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| Higher Education and Skills Group  **Participation Branch Memo**  **Department of Education and Early Childhood Development** |

***NUMBER:*** *2014 / 10 / 13*

**TO:**

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| Learn Local organisations  *– ALL* | Learn Local stakeholders |  |
| Adult Education Institutions |  |  |
| Participation Branch staff |  |  |

**FROM:** Bronwen Heathfield, Director, Participation Branch

**DATE:** 13/10/2014

**SUBJECT:** *Assessing the Business and Governance status of organisations registered with the ACFE Board (formerly Business Viability Assessment)*

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| **ACTIONS:**   |  | | --- | | * Note that new *Guidelines for Assessing the Business and Governance status of organisations registered with the ACFE Board* are available on the DEECD website. * Follow the processes in the new Guidelines for all assessments submitted after 3 November 2014. Using the new Guidelines earlier is encouraged. | |

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The ACFE Board has recently changed the process for assessing the business and governance status of organisations before entering into contracts with them. The new process replaces the Business Viability Assessment process which has been used since 2006. The Guidelines for the new process are now available at <http://www.education.vic.gov.au/training/providers/learnlocal/Pages/network.aspx>

The major changes are:

* changes to some terminology (mostly in response to feedback from accountants doing assessments)
* changes to the scoring in Tier 1 to give greater weight to the measures of financial viability
* being more specific about who can do the assessment and providing more detailed instructions
* requiring you to send in your most recent annual report with the completed assessment
* giving you the opportunity to include extra information if the result of the assessment is that your organisation is not clearly eligible for funding.

The assessment must be submitted annually by your organisation before the ACFE Board will consider signing a funding contract with you. The only exception is those ACFE Board registered RTOs that have successfully completed the financial assessment process to deliver accredited training through the Victorian Training Guarantee.

If you and your accountant are well advanced with the assessment for 2015 using the previous format and process, you may submit that assessment so long as we receive it by 3 November 2014.

If you are about to start your assessment, please use the new process and Guidelines. From 3 November, the old format will not be accepted.

For further information please contact your Regional Training Participation Support Manager.