HIGHER EDUCATION QUALITY COMMITTEE

PROGRAMME
AUDIT
FRAMEWORK

DRAFT DOCUMENT FOR COMMENT

June 2002

FOREWORD

The Higher Education Quality Committee (HEQC) is the permanent committee of the Council on Higher Education (CHE) through which the CHE's quality assurance mandate is conducted. The HEQC has the statutory responsibility to carry out audits of higher education institutions and accredit programmes of higher education. Here it presents its proposals for an audit and accreditation system through which it will discharge its statutory responsibilities.

The proposals set out a common framework for universities, technikons, agricultural colleges, registered and accredited private providers and other providers whose programmes and qualifications fall under the jurisdiction of the HEQC. A number of common audit and accreditation requirements are applicable to all higher education institutions and providers and are intended to ensure consistency in the quality assurance system of the HEQC. The differentiated needs and circumstances of different sectors within higher education will be taken into account on the basis of a common framework.

The proposals seek to give effect to the accountability requirements which apply to higher education institutions and providers as well as to the HEQC – to demonstrate and attest to the quality and value of higher education provision. The proposals also seek to foster an improvement culture the prime agents of which are higher education institutions and providers themselves, thereby encouraging as much institutional autonomy as is compatible with accountability.

Every attempt has been made to develop a coherent and integrated quality assurance system for the HEQC. This includes the proposal to link the audit and accreditation processes in a way that adds value to the work of the HEQC and provides an incentive for providers to develop and maintain strong internal quality assurance systems. It also includes proposals to conduct the quality assurance work of the HEQC in a partnership model with other Education and Training Quality Assurance bodies (ETQAs) in higher education as well as in close co-operation with other role-players.

The proposals indicate the direction of what will eventually become the foundation of the quality assurance system of the HEQC. The implementation of the system will, however, seek to be flexible and realistic, given the emerging institutional and programme landscape in higher education. This will apply particularly to the first round of audits as well as to the first phase of the new accreditation system. Where possible, the finalisation of the HEQC audit and accreditation systems will take into account the outcomes of other initiatives which are still under discussion e.g. the new academic policy proposals and the proposals of the National Qualifications Framework Study Team.

The participation of key higher education stakeholders in the shaping of the audit and accreditation systems of the HEQC is a prerequisite for the building of a strong and credible quality assurance system for higher education. Comments are invited on the principles, approach and processes set out in the HEQC proposals for audit and accreditation.

Executive Director
HEQC
June 2002

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EXECUTIVE SUMMARY

Purpose of the document

1. This document sets out for consultation and comment proposals for an audit system for the Higher Education Quality Committee (HEQC). The proposals seek to give effect to the statutory quality assurance responsibility to audit the quality assurance mechanisms of higher education providers, assigned to the HEQC by the Higher Education Act of 1997. The proposals outline an audit system for universities, technikons, agricultural colleges, and registered and accredited private providers the qualifications of which fall under the jurisdiction of the HEQC. The proposals for audit also recommend a meaningful connection with the statutory accreditation responsibility of the HEQC, motivated by the intention to create a coherent and integrated approach to quality assurance that encompasses both statutory responsibilities.

Objectives of the HEQC audit

2. To enable a higher education institution to assure itself, stakeholders and the HEQC that its policies, systems and processes for the development, maintenance and enhancement of quality in all its educational offerings are functioning effectively.

3. To enable providers and the HEQC to identify areas of strength and excellence as well as areas in need of focused attention for improvement in the short, medium and long term.

4. To provide a critical information source for the HEQC that will enable the institution to acquire self-accreditation status for a six-year period. This will allow the institution to take responsibility for the evaluation and accreditation of its own existing programmes in all fields not covered by a professional council or Sector Education and Training Authority (SETA).

5. To provide for consistency in quality assurance across the higher education sector and generate a national picture of the role of quality assurance in the transformation of higher education. It will also enable the HEQC to make a judgement on the overall status of quality assurance in higher education and monitor system level improvement.

Principles of the HEQC audit

6. The primary responsibility for quality and quality assurance rests with the higher education providers. Providers are required to establish and sustain effective institutional quality assurance systems and processes that will yield reliable information for internal planning, and improvement and external audit.

7. The external audit system of the HEQC will validate the effectiveness of internal quality assurance arrangements, especially as they pertain to development, enhancement and monitoring of quality in teaching and learning, research and service learning programmes. Evidence for the validation will come primarily from the self-evaluation report and reports from institutionally managed evaluations.

8. The audit will provide the institution, its stakeholders and the HEQC with reliable information on whether and how the institution is assuring quality in its educational programmes. Relevant information from the audit will be available in the public domain.

9. The audit will allow the institution to account to relevant stakeholders on how effectively it is achieving its mission through the assurance of the quality of its education and training programmes, and how it is adhering to its own plans for continuous quality improvement. At the same time, the audit will enable the institution to set development targets for quality improvement on the basis of what it has already achieved.

10. The audit information on the effectiveness of internal quality assurance systems offers the institution the possibility of achieving self-accreditation status for a period of six years, enabling it to re-accredit all existing programmes not covered by any professional council or SETA ETQA. The HEQC will grant this status on the basis of audit outcomes and other quality related information. This will reduce the scope and intensity of HEQC scrutiny and provide for relative institutional autonomy and self-regulation in certain programme areas.

11. The achievement of self-accreditation status could become a target of quality assurance capacity development initiatives for the provider and the HEQC as well as of organisations like the South African Universities Vice-Chancellors' Association (SAUVCA), the Committee of Technikon Principals (CTP), the Alliance of Private Providers of Education, Training and Development (APPETD), the Association of Principals of Agricultural Colleges (APAC) and others.

Scope and focus of the HEQC audit

12. The audit will address the broad institutional arrangements for effective teaching and learning, research and service learning programmes. Issues of governance, management, finances and other institutional operations will be looked at only in relation to their impact on these areas. The HEQC will, where appropriate, draw on Department of Education (DoE) reports and other sources of information on general institutional management issues.

13. The following areas will be targeted for attention:

- Institutional quality assurance:

  (a) Policies, systems, structures, resources and activities to support and enhance the quality of teaching and learning.

  (b) Policies, systems, structures, resources and activities to support and enhance the quality of research (if pertinent to institutional mission).

  (c) Policies, systems, structures, resources and activities to support and enhance the quality of service learning programmes including co-operative education programmes (if pertinent to institutional mission).

  (d) The integration of quality assurance with institutional planning and resource allocation.

  (e) Stakeholder and/or expert surveys on the quality of provision.

  (f) Benchmarking standards and good practice in respect of effective quality systems (against institutional, national and international benchmarks).

In relation to teaching and learning, the following will be addressed:

- Staff development policies, plans and activities.
- Student access and development – policies, plans and activities.
- Programme development and review - Internal quality assurance arrangements for:

  (a) New programmes.
  (b) Updating and monitoring of existing programmes.

- Student assessment, throughput and completion rates.

Criteria for HEQC audit judgments

14. The HEQC will take the institution's own specification of mission and objectives as a starting point for both the self-evaluation report and the external audit. It is assumed that institutional missions have taken national imperatives into account as articulated in the Higher Education Act, the National Plan for Higher Education, the Human Resource Development Strategy and other policy frameworks.

15. The HEQC will operate within the minimum standards requirements for general institutional efficiency set by the DoE and institutional governance structures.

16. The HEQC criteria for the areas of focus in relation to effective teaching and learning, research and service learning will be finalised in consultation with providers in time to be used during pilot audits in 2003.

17. The HEQC will also take into account institutionally set requirements and guidelines for effective teaching and learning, research and service learning.

Consequences of the HEQC audit

18. The purpose of audit is linked strongly to producing evidence-based information to be used by the institution for planning, implementing and monitoring quality development and improvement. Such information will be used by the HEQC to make a judgment on the effectiveness of the institution's internal quality systems for teaching and learning, research and service learning programmes, and make recommendations for improvement.

19. The HEQC does not allocate any funds to institutions or programmes, nor does it make any direct input into decision-making on funding and financing higher education. HEQC audit outcomes, therefore, are not directly linked to funding. Funding for public institutions is the responsibility of the DoE, and for private providers the responsibility of their owners or governors.

20. A positive audit judgement could contribute to a decision by the Accreditation Committee of the HEQC to grant self-accreditation status to the institution for a six-year period. This status will enable the institution under specified conditions, to re-accredit existing programmes in all areas not covered by a professional council or SETA ETQA.

21. There will be no ranking of higher education institutions.

Methodology of the HEQC audit

22. The audit cycle will be six years.

23. Audit steps will include:

- Self-evaluation by the institution in two parts:
    a) A descriptive component on what quality assurance is in place and with what objectives.
    b) An analytical component, which makes a judgment on the effectiveness of that which is in place.
- External review by experts based on the self-evaluation report as well as information from institutionally managed programme evaluations.
- Written report with recommendations for the institution.
- Appropriate public report.
- Monitoring and follow up including an institutional report to the HEQC in the middle of the audit cycle and a possible visit by HEQC staff.

The HEQC audit process

24. Detailed suggestions in the document encompass pre-audit preparations, timeframes, reporting procedures, audit panels, orientation and training of panel members, documentation and other relevant issues.

PREFACE

This document sets out proposals for an institutional audit system for the HEQC. The proposals have been developed in an iterative process, based on a first draft produced by an Audit Working Group set up by the HEQC. After reworking by the HEQC secretariat, the document was submitted to:

- International experts from different country contexts.

- A reference group, which included members nominated by the South African Universities Vice-Chancellors' Association (SAUVCA), the Committee of Technikon Principals (CTP) and the Alliance of Private Providers of Education, Training and Development (APPETD), and other experts.

- The Policy Development Committee of the HEQC, which recommended it for consideration by the full HEQC after specified modifications.

- The full HEQC, which approved the document for consultation on June 4 2002.

The proposals were developed taking local and international systems and approaches to audit into account, as well as the requirements of the HEQC's statutory quality assurance responsibilities in the current higher education context.

After the consultation phase, the document will be finalised and submitted for approval to the full HEQC on September 6 2002. The new audit system will be piloted in 2003 and will be operational in 2004.

The closing date for the submission of comments on the Audit Framework is **9 August 2002**. All enquiries and comments should be directed to:

> The Director
> Audit and Evaluation
> HEQC
> P O Box 13354
> The Tramshed 0126
> E-mail to carneson.j@che.ac.za
> Tel: (012) 392 9144
> Fax: (012) 392 9140

ACRONYMS

APAC	Association of Principals of Agricultural Colleges
APPETD	Alliance of Private Providers of Education, Training and Development
CHE	Council on Higher Education
CTP	Committee of Technikon Principals
DoE	Department of Education
ETQA	Education and Training Quality Assurance body
HE	Higher Education
HEI	Higher Education Institution
HEQC	Higher Education Quality Committee
IQMS	Internal Quality Management System
NQF	National Qualifications Framework
QA	Quality Assurance
SAQA	South African Qualifications Authority
SAUVCA	South African Universities Vice-Chancellors' Association
SETA	Sector Education and Training Authority

1. QUALITY ASSURANCE AND THE SOUTH AFRICAN HIGHER EDUCATION SYSTEM

1.1.1 Legislative context

The HEQC is a permanent committee of the Council on Higher Education (CHE), established by Act No. 101 of 1997. The CHE's responsibilities are to:

- Advise the Minister at his/her request or proactively on all matters related to higher education.
- Assume executive responsibility for quality assurance within higher education and training.
- Monitor and evaluate whether the policy goals and objectives for higher education are being realised.
- Contribute to developing higher education through publications and conferences.
- Report to parliament on higher education.
- Consult with stakeholders around higher education.

The specific functions of the HEQC are to:

- Promote quality assurance in higher education.
- Audit the quality assurance mechanisms of institutions of higher education.
- Accredit programmes of higher education.

The proposals set out a common audit framework for universities, technikons, agricultural colleges, registered and accredited private providers and other providers whose programmes and qualifications fall under the jurisdiction of the HEQC.

The quality assurance functions of the HEQC are performed within the broad legislative and policy context that shapes and regulates the provision of higher education in South Africa - in particular, the Higher Education Act as amended, and *White Paper* 3: *A Programme for the Transformation of Higher Education*. The HEQC further operates within the policies and regulations of the Department of Education (DoE), including the National Plan for Higher Education (NPHE), which has assigned specific quality assurance tasks to the HEQC. Thus, the nature, purpose and scope of the HEQC's work derive from a range of policy documents and legislation as stated in its Founding Document.[1]

As the ETQA for the Higher Education and Training Band of the National Qualifications Framework (NQF),[2] the HEQC also operates in the context of the South African Qualifications Authority Act and its regulations.[3] According to the SAQA regulations, the functions of ETQAs are to:

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[1] *Higher Education Quality Committee Founding Document*, Pretoria 2001, pp.3-8
[2] South African Qualifications Authority Act, 1995 (Act no 58 of 1995), Section 5 (1)(a)(ii)
[3] Regulations under the South African Qualifications Authority Act, 1995 (Act No 58 of 1995)

- Accredit constituent institutions for specific standards or qualifications registered on the NQF.
- Promote the quality of constituent institutions, and monitor their provision.
- Evaluate, assess and facilitate moderation amongst constituent institutions, register constituent assessors for specified registered standards or qualifications in terms of the criteria established for this purpose, and take responsibility for the certification of constituent learners.
- Co-operate with the relevant body or bodies appointed to moderate across ETQAs including, but not limited to, moderating the quality assurance on specific standards or qualifications for which one or more ETQAs are accredited.
- Recommend new standards or qualifications, or modifications to existing standards or qualifications, to the National Standards Bodies (NSBs) for consideration.
- Maintain a database acceptable to SAQA.
- Submit reports to SAQA in accordance with its requirements.
- Perform such other functions as may from time-to-time be assigned to it by SAQA.[4]

The HEQC will conduct its audit responsibilities within a context where a number of other statutory QA bodies (professional councils and SETA ETQAs) will be engaged in programme accreditation in addition to the accreditation activities of the HEQC itself. Within the cooperative and partnership model envisaged by the HEQC, information from audit will be made available to support programme accreditation where appropriate, and information from programme evaluation and accreditation will be considered in the institutional audit process.

HEQC audit judgements will be impacted on by the work of the DoE as it further unfolds its restructuring agenda. This will apply particularly in relation to emerging institutional mission and programme specifications, and equity and efficiency targets indicated in the national plan for HE.

1.2 Restructuring and transformative context

In South Africa, where the higher education system has been characterised by fragmentation, uneven provision and decades of racial segregation, the challenges of higher education transformation co-exist with demands for social and economic justice that are at the core of the agenda of democratic change in South African society. The restructuring of higher education in South Africa to produce a more just, effective, efficient and responsive system has been a systemic and institutional focus for a number of years. The work of the HEQC, including its auditing responsibility, will be conducted within the context of the ongoing restructuring to produce a transformed higher education system.

In common with other national QA systems, the rationale for carrying out audits of higher education (HE) institutions in South Africa is to contribute to the development,

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[4] *Criteria and Guidelines for ETQAs*, SAQA Policy Document, p27. 5 HEQC Founding Document p27

maintenance and enhancement of quality in educational provision. Within the South African context, the audit system will have to take into account the particular demands, challenges and capacity constraints that impact on educational quality. The audit system must respond realistically to the policy goals and needs of the South African HE sector as a whole, as well as to the very diverse missions and needs of each HE institution. The audit system must contribute to the development of a HE sector that can meet the complex learning and knowledge development needs of South African society. The primary policy goal in this regard is the creation of a single, co-ordinated and differentiated system of HE that can effectively address issues such as equity and development while meeting high standards quality. Specific quality-related goals are:

- Addressing race and gender imbalances with respect to student enrolment in programmes and fields of study.
- Improving throughput, retention and graduation rates.
- The development and effective management of relevant curricula.
- The provision of supportive environments that nurture equality of opportunity so that all students and staff have optimal conditions for success in teaching and learning.
- The achievement of equity and development goals with respect to staffing.

The achievement of equity is crucially linked to our capacity to mobilise human resources of a quality that meets our development needs in an increasingly competitive global environment. Quality in HE must therefore also be understood in relation to the goals of the national Human Resource Development Strategy, which also informs the National Plan for HE. Specific goals in this regard include:

- Changing the ratio between enrolments in the humanities and the natural and economic sciences, without compromising the quality of either domain.
- Enhancing the responsiveness of HE to societal interests and needs.
- Improvements in research management and productivity.

At a macro level, the national quality assurance (QA) system forms a crucial component of the steering mechanisms that will be used for systems development and monitoring. The audit and accreditation systems of the HEQC will be major components of a national system of QA for higher education, together with capacity development initiatives that will support its development.

At the level of individual HE institutions, audit will take place in a context of continuing structural inequalities and uneven development, which includes a rapidly expanding sub-sector of private provision. The HEQC audit approach will seek to be flexible enough to accommodate these changes in an emerging landscape without compromising the role of QA in HE transformation.

2. THE HEQC'S APPROACH TO INSTITUTIONAL AUDIT

In this section, the HEQC approach to audit is defined; the objectives and principles of audit are set out; and the approach to quality is articulated, together with the criteria used for audit judgements.

2.1 Defining an institutional audit

Audit is a term that is applied to a feature of external QA systems in many countries as governments seek to make HE more accountable and responsive to social and economic needs. Audit as part of the QA system reinforces the necessity for effective internal mechanisms for managing and monitoring educational provision. Audit has its origins in the requirements for financial accountability in the private sector, but is now a common part of QA discourse in HE.

In business, an audit traditionally implies an inspection for compliance according to narrowly prescribed rules. A much broader and more nuanced definition of audit is typically used by quality agencies operating in HE. In the approach adopted by the HEQC an institutional audit is understood as the process of assessing an institution's capacity to manage and improve the quality of its teaching and learning, research and service learning activities in a manner that:

- Meets the institution's specified plans, objectives and outcomes coherently.
- Demonstrates that it has appropriate QA arrangements to assure the quality of its core activities.
- Demonstrates that its planned QA arrangements are being implemented effectively.
- Engages constructively with the expectations and needs of various internal and external constituencies.

An important step when establishing an audit system is to decide on how far audits will evaluate the quality of outcomes in addition to auditing. The HEQC approach will relate to the quality of outcomes only in respect of considering information and evidence on the <u>effectiveness</u> of the systems and processes intended to achieve the outcomes.

Institutional audits can have various foci, such as an audit of management systems, processes and practices; an audit of finance and governance; or teaching and learning, research and service learning. In the framework presented here the focus in general will be on the effectiveness of the quality assurance of teaching and learning, research and service learning. The audit will also take the mission and objectives of each institution into account. The audit methodology will include the use of selected audit trails to look into any area that impacts significantly on the quality assurance of teaching and learning, research and service learning. Audit trails may, for example, track the impact of institutional QA policies and procedures to a sample of programmes.

The audit process essentially consists of two closely related aspects: the self-evaluation conducted by the institution, and the external review that serves to validate the information and evidence provided by the institution on its internal policies, processes and mechanisms for quality management.

2.2 Objectives of the HEQC audit

In setting out the objectives given below, the HEQC was concerned to link accountability to improvement in a way that will enable institutions to develop and sustain effective quality assurance systems. Thus, one objective of an audit is to provide evidence that will indicate how effectively providers are maintaining and improving their internal quality management systems. This links with the objective to support evidence-based planning that will lead to continuous improvement. For the HEQC, a further objective of an audit is to provide information that will indicate whether or not an institution can be given self-accreditation status in relation to existing programmes not covered by professional councils or SETA ETQAs. For the institution, this objective provides a significant incentive to maintain and improve the standard of quality systems required to achieve self-accreditation status, since it lessens the degree of direct scrutiny by the HEQC and allows the institution to take evaluation responsibility in a number of programme areas.

The objectives of an HEQC audit are to:

1. Enable a higher education institution to assure itself, its stakeholders and the HEQC that its systems, policies and processes for the development, maintenance and enhancement of quality in all its educational offerings are functioning effectively.

2. Provide information that will enable providers and the HEQC to identify areas of strength and excellence as well as areas in need of focused attention for planned improvement in the short, medium and long term. The information will support institutional QA processes such as evidence-based planning, implementation, monitoring and review. At a national level, the information can be used by the HEQC and bodies such as SAUVCA, the CTP and APPETD to plan, conduct and monitor capacity-building initiatives.

3. Provide the information that will enable the HEQC to judge whether the institution is ready, in terms of its quality systems, to acquire self-accreditation status for a six-year period. This will allow the institution to take responsibility for the evaluation and accreditation of its own existing programmes in all fields not covered by a professional council or SETA ETQA.

4. Provide for consistency in quality assurance across the higher education sector and generate a national picture of the role of quality assurance in the management and transformation of higher education. It will also enable the HEQC to make a judgment on the overall status of quality assurance in higher education and monitor system level improvement.

5. Contribute to the promotion of a culture of quality and continuous quality improvement in higher education.

2.3   Principles of the HEQC audit

The following principles will guide the development and operation of the audit system.

1. A basic principle underlying the audit approach is that the primary responsibility for quality and quality assurance rests with higher education providers. Providers are required to establish and sustain effective institutional quality assurance systems and processes that will yield reliable information for internal QA planning and external audit.

2. The responsibility of the HEQC is to establish an external audit system that can validate the effectiveness of internal quality assurance arrangements, especially as they pertain to the development, enhancement and monitoring of quality in teaching and learning, research and service learning programmes.

3. The audit will provide the institution, its stakeholders and the HEQC with reliable information on whether and how the institution is delivering quality in its teaching, learning, research and service learning programmes. Protection of the learners and safeguarding the standards of qualifications are important considerations in this regard.

4. Relevant information from the audit will be available in the public domain in an appropriate form, given the need to address issues of accountability as well as improvement.

5. The audit will allow the institution to account to relevant stakeholders on how effectively it is achieving its mission through the quality of its education and training programmes, and how it is adhering to its own plans for continuous quality improvement. At the same time, the audit will enable the institution to set development targets for quality improvement on the basis of what it has already achieved.

The following principles define how the audit and accreditation systems are linked.

6. The audit information on the effectiveness of internal quality assurance systems offers the institution the possibility of achieving self-accreditation status for a period of six years, enabling it to re-accredit all existing programmes not covered by any professional council or SETA ETQA. The HEQC will grant this status on the basis of audit outcomes and other quality related information. This will reduce the scope and intensity of HEQC scrutiny and provide for relative institutional autonomy and self-regulation in particular programme areas.

7. In setting development targets, the provider and the HEQC could focus on the achievement of self-accreditation status. Initiatives to promote and develop quality

assurance capacity would also involve organisations such as SAUVCA, CTP, APPETD, APAC (Association of Principals of Agricultural Colleges) and others.

2.4   The approach to quality and the criteria for HEQC audit judgements

In accordance with Section 6 of the HEQC's *Founding Document*, the audit framework will operate broadly within the understanding of quality as 'fitness for purpose', 'value for money' and 'transformation' within an overarching 'fitness of purpose' framework. This notion of quality also stresses the multi-faceted responsibility of institutions in addressing the needs and expectations of a variety of constituencies. An institutional audit should provide the state, learners, employers and society at large with assurances concerning the effectiveness and efficiency of an institution's internal quality management systems.

The notion of quality employed in the audit framework is premised on the principle that institutions have the primary responsibility for QA. In arriving at audit judgements, therefore, the HEQC will use as a starting point the criteria based on the institutions' own specification of mission and objectives. It will be assumed that institutional missions have taken national imperatives into account as articulated in the Higher Education Act, the National Plan for Higher Education, the Human Resource Development Strategy and other policy frameworks.

In developing audit criteria, the HEQC will operate within the minimum standards requirements for institutional efficiency set by the DoE and institutional governance structures. With respect to quality assurance for effective teaching and learning, research and service learning, the HEQC has initiated a number of national projects to generate criteria for QA. These will be developed in consultation with providers in time to be used during pilot audits in 2003. The HEQC will also take into account institutionally set requirements and guidelines for teaching and learning, research and service learning.

Guides to good practice will be developed to assist institutions in the development of policies, processes and structures for quality management that are appropriate to their requirements and contexts. Such documents will themselves be regularly reviewed and improved, with practitioners making the major input.

2.5   Consequences of the HEQC audit

- The purpose of audit is linked strongly to producing evidence-based information that could be used by the institution for planning, implementing and monitoring quality development and improvement. Such information will be used by the HEQC to make a judgement on the effectiveness of the institution's internal quality systems for teaching and learning, research and service learning programmes, and to make recommendations for improvement.

- The HEQC does not allocate any funds to institutions or programmes, nor make any direct input into decision-making on the funding and financing of higher

education. HEQC Audit outcomes, therefore, are not directly linked to funding. Funding for public institutions is the responsibility of the DoE, and for private providers the responsibility of their owners or governors.

- A positive audit judgement could contribute to a decision by the Accreditation Committee of the HEQC to grant self-accreditation status to the institution for a six-year period. This status will enable the institution, under specified conditions, to re-accredit existing programmes in all areas not covered by a professional council or SETA ETQA.

- There will be no ranking of higher education institutions.

3. SCOPE AND FOCUS OF HEQC AUDITS OF INSTITUTIONS

As has been stated, the scope of HEQC audits will cover the broad institutional arrangements for assuring the quality of teaching and learning, research and service learning programmes. Issues of governance, management, finances and other institutional operations will be looked at only in relation to their impact on the three specified areas.

An audit will focus on the effectiveness of the internal quality management for teaching and learning, as well as research and service learning where appropriate to the mission of the institution.

The following areas will be targeted for attention:

- Institutional quality assurance:

    a) Policies, systems, structures, resources and activities to support and enhance the quality of teaching and learning.
    b) Policies, systems, structures, resources and activities to support and enhance the quality of research (if pertinent to institutional mission).
    c) Policies, systems, structures, resources and activities to support and enhance the quality of service learning programmes including co-operative education programmes (if pertinent to institutional mission).
    d) The integration of quality assurance with institutional planning and resource allocation.
    e) Stakeholder and/or expert surveys on the quality of provision.
    f) Benchmarking standards and good practice in respect of effective quality systems (against institutional, national and international benchmarks).

In relation to teaching and learning, the following will be addressed:

- Staff development policies, plans and activities.

- Student access and development – policies, plans and activities.

- Programme development and review - Internal quality assurance arrangements for:

  a) New programmes.
  b) Updating and monitoring of existing programmes.

- Student assessment, throughput and completion rates

4. METHODOLOGY OF THE HEQC AUDIT

The audit cycle will be six years and will follow a particular methodological model that consists of closely related steps and processes, organised into eight phases as shown in Appendix 1. Each of these phases is associated with key decisions and outcomes based on a particular source and type of information. The main features of each phase are set out below so as to give an overall account of the audit methodology. Details of the audit process are given in the section on the audit process.

4.1 Phases in the audit cycle

Phase 1:   Notification of the date of the audit
The HEQC will decide where to place each institution in the initial audit cycle. Thereafter, the institution will have to be audited within six years of its first audit, using the date of the external review visit as an approximate guide. A number of factors will influence the decision, including information on the status of the institution's QA systems, drawn from sources that will include programme accreditation and programme evaluation. Enough time will be given to the institution to conduct an effective self-evaluation before the external panel's visit. Having determined the year and (approximately) the month of the external review visit, the HEQC will negotiate the exact date with the institution. The critical outcome of this decision will be the institution planning and commencing the self-evaluation phase of the audit.

Phase 2:   Self-evaluation by the institution
The outcome of this phase will be a self-evaluation report that addresses the issues specified in the audit manual provided to institutions and identified by the HEQC through consultation with the institution. The report should be based on a clearly defined set of evidence, which should be outlined in the report and be made available to the external review team in advance of the audit, and when required during the audit.

Reports will have separate descriptive and analytical sections. The former will deal with what QA systems are in place and with what objectives; and the latter will make a judgment on the effectiveness of what is in place. The HEQC will monitor the overall progress of the self-evaluation, based on interaction with the institution, which may include a brief progress report submitted by the institution and a visit by HEQC officials.

Phase 3:   Selection of an audit panel and chairperson by the HEQC
The HEQC will put together an appropriate panel of experts, based on factors such as the mission of the institution. The details of this process can be found in the section on the audit process, including the general principles that will inform panel selections. Institutions will be invited to comment on the panels which will be finalized by the HEQC. The outcome will be confirmation of participation by the members of the panel.

Phase 4:   Analysis of the self-evaluation report by the external audit panel
The self-evaluation report, with supporting documentation, will be submitted to the HEQC, which will in turn submit it to the audit panel. The HEQC will include supplementary information drawn from other sources, such as programme accreditation and programme evaluation processes. The purpose of the external audit process is to express an independent judgment on the extent to which an institution is discharging its responsibility for the issues that form the subject of the institutional audit. The panel of experts will engage with the self-evaluation report as a basis for asking the institution to account for the manner in which it manages its QA policies and processes. The panel will begin to assess the quality and integrity of the data and analyse it according to guidelines that will be provided. This phase of the audit process will result in the following outcomes:

- A possible decision to request additional information from the institution and/ or the HEQC.
- A specification of audit themes, audit focus areas, audit trails and other recommendations relating to the conduct of the audit. This will be in addition to the standard areas of audit that will be specified in the audit manual.

An audit focus may be on a particular process (such as programme review) or on a structure (such as a faculty). An audit theme would cut across several structures or processes, such as the way in which QA policy is reviewed by senior management. An audit trail would seek to explain, for example, why student throughput is relatively high or low in a particular faculty by exploring a range of possible factors: e.g. change in curriculum, staffing, infrastructure, student access, assessment, etc.

Phase 5:   Visit to the institution by the external audit panel
The main purpose of the visit will be to validate the self-evaluation report in respect of:

- The quality of the information and analyses presented.
- The claims made and evidence presented in respect of the effectiveness of the QA systems that are in place.

- The claims made and evidence presented in respect of plans for improvement of quality and QA systems.

The objective of the panel will be to arrive at a balanced judgment of the effectiveness of the quality systems using institutional mission and specified criteria to test the audit evidence and information. Other sources of evidence would include relevant information from selected programme evaluations that were conducted by the institution, the HEQC, a professional council or SETA ETQA.

The larger institutions may require a visit of three to four days by a panel of five to six experts, but the smaller institutions will require a smaller panel and less time. The panel will meet with different groups and constituencies that were previously identified by the panel and through prior consultations between the panel, the HEQC and the institution. The outcome of this phase will be a draft audit report submitted by the chairperson of the panel to the HEQC.

Phase 6: Response to the draft audit report by the institution
The HEQC secretariat will request a response to the draft report from the institution. The institution's response will include an action plan that addresses the issues identified in the report and which must include implementation and monitoring procedures. The draft audit report and the institution's response will be forwarded to the HEQC board with supporting documentation, including an internal report of the audit process prepared by the secretariat. Information may also be drawn from programme accreditation and evaluation processes. A procedure will be established whereby an institution can appeal against the findings of a report.

Phase 7: HEQC approves the final report
The HEQC board will consider the draft audit report, the institution's response and related documents and decide on the following outcomes:

- The form and content of the final audit report.
- In which form, and with what content, the audit report should be made public.
- Which information will go to relevant stakeholders.
- Which steps, with specified timeframes, should be taken by the institution, the HEQC and any other relevant bodies.
- Which recommendations will be forwarded to the Accreditation Committee with respect to awarding self-accreditation status to the institution.

Phase 8: Monitoring and follow-up process
The HEQC secretariat will draw up and implement a monitoring and follow-up plan, based on the recommendations and timeframes specified in the final audit report. The institution, if required, will submit reports to the HEQC on progress made in implementing its quality improvement plan. The secretariat may organize follow-up visits to the institution and will, if required, prepare a progress report for the HEQC.

This report may take additional information into account from recent programme accreditation and evaluation activities.

The institution will submit a mid-cycle report to the HEQC, usually three years after an audit, according to specified criteria and procedures. This will highlight the issues raised in the audit, any other significant developments that relate to quality or quality systems, as well as relevant plans for the remainder of the cycle. This report, together with other information available to the HEQC, will influence the decision on when to conduct the next audit in the subsequent cycle. A visit to the institution by HEQC staff may also be undertaken in the middle of an audit cycle.

4.2 The relationship between institutional audits, programme accreditation and programme evaluation

The range of current and planned quality assurance activities in the HE sector includes the following:

- Institutional audits carried out by the HEQC.
- Programme accreditation carried out by the HEQC.
- Programme accreditation activities delegated to other ETQAs by the HEQC.
- Programme evaluations initiated by the HEQC, e.g. of MBA programmes in higher education.
- Programme evaluations initiated and managed by HE institutions.

The challenge for the HEQC is to design a QA system for higher education that articulates the above processes in a way that produces maximum benefit to providers and the HE sector as a whole. The HEQC will seek to make such a QA system:

- As simple as possible within a complex environment.
- Manageable and adaptable.
- Effective and efficient.
- Intelligible and credible to all stakeholders.
- Able to integrate requirements applicable to higher education as well as training.

More specifically, the HEQC will develop the systems of audit and accreditation with the aim of:

- Sharing critical information and building synergies across the QA system.
- Giving maximum ownership to institutions and stakeholders, while holding them accountable for improving and maintaining their QA systems.

The major point of articulation between the systems of audit and accreditation lies in the policies and processes relating to the accreditation and evaluation of programmes. The HEQC will accredit new programmes which meet or exceed minimum standards of educational quality for six years. The re-accreditation of existing professional programmes in higher education will be delegated to relevant professional councils and

SETA ETQAs, provided that HEQC requirements are met. The existing programmes not covered by any professional council or SETA ETQA, will be self-accredited by those institutions that can demonstrate that their QA systems are effective. The HEQC will set out broad requirements, criteria and guidelines with respect to this process and the conduct of self-accreditation. Self-accrediting institutions would have to re-apply for this status every six years.

Institutions whose quality systems do not meet the requirements for self-accreditation status will continue to submit to the HEQC for re-accreditation those programmes that are not covered by another ETQA. The achievement of self-accreditation status could become a target of quality assurance capacity development initiatives for the provider and the HEQC, as well as of organisations like SAUVCA, CTP, APPETD, APAC and others.

In arriving at a judgement on the status of an institution's QA systems, the HEQC will depend on the outcome of institutional audits, as well as on information from programme accreditation and evaluations. The programme evaluations may have been initiated by the HEQC, the institution, or other ETQAs.

5.   THE INSTITUTIONAL AUDIT PROCESS

Some of the details of the audit process, as given in this section of the document, may change in the process of developing manuals, guidelines and procedures. The intention here is to present a reasonably accurate picture of what an audit will entail.

5.1   The pre-audit preparation

A schedule of institutions to be audited in a particular year of the six-year cycle and dates of visits will be prepared in advance so that each institution has several months in which to prepare for its audit. In any particular year, an appropriate balance will be maintained between the different types and sizes of institutions to be audited. The final decision on when to conduct a particular audit rests with the HEQC, but as far as possible, this will be negotiated with the institution concerned.

The preparation process will commence, in advance of the self-evaluation process, with a preliminary discussion between the institution and the HEQC about the structure and content of the proposed audit. The purpose of this discussion is to clarify the scope of the exercise and to consider the possibility of themes or audit trails for further enquiry. Both pre-planned and unplanned audit trails are possible. Planned audit trails are identified during the preparation stage, the institution concerned is notified of this, and additional information may be requested from institutions in this regard. An unplanned audit trail occurs when it becomes evident that a particular issue has to be investigated

further, for instance in the course of a visit. Additional information will in that case be requested from the institution.

Institutions will be requested to appoint a senior quality assurance representative to serve as the contact person for the audit process and to facilitate the internal process of self-evaluation. An efficient system of communication will be established between the institution and the HEQC during the preparation period and the follow-up processes.

5.2   The self-evaluation process

The audit manual
The HEQC will provide an Audit Manual for Higher Education Institutions. This will be produced after consultation and piloting, and will be reviewed after each round of audits. The manual will cover the following:

- The scope of the self-evaluation, providing self-evaluation guidelines covering the aspects to be included in the process.

- The philosophy and methodology informing the self-evaluation.

- The timeframe for the process. This will outline a number of steps that need to be accomplished within the self-evaluation process. This will assist institutions to undertake their self-evaluation in a structured manner. For example, it will specify what data needs to be collated, the need to involve a wide cross-section of stakeholders, what interim reporting procedures are necessary and what elements ought to be included in the final self-evaluation report.

- Reporting procedures. The self-evaluation report will be required to be both descriptive as well as analytic and self-reflective. This implies that, while guidelines will be provided on the elements to be covered in the self-evaluation report, the report will not be a presented only as a checklist of items.

Interaction with the HEQC
The HEQC will interact regularly with institutions during the self-evaluation phase of the audit. At least one meeting of relevant HEQC staff and institutional representatives will take place in the preparatory period. There will be ongoing email and telephonic contact with the institutional liaison person, and the HEQC might require and comment on interim reporting on the progress of the self-evaluation prior to the audit visit. The institution will submit its self-evaluation report to the HEQC by a specified date that will be at least six weeks before the audit visit.

5.3 Audit panels: selection, recruitment, panel size and orientation

Selection of the audit panel

The HEQC will, in due course, develop a register of potential and accredited institutional and specialist auditors, and publish guidelines for the selection of auditors. This register will be a document with names added and removed as suitable people become available or unavailable to serve. Every attempt will be made to ensure that the auditor cohort reflects appropriate sectoral, geographical, gender and racial balances. The HEQC will select institutional and specialist auditors for a specific audit visit from the register. Auditors will serve on panels in their own right.

Specialist auditors may be selected to serve on audit panels – particularly when audits engage in audit trails into specific aspects of institutional activity. They should be capable of making judgements about the quality and standards of the specific areas under scrutiny, and should be familiar with recent developments in such areas. Similarly, the decision as to whether to recruit one or two specialist auditors to conduct an audit trail will depend on the tasks to be undertaken. For example, if the audit trail is proposed in order to verify the validity and reliability of the review of an internal function, then one specialist auditor might be sufficient. If the task involves discussion of less tangible or more complex aspects, then two specialist auditors might be needed.

Institutional auditors will be recruited on the basis that they accept to undertake at least two audits over a period of two years. They may continue beyond two years by mutual agreement. Specialist auditors for institutional audits will be recruited as needed from the register of specialist reviewers maintained by the HEQC.

The size and composition of an audit panel

Each audit requires a panel chairperson and an *ex-officio* staff member from the HEQC, who serves as the audit officer. Panel members will consist of a number of external institutional auditors, of whom one would be appointed as the panel chairperson, and of whom some may be specialist auditors - depending on the number and type of audit trails that are to be undertaken. Where auditors have both specific and institutional-level expertise and skills, their roles may be combined. This combination of roles may not extend to all the audit panels. All auditors will function within the context of a team and the judgements of the team will represent the views of all its members.

It may be necessary to include an employer and a person from a professional council or a SETA. Another possibility is a person who has in-depth knowledge of student affairs.

The size of the panel is dependent on the size and complexity of the institution to be audited, and the requirements of the specific audit visit. A panel of two auditors may be adequate for a small, specialised provider. Six or more auditors may be required for a large multi-purpose provider. The HEQC will have the final say in determining the size and composition of the panel for each institution, but institutions will be invited to comment on the panels selected. However, the panel composition will be finalized by the HEQC.

The audit officer will be charged with the following tasks:

- To survey the audit documentation prior to the audit to ensure completeness and comprehensiveness.
- To act as the audit panel's principle contact point with the institution.
- To advise and assist the panel chairperson in the pre-visit training stage.
- To assist the panel chairperson to compile the draft audit report.
- To assume responsibility for the recording of the proceedings.
- To oversee all the administrative and logistical arrangements.

In the case of larger institutions, an additional audit administrator will be appointed to facilitate the above process. In summary, the institutional audit panel will consist of:

- An *ex-officio* staff member of the HEQC, who serves as the audit officer and is responsible for the overall conduct of the audit.
- A chairperson (a registered external institutional auditor).
- An audit administrator(s) if required.
- Additional institutional auditor(s) if required.
- Specialist auditor(s) if required.
- Representatives of employer and professional/statutory bodies if required.

5.4   Panel-member training and orientation

The HEQC programme for the training of panellists will have three components: the development of a Quality Auditors' Manual, basic auditor training using the Manual and orientation of auditors before a specific audit visit.

Quality Auditors' Manual

The HEQC will produce a Quality Auditors' Manual for panellists, which will be used for the training and guidance of auditors. The manual will be a public document and will be made available to all those involved in managing and conducting the external audit. Examples of possible contents are:

- The meanings of quality and of quality assurance in higher education in general and in the South African context.
- The HEQC methodology for institutional audits.
- The objectives of the auditing process.
- The roles of the chairperson, audit officer and panel members.
- Responsibilities of the auditors for:

  - Preparation before the audit.
  - Conduct and ethics of audit.
  - The audit process.

- Administrative issues, e.g. procedures relating to travel, accommodation, remuneration and subsistence.

- Legal and confidentiality issues.

Basic training in the methodology of the HEQC audit

People on the Auditors' Register will be required to undergo training on HEQC audit procedures, using the Quality Auditors' Manual indicated above. This training will be undertaken by potential auditors who meet specified requirements, with the aim of establishing a sufficiently large pool from which to draw. The training may precede an audit, in which case only the new panellists will undergo this part of the training.

The training should afford the potential chairpersons and panel members opportunities to explore and practise the techniques of data collection, assimilation and analysis, hypothesis construction and testing and the forming of judgements in the context of audits. The preparation and writing of audit reports will also constitute a significant part of the training.

Audit chairpersons, audit officers and audit administrators will receive training specific to their roles.

Orientation of auditors to audit a particular institution

The panellists for a particular audit will meet in a planning workshop under the leadership of the panel chairperson, assisted by the HEQC audit officer. The purpose will be to discuss the contents of the institution's submission and to agree on the strategy for the audit visit.

The orientation workshop will ideally take place a few weeks before the actual audit visit. The purpose of orientation will be to ensure that:

- The chairperson is fully aware of his/her role and responsibilities.
- The team members understand the aims and objectives of the audit process.
- All members are acquainted with the procedures involved and understand their own roles and tasks, including the importance of team coherence.
- The HEQC briefs the panel on audit expectations and the rules and ethics governing the process.
- Those undertaking audit trails, or audits of themes and focus areas, are properly prepared.

5.5   Documentation

Pre-audit documentation required from institutions

At the appropriate time, the HEQC will request the following information and documentation:

- The institution's programme and qualification mix and its three-year rolling plan or equivalent institutional plan.

- The institution's self-evaluation document, which will remain confidential between the institution, the audit panel members and the HEQC.

- Documentation and information that provides evidence to support the self-evaluation report.

- Information, documents and records, such as illustrative material that may be requested in relation to audit trails, focus areas or themes. This would generally be requested before the visit of the audit panel to the institution, but additional material may be requested during the visit.

- QA related reports from the HEQC and other sources: for example professional and statutory bodies, stakeholder surveys and programme evaluations.

Institutions will be requested to submit their documentation to the HEQC, together with the self-evaluation report, at least six weeks before the audit visit. A representative of the institution's senior management committee should approve this documentation for distribution.

The HEQC secretariat will provide additional relevant information from sources such as the DoE and its own records.

Pre-audit documentation review and distribution of information to panel members by the HEQC
On receipt of the relevant documents from the institution, the HEQC will review the self-evaluation report and other documents. If the documentation does not meet requirements as specified in the Audit Manual for Higher Education Institutions, the HEQC will request additional information. The relevant documentation will then be distributed by the HEQC to the appointed audit team members, together with a brief report based on the review of the document.

5.6 Conduct of an audit visit

An audit visit normally extends over two to three working days, although shorter or longer audit visits may be scheduled depending on the size and complexity of the institution. Each audit panel will decide on the programme for the visit, within guidelines and procedures set out in the Auditors' Manual. The following indicates how a visit might be constructed:

The first day could include a formal opening session and a briefing meeting of the audit team and representatives of the institution, including the head of the institution. During this meeting the team may indicate the additional information that it may require, such as additional illustrative documentation needed by specialist auditors. The team could

review its lines of enquiry for the audit visit, finalise the visit programme and allocate particular responsibilities to individual members. The briefing meeting will also offer the institution an opportunity to bring the team up to date on relevant developments.

The audit team will then meet briefly to discuss the progress of the audit and issues such as the validation of the self-evaluation report.
On the second and/or third day, the institutional auditors might investigate audit trails and any thematic or focus areas, chosen for enquiry. The team could also have a final series of meetings with relevant institutional staff, students and structures.

The panel will spend most of the visit interacting with the staff of the institution. However, some time must be allocated for the team to discuss progress and manage the process. If necessary, the team will have to meet after the visit to review its findings and decide on:

- Their level of confidence in the effectiveness of the institution's quality systems.

- Progress made towards quality improvement goals.

- The integrity of the self-evaluation process and the quality of information generated by the institution's systems.

The panel will then identify particular institutional strengths and weaknesses and agree on recommendations. At the end of the visit, a formal closing meeting should be held between the audit panel members and the institutional representatives. The salient issues which emerged in the course of the audit can be presented at the meeting.

Further aspects of the conduct of the audit visit, such as the treatment of sensitive issues, the possible role of institutional observers, facilities inspection and the recording of proceedings, will be discussed in the appropriate HEQC audit manual.

5.7 The audit report

Preparation of the initial draft report
Audit reports should conform to accountability requirements and should support the objectives of the audit process. The report must fulfil the improvement mandate of the HEQC by assisting the institution to identify its strengths, weaknesses and development priorities in respect of its quality systems. The HEQC should also ensure that audit reports provide stakeholders with information. There is, for example, a need to ensure that current students are not educationally at risk in terms of available institutional resources and facilities, or serious deficiencies in their learning experience.

The chairperson will prepare the draft report with the assistance of the audit officer and in consultation with other panel members. The report must be submitted to the HEQC within a specified period following the institutional audit visits. The first draft will be sent to audit panel members for their comments and amendments for the second draft, which will be produced by the panel chairperson with the assistance of the audit officer.

The second draft will be sent to the head of the institution to rule out factual errors. Thereafter, a final draft report, incorporating these corrections, will be produced and sent to all members of the panel for endorsement. In exceptional cases, where consensus cannot be achieved, the individual view of a panel member may be recorded.

The audit reports of the HEQC should be carefully and appropriately written, with the judgements and recommendations based on adequate evidence. However, the HEQC might find that there are substantive sensitive issues to be addressed, which if made public might put students' education at risk, or damage the institution substantially. In that case it may recommend that a confidential management letter be sent to the head of the institution, together with the draft report.

Institutional response and action plan for improvement

The audit officer will submit the final draft report to the institution with a request for an official response and a suitable quality improvement plan based on the recorded findings and recommendations. The improvement plan must include adequate arrangements for the management and monitoring of implementation. Institutions can challenge specific findings of the audit team in their response to the draft report.

Approval and publication of the final audit report.

The HEQC's audit officer will submit the draft report to the HEQC, together with the institution's response, supporting documentation and a brief report on the audit process that he/ she will prepare. The HEQC will indicate which information should be given to relevant stakeholders, and what the form and content of the public audit report will be. An appropriate form of the audit report will be published on the CHE/HEQC website. The institution will be given a copy of the final report before publication, and there will be a formal procedure whereby an appeal can be lodged with the HEQC before the report is made public.

5.8   Monitoring and follow-up

Audit reports will contain recommendations on areas of weakness which the particular institution should improve upon, or strengths that it should sustain and further develop, before the next cycle of quality audits. Issues for attention will be classified as requiring immediate, short-term or long-term action. The HEQC will require a first interim report from the institution on progress towards implementing the recommendations within the time specified in the audit report, and may require further reports depending on the circumstances. In cases where the recommendations are far-reaching, or where the institution is considered to be in crisis with respect to quality, a follow-up visit to the institution will be undertaken by HEQC staff.

The audit process will not be finally 'signed off' until the HEQC is confident that the institution has a viable plan to address the issues raised in the report, and that it has taken significant steps towards implementation. Should there be any doubt as to the successful

outcome of the implementation process, the HEQC might request a further institutional visit.

Institutions will be required to submit a mid-cycle report to the HEQC, usually three years after an audit. The HEQC will provide the institution with broad criteria and procedures that will indicate the structure and focus of the report. The report will include:

- Progress made towards goals in the quality improvement plan.

- Any significant new developments that relate to quality or quality systems.

- Relevant plans for the remainder of the current audit cycle.

The mid-cycle report will be taken into account when the HEQC decides on when the institution should be audited in the next six-year cycle, together with other information available to the HEQC. A visit by HEQC staff may also be undertaken when the mid-cycle report is due, or in response to issues raised in the report.

5.9   Feedback on the audit process

The HEQC will obtain information from the parties who participated in an audit in order to adapt and improve on its own procedures. Panel members will be requested to provide feedback on the adequacy of their training, leadership of the chairperson, value of the audit and satisfaction with logistical arrangements. The institution will be asked to provide feedback on whether audit objectives were met, the competence and professionalism of the audit panel members and chairperson, and whether the institution has benefited from the process.

The chairperson should participate in a debriefing session with the HEQC after every audit. Matters to be discussed will include the audit process, feedback on individual auditors, handling of logistical issues and the HEQC's contribution to the audit. The HEQC will, on the basis of such feedback, review the performance of each individual auditor and chairperson, as well as the conduct of the entire audit process.

5.10   Logistics

Accommodation and travel
In respect of the audit panel's visit, the HEQC will be responsible for coordinating arrangements for accommodation and travel to the institution.

Technical assistance

The institution to be audited should provide technical assistance when required, including the services of a clerk or a secretary. The HEQC will ensure that arrangements are such that confidentiality will not be breached. For larger institutions, an audit administrator will assist the audit officer during the visit.

5.11   Financial matters and remuneration of panel members

In the majority of QA systems, HE institutions carry most of the costs of audits. In India and Australia, for example, the direct costs are a charge to the institution. How this is financed, however, varies considerably. In India, for example, allowance is made for audits in the government subsidy received by public higher education institutions. The financing of indirect costs (e.g. for administration) incurred by the auditing agency depends on how the agency is funded, which again varies considerably.

The HEQC has commissioned a researcher to analyse relevant local factors in the light of the experience of other systems, and to suggest policy options that will inform the HEQC's decisions with regard to the financing of the system and the possible remuneration of auditors. This will include looking at differential audit financing requirements for public and private providers.

5.12   Legal issues

Legal standing of the audit reports

Regulations governing the conduct of the audit system will be gazetted after the system has been developed and refined. However, the audit reports may contain statements which an institution may want to contest, and which it could regard as detrimental to its reputation. The HEQC will, when appropriate, take legal advice on such matters, even with regulations in place.

Contractual agreement with auditors

The HEQC will formalise suitable working contracts with audit panel members and chairpersons, as well as administrative officers if they are not members of HEQC staff.

Insurance

The HEQC will make provision for adequate insurance cover during an audit visit for all audit members.

GLOSSARY

Accreditation – recognition status given to a new programme for a specified period of time after an HEQC evaluation indicates that it meets or exceeds minimum threshold standards.

Audit – see Institutional Audit.

Audit administrator – official employed to assist in the administration of an audit, especially in the case of larger institutions. The official may assist before, during or after an audit visit. An audit administrator might be employed on a part-time basis and may, for example, be a retired senior administrator from an HE institution.

Audit cycle – a six-year cycle in which every HE institution will be audited at least once. The HEQC will decide on the interval between visits, although the exact date of the visit will, as far as possible, be negotiated with the institution.

Audit evidence – oral or written information that is either presented to the audit panel by the institution or by the HEQC, to be used as a basis for making judgments.

Audit findings – that part of an audit report in which the panel of experts expresses a judgment on the areas that have been audited and the quality of the self-evaluation report and available information. The findings would focus on the effectiveness of quality systems.

Audit focus – an audit focus may be a particular process, such as programme review, or it may be a structure such as a faculty.

Audit officer – the HEQC official who has overall responsibility for the conduct of a particular audit and who will work closely with the institution and audit panel.

Audit panel – the external panel of experts, including a chairperson appointed by the HEQC, together with the audit officer in an *ex officio* capacity.

Audit Register – a register of persons who meet the requirements to be considered for selection to audit panels

Audit report/final report – the draft report, with all relevant supporting documentation, once approved by the HEQC becomes the final and official audit report. It will include findings and recommendations.

Audit theme – An audit theme would cut across several structures or processes, such as the way in which QA policy is reviewed by senior management.

Audit trail – An audit trail would seek to explain, for example, why student throughput is relatively high or low in a particular faculty by exploring a range of possible factors: e.g., change in curriculum, staffing, infrastructure, student access, assessment, etc.

Audit visit – a site visit, usually of two to four days, which constitutes a crucial part of the process by which the audit panel validates the self-evaluation process and report submitted by the institution.

Auditor – an expert appointed to the external audit panel.

ETQA – Education and Training Quality Assurance body, responsible for monitoring and auditing achievements in terms of national standards or qualifications and to which specific functions have been assigned by the South African Qualification Authority (SAQA).

Existing programmes – programmes that have interim registration on the NQF and those new programmes that have completed their first accreditation cycle in terms of the proposed accreditation framework.

External audit/external review – these terms are used synonymously in the document to refer to the process by which an independent panel of experts validates an institution's self-evaluation process and arrives at a judgment of the effectiveness of its quality systems.

Institutional audit – a process by which an institution presents evidence, including a self-evaluation report, of the effectiveness of its quality systems. This claim is then validated by an independent panel of experts who arrive at a judgment of the effectiveness of the quality systems based on evidence made available by the institution and the HEQC.

IQMS – Internal Quality Management System. See quality systems.

Mid-cycle report – approximately three years after an audit visit has been concluded, the institution will submit a report to the HEQC on any significant development relating to quality and quality assurance, especially in relation to goals set out in its quality improvement plan.

New Programmes – programmes offered for the first time or which have changed more than 50 per cent of their content, their mode of delivery, their learning outcomes or NQF levels.

Programme – is a purposeful and structured set of learning experiences that leads to one or more qualifications and that will enable learners to achieve pre-specified exit-level outcomes.

Programme evaluation – in the context of this framework, the internal and external evaluation of a programme, including its learning outcomes, which is managed by an institution or an external body. The criteria for such evaluations will be broadly defined by the HEQC.

Public report – The HEQC must publish the findings and recommendations contained in the final audit report in the form of an appropriate public report.

Quality assurance mechanisms – the structures, processes, policies and procedures that enable an institution to assure quality.

Quality systems / Quality management systems / Quality assurance systems – these are used synonymously in this document and they refer to the larger systems in which quality assurance mechanisms are located. In the context of an institution the Internal Quality Management System (IQMS) is the term often used to refer to the overall system.

Quality cycle – defined in various ways, but usually broken down into: planning, implementation, evaluation and monitoring.

Re-accreditation – Re-accreditation - according to the HEQC's proposed accreditation framework for programmes, this refers to the process by which a programme is submitted for renewal of accreditation after a stipulated period, up to a maximum of six years after accreditation. The renewal of accreditation could be done by the HEQC, the provider itself or by another ETQA.

Self-evaluation – in the context of an audit, the process by which an institution critically reviews and evaluates the effectiveness of its quality systems. The self-evaluation report will have a descriptive and an analytical component.

Self-accreditation – in the proposed HEQC accreditation framework, the status given to an institution for six years, allowing them to self-accredit existing programmes not covered by an ETQA other than the HEQC.

Service learning programmes/knowledge based community service – these terms refer to those community service activities that are components of learning programmes.

Specialist auditors – in general, members of audit panels must have the experience and expertise needed to arrive at valid judgments of the effectiveness of the quality systems of HE institutions. However, the nature of the mission of an institution, and/ or analyses of existing information, may indicate the need to appoint auditors with specialist expertise: for example, specific to a discipline or to a management field.

Sub-institutional level – institutional audits take the institution as their primary unit of analysis, but this would usually include looking at the major quality systems of the larger sub-institutional units, such as faculties.

Appendix 1   Institutional Audit Methodology

| Notification of the date of an audit   **1** | Self-evaluation by the institution   **2** | Selection of an audit panel and chairperson by the HEQC   **3** | Analysis of self-evaluation report by external audit panel   **4** |

INFORMATION REQUIRED
Background information on the HEI (e.g., basic statistics); profile of the QA system from existing data, including programme **accreditation** and **evaluation**

DECISIONS
Information used to decide when the audit should take place within the audit cycle (e.g. in the 2nd year of the 6 year cycle)

INFORMATION REQUIRED
Communication with the HEI on planning and progress of self-evaluation; information from possible visit to HEI by HEQC officials; information as in Phase 1

DECISIONS
Information is used to judge the level and types of guidance and support required by the HEI

INFORMATION REQUIRED
Data as for Phases 1 and 2

DECISIONS
Selection of panel based on the qualities, experience and expertise required for a particular audit

INFORMATION (initial data set)
• data from self-evaluation report
• data from **programme evaluations**
• data from **programme accreditation**
• data from DoE, SAQA, etc.

DECISIONS
Panel must judge if the evidence is sufficient to make an initial analysis and decide on focus areas, themes and audit trails. Further data to be requested from the HEI if necessary

| Visit to the institution by the external audit panel   **5** | Response to the draft report by the institution   **6** | HEQC approves the final report   **7** | Monitoring and follow-up process   **8** |

INFORMATION REQUIRED
The panel will consider the following:
• initial data-set (see Phase 4 above)
• additional data requested by experts
• data derived during visit

DECISIONS
The panel must arrive at judgements on the effectiveness of the internal quality management systems, on the basis of reliable evidence

INFORMATION REQUIRED
• The draft report, together with supporting documentation, including
• data derived from programme **accreditation** and **evaluation**

DECISIONS
• Actions to be taken in response to audit findings and recommendations

• Establishing procedures for implementing and monitoring the action plan

INFORMATION REQUIRED
The HEQC takes account of :
• The report and responses to it
• secretariat's analysis of the report
• data gathered during the audit process

DECISIONS
• The HEQC decides on the timing, the form and the content of the audit report for publication and dissemination.

• Recommendations sent to the Accreditation Committee re self-accreditation status

INFORMATION REQUIRED
• Monitoring reports from the HEQC
• Monitoring reports from the HEI
• reports from other agencies and from visits if required
• **programme accreditation data evaluations**, DoE , other agencies, etc.

DECISIONS
• Monitoring and follow-up visits or other actions by the HEQC.

• Decision may be taken on the date of the next audit.

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