requirements as the audit panel members by signing a statement of confidentiality as set out in Policy **P8 *The role and responsibilities of auditors***, **P8.2 *The appointment of auditors***,
- the observer may not use a tape or video recorder,
- the observer will be responsible for the cost of her/his accommodation and travel, but the Unit will normally meet the cost of meals and refreshments.

Policy P10

Privacy with respect to audit activities

P10.1 Introduction

Universities (and other tertiary institutions) are subject to the provisions of the Official Information Act 1982 and the Privacy Act 1993 and any relevant amendments to those Acts.

The Official Information Act is intended to increase the public availability of official information (which includes university information), to provide for each person's access to official information about her/him, and to protect official information to the extent consistent with public interest and preservation of personal privacy.

The Privacy Act is concerned with the collection, use and disclosure of personal information, and with an individual's access to the information about her/him held by an agency. It requires organisations to inform those from whom information is collected who will have access to that information, to gain their consent for that use and explain any consequences of not supplying the information.

Universities collect, store and use much information, and in carrying out its work the Unit has access to some of it.

P10.2 General

The function of the Unit is to assist the universities in the review and enhancement of their academic quality. All its information-gathering (from the university or elsewhere) and its discussions (with staff, students and others) are directed to this end.

P10.3 Confidentiality

It may not be possible for the Unit's auditors to complete their task satisfactorily without access to some sensitive information about a university. For example, it may be impossible to test the application of ostensible staff promotion procedures without learning the identity of an individual; or it may be impossible to test the university's mechanisms for responding to feedback without learning about some commercial plans. However, audit panels keep the requests for such information to the essential minimum, negotiate with the university the best way in which the information can be accessed, and treat as confidential any personal or commercially sensitive information provided by the university.

P10.4 Handling of information

Any personal information obtained by the Unit in the course of academic audits is

- used only for the purpose for which it was collected,
- divulged only to those who need it in conjunction with the audit process,
- kept in a secure place, and
- destroyed within 12 months of the publication of the report of the relevant audit.

In addition, personal notes made by Unit staff and auditors during and Site Visit are destroyed within 12 months of the publication of the report of the relevant audit.

5

The responsibilities of the Unit

This chapter draws on the Unit's Policy P7 'The role and responsibilities of the Unit in academic audits'. This policy was reviewed in 2007.

Policy 7

The role and responsibilities of the Unit in academic audits

P7.1 The role of the Unit

The role of the Unit in institutional audits is to ensure that all aspects of the audit processes are focused on achieving the Unit's objective for academic audits as expressed in the Unit's ***Vision, mission and objectives statement*** [see Appendix A1 to this manual, sections A1.1, A1.2 and A1.3]. The Unit will deal sensitively and helpfully with the university being audited. The Unit's task is to provide the technical audit expertise, and to ensure that the whole audit process is conducted appropriately in those terms.

P7.2 The responsibilities of the Unit

The audit process for which the Unit has responsibility involves:

- the determination of the focus of each Cycle audit in consultation with all New Zealand universities,
- the determination of the date of each Site Visit and the programme associated with the audit in consultation with the university being audited,
- the clear understanding by the university being audited of the aims and objectives of the audit, the responsibilities of the university, especially with respect to the preparation and submission of its self-assessment portfolio, and to the facilitation of the Site Visit by the audit panel,
- the selection and briefing of the audit panel to ensure a clear understanding of:
 - * the aims and objectives of the audit,
 - * the purpose and policies of the Unit and its terms of reference and its foci of operation,
 - * the history, context and culture of the university, the nature of the quality culture of the university and the ongoing professional interaction between the Unit and the university prior to the audit,
- confirmation from the university that the self-assessment portfolio has been distributed by the university to the members of the panel,
- the administrative tasks associated with the preparation of materials for the Preliminary Meeting,
- the collating of comments, requests for information from panel members and obtaining the desired information from the university for use by panel members,

- the undertaking, in consultation with the university, of the administrative tasks associated with the arrangements for the Planning Visit and making sure that there are satisfactory arrangements for the panel's travel, accommodation and sustenance during the Site Visit to the university,
- the recording during panel meetings and interviews of issues for clarification, re-consideration and reporting, and the advising on appropriate actions and conclusions for the panel to take or reach,
- the preparation of the draft report, the revised drafts and the final report,
- the presentation of the second draft report to the university for corrections of errors of fact and comments on emphasis or expression and for formal responses to recommendations in the report,
- the consideration by the panel of the university's comments and of amendments to the report arising from comments from the university,
- the presentation of the final draft of the report to the Board of the Unit for its approval for release,
- the gathering and evaluation of feedback on the audit process from the university and the and the preparation of a report to the Board on the extent to which the audit process and report fulfilled the Unit's objectives for a successful audit,
- the follow-up activities with the university to discuss the findings of the report and the ways in which follow-up to the recommendations can be integrated into the university's own programme of quality improvement and actions to be taken and reported to the Unit.

P7.3 Confidentiality

In the course of its enquiries, the Unit gathers information from the university and elsewhere and holds discussions with staff, students and others. The Unit is particularly aware of the sensitive nature of much of this material and treats as confidential any personal or commercially sensitive information provided by the university in accordance with Policy **P10 *Privacy with respect to audit activities***.

One function of the Unit is to disseminate information about good practice in quality assurance, and one way of doing this is through academic auditors describing instances of good practice that they have encountered in carrying out their audit work. Any such descriptions will, however, be confined to general principles and non-sensitive information, and will not breach the confidentiality referred to above.

P7.4 The Unit as Secretariat to the panel

The Unit staff member (normally the Director) who liaises with the university and the panel during the audit is referred to in this Policy as the 'Unit Secretariat'. It is the intention of the Unit that the Unit Secretariat be the Director of the Unit. If for any reason – such as sudden illness or when two or more audits are in progress at the same time – Unit staff members are unable to perform this duty, it may be necessary to co-opt or appoint a further professional member to the staff of the Unit to act in that capacity. Such a person would have had several years of

experience within a university or other institution of higher education, experience with institutional quality assurance systems, a thorough familiarity with the Unit's terms of reference, functions and processes, and experience in preparing (in consultation with a panel) a well-drafted and focused audit report which is produced on schedule, and makes full use of the information derived from each stage of the audit process.

The Unit Secretariat provides executive and secretarial support for the panel.

The Unit Secretariat can advise panel members on:

- the purpose and policies of the Unit, its terms of reference and its foci of operation,
- contextual matters, such as other organisations that have an audit or review function in education,
- the nature of the institution being audited.

The Unit Secretariat may also find it necessary to remind the panel:

- of the purpose, scope and mandate of the panel,
- of what decisions have already been made,
- of the importance of keeping to the Site Visit schedule,
- of the necessity to record findings from previous work and review the plans for future work.

P7.5 Minute secretary

The Unit Secretariat will be assisted during the Site Visit by a minute secretary – who will be required to sign a statement of confidentiality as required of auditors in Policy **P8 *The role and responsibilities of auditors***, **P8.2 *The appointment of auditors*** – to keep record of the interviews which will be available to the panel members for use by the panel at its private meetings, and during the writing and revision of the audit report. The notes will be destroyed at the time of the public release of the final audit report.

P7.6 Meetings

It is important that the Unit Secretariat is sensitive to ensuring the atmosphere of meetings is constructive, supportive and non-confrontational while being rigorous and fair. The programme should have sufficient flexibility to accommodate unforeseen circumstances and the pursuit of leads that emerge during the visit. The Unit Secretariat keeps regular contact with the nominated institutional support person to seek further information and arrange further meetings.

P7.6.1 Open session

Note: In Cycle 4 audits, it is not intended to timetable an open session.

In some situations, a Site Visit might include an open session, when any staff member or student of the university may make an appointment to meet the panel. If an open session is to be offered, it is advertised by the university in advance of the visit, and each applicant is allocated a short (usually ten-minute) slot with the panel. Those taking advantage of this might be asked to write, on a single sheet of paper, the matters they wish to raise with the panel, and to leave a copy with the panel at the end of their appointment. While fully respecting the views of those who attend

open sessions, care needs to be exercised in evaluating their submissions when they appear to be clearly contrary to evidence gained from the documentation and from group interviews.

P7.6.2 Private meetings of the panel

During private meetings by the panel alone, the key points to emerge from the previous session(s) should be agreed on by the panel and noted by the Unit Secretariat. The panel should also remind itself of the focus of the subsequent session(s). The buffer period also allows for overrun in some sessions, although the panel Chair should keep strictly to time wherever possible so that there is adequate time for reflection by the panel during the Site Visit. The programme should also include longer private meetings, in which ideas and impressions are collated, and plans made for the coming sessions.

P7.6.3 Oral report to senior management

The Site Visit concludes with a formal meeting of the panel with the senior management group. The purpose of this meeting is to signal a formal conclusion to the visit, with thanks and appreciation expressed on both sides. To the extent possible, the Chair of the panel indicates in general terms the nature of the panel's observations and conclusions. The university's staff may ask for clarification of details, but the meeting should not become a debate, nor will details be provided at this time. However, the tone and content of this oral report should be consistent with the subsequent written report, which should not, therefore, come as a surprise.

In a final private meeting prior to the meeting with senior management, the panel gathers up the conclusions it has reached about the university. The Chair of the panel and the Unit Secretariat ensure that all major points for oral and written reports are recorded. It is important that consensus is reached, so the report reflects the opinion of the whole panel and not individual members. The panel should agree on the wording of commendations, criticisms or recommendations. Major strengths and instances of good practice encountered are highlighted, while major weaknesses and points of criticism are addressed constructively.

P7.7 The audit report

Following the Site Visit, the Unit is responsible for the writing of a report on the audit of the university. The report, which is a public document, belongs to the Unit as a whole, and not to the audit panel or its members. The formal position of the panel is that it is acting on behalf of the Unit, and hence it is the Unit and not the panel that affirms the conclusions and makes the recommendations in the report. In particular, only the Director of the Unit and the Chair of the Board of the Unit are authorised to make official comment on audits and audit reports.

The report is the public face of the audit, upon which many people form their opinion of the value and validity of the audit process. Panel members should be conscious that their decisions and the way they express them will affect the report, and should bear this final stage in mind as they move towards their conclusions.

The report is produced by the Unit supporting the panel, in consultation with panel members; panel members are not necessarily required to participate in the actual writing of the report. The Unit distributes the draft report to panel members and collates comments received from panel members. In commenting on drafts of the report, members may propose new or replacement segments if they wish. If necessary, a teleconference discussion is arranged to consider outstanding issues and concerns. A revised draft report is prepared and sent to panel members for

further comment, if required. The Unit collates any further comments and, when the panel is satisfied, prepares a second draft report.

The second draft report is sent to the university for correction of fact and comments on emphasis or expression. The panel considers all comments from the university and makes appropriate amendments to the report. Difficulties occasionally arise when the panel has been given incorrect information and wishes to make reference to this in the report as it believes this lack of knowledge within the university is significant, while the university would prefer to include only the correct information. In the final analysis it is the Unit's responsibility to report its findings as it sees them and to acknowledge differences of understanding based on the evidence. Any changes to the draft report are approved in consultation with all members of the panel.

As well, the university is invited to make formal responses to the recommendations. If the panel decides it is appropriate to absorb some or all of the formal responses into the text, or if the panel has amended recommendations in light of the formal responses, the university will be asked to ensure that the report has not obscured the meaning behind the formal responses and that the report conveys fairly the essence of formal responses to recommendations.

P7.8 Approval of the Board

The final version of the report is sent to all members of the Board of the Unit for their approval. The Board's chief concern is to ensure that the general character of the report is consistent with the Unit's policies and standards with respect to its audit functions and responsibilities. The Board itself will not change the detailed findings or recommendations of the report. If necessary, it will proceed by way of inviting the panel to reconsider any aspects of the report that gave it concern.

P7.9 Release of the report

A copy of the approved report is sent to the university about two weeks before its general release so the university can prepare such public comments as it may wish to make on the report or its findings. Effectively it has more notice than this, as there is rarely any major change from the draft report that it saw earlier. Copies of the final report are then sent to the members of the audit panel, members of the Board, the New Zealand Vice-Chancellors' Committee, the Tertiary Education Commission, the New Zealand Qualifications Authority, Institutes of Technology and Polytechnics Quality, the Ministry of Education, to other universities and to the mass media with a covering press release, and to anyone else on request and payment of a fee to cover the production costs. A portable document format [pdf] file version of the report is placed on the Unit's website.

P7.10 Appraisal of the conduct of the audit

To enhance its own programme of continuous improvement, the Unit conducts two evaluations.

- The Unit seeks feedback on the audit process from the university through responses to written questions sent by the Unit at the time of the release of the final report, and through discussion with the university during the follow-up meeting with the university.
- The Unit conducts an appraisal of the Chair of the panel and auditors on the contribution of all members of the panel and the Unit to the smooth and efficient and effective operation of the panel and audit process. This is achieved through the administration of

a questionnaire agreed to by the panel. Following consideration of comments received from the university and the auditors, the Unit prepares a report to the Board on the degree to which the audit process and report have achieved the Unit's objective, together with recommendations for improvement.

P7.11 Follow-up with the university

About three months after the public release of the report, the Chair of the panel accompanies the Unit staff member on a visit to the university to seek feedback on the audit process, to learn of the way in which the university will address the recommendations contained in the report, and the nature and timeline of follow-up reporting to the Unit on progress on the recommendations. The Unit takes this opportunity to assess how easily the recommendations have been able to be integrated into the university's own programme of quality improvement. The Unit also seeks opinion as to the extent to which the university considers the report to be authoritative, rigorous, fair and perceptive and of assistance to the university in improving its own programmes of continuous improvement of quality.

Appendices

A1

New Zealand Universities Academic Audit Unit Te Wāhanga Tātari (Updated March 2011)

A1.1 Vision

World class New Zealand universities based on high quality, internationally accepted academic practices.

A1.2 Mission

To contribute to high quality New Zealand university education by:

- engaging as a leader and advocate in the development of universities based on high quality, internationally acceptable, academic practices;
- providing quality assurance and quality enhancement services which assist universities in facilitating excellent student experience and learning outcomes.

A1.3 Objectives

Quality assurance Ensure academic audits are timely and produce audit reports which are of assistance to universities, are authoritative, fair and perceptive.

Quality enhancement Contribute to the development, dissemination and implementation of new policies and good practices in quality assurance and quality enhancement in education, both nationally and internationally.

Improve the quality of NZUAAU activities, including audit practice, by interaction with other education and academic quality assurance agencies, both nationally and internationally.

Quality support Ensure effective processes and adequate resourcing to achieve the above objectives at a high level of satisfaction for universities and other stakeholders.

A1.4 Establishment of the Unit

In order to maintain and enhance the quality of the academic activities of universities, the New Zealand Vice-Chancellors' Committee⁹ [NZVCC] established the New Zealand Universities Academic Audit Unit [NZUAAU] and it funds and sustains its operation.

⁹ While the New Zealand Vice-Chancellors' Committee is now known as Universities New Zealand *Te Pokai Tara*, the statutory name remains the New Zealand Vice-Chancellors' Committee and is therefore used throughout this document.

A1.5 Terms of reference

The NZUAAU's terms of reference are:

- to consider and review the universities' mechanisms for monitoring and enhancing the ongoing academic quality of academic programmes, their delivery and their learning outcomes, and the extent to which the universities are achieving their stated aims and objectives in these areas;
- to comment on the extent to which procedures in place in individual universities are applied effectively;
- to comment on the extent to which procedures in place in individual universities reflect good practice in maintaining quality;
- to identify and commend to universities national and international good practice in regard to academic quality assurance and quality enhancement,
- to assist the university sector to improve its educational quality;
- to advise the New Zealand Vice-Chancellors' Committee on quality assurance matters;
- to carry out such contract work as is compatible with its audit role.

Constitution, 2.1

A1.6 Areas of importance to universities

In fulfilling these terms of reference, the NZUAAU focuses its attention on areas of particular importance to universities, including mechanisms for:

- quality assurance and enhancement in the design, monitoring and evaluation of courses and programmes of study for degrees and other qualifications;
- quality assurance and enhancement in teaching, learning and assessment;
- quality assurance and enhancement in relation to the appointment and performance of academic and other staff who contribute directly to the teaching and research functions;
- quality assurance and enhancement in research in the context of its relationship with university teaching;
- taking account of the views of students, of external examiners, of professional bodies, and of employers in respect of the ongoing quality assurance and enhancement of courses and programmes.

Constitution, section 2.2

A1.7 Brief history of the Unit

The Unit was established by the New Zealand Vice-Chancellors' Committee in 1993 and operates under the terms of reference approved by the Board of the Unit and by the New Zealand Vice-Chancellors' Committee. The Unit began operations in 1994 and completed two pilot

audits and Cycle 1 institutional audits of all universities between 1995 and 1998. Cycle 2 audits were conducted during 2000 and 2001; these audits were on the national theme of research policy, management and performance, support for postgraduate research students, and the research-teaching links; and on institutional themes nominated by the universities and agreed to by the Unit. Cycle 3 academic audits were conducted during 2003 and 2006; these audits were on teaching quality, programme delivery, and the achievement of learning objectives.

The Unit was itself reviewed by independent panels in 1997 (towards the end of Cycle 1) and again during 2001 (towards the end of Cycle 2). Discussions between the Unit and the New Zealand Vice-Chancellors' Committee in 2004 and 2005 resulted in a revised terms of reference for the Unit and restructure of the Board of the Unit, and a decision by the Board to delay the third review of the Unit until late 2008.

Consideration of concerns, criticisms and advice received from the university sector during 2005 and 2006, and particularly from a workshop of university representatives in early 2007, resulted in refinements to the academic audit process as is represented by this 2007 edition of the Unit's academic audit manual.

A2

Education Act 1989

Several sections of the Education Act 1989 refer to universities, and in realising its objectives, the Unit takes into account the various legislative descriptions of the characteristics of universities and degree qualifications.

A2.1 Section 162(4)(b)

- A college of education is characterised by teaching and research required for the pre-school, compulsory and post-compulsory sectors of education, and for associated social and educational service roles.
- A polytechnic is characterised by a wide diversity of continuing education, including vocational training, that contributes to the maintenance, advancement, and dissemination of knowledge and expertise and promotes community learning, and by research, particularly applied and technological research, that aids development.
- A university is characterised by a wide diversity of teaching and research, especially at a higher level, that maintains, advances, disseminates, and assists the application of knowledge, develops intellectual independence, and promotes community learning.
- A wananga is characterised by teaching and research that maintains, advances, and disseminates knowledge and develops intellectual independence, and assists the application of knowledge regarding ahuatanga Maori (Maori tradition) according to tikanga Maori (Maori custom).

A2.2 Section 162(4)(a)

- . . . universities have all the following characteristics and other tertiary institutions have one or more of those characteristics:
 - * they are primarily concerned with more advanced learning, the principal aim being to develop intellectual independence,
 - * their research and teaching are closely interdependent and most of their teaching is done by people who are active in advancing knowledge,
 - * they meet international standards of research and teaching,
 - * they are a repository of knowledge and expertise, and
 - * they accept a role as critic and conscience of society.

A2.3 Section 254(3)

- . . . a degree . . . recognises the completion of a course of advanced learning that:
 - * is taught mainly by people engaged in research, and
 - * emphasises general principles and basic knowledge as the basis for self-directed work and learning.

A2.4 Section 161

- It is declared to be the intention of Parliament in enacting the provisions of this Act relating to institutions that academic freedom and the autonomy of institutions are to be preserved and enhanced.
- For the purposes of this section, academic freedom, in relation to an institution, means:
 - * the freedom of academic staff and students, within the law, to question and test received wisdom, to put forward new ideas and to state controversial or unpopular opinions,
 - * the freedom of academic staff and students to engage in research,
 - * the freedom of the institution and its staff to regulate the subject-matter of courses taught at the institution,
 - * the freedom of the institution and its staff to teach and assess students in the manner they consider best promotes learning:
 - * the freedom of the institution through its chief executive to appoint its own staff.
- In exercising their academic freedom and autonomy, institutions shall act in a manner that is consistent with:
 - * the need for the maintenance by institutions of the highest ethical standards and the need to permit public scrutiny to ensure the maintenance of those standards, and
 - * the need for accountability by institutions and the proper use by institutions of resources allocated to them.
- In the performance of their functions the Councils and chief executives of institutions, Ministers, and authorities and agencies of the Crown shall act in all respects so as to give effect to the intention of Parliament as expressed in this section.