

2009 PERFORMANCE AGREEMENT

BETWEEN Victorian Skills Commission
(the Commission)

2 Treasury Place
East Melbourne VIC 3002

AND XXX Institute of TAFE
(the Board/Council)

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BACKGROUND TO THIS AGREEMENT

- A. The Commission is vested with the responsibility for vocational education and training in Victoria, pursuant to s 3.1.2 of the *Education and Training Reform Act 2006* (the Act). Pursuant to s 3.1.4 of the Act, the Commission is empowered to enter into agreements including this Agreement.
- B. The Board/Council was established to oversee and govern the Institute. The Board/Council is a body corporate and is empowered to enter into agreements including this Agreement pursuant to s 3.1.14 of the Act.
- C. The Board/Council is accountable to the Minister for the effective and efficient governance of the Institute including the discharge of its statutory functions and for the educational and financial performance of the Institute, pursuant to s 3.1.15(2) of the Act.
- D. As part of the State Government's education reform policy, "*Securing Jobs for Your Future – Skills for Victoria*" (Skills for Victoria) the State has committed \$316 million to the training industry over the next four years. The policy seeks to deliver broader and more responsive training options to individuals and businesses and strengthen the world class TAFE network that currently exist in Victoria.
- E. A key element of the Skills for Victoria reform will be the State subsidised training that will be focused on individual and business needs, led by individual and business demands and delivered by capable, flexible and competitive providers, both public and private.
- F. At a national level, vocational education and training has been identified as central to Australia's productivity growth, with an emphasis on making training systems more responsive to the country's changing labour market.
- G. The implementation of the Skills for Victoria reform will be staged over four years from 2009 - 2012. This will allow time for the redevelopment of reformed governance, funding, contract arrangements and any necessary redesign of systems and work practices for public and private providers.
- H. As part of the staged implementation, the Commission will initially enter into a 12 month Agreement with the Board/Council. A further 12 month Agreement may be entered into after the first year. The Skills for Victoria reform will be carefully monitored during the implementation and a review will be undertaken in 2010, prior to full implementation.
- I. The Parties enter into this Agreement in good faith and will act in a manner that:

- promotes trust and open communication;
 - emphasises service delivery to the Victorian community;
 - achieves a co-ordinated and integrated approach to the provision of the Services; and
 - is open, flexible and accountable in the provision of the Services.
- J. The Board/Council agrees to accept the Funds and perform the Services subject to the terms and conditions set out in this Agreement.

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, unless the contrary intention appears:

Act means the *Education and Training Reform Act 2006*.

Agreement means this agreement and includes all schedules, annexures, attachments, plans and specifications and exhibits to it.

Board/Council means the governing body of the institute established pursuant to the Act.

Business Day means a day which is not a Saturday, Sunday or a public holiday in Melbourne Victoria.

CEO means the Chief Executive Officer or relevant equivalent at an institute.

Code of Practice means a code of practice as defined in, and approved under, the *Information Privacy Act 2000*.

(the) Commission means the Victorian Skills Commission, a body corporate, established pursuant to s 3.1.3(a) of the Act.

Confidential Information means the information as detailed in clause 13.

Dispute Notice means the notice referred to in clause 10.

Funds means money provided by the Commission to the Board/Council under this Agreement as in clause 6 and 7

GST means GST within the meaning of the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) as amended.

Information Privacy Principles means the principles so identified and set out in the *Information Privacy Act 2000*.

Intellectual Property means any method, discovery, formulae, copyright, all rights in relation to inventions (including registered and registrable patents), registered and unregistered trade marks, registered and unregistered designs, circuit layouts, know how and confidential information, and all other rights including moral rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields of intangible property.

Item means the relevant item to a Schedule to this Agreement.

Minister means Minister for Skills and Workforce Participation.

Party/ Parties mean the parties to this Agreement.

Services means the services funded by the Commission, as described in the schedules attached to this Agreement.

State means the Crown in right of the State of Victoria.

Term means the period set out in clause 2.

1.2 Interpretation

- a) In this Agreement, unless the context otherwise requires:
- i) words importing any gender include each other gender;
 - ii) the plural includes any singular and vice versa;
 - iii) a reference to a person includes any other entity recognised by law and vice versa;
 - iv) a reference to a statute, ordinance, code or other law includes subordinate legislation, consolidations, amendments, re enactments, and replacements of it;
 - v) a reference to a Party to this Agreement includes the executors, administrators, successors and permitted assigns of that Party;
 - vi) a reference to an individual or person includes a corporation, partnership, joint venture, association, governments, local government authorities and agencies;
 - vii) a reference to 'dollars' or '\$' is a reference to the lawful currency of Australia;
 - viii) a reference to a recital, clause, schedule or annexure is a reference to a recital, clause, schedule or annexure to this Agreement, each of which forms a part of this Agreement; and
 - ix) where a term is defined, the definition includes all grammatical forms of that term;
 - x) if any day for the payment of Funds under this Agreement falls on a Saturday, Sunday or a day on which trading banks (as defined in the Banking Act 1959 (Cth) are not open for business in Victoria (Non-Business Day), the payment will be due on the next day which is not a Non-Business Day;
 - xi) the provisions of this Agreement do not merge or terminate on completion of the transactions contemplated in this Agreement but, to the extent that they have not been fulfilled and satisfied or are capable of having effect, remain in full force and effect;
 - xii) no provisions in this Agreement shall in any way fetter, restrict, or prevent the exercise by the Commission of discretions, elections or options available to the Commission under legislation which is applicable to the Commission;

- xiii) any waiver of a breach of this Agreement must be in writing signed on behalf of the Commission and is effective only to the extent specifically set out in that waiver;
 - xiv) neither the Commission nor the Board/Council:
 - A. is in any way an agent, partner or joint venturer of the other party for any purpose, or has any right to hold itself out as such; and
 - B. may make any promise, warranty or representation or execute any contract or otherwise deal on behalf of the other party;
 - xv) the Board/Council must not hold itself out or allow itself to appear as an agent or other representative of the Commission or the Government of Victoria;
 - xvi) where this Agreement permits a Party to take an action, form an opinion or exercise discretion, the action may be taken, opinion formed or discretion exercised by a person or entity authorised by that Party either generally or in a particular case.
- b) If there is any conflict or inconsistency between:
- i) the terms and conditions contained in the clauses of this Agreement and any part of the Schedules, then the terms and conditions of the clauses will prevail to the extent of the conflict or inconsistency;
 - ii) the terms and conditions contained in the clauses of this Agreement and any part of the annexures (if any), then the terms and conditions of the clauses will prevail to the extent of the conflict or inconsistency; and
 - iii) any part of the Schedule and any part of the annexures (if any), then the Schedule will prevail to the extent of the conflict or inconsistency.

2 TERM OF THIS AGREEMENT

- 2.1 This Agreement commences on 1 January 2009 and terminates on 31 December 2009 unless terminated earlier or the Parties agree in writing to extend the Term.

3 ENTIRE AGREEMENT

- 3.1 This Agreement records the entire agreement between the Parties in relation to its subject matter and supersedes all prior representations and agreements in connection with that subject matter.

4 GOVERNANCE

4.1 The Board/Council must perform its obligations in accordance with legislative requirements and provisions relating to governance as set out below.

- a) The Act sets out the functions, powers and accountability obligations of the Board/Council, in ss 3.1.13, 3.1.14 and 3.1.15 respectively.
- b) The Board/Council has a responsibility to assist and support the work of the CEO and other senior managers.
- c) In the exercise of its functions, an effective Board/Council understands the distinction between governance and management, and the need for the CEO to exercise expert judgement about matters within the CEO's responsibility. At the same time, the Board/Council is publicly accountable for the proper discharge of the responsibilities of the CEO.
- d) Members of the Board/Council are expected to understand and diligently exercise their responsibilities.
- e) The CEO is fully accountable to the Board/Council, and at any time is required to expeditiously provide to the Board/Council any relevant documents, briefings or data requested by the Board/Council.
- f) In addition, the Board/Council will:
 - i) ensure that appropriate compliance frameworks and controls are in place;
 - ii) ensure financial and operational risks facing the Institute have been identified, assessed and the risks are being properly managed;
 - iii) ensure that adequate reporting systems are in place and are reviewed on a regular basis;
 - iv) ensure that policies on key issues are in place and are reviewed on a regular basis;
 - v) approve and foster an appropriate corporate culture matched to the Board/Council's values and strategies;
 - vi) establish and monitor governance practices and make changes where necessary;
 - vii) evaluate the performance of the Board/Council; and
 - viii) evaluate the performance of the CEO against pre-determined criteria.
- g) The Board/Council will ensure that the Services are provided, where relevant, according to the requirements of the accredited course or endorsed national training package consistent with purchasing guides, directions or policies issued by the Commission.

- h) The Board/Council will ensure that unless this Agreement provides otherwise, the Funds provided through this Agreement will be used to supply everything necessary for the efficient and effective provision of the Services and the performance of its obligations under this Agreement.

4.2 Strategic and Financial Planning

- a) In accordance with s 3.1.13 (1) (a) of the Act, the Board/Council will develop strategic and operational business plans to ensure that the Institute is managed in an efficient and effective manner. These plans must be finalised by 1 March each calendar year and be available for audit purposes.
- b) The Board/Council will develop a budget for the calendar year in accordance with the Commission's reporting pro-forma as provided to the Institute and lodge it with the Commission by 12 December of the year prior.

4.3 Working Capital Ratio

- a) The Board/Council will ensure the Institute maintains a satisfactory working capital ratio (not less than 1:1, current assets to current liabilities [with the reported current long service leave liability reduced by the calculated long term current liability]) throughout the year and must not have an operating deficit before depreciation and excluding capital, at the end of the calendar year.
- b) Variations to these requirements detailed in clause 4.3 a) will be considered by the Commission upon written request from the Board/Council. The request would need to demonstrate the once-off strategic nature of the expenditure and ability to fund from TAFE Board/Council reserves without adversely impacting its liquidity position.

4.4 Relationships

- a) The Board/Council will liaise with Regional Councils of Adult Community and Further Education (ACFE), particularly in the development of regional plans by Regional Councils of ACFE for the purpose of performing the Board/Council's functions under s 3.1.13 of the Act.
- b) The Board/Council will liaise and support the Local Learning and Employment Networks (LLENs) for the purpose of expanding post compulsory education and training options particularly for young people.

4.5 Recognition and Promotional Activities

- a) The Board/Council will acknowledge in promotional or other material prepared by the Board/Council or Institute relating to the Services, that the Services are provided with Funds made available by the Government of Victoria.

5 THE SERVICES

5.1 The Board/Council shall carry out the Services:

- a) subject to the terms and conditions of this Agreement; and
- b) in accordance with any applicable policies as notified by the Commission and/or the State from time to time.
- c) In carrying out the Services, the Board/Council agrees to:
 - i) exercise due care, skill and judgment and at all times act in accordance with applicable professional ethics, principles and standards; and
 - ii) comply with the agreed performance targets as set out in the Schedules attached to this Agreement.

6 THE COMMISSION

- 6.1 The Commission has agreed to pay the Funds to the Board/Council in accordance with the payment schedules contained in this Agreement.
- 6.2 The Commission will ensure that all relevant guidelines are available to the Institute.

7 FUNDING

- 7.1 The Board/Council must use the Funds exclusively for the purposes of the Services and in accordance with this Agreement.
- 7.2 The Board/Council acknowledges and agrees that:
 - a) the Funds and associated payment arrangements constitute the full extent of Funds available to the Board/Council from the Commission for the Services; and
 - b) the Board/Council is not entitled to claim from the Commission any sums additional to the Funds in relation to the Services.
- 7.3 The Board/Council acknowledges that the Funds include GST where relevant.

- 7.4 Nothing in this Agreement is to be construed as creating an obligation, commitment or undertaking by the Commission to provide additional or further financial advances or assistance beyond that provided for in this Agreement.
- 7.5 The Commission will pay the Board/Council by way of financial advances derived from the Government of Victoria appropriation and Commonwealth-State Agreement for 'Skilling Australia's Workforce', the amounts specified in relation to each program in Schedule 1 of this Agreement. Except where specifically detailed otherwise, the financial advances will be made by twice monthly payments on the 1st and 15th day of the calendar month.
- 7.6 Payments for students enrolled and undertaking training in AQF levels 5-6 after 30 June 2009 will be provided retrospectively on evidence of delivery as defined by the Commission.
- 7.7 All other payments will be made in accordance with details described in Schedule 5.

8 ACCOUNTS AND RECORDS

- 8.1 The Board/Council shall:
 - a) ensure appropriate accounting processes and controls are exercised;
 - b) subject to clause 7 expend the Funds only for the purposes of the Services or matters reasonably incidental to the Services; and
 - c) keep complete records, and account for all Funds as required by legislation applicable to the Board/Council , which may include quotations, invoices, receipts.
- 8.2 The Board/Council will, on request by the Commission, make available to the Commission for inspection during business hours, all books, documents, or other records in its possession, control or power relating to the Services.
 - a) The Board/Council will provide reports to the Commission in accordance with Schedule 4 of this Agreement and as otherwise required.
 - b) The Board/Council will supply any other information reasonably required by the Commission for the purposes of this Agreement, including information sufficient to allow the Commission to satisfy itself as to the solvency of the Board/Council or capacity of the Board/Council to deliver the Services and meet its financial obligations.
 - c) The Board/Council will comply with Student Statistical Data Guidelines issued by or on behalf of the Commission from time to time and maintain an electronic student management system which is capable of periodic reporting of training activities and training outputs.

- d) The Board/Council will respond fully in writing and report to the Commission on any matter relating to this Agreement within 14 days after the receipt of a Notice from the Commission to do so.
- e) The Board/Council will keep accounting records in relation to Funds as specified in this Agreement, in such a manner as to enable them to be conveniently audited by the Auditor General of Victoria or any other entity as directed by the Commission.
- f) The Board/Council will ensure that audited financial reports submitted in accordance with Schedule 4 of this Agreement have been audited by the Auditor General and comply with the *Financial Management Act 1994* and the Financial Reporting Framework.

9 AUDIT OR REVIEW

- 9.1 The Commission or persons authorised by the Commission may conduct a performance review or audit of the Board/Council at any reasonable time:
- a) if the performance of the Board/Council gives rise to reasonable concerns of the Commission;
 - b) to establish or investigate the Board/Council's financial viability where the Funds comprise a significant proportion of the Board/Council's total budget;
 - c) to investigate allegations or suspected misuse of the Funds;
 - d) to establish whether Funds have been applied to the Services and/or
 - e) as part of the Commission's Audit and Risk Committee's Internal Audit Plan.
- 9.2 The Board/Council agrees to:
- a) co-operate with the Commission in relation to the conduct of any such audit or performance review;
 - b) permit the Commission or authorised persons to enter its premises and areas within those premises that are used for the Services, whenever the Services are being performed and otherwise at all reasonable times; and
 - c) assist and ensure that any sub-contractor engaged by the Board/Council assists, as requested by the Commission or authorised persons, with audits under this clause 9.

10 DISPUTE RESOLUTION

- 10.1 The Parties will use their best endeavours to resolve any disputes or differences prior to employing the dispute resolution procedure provided for in this clause.

10.2 Dispute Notice

- a) A Party claiming that a dispute or disagreement has arisen under this Agreement must give a Dispute Notice to the other Party, specifying the nature of the dispute.
- b) A Dispute Notice may be withdrawn at any time by the Party that gave the Dispute Notice.

10.3 Good Faith Discussions

- a) Within 10 Business Days of the date of issue of the Dispute Notice the Parties must enter into good faith discussions in an attempt to resolve the issues between them.

10.4 Minister

- a) If the Parties have not resolved the dispute within 20 Business Days of the date of issue of the Dispute Notice, either Party may refer the dispute to the Minister or the Minister's nominee.
- b) The Parties acknowledge and agree that the Minister or the Minister's nominee may:
 - i) provide written directions to the Parties as to the resolution of the dispute; or
 - ii) make such other decisions as the Minister or the Minister's nominee considers appropriate.
- c) Any decision of the Minister or the Minister's nominee that constitutes a written direction by the Minister or the Minister's nominee to a Party to a dispute will be taken to be conclusive and binding on that Party.

10.5 Performance of Obligations

- a) Notwithstanding the existence of a dispute, the Parties to the dispute will continue to perform their obligations under this Agreement.

11 TERMINATION

11.1 This Agreement may be terminated:

- a) At any time by written agreement between the Parties.
- b) At any time and without Notice (except as otherwise stated) by the Commission if the Board/Council is in default of any term of this Agreement and such default remains unremedied after 21 days Notice specifying the default complained of has been given by the Commission to the Board/Council.
- c) If this Agreement is terminated, the Commission may:
 - i) not pay to the Board/Council any outstanding portion of the Funds (if any); and

- ii) be entitled to recover from the Board/Council any unspent portion of the Funds.

12 INTELLECTUAL PROPERTY

- 12.1 The Board/Council must not, in performing the Services, do any act or undertake any process which would infringe an Intellectual Property right of the State, the Commission or any other person or body.
- 12.2 The Board/Council must indemnify, keep indemnified and hold harmless the Commission, the State and its officers, employees, servants and agents against all expenses, losses, liabilities, damages and costs (on a solicitor and own client basis and whether incurred by or award against the indemnified party) arising out of the infringement, or alleged infringement, of an Intellectual Property right where the infringement or alleged infringement occurs directly or indirectly as a result of the provisions of the Services under this Agreement.

13 CONFIDENTIALITY

13.1 Confidentiality

- a) Each Party will keep confidential all information of the other Party which that Party has indicated must be kept confidential (Confidential Information). Subject to clauses 13.2 and 13.3 the Confidential Information of a Party (the First Party) will only be disclosed by the other Party with the prior written consent of the First Party, which consent will not be unreasonably withheld. For the avoidance of doubt, this clause does not require a Party to maintain the confidentiality of its own Confidential Information.
- b) Subject to clause 13.3 the Board/Council must not, without the prior written approval of the Commission, disclose information regarding this Agreement to third parties except where:
 - i) necessary for the purpose of acquiring services;
 - ii) required by Law;
 - iii) information is already in the public domain;
 - iv) disclosure is to solicitors, barristers or other professional advisers under a duty of confidentiality; and
 - v) disclosure is necessary for the registration or recording of documents where required.

13.2 Disclosure

- a) The Board/Council acknowledges and agrees that disclosure by the Commission may be required:
 - i) in connection with permitted re-tendering or any benchmarking or market testing;

- ii) under the Freedom of Information Act 1982;
 - iii) under the Ombudsman Act 1973; or
 - iv) to satisfy the disclosure requirements of the Victorian Auditor General under the *Audit Act 1994* or of Parliamentary accountability or in the case of a Minister to fulfil his or her duties of office.
- b) The Board/Council must use all reasonable endeavours to assist the Commission in meeting its legislated disclosure obligations.

13.3 The operation of this clause survives the termination of this Agreement.

14 PRIVACY

14.1 The Board/Council agrees to comply with Information Privacy Principles and any applicable Code of Practice with respect to any act done, or practice engaged in, by the Board/Council for the purposes of this Agreement in the same way and to the same extent as the Commission would have been bound by them in respect of that act or practice had it been directly done or engaged in by the Commission.

15 INDEMNITY AND INSURANCE

15.1 Indemnity

- a) The Board/Council indemnifies the Commission and its employees, servants and agents against all claims, liability or expenses (including legal costs) relating to any injury to a person, damage to property or any other loss caused (or to the extent contributed) by any act or omission of the Board/Council or its employees, servants or agents in providing the Services under this Agreement, except to the extent that the injury damage or loss is directly attributable to the negligence of the State, its employees, servants or agents.

15.2 Insurance

- a) The Board/Council must maintain full levels of insurance cover relating to the Services to properly protect its and the Commission's interests for the Project. The Board/Council must also comply with all relevant insurance requirements; including conducting and improving relevant risk management practices and incident notification processes.
- b) The Board/Council agrees to provide copies of insurance certificates of currency, including details of limits on cover, to the Commission's Representative upon request.

16 VARIATION OF AGREEMENT

16.1 Notwithstanding the commitments made by the Board/Council and by the Commission in this Agreement, it is understood that the Agreement may only be varied in writing signed by each Party.

17 NOTICES

17.1 A Notice must:

- a) be in writing;
- b) signed by or on behalf of the Party giving it; and
- c) hand delivered to the address of the addressee or sent by post (airmail if posted to or from a place outside Australia) to the address of the addressee or sent by facsimile to the facsimile number of the addressee.

17.2 A Notice takes effect from the time it is received, unless a later time is specified in it. A Notice will be deemed to have been received by the addressee:

- a) in the case of hand delivery, on delivery at the address of the addressee;
- b) in the case of post, on the second (seventh if posted to or from a place outside Australia) Business Day after posting;
- c) in the case of facsimile, on production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the Board, with the exception of where the facsimile is received on a non business day, or after 4.00pm on a Business Day, in which case the communication will be deemed to be received on the next Business Day; and
- d) in the case of an email, upon receipt by the sender of confirmation that the email has reached the Board's mailbox.

17.3 The authorised representative of each Party will be responsible for Notices under this Agreement:

- a) the Commission's representative is the Deputy Secretary, Skills Victoria; and
- b) the Institute's representative is the Chief Executive Officer or equivalent.

18 GOODS AND SERVICES TAX (GST)

- 18.1 An amount payable under this Agreement by a Party to the other Party, in respect of a supply which is a taxable supply, represents the GST exclusive value of the supply.
- 18.2 The Party who receives a taxable supply under this Agreement from the Supplier must, upon receipt of a tax invoice from the Supplier, pay GST to the Supplier in addition to the GST exclusive value of the supply.
- 18.3 Any penalty or interest payable as a result of late payment of any GST payable under this Agreement is payable by the party who is the cause of the late payment.
- 18.4 If the Supplier is entitled to an input tax credit in relation to any GST recoverable from the other Party under this Agreement, the amount of GST payable by the other Party is to be reduced by the amount of the input tax credit which the Supplier has received or is entitled to receive.

19 APPLICABLE LAW

- 19.1 This Agreement is governed by the law of Victoria.

EXECUTION OF 2009 PERFORMANCE AGREEMENT

Signed under delegation from **the Commission** on the ____ day of _____ 2008.

Commission Delegate Signature: _____

Commission Delegate Name: _____

Commission Delegate Title: _____

Witness Signature: _____

Witness Name: _____

Signed under delegation from **the Board/Council** on the ____ day of _____ 2008.

Council Delegate Signature: _____

Council Delegate Name: _____

Council Delegate Title: _____

Witness Signature: _____

Witness Name: _____

Schedule 1: 2009 Financial Plan

Schedule 2: Specific Purpose Payments

Schedule 2 outlines Board/Council Responsibilities, Commission Responsibilities and any related Reporting Requirements for each item which appears as a Specific Purpose Payment in the 2009 Financial Plan

Full Service Provider

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| 2.1 | Full Service Provider |
| Board/Council Responsibility | To allocate resources across the institute such that requirements associated with being a publicly owned provider of training, including any community service obligations, are adequately met. |
| Commission Responsibility | To provide financial advances through the Financial Plan – Schedule 1. |
| Reporting Requirements | n/a. |
| Reporting Deadline | n/a. |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Resources and Facilities Unit) |

Asset Management

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| 2.2 | Leasing Facilities |
| Board/Council Responsibility | To manage existing leases funded by the Commission. |
| Commission Responsibility | To provide financial advances through the Financial Plan – Schedule 1. |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Resources and Facilities Unit) |

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| 2.3 | Building Maintenance |
| Board/Council Responsibility | <p>To maintain an up-to-date Maintenance Backlog Register for publicly owned assets in accordance with the TAFE Capital Infrastructure Guidelines available from Skills Victoria, Skills Policy Development and Coordination (Resources and Facilities Unit).</p> <p>To develop an annual maintenance work program using the Maintenance Backlog Register as the basis for maintaining the publicly owned assets. This includes:</p> <ul style="list-style-type: none"> • allowing users to perform their functions without unacceptable disruption; • providing users with the level of amenity appropriate for the function; • maintaining the building infrastructure so that the asset achieves its expected physical life; and |

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| | <ul style="list-style-type: none"> providing a safe environment that meets the requirements of the Building Act 1993. |
| Commission Responsibility | <p>To make available up to date Building Maintenance Guidelines.</p> <p>To provide an annual building maintenance grant through the Financial Plan – Schedule 1.</p> |
| Reporting Requirements | <p>The Board/Council will make available upon request the up-to-date Maintenance Backlog Register to the Commission.</p> <p>A summary report on maintenance expenditure that includes the Commission’s annual grant is to be provided to the Commission.</p> <p>A summary report on maintenance expenditure that includes the Commission’s annual grant is to be provided in the Institute’s Annual Report.</p> |
| Reporting Deadlines | By 31 March 2010 |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Resources and Facilities Unit) |

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| 2.4, 2.5, 2.6 | State, Commonwealth and Specialised Teaching Equipment |
| Board/Council Responsibility | <p>To purchase or lease equipment items in accordance with the Equipment Grant Guidelines* to:</p> <ul style="list-style-type: none"> provide teaching equipment that enables training to be delivered on items which are either the equivalent of those used in industry or, alternatively, best suited for teaching purposes; provide communications and computer equipment required to support flexible training delivery; purchase software or to meet contracts for the supply of software for either training or administrative purposes; provide for the acquisition of administrative equipment to support the development of improved management practices; and enable the Institute to keep pace with new and emerging technology and better align teaching equipment to industry standards. <p>Specialist teaching equipment is defined as those items that are unique to a particular training course that could not be funded through the normal equipment grants.</p> <p>* Equipment Grant Guidelines have been circulated to all Business Managers and additional copies are available from, Skills Victoria, Skills Policy Development and Coordination (Resources and Facilities Unit).</p> |
| Commission Responsibility | To provide funding for equipment through the Financial Plan – Schedule 1. |
| Reporting Requirements | The Board/Council will provide an audited acquittal statement on purchases made with Equipment funds during 2009. |
| Reporting Deadline | By 31 March 2010 |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Resources and Facilities Unit) |

Sector wide support services

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| 2.7 Apprenticeship/Traineeship Accommodation Subsidies | |
| Board/Council Responsibility | <p>To provide accommodation subsidies consistent with the Apprenticeship/Traineeship Accommodation Subsidies Program Guidelines for apprentices and trainees who undertake training away from their homes.</p> <p>To maintain records sufficient for audit purposes of the financial assistance provided for accommodation subsidies for apprentices and trainees.</p> |
| Commission Responsibility | <p>To provide financial advances through the Financial Plan – Schedule 1.</p> <p>If the funds are insufficient, the Commission will reimburse claims in excess of the budget allocation.</p> |
| Reporting Requirements | <p>The Board/Council will provide a report detailing the following information for Apprentice and Trainee Accommodation subsidies separately for the first and second half years of 2009:</p> <ul style="list-style-type: none"> • the amount of grant paid to apprentices and trainees; • the number of nights claimed for the grant paid; and • the total number of apprentices and trainees in receipt of the grant. |
| Reporting Deadline | By 31 March 2010 |
| Skills Victoria Contact | Executive Director, Training Operations (Regulated Training and Curriculum Branch) |

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| 2.8 Apprenticeship Field Officers (AFOs) | |
| Board/Council Responsibility | <p>To efficiently and effectively monitor the quality of on-the-job training provided by employers to apprentices and trainees and compliance with legislation through undertaking field service visits, audits and investigations, and prepare reports for action by delegates of the Commission.</p> <p>The Board/Council has the responsibility for employing AFOs and the Institute's CEO will have line management responsibility for AFOs within the context of Skills Victoria's overall responsibility for coordination of field services conducted in accordance with AFO Operational Guidelines.</p> <p>The Board/Council will be responsible for the provision of all support services connected with the performance of the AFO role including:</p> <ul style="list-style-type: none"> • payroll and personnel record support; • appropriate office space; • I.T support; • office stationery; • mobile and fixed telephone and laptop computer with remote and fixed internet access; • access to printer, photocopy and fax equipment; • suitable vehicle (one per officer) dedicated to AFO use and appropriate parking arrangements; and • maintenance and running costs and replacement of vehicles. |

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| Commission Responsibility | To provide financial advances through the Financial Plan – Schedule 1. |
| Skills Victoria Contact | Executive Director, Training Operations (Regulated Training and Curriculum Branch) |

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| 2.9 | Koorie Liaison Officers – Indigenous Programs |
| Board/Council Responsibility | To support the implementation of the Wurreker Strategy including support for the Indigenous Education Program, the Board/Council will employ 2 Koorie Liaison Officers to support Koorie students into pathways to employment. |
| Commission Responsibility | To provide financial advances through the Financial Plan – Schedule 1. |
| Reporting Requirements | As specified in 4.4 'Koorie Participation and Completion Rates' |
| Skills Victoria Contact | Executive Director, Skills Funding and Innovation (Access and Equity Unit) |

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| 2.10 | Curriculum Maintenance Manager (CMM) - N/A |
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Other

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| 2.11 | Year 12 Completions |
| Board/Council Responsibility | To provide funding that can be applied to programs, including VET in Schools delivery, that support qualification attainment by young people aged 16-19 years old who have not completed Year 12. |
| Commission Responsibility | To provide financial advances through the Financial Plan – Schedule 1. This represents the final year of this payment. |
| Skills Victoria Contact | Executive Director, Skills Funding and Innovation (Access and Equity Unit) |

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| 2.12 | Innovation Fund |
| Board/Council Responsibility | To sign off on diversion of up to one per cent of the 2009 total profile funding to re-align government funded training. The re-alignment will support innovative approaches to the development and trialling of products, programs and services in the areas of: <ul style="list-style-type: none"> • workforce development; • priority age cohorts (particularly mature-age people); • higher level skills; and/or • industry partnerships. |

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| | To monitor, risk manage and report on progress towards mutually agreed targets and measures. |
| Project Summary | To be confirmed via an addendum to this Performance Agreement. |
| Commission Responsibility | To endorse diversion of profile funds to innovative projects. This represents the final year of Innovations funding in this format. |
| Budget | \$XXX |
| Outcomes | To be confirmed via an addendum to this Performance Agreement. |
| Reporting Requirements | <p>The Board/Council will report six monthly on progress against the KPIs and outcomes (including delivery of SCH where relevant) in accordance with a pro forma to be provided. Enrolments in training delivery funded through the Innovation Fund must be reported with State Fund Source Code Z10.</p> <p>Where the institute is required to deliver SCH as part of the initiative, the Commission may seek recovery of any undelivered SCH at the relevant rate. All products developed through this fund will be subject to Crown copyright.</p> |
| Reporting Deadlines | By 10 July 2009 and 15 January 2010. |
| Skills Victoria Contact | Executive Director, Skills Funding and Innovation (Skills Initiatives Unit) |

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| 2.13 | Fee Concessions |
| Board/Council Responsibility | To provide fee concessions to students as prescribed in the Ministerial Direction on Fees and Charges. |
| Commission Responsibility | Subject to annual audit, provide funds within budget provision to defray the costs of mandatory fee concessions. |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Resources and Facilities Unit) |

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| 2.14 | Regional Differential |
| Board/Council Responsibility | To apply the funding provided to compensate regional TAFE institutes for higher operating costs associated with small class sizes, travel and communication costs. |
| Commission Responsibility | To provide financial advances through the Financial Plan – Schedule 1. |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Resources and Facilities Unit) |

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| 2.15 | Corrections Education |
| Board/Council Responsibility | <p>The Board/Council will deliver vocational education and training to individuals held in correctional facilities to enhance their opportunities to gain employment post-release.</p> <p>The Board/Council shall deliver training to a total minimum value of \$XX and according to the proportions identified below. Training delivery will be valued and reconciled:</p> <ul style="list-style-type: none"> • in accordance with the rates per Student Contact Hour for “Persons held in correctional facilities” as identified in Schedule 3, Tables 1 and 2; and • having regard for the identified proportions per facility. <p>The nature of the programs and the amount of training to be delivered to each individual shall be based on individual risk and needs assessments of the individuals undertaken by the correctional institution’s management in collaboration with the Board/Council.</p> <p>A variance of +/- 5% will be deemed acceptable in reconciling delivery against the proportions (as specified below) of the total minimum value expected to be delivered at each correctional facility.</p> <p>Any delivery at the corrections sites listed below that is additional to the total minimum value specified for corrections delivery (\$XX) will not be funded. In the event that the value of training delivered is less than the total minimum value specified for corrections delivery, the Board/Council will be required to return funds to the Commission to the value of that shortfall.</p> <p>In reconciling hours delivered against the total minimum value specified for corrections delivery described in 2.15, the following fund sources will be taken into account:</p> <ul style="list-style-type: none"> - relevant fund code(s) to be advised via Executive Memorandum. <p>Adult Correctional Facilities [As relevant to institutes]</p> <p>Juvenile Correctional Facilities [As relevant to institutes]</p> |
| Commission Responsibility | To provide \$XX in advances through the Financial Plan – Schedule 1. |
| Skills Victoria Contact | Executive Director, Skills Funding and Innovation (Public Skills Funding Unit) |

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| 2.16 | E-Learning |
| Board/Council Responsibility | <p>To apply the funds to implement the e-Learning Grant to support flexible delivery.</p> <p>To effectively manage and participate in e-learning product development and professional development.</p> <p>To review and implement appropriate flexible delivery measures and remain mindful of copyright responsibilities.</p> |
| Commission Responsibility | To provide financial advances through the Financial Plan – Schedule 1. |
| Reporting Requirements | <p>An e-learning plan; and</p> <p>A final report on agreed outputs and expenditure in a format to be issued by the Commission.</p> |
| Reporting Deadlines | <p>e-learning plan by 15 February 2009</p> <p>Final report by 28 November 2009.</p> |
| Skills Victoria Contact | Executive Director, Training Operations |

Schedule 3 Training Delivery

This Schedule describes training delivery requirements for the institute.

3.1 Eligibility and Conditions for Training Delivery Provided Under this Agreement

The following conditions apply to training delivered through this Agreement.

Funds provided for training must:

- only be used to deliver training within the State of Victoria to Australian citizens, permanent residents of Australia, East Timorese asylum seekers and Temporary Protection Visa holders; and
- only be used for flexible or on-line delivery if the training is part of a program in which the majority of the delivery involves the physical presence of the student in Victoria.

All hours delivered shall be verifiable (see Schedule 4.3, Verifiable Student Contact Hours and Invalid Enrolments);

For participants enrolled and undertaking training in “Skills Deepening” (refer to 3.3 below) or participants referred through the “Skills for Growth” Initiative (refer to 3.4 below) from 1 July 2009, eligibility will be in accordance with guidelines to be provided by the Commission.

3.2 Funding Arrangements for Training Delivery other than that as described in items 3.3 and 3.4 below

The Board/Council must deliver training to eligible participants to a **total minimum value** of \$16,526,471.

Funds for this training will be advanced through the Financial Plan.

Training delivery will be valued and reconciled in accordance with the following:

| Category | Award | Rate per Student Contact Hour* for participants enrolled and undertaking training from 1 January – 30 June 2009 | Rate per Student Contact Hour* for participants enrolled and undertaking training from 1 July – 31 December 2009 |
|----------------------------------|---|---|--|
| Foundation | Foundation Level & Pre-Accredited Courses | \$9.46 | \$9.75 |
| Skills Creation | AQF 1-2 | \$9.46 | \$9.46 |
| Skills Building | AQF 3-4 | \$9.46 | \$9.42 |
| Skills Deepening | AQF 5-6 | \$9.46 | N/A – Demand driven |
| Apprenticeships and Traineeships | AQF 1-4 | \$9.46 | \$9.46 |
| Apprenticeships and Traineeships | AQF 5-6 | \$9.46 | N/A – Demand driven |

* The Rate per Student Contact Hour will be adjusted according to a weighting determined based on the Industry Sector of the qualification being delivered, or the cohort for whom the training is delivered, as described in Tables 1 and 2 of this Schedule.

The following further conditions apply to training delivered with these funds:

- a minimum of 333,360 SCH must be delivered to the Guaranteed Place cohort. Refer to “Guaranteed Place Initiative” (below) for further conditions.

3.3 Funding Arrangements for Delivery to participants enrolled and undertaking “Skills Deepening” training from 1 July 2009

For participants enrolled and undertaking “Skills Deepening” training between 1 July and 31 December 2009, funding will be provided retrospectively based on delivery reported through the Student Statistical Report at the rate identified for these participants in Table 2. Delivery to these participants will NOT be counted towards achievement of delivery to the **total minimum value** described in 3.2. Delivery to Apprentices and Trainees at AQF levels 5-6 is included in these funding arrangements.

3.4 Funding Arrangements for Delivery to participants undertaking training referred from the “Skills for Growth” initiative

For participants enrolled and undertaking between 1 July and 31 December 2009 as a result of referrals from the “Skills for Growth” initiative (irrespective of the funding category), funding will be provided retrospectively based on delivery reported through the Student Statistical Report for all delivery at the rates identified in Table 2. Delivery to these participants will NOT be counted towards achievement of delivery to the **total minimum value** described in 3.2.

3.5 Recovery of funds in the event of delivery shortfall

In the event that the value of training delivered is less than the **total minimum value** described in 3.2, the Board/Council will be required to return funds to the Commission to the value of that shortfall.

If the Board/Council delivers fewer than 333,360 student contact hours to eligible Guaranteed Place Initiative participants, the Board/Council will be required to return funds to the Commission to the value of under delivery. The value of under delivery is determined by multiplying the average of the price of the hours delivered to the cohort by the remaining undelivered hours.

3.6 Guaranteed Place Initiative

The Education and Training Reform Act 2006 states a student has a guaranteed place at a TAFE institute or other public training provider to the completion of year 12 of schooling or its equivalent if the student is under 20 years of age on 1 January in the year that the person undertakes study at the TAFE institute or other public training provider.

To support this, the Guaranteed Place Initiative has been established to assist Institutes in delivering training to a defined cohort of such individuals.

The Initiative provides a supplementary payment for training delivery to eligible participants in excess of the Guaranteed Place target (333,360 SCH) which will be provided retrospectively by the Commission at the rate identified in Tables 1 and 2 of this Schedule if the value of the excess delivery is matched with equal (or greater) delivery above the **total minimum value** described in 3.2.

The data definition that will be used to measure the hours delivered in 2009 to Guaranteed Place participants is published on the internet at:

<http://www.skills.vic.gov.au/corporate/providers/tafes/performance-agreements>

3.7 Apprenticeship/Traineeship Delivery

- apprenticeship and traineeship training must be delivered in compliance with the TAFE Program Delivery Guidelines at <http://www.skills.vic.gov.au/corporate/providers/tafes/performance-agreements> and may be subject to audit.

- the Board/Council must implement a self-assessment based on an audit checklist supplied by the Commission at <http://www.skills.vic.gov.au/corporate/providers/tafes/performance-agreements> and develop an improvement plan to rectify any non-compliance identified by the self-assessment process.

3.8 Provision of Recognition of Prior Learning

Recognition of Prior Learning (RPL) must be offered to all individuals upon enrolment and prior to commencement of formal training delivery.

The Board/Council must be able to demonstrate that it has undertaken processes to encourage the uptake of, and to streamline the delivery of RPL.

3.9 Reporting Requirements

The Board/Council shall record delivery through relevant Student Statistical Reports (see Schedule 4.2).

The Annual Student Statistical Report will be used to determine the quantum of verifiable SCH have been delivered against the **total minimum value** described in 3.2, and against any other identified targets. Any audits undertaken should demonstrate that all hours delivered are verifiable (see 4.2 and 4.3) and that AQTF and Apprenticeship and Traineeship guidelines for quality delivery have been met.

In reconciling hours delivered against the **total minimum value** described in 3.2, the following fund sources will be taken into account:

- for apprentices and trainees, relevant fund code(s) to be advised via Executive Memorandum;
- for General profile, relevant fund code(s) to be advised via Executive Memorandum; and
- for Skills Store RPL Assessment – relevant fund code(s) to be advised via Executive Memorandum.

In reconciling hours delivered against the delivery **to participants enrolled and undertaking “Skills Deepening” training from 1 July 2009**, the following fund sources will be taken into account:

- relevant fund code(s) to be advised via Executive Memorandum

In reconciling hours delivered against the delivery **to participants undertaking training referred from the “Skills for Growth” initiative from 1 July 2009**, the following fund sources will be taken into account:

- relevant fund code(s) to be advised via Executive Memorandum

3.10 Fund Source Codes

The Board/Council is required to report training delivery using fund source codes in accordance with the 2009 Student Statistical Data Guidelines available at <http://www.skills.vic.gov.au/corporate/providers/tafes/performance-agreements>.

Table 1: For persons enrolled and undertaking training from 1 January to 30 June 2009

| Industry Sectors or Cohorts | Weighting applied to the Student Contact Hour Price | Rate per Student Contact Hour after application of relevant weighting for Training 1 January – 30 June 2009 |
|--|---|---|
| Business and Clerical, Community Services, Cross Industries, Finance, First Aid and Occupational Health and Safety, Government Administration and Services, Property Services, Scientific and Technical, Wholesale and Retail | 0.8 | \$7.57 |
| Communications, General Preparatory, Information Technology, Language and Literacy, Languages Other Than English (LOTE), Victorian Certificate of Education (VCE), Victorian Certificate of Applied Learning (VCAL) | 0.9 | \$8.51 |
| Arts and Design, Hospitality, Personal Services, Tourism | 1.0 | \$9.46 |
| Electrical and Electronics, Entertainment, Floristry, Health, Printing, Recreation | 1.1 | \$10.41 |
| Agriculture and Production Horticulture, Amenity Horticulture, Animal Handling, Civil Operations, Cookery, Fish Harvesting, Food Processing, Forest and Forest Products, Furnishing, General Construction, Process Manufacturing, Public Order and Safety, Racing, Storage and Distribution, Textile Clothing and Footwear, Transport, Water | 1.2 | \$11.35 |
| Aerospace, Engineering, Mining, Plumbing Services, Repair Service and Retail, Vehicle Manufacturing | 1.3 | \$12.30 |
| Work Education, Persons held in correctional facilities | 1.5 | \$14.19 |
| Persons who identify themselves as Aboriginal or Torres Strait Islander | 1.5 | \$14.19 |
| Persons who qualify for the Guaranteed Place in TAFE | 1.3 | \$12.30 |

Table 2: For persons enrolled and undertaking training from 1 July to 31 December 2009

| Industry Sectors or Cohorts | Weighting applied to the Student Contact Hour Price | Rate per Student Contact Hour after application of relevant weighting for 1 July – 31 December 2009 |
|--|---|--|
| Business and Clerical, Community Services, Cross Industries, Finance, First Aid and Occupational Health and Safety, Government Administration and Services, Property Services, Scientific and Technical, Wholesale and Retail | 0.8 | Foundation = \$7.80 Skills Creation = \$7.57 Skills Building = \$7.54 Skills Deepening = \$6.50 App's & T'ships (AQF 1-4) = \$7.57 App's & T'ships (AQF 5-6) = \$7.57 |
| Communications, General Preparatory, Information Technology, Language and Literacy, Languages Other Than English (LOTE), Victorian Certificate of Education (VCE), Victorian Certificate of Applied Learning (VCAL) | 0.9 | Foundation = \$8.78 Skills Creation = \$8.51 Skills Building = \$8.48 Skills Deepening = \$7.31 App's & T'ships (AQF 1-4) = \$8.51 App's & T'ships (AQF 5-6) = \$8.51 |
| Arts and Design, Hospitality, Personal Services, Tourism | 1.0 | Foundation = \$9.75 Skills Creation = \$9.46 Skills Building = \$9.42 Skills Deepening = \$8.12 App's & T'ships (AQF 1-4) = \$9.46 App's & T'ships (AQF 5-6) = \$9.46 |
| Electrical and Electronics, Entertainment, Floristry, Health, Printing, Recreation | 1.1 | Foundation = \$10.73 Skills Creation = \$10.41 Skills Building = \$10.36 Skills Deepening = \$8.93 App's & T'ships (AQF 1-4) = \$10.41 App's & T'ships (AQF 5-6) = \$10.41 |
| Agriculture and Production Horticulture, Amenity Horticulture, Animal Handling, Civil Operations, Cookery, Fish Harvesting, Food Processing, Forest and Forest Products, Furnishing, General Construction, Process Manufacturing, Public Order and Safety, Racing, Storage and Distribution, Textile Clothing and Footwear, Transport, Water | 1.2 | Foundation = \$11.70 Skills Creation = \$11.35 Skills Building = \$11.30 Skills Deepening = \$9.74 App's & T'ships (AQF 1-4) = \$11.35 App's & T'ships (AQF 5-6) = \$11.35 |
| Aerospace, Engineering, Mining, Plumbing Services, Repair Service and Retail, Vehicle Manufacturing | 1.3 | Foundation = \$12.68 Skills Creation = \$12.30 Skills Building = \$12.25 Skills Deepening = \$10.56 App's & T'ships (AQF 1-4) = \$12.30 App's & T'ships (AQF 5-6) = \$12.30 |
| Work Education, Persons held in correctional facilities | 1.5 | Foundation = \$14.63 Skills Creation = \$14.19 Skills Building = \$14.13 Skills Deepening = \$12.18 App's & T'ships (AQF 1-4) = \$14.19 App's & T'ships (AQF 5-6) = \$14.19 |
| Persons who identify themselves as Aboriginal or Torres Strait Islander | 1.5 | Foundation = \$14.63 Skills Creation = \$14.19 Skills Building = \$14.13 Skills Deepening = \$12.18 App's & T'ships (AQF 1-4) = \$14.19 App's & T'ships (AQF 5-6) = \$14.19 |
| Persons who qualify for the Guaranteed Place in TAFE | 1.3 | Foundation = \$12.68 Skills Creation = \$12.30 Skills Building = \$12.25 Skills Deepening = \$10.56 App's & T'ships (AQF 1-4) = \$12.30 App's & T'ships (AQF 5-6) = \$12.30 |

Schedule 4 Reporting Requirements

4.1 FINANCIAL STATEMENTS AND REPORTS

This Schedule includes all formal reporting requirements other than those specified elsewhere in this Agreement

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| 4.1.1 | Annual Budgets |
| Reporting Requirements | The Board/Council is required to lodge a copy of the Institute's Annual Budget for 2009. |
| Reporting Deadline | By 12 December 2008. |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Resources and Facilities Unit) |

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| 4.1.2 | Annual Report |
| Reporting Requirements | <p>The Board/Council is to approve (signed by Board/Council President) and submit its Annual Report (including the Annual Audited Financial Statements in accordance with the Financial Reporting Framework) compliant with statutory requirements in the Compliance Framework and other guidelines issued on behalf of the Commission.</p> <p>Financial statements are required by email for National Reporting in accordance with guidelines issued on behalf of the Commission.</p> <p>The Board/Council is also required to submit an Operating Statement on Commercial Activity in accordance with the Framework issued by the Commission.</p> |
| Reporting Deadline | Report as at 31 December 2009, due by 31 March 2010. |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Resources and Facilities Unit) |

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| 4.1.3 | Quarterly Expenditure to Budget Reports including Commercial Activity |
| Reporting Requirements | <p>The Board/Council is to approve and submit Quarterly Expenditure to Budget and Key Performance Indicator (KPI) reports in accordance with the Commission's reporting pro forma provided to the Institute periodically, incorporating:</p> <ul style="list-style-type: none"> • the Operating Statement and Balance Sheet; • the Operating Statement for commercial activity in accordance with guidelines issued by the Commission ; and • a Plan to address any variances of expenditure to budget greater than 5% in the Operating Statement (including commercial activity) for the quarter. |
| Reporting Deadlines | By the 15th working day after 31 March, 30 June, 30 September and 31 December 2009 (unaudited). |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Resources and Facilities Unit) |

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| 4.1.4 | Disposal of Money, Stores or Other Property |
| Reporting Requirements | <p>The Standing Directions of the Minister for Finance under the Financial Management Act 1994 were updated in July 2005.</p> <p>In accordance with these directions the Board/Council must ensure that all cases of suspected or actual theft, arson, irregularity or fraud in connection with the receipt or disposal of money, stores or other property of any kind whatsoever under the control of the Board/Council are notified to the Minister for Finance and the Auditor-General via the Department as follows:</p> <p>In respect of the receipt or disposal of money;</p> <ul style="list-style-type: none"> • If the amount is equal to or exceeds \$1,000, this must be reported at the time of the occurrence and an incident report provided within 2 months; or • If the amount is less than \$1,000, annually for the period 1 July 2008 – 30 June 2009 together with an incident report. <p>In respect of stores or property of any kind:</p> <ul style="list-style-type: none"> • If the value is equal to or exceeds \$20,000, this must be reported at the time of the occurrence and an incident report provided within 2 months; or • If the value is less than \$20,000, annually for the period 1 July 2008 – 30 June 2009 together with an incident report. <p>Accordingly, the Board/Council:</p> <ul style="list-style-type: none"> • must maintain a register of all incidents of suspected or actual theft, arson, irregularity or fraud; and • must report to the Department in accordance with the guidelines above. <p>The Department will use this information to:</p> <ul style="list-style-type: none"> • advise the Victorian Skills Commission via its Audit and Risk Committee on the disposal of money, stores or other property by TAFE institutes; and • provide an annual consolidated report on the disposal of money, stores or other property to the Minister for Finance and Auditor-General as per section 4.5.4 the Standing Directions of the Minister for Finance (July 2005) under the Financial Management Act 1994. |
| Reporting Deadlines | <p>As above for incidents exceeding \$1,000 in value</p> <p>Annually for incidents less than \$1,000 by 30 September 2009.</p> |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Resources and Facilities Unit) |

4.2 STUDENT STATISTICAL REPORTS

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| Reporting Requirements | <p>The Board/Council is to provide student statistical reports on all activity compliant with Student Statistical Data Guidelines issued by or on behalf of the Commission from time to time. Data submissions are to comply with the data definitions, formats and business rules specified in the Guidelines and are to be complete and accurate including coding against funding source codes.</p> <p>The final Statistical Report to be provided by 15 January in the year after the collection period is the 'Annual Student Statistical Report' and must include all student statistics for the previous year including the 'Qualifications completed' and "Client Postal Details" files.</p> |
| Reporting Deadlines | <ul style="list-style-type: none"> • Data as specified by Skills Victoria are to be submitted on the last Friday of each month during the period July to November 2009; • The final 2009 Annual Student Statistical Report is to be submitted by 15 January 2010. <p>Details specifying the above data requirements will be issued by Executive Memorandum.</p> |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Coordination (Skills Analysis & Reporting Unit) |

4.3 VERIFIABLE STUDENT CONTACT HOURS AND INVALID ENROLMENTS

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| Preamble | <p>Where student enrolments have been reported, but there is a lack of evidence at audit to demonstrate a student has been engaged in a learning activity associated with a particular module/competency or by an incorrect funding code, the reported activity is deemed to be an Invalid Enrolment (IE).</p> <p>The Department of Education, Employment and Workplace Relations (DEEWR) audits the annual student statistical data from Victoria to determine the reliability and completeness of information reported.</p> <p>The Verifiable Student Contact Hours are the total SCHs reported, reduced by the percentage of Invalid Enrolments (IE) as determined by an independent audit.</p> |
| Board/Council Responsibility | <p>At least 97% of the Board/Council's enrolments at the module/competency level are to be verifiable in accord with the relevant clauses of the TAFE Program Delivery Guidelines. Where the IE rate achieved in a calendar year, as determined by audit in the following calendar year, exceeds 3%, a plan of action to bring the IE level to the required standard for the reported enrolments will need to be submitted to Skills Victoria.</p> <ul style="list-style-type: none"> • all institute SCHs may be amended to reflect the Verifiable Student Contact Hours • the Board/Council will achieve an IE rate of less than 3% of total reported enrolments annually. • where required, a plan of action to reduce this IE rate will be submitted. <p>Where the IE rate exceeds 3%, the Board/Council's Government-funded delivery will be discounted by the excess and, if the resultant discounted delivery is less than the minimum total SCH required to be delivered under Schedule 3, resource recovery action may be taken.</p> |
| Reporting Requirements | <p>Where the Institute has an annual IE rate for the previous year's enrolments in excess of 3% (less over delivery), the Board/Council will be required, in the current year, to lodge with the responsible Executive Director:</p> <ul style="list-style-type: none"> • by 31 July, an Annual Plan to reduce the IE rate within the institute; and • by 31 March in the following year, an Annual Report of actions taken to reduce the IE rate. <p>The Annual Plan for reducing the IE rate within the Institute should identify:</p> <ul style="list-style-type: none"> • The planned initiatives and milestones; and • How the initiatives will lead to a lower IE rate. <p>The Annual Report of action taken to reduce the IE rate should report on:</p> <ul style="list-style-type: none"> • Progress made against key milestones in each initiative; and • Reductions in the IE rate. |
| Monitoring | <p>The Board/Council will be required to participate in an annual audit to determine the Institute's IE rate for the previous year.</p> <p>The Audit will examine a randomly drawn sample of module/competency enrolments drawn from the preceding year's reported student enrolment activity.</p> <p>A valid enrolment will be verified by:</p> <ul style="list-style-type: none"> • The correct fund source code and • Evidence of student/trainee/apprentice participation at the module/unit of competency level (Refer to TAFE Program Delivery Guidelines). |
| Skills Victoria Contact | Executive Director, Training Operations (Regulated Training & Curriculum Branch) |

KOORIE PARTICIPATION AND COMPLETION RATES

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| Preamble | <p>The Wurreker strategy is a partnership agreement between the Victorian Government and the Victorian Aboriginal Education Association Incorporated to improve education and training delivery for Koorie students in order to achieve quality education, training and employment outcomes. There is a requirement for every Victorian TAFE institute to maintain a Wurreker Implementation Plan to increase successful participation of Koorie students in education and training. As part of the implementation of Wurreker, the institute is required to achieve its Indigenous Education Program (IEP) targets and progress towards the Victorian Government Koorie employment target.</p> <p>The outcomes identified below have been set to achieve these overall targets.</p> |
| Board/Council Responsibility | <p>The Board/Council will achieve its 2009 Wurreker Implementation Plan outcomes which will include:</p> <ul style="list-style-type: none"> • Ensuring the employment strategy within the institute includes the employment of at least two Koorie people over the period of the agreement; • Ensuring employment within the institute contributes to achieving State Indigenous employment strategy targets including career development for indigenous staff; • Aiming to increase the institute's Module Completion Rate (MCR) for Koorie students in 2009; • Aiming to increase the institute's Course Completion Rate (CCR) for Koorie students in 2009; • Delivery of training priorities consistent with the relevant Wurreker Regional Training Plan; and • Progress towards achievement of Indigenous Education Program targets. <p>Achievement of outcomes of the Wurreker Implementation Plan should be included in the Board/Council's Strategic Plan.</p> |
| Reporting Requirements | <p>The Board/Council will provide:</p> <ul style="list-style-type: none"> • A 2009 Wurreker Implementation Plan; and • A report on progress towards Indigenous Education Program targets; and • A progress report against the Wurreker Implementation Plan including evidence that employment practices within the institute contribute to achieving State Indigenous employment strategy targets. <p>Progress towards improving module and course completion rates for Koorie students will be monitored through the annual Student Statistical Report.</p> |
| Reporting Deadlines | <p>The 2009 Wurreker Implementation Plan and a report on progress towards Indigenous Education Program targets is to be delivered to the Commission by 15 February 2009.</p> <p>Progress report against the Plan in a reporting format provided by the Commission by 30 July 2009.</p> |
| Skills Victoria Contact | <p>Executive Director, Skills Funding and Innovation (Access and Equity Unit)</p> |

4.5 CAPITAL / INFRASTRUCTURE PROGRAM

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| Board/Council responsibility | To project manage approved government funded capital / infrastructure projects in accordance with the TAFE Capital Infrastructure Guidelines and the Code of Practice for the Building and Construction Industry available at http://www.skills.vic.gov.au/corporate/providers/tafes/performance-agreements . When requesting funds, the Board/Council must provide copies of invoices for work undertaken to substantiate the claim for funds. |
| Commission responsibility | To provide funding when required for approved capital / infrastructure projects. |
| Reporting Requirements | The Board/Council will submit a progress report detailing progress from previous funding request and highlighting any potential delays when requesting funding for each approved government funded capital / infrastructure project. |
| Reporting Deadline | Monthly or as required. |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Co-ordination (Resources and Facilities Unit) |

4.6 ENVIRONMENTAL SUSTAINABILITY

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| Board/Council Responsibility | To establish an Environmental Sustainability Plan for 2009 that aims to: reduce energy consumption by 15% (using 1999 as the base year) by the end of 2009. *It is to be noted that by 2010, the Government expects energy consumption to be reduced by a total of 20%, and the purchase of electricity from green power sources increased from 10% to 25%. |
| Commission Responsibility | To provide funding opportunities to assist TAFE Institutes in meeting energy reduction strategies. To work with VET Facility Managers to inform TAFE Institutes of Government sustainability initiatives. |
| Reporting Requirements | The Board/Council will provide annual energy consumption data for electricity, gas, LPG and green power where it relates to TAFE Buildings. |
| Reporting Deadline | By 31 March 2010 |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Co-ordination (Resources and Facilities Unit) |

4.7 UTILISATION OF TRAINING FACILITIES

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| Board/Council Responsibility | The Board/Council will effectively maximise the utilisation of the Institute's training spaces. |
| Commission Responsibility | <p>Using the agreed utilisation formula from previous years, Skills Victoria will calculate the Institute's utilisation rate for each campus using the Institute's reported Designed Student Capacity* and information from the Annual Student Statistical Report.</p> <p>Provide the Institute with a report on the Institute's utilisation by campus.</p> <p>To work with TAFE Institutes to improve the utilisation rate of learning / training space.</p> <p>Training/ learning spaces include all general and specialist learning / training spaces (excluding auditoriums and restaurants and include but not limited to the following:</p> <ul style="list-style-type: none"> • general purpose classrooms; • student break-out spaces; • specialist workshops; • specialist preparation spaces; • specialist laboratories; and • studios. |
| Reporting Requirements | <p>The Board/Council is to ensure learning / training spaces are utilised to maximum capacity.</p> <p>The Board/Council will report any change in the Designed Student Capacity during the previous twelve months for each campus from what was reported in March 2008.</p> <p>*The Designed Student Capacity is the maximum number of students that a space or dedicated group of spaces has been designed to accommodate at any one time</p> |
| Reporting Deadlines | By 31 March 2010. |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Co-ordination (Resources and Facilities Unit) |

4.8 LAND / ASSET SALES

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| Board/Council Responsibility | <p>There are over 1000 TAFE Institute buildings under the control of Board/Councils in Victoria. Skills Victoria is keen to ensure TAFE assets are efficiently and effectively used for delivery of vocational education and training.</p> <p>The Board/Council is encouraged to review their land / asset base and where appropriate identify those surplus to the Institute's use.</p> <p>Where Board/Councils declare to the Skills Victoria that land / assets are surplus to use, consideration will be given to returning some or all of the value of sale to the Institute for reinvestment.</p> |
| Skills Victoria Contact | Executive Director, Skills Policy Development and Co-ordination (Resources and Facilities Unit) |

Schedule 5 – Special Projects And Initiatives

Schedule 5 includes details of specific projects or support for the Board/Council. Payment for these items is as specified below, and is not included in the Financial Plan.

Any further new initiatives during the period of this agreement will be added to this schedule as Addenda.

This schedule also includes the following addenda from the Board/Council's previous performance agreements on the basis that the period for delivery of these initiatives extends into the period of this new performance agreement.

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| 2008-09 Skill Up program |
| 2008-23 Additional Health Sector Funding |
| 2008-28 Existing Worker Nursing Trainee Pilot |