

14 November 2016

IRU STATEMENT 12/2016

Indigenous Student Success Program: designing to improve outcomes

IRU supports the aim of the new Indigenous Student Success Program (ISSP) to raise outcomes for Aboriginal and Torres Strait Islander students through integration, simplification and better use of three current programs.

We are very concerned that the draft Guidelines do not support the latter two of those aims.

There is no sense of simplicity or flexibility that would support the aim of a performance focussed program encouraging universities to improve Aboriginal and Torres Strait Islander student outcomes.

The performance basis integral to the new program, whereby university funding is dependent on their success in enrolling Aboriginal and Torres Strait Islander students and supporting them through to completion, is buried within extensive rules about how funds can or cannot be used.

The ISSP Guidelines are more prescriptive than any other under the *Higher Education Support Act*.

IRU has read the draft guidelines in comparison with other *Higher Education Support Act* guidelines for similar programs such as the Commonwealth Scholarships Guidelines (Research) 2017. Another parallel is the Higher Education Participation Partnerships Program guidelines which IRU argues are too constrictive yet in comparison they are light touch.

It is not clear why a program to build up further the successful university programs for Aboriginal and Torres Strait Islander students should be considered a greater risk than other areas of targeted funding supplementing the university base grant.

The extensive requirements about use of funds convey a high level of implied distrust across the parties involved – the Government (through PM&C), universities as receivers of funding and providers of education, the Aboriginal and Torres Strait Islander senior staff responsible for supporting outcomes for students, and the Aboriginal and Torres Strait Islander students and staff.

A small but indicative example is the proposed requirement to alert Aboriginal and Torres Strait Islander students applying for a scholarship to risk of a crime from providing incorrect information.

Based on the draft the new program, while labelled to be about Aboriginal and Torres Strait Islander student success, is essentially a single program to deliver the previous trio of tuition support, scholarships and an Indigenous unit.

The guidelines explicitly prevent use to support student success through the broader university approaches to supporting the education of students – in the language of ‘supplement’ there are strict limits to what services can be supplemented and how. As a result, the relationship between ISSP and the mainstream Commonwealth Grant Scheme and HEPPP funds will remain disjointed.

Universities do not need an extensive list of excluded uses of funds including weird items such as funding ‘efficiency dividends’, to ensure the funding is used sensibly. The exclusions hamper use of the ISSP outside of a narrow band of activities, acting against whole of university approaches.

Universities offer the Government a safe place to move accountability for Indigenous programs away from detailed input controls to test the impact of performance focused funding. In the attached commentary on the detail of the Guidelines we highlight the many places where requirements are not needed as either already a requirement on universities or which significantly hamper the capacity to use the funds to best effect.

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1. Detailed response – ISSP Guidelines

ISSP Draft Guidelines		Comment
Item Number	Text	
2.2.2 d (iii)	(iii) prioritises the employment of a minimum of one senior <i>Indigenous</i> executive at Pro Vice-Chancellor or Deputy Vice-Chancellor level, to be funded by funds other than <i>ISSP</i> ; and	Too specific in use of position titles. An objective for a 'Senior Leadership position' would not catch university specific titling matters but target the issue.
2.4.2 d + e	d) strategies to accelerate improvements to <i>Indigenous</i> student outcomes; and e) strategies to foster culturally safe learning environments for <i>Indigenous</i> students and staff, including prioritising cultural competency across all university staff.	The exclusions at 2.4.4 hamper achievement of 2.4.2 d and e
2.4.4	<i>ISSP</i> funding must not substitute or replace funding currently available through other more appropriate sources. <i>ISSP</i> funding must not be used for the following: (a) to (p) .	The exclusions hamper use of the <i>ISSP</i> outside of a narrow band of activities, acting against whole of university approaches. Through funding dependent on enrolment and retention of students plus the defined uses of the funds at 2.4.2 there is sufficient incentive to use funds well to advance student success.
3.2.2	If a <i>provider</i> fails to meet the requirements of <i>ISSP</i> set out in these guidelines or <i>the Act</i> , the <i>Minister</i> may suspend, make partial payment or cease further payments to the <i>provider</i> . In making the decision, the <i>Minister</i> will take into consideration the requirement that was not met, the reasons presented to the <i>Minister</i> as to why the <i>provider</i> failed to meet that requirement and the actions taken by the <i>provider</i> to remedy the situation.	There needs to be more information around the process that will be undertaken in the event of a provider failing to meet the requirements of <i>ISSP</i> .

3.2.4	Funding in the payment year may not be used to reimburse expenditure in a prior funding year. Funding which remains unexpended and uncommitted in the funding year cannot be used in a subsequent funding year without a delegate's approval prior to the end of the funding year.	There needs to be more information about the process that applies in the event of an underspend.
3.4	<p>Provider Management of Funding and Financial Records</p> <p>3.4.1. <i>Providers</i> must keep full and accurate financial records relating to the use of the funding on a calendar year basis to enable:</p> <p>a) all income and expenditure related to the funding to be identified in a <i>provider's</i> bank account;</p> <p>b) the preparation of financial statements in accordance with Australian Accounting Standards and as specified in section 3.6 of these guidelines; and</p> <p>c) auditing in accordance with Australian Auditing Standards and as specified in section 3.6.2 of these guidelines.</p> <p>3.4.2. The accounts and records relating to the <i>provider</i> must be identifiably separate from the accounts and records of the other institutions or undertakings (e.g. business enterprises) conducted by the <i>provider</i>. A purpose built cost centre structure or a separate bank account are acceptable methods of separately identifying <i>ISSP</i> funding.</p> <p>3.4.3. Any interest earned on <i>ISSP</i> funding is to be used for the purposes of <i>ISSP</i> activity and is to be itemised in financial statements. Interest earned will not be counted for the purposes of the <i>funding formula</i>.</p>	All universities adhere to financial reporting and auditing requirements under HESA. This section is superfluous and potentially contradictory. Delete
3.5.3	3.5.3. For assets purchased with <i>ISSP</i> funding, a <i>provider</i> must:	This section is unnecessary. Universities already adhere to the sentiments as set out in this section. Further no asset can be

	<p>a) safe guard to their best ability against theft, loss, damage or unauthorised use;</p> <p>b) accept all responsibility for the maintenance of the asset and any liability that is associated with the asset, its use or disposal;</p> <p>c) if required by law, maintain licencing and registration of each asset;</p> <p>d) maintain appropriate insurances for all assets purchased with <i>ISSP</i> funding for their full replacement value, and present satisfactory evidence of insurance cover within 10 business days of a request by the <i>Department</i>. Acceptable insurance cover includes arrangements between a <i>provider</i> and the <i>Department</i> whereby a <i>provider</i> assumes full responsibility for the full replacement value of the asset without going through a third party insurer.</p>	worth more than \$5000 without approval, suggesting there would be very few major assets purchased due to <i>ISSP</i> funding.
3.6.3	3.6.3. Audited financial statements are to be prepared in accordance with the [Australian Higher Education] Financial Statement Guidelines 2014 which includes note 53 covering <i>ISSP</i> . These financial statements need only be a copy of those provided to DET in line with the [Australian Higher Education] Financial Statement Guidelines 2014 and should be provided at a time specified in those guidelines.	The reference to HESA guidelines shows that the requirement is pointless duplication.
3.6.4.1	<p>3.6.4.1. Headline expenditure categories including, but not limited to:</p> <p>a) Salaries</p> <p>b) Administration</p> <p>c) Travel</p>	This section should be removed. The functional categories as laid out in 3.6.4.2 are more appropriate to support analysis of how the program operates.

	d) Asset purchases.	
3.7.1	3.7.1. Unless otherwise notified, prior to the last Friday before Christmas Day, the <i>Department</i> will provide a report to the Vice Chancellor regarding the <i>provider's Indigenous</i> student outcomes and funding advice for the following year. These reports will be generated using the most recently published data available on the Higher Education Information Managements System (HEIMS). Data may include, but not be limited to, comparisons to data from previous years, comparisons to national data or against other <i>providers</i> , as well as against all Australian domestic student outcomes.	The timing should aim to make the decision on funding allocations as early in December of the year as possible.
3.7.2	3.7.2. <i>Providers</i> must ensure that current student and workforce data are recorded in HEIMS in the timeframe and in the standard reporting requirements provided by HEIMS.	The requirement to provide data is already covered through other parts of HESA. This duplicates and shows distrust of basic university adherence to reporting.
3.7.4 e)	e) Describe how other income received by the <i>provider</i> is contributing to improving the outcomes of Aboriginal and Torres Strait Islander people; and	This part is a duplication of preceding components of the guidelines
3.7.5	3.7.5. <i>Providers</i> must monitor performance data to ensure effective strategies are implemented to accelerate <i>Indigenous</i> student outcomes. As part of good governance procedures, <i>providers</i> should conduct regular evaluation exercises to ensure <i>ISSP</i> expenditure is providing quality support and outcomes for <i>Indigenous</i> students. A summary of any evaluation or review into <i>ISSP</i> funded activity should be included as part of the <i>provider's</i> performance report.	Delete: 3.7.4 provides for provider reporting on the value and outcomes from <i>ISSP</i> .
4.1	4.1. Access to premises and records	Remove this section - these issues are already covered through HESA

4.2	4.2. Conflicts of Interest and Fraud	Remove this section. Universities have their own procedures in place to guard against the behaviour this is targeting.
4.3	4.3. Grievances or disputes	Remove this section. As the sections state Universities have in place their own policies that cover this as required by the HE Standards
5.1	5.1. Policies and Processes for Offering Support to Students	The section is a mix of setting out some of the needed framework for scholarships with over detailed requirements about how scholarships can operate and about what students should be told. This contrasts with the Commonwealth Scholarship Guidelines (Research) which put to universities to decide the approach to scholarships, based on clear university level policies.
5.1.4	<i>Provider</i> must include the following statement in their application form, immediately prior to the applicant's signature block: "Giving false or misleading information is a serious offence under the Criminal Code Act 1995 (Commonwealth)". A <i>provider</i> must include information on their application form advising students that they may incur a debt to the Commonwealth and/or <i>provider</i> if they make a claim and receive payments for support to which they are not entitled.	This is a particularly gratuitous requirement
5.5.2 d)	d) there is no conflict of interest in using the person, including but not limited to: (i) <i>Study Assistants</i> may not be members of the student's immediate or de facto family;	Universities would have policies covering conflict of interest - this is duplication and should be removed.

	<p>(ii) <i>Study Assistants</i> may not be the student's usual class or subject teacher, lecturer, tutor (running lecture tutorials) or classmate;</p> <p>(iii) Except in remote locations where there is no other option, <i>Study Assistants</i> must not be a family member of the student;</p> <p>(iv) Staff of the funded <i>provider</i> (e.g. lecturers, tutors) and Indigenous Education Workers cannot provide study support during any period for which they are already receiving salary.</p>	
5.7	5.7. Employment of staff with <i>ISSP</i> Funding	This section is overly prescriptive. A government department should not have input into the hiring of staff at a university.

2. Draft Financial reporting template

ISSP Draft Financial Reporting Template		Comment
Item Number	Text	
INDIGENOUS STUDENT SUCCESS PROGRAMME – 2017 Performance Report		
2 a	Tutorial and Other Assistance provided (2017 breakdown) Column – Hours of assistance	This seems unnecessarily burdensome.
5 a	Indigenous workforce data (2017 breakdown)	<p>The only new data element here is to identify 'faculty' a flexible term in university structures.</p> <p>If the tight structure of how funds may be used and not used is retained the ISSP will largely be irrelevant to changes in Indigenous staff numbers and level.</p>

6	Indigenous involvement in decision making	The number of meetings and agenda items is not evidence that the group had a say on the use of the ISSP resources. Focus on the question
INDIGENOUS STUDENT SUCCESS PROGRAMME – 2017 Financial Acquittal		
2	Expenditure (excluding GST)	The break down by salaries, travel etc. is pointless trivia compared with a break down by main activities in 2.4.2 of the Guidelines. It is meaningless for the Other funds such as CGS and HEPPP used to support Indigenous student success and enhancement of staff.
3	GST paid under ISSP 1 January – 31 December 2017	Universities net out GST received and paid. What is the relevance to PM&C from tracking any GST receipts in and out?
4	Assets	This should only apply to assets over \$5000 purchased with Ministerial approval (Guidelines 3.5.1). There is no item for 'assets' in the Definitions part of the Guidelines 1.3.2