

## RTO 1.03.836 FINANCIAL MANAGEMENT

**This policy is applicable to:** All IRT Academy employees, IRT Finance staff and IRT Management.

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## DOCUMENT CONTROL

<b>Policy Number:</b> 1.03.838	<b>Policy Owner:</b> General Manager IRT Academy	<b>Version:</b> 3.0
<b>Contact position:</b> General Manager IRT Academy	<b>Approved for circulation:</b> Group Leadership Team	<b>TRIM classification reference:</b> EDOC2015/02263
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<b>Procedure Manual reference:</b> Certification Procedure	<b>Compliance/Accreditation/ Standards reference:</b> Standards for RTOs 2015	

## REVISION RECORD

Date	Version	Revision description
Apr 12	1.0	IRT Academy major review of all policies and procedures against Standards For NVR Registered Training Organisations 2011- Essential Standards For Continuing Registration.
Oct 12	2.0	Previous Policy to be superseded.
Jan14	2.1	Updated review scheduled and title of associated document.
Nov 14	2.2	Minor editing
Jan 15	2.3	Updated to align to Standards for Registered Training Organisations 2015.
Feb 15	3.0	Approved by GLT

## 1. TITLE

RTO 1.03.836 FINANCIAL MANAGEMENT

## 2. POLICY STATEMENT

All IRT Academy financial records and processes are managed by competent and qualified members of staff and, as part of IRT Group, are subject to external financial audit and reporting at least annually. Financial management is implemented through the broader IRT financial management procedures.

## 3. PURPOSE

Provide relevant information about IRT Academy financial records and processes to demonstrate compliance with requirements and sound management.

Specifically to meet the requirements of:

- National Vocational Education and Training Regulator Act 2011; and
- Standards for Registered Training Organisations 2015

## 4. SCOPE

The scope of this policy covers all IRT Academy students, employees and/or third parties acting on behalf of IRT Academy.

## 5. OBJECTIVE

The purpose of this policy is to:

- Ensure that IRT Group, incorporating IRT Academy (“the RTO”), has sound financial management policies in place and that these policies are complied with
- Monitor and report on compliance with its financial management policies and procedures for review and as a basis for improvement
- Provide the national VET regulatory body with documentary evidence that IRT and the RTO have sound financial management standards when requested
- Arrange for the annual General Purpose Financial Report (“GPFR”) of IRT to be audited by a registered company auditor and will make the full audit report available to the national VET regulatory body when requested
- Document and implement systems to protect IRT Academy fees paid in advance (see Fees and Refund Policy)
- Ensure that IRT Academy has a fair and reasonable refund policy (see Fees and Refund Policy).

## **6. POLICY DETAILS**

### **6.1 Management of finances**

The IRT Finance Department and IRT Academy administration staff share responsibility for the management of the RTO's finances in accordance with Australian Accounting Standards, interpretations issued by the Australian Accounting Standards Board.

### **6.2 Accounting Records Management**

IRT Finance Department undertakes the administration of IRT Academy accounts, with the assistance of the RTO's administration team.

The financial accounts of IRT, which include all aspects of IRT Academy operations, are kept in a way that maintains their accuracy and integrity.

These accounts are open to the inspection of appropriate registering bodies and be retained in archive for no less than seven years.

### **6.3 Chief Financial Officer responsibility**

The Chief Financial Officer (or delegated representative) is responsible for ensuring that all general records, accounting books, documents, securities and records of receipts and expenditure connected with IRT's operations are kept in such a manner as to satisfy an audit in accordance with the Australian Accounting Standards.

### **6.4 Audit of Accounts**

IRT accounts are audited by an independent qualified auditor, in accordance with Australian Accounting Standards, at least once each financial year and will provide the Auditor's Report to the Australian Skills Quality Authority (ASQA) on request.

### **6.5 Reporting of Accounts**

On request from ASQA, IRT will provide its annual financial report, an annual report, and / or an IRT Academy business plan. The Chief Financial Officer is responsible to ensure that all reports are accurate and provided to ASQA in a timely manner.

## 6.6 Financial Viability Risk Assessment

Upon request, ASQA can require IRT Academy to demonstrate its financial viability at any point in time. The assessment of IRT Academy's financial viability risk is directed at evaluating the likelihood of its business continuity, and its capacity to achieve quality outcomes. In particular, the assessment informs a judgment about whether IRT (and accordingly IRT Academy) has the financial resources necessary to:

- Acquire the requisite assets and physical resources to deliver all qualifications on its scope of registration;
- Employ sufficient appropriately qualified staff to cover the courses for which it takes enrolments;
- Provide appropriate levels of student services;
- Remain in business to ensure that each student can achieve completion; and meet the above requirements, even in an unsure environment.

In accordance with this requirement, IRT Academy will submit to an assessment of financial viability risk by a qualified independent financial auditor nominated by the National VET Regulator (NVR) at any time during its registration period. This will include providing financial data and information of IRT Group to the qualified independent financial auditor in a format in accordance with Australian Accounting Standards.

## 7. ROLES AND RESPONSIBILITIES

All employees are required to comply with this Policy. There are no specific roles or responsibilities other than those outlined in the table below.

Role	Responsibility
Policy Owner - General Manager IRT Academy	Ensuring the currency and appropriateness of the policy to meet regulatory and legislative requirements.
Policy Monitor - Operations Coordinator	Ensure day to day implementation and compliance with policy.
Policy Implementation - Administration Coordinator	Implement procedure as per IRT Academy Procedure Manual

## 8. EDUCATION AND STAFF DEVELOPMENT

This is a standard policy - specific education is not required, employees are expected to be familiar with this policy.

Ongoing staff development relevant to this policy will occur via:

- Via IRT Academy On-Boarding procedure;
- Via IRT Academy quarterly meetings.

## 9. MONITORING, EVALUATION AND REVIEW

Feedback regarding this policy can be referred to:

- General Manager;
- Administration Coordinator;
- Operations Coordinator.

The policy will be reviewed every 3 years by the General Manager IRT Academy. Triggers for review outside of the usual cycle include:

- Changes to the business activity relating to this policy;
- New business activities impacting on this policy;
- Changes to internal controls relating to this policy; and
- Changes to legislative and/or regulatory requirements.

## 10. DEFINITIONS AND ABBREVIATIONS

Term	Meaning
ASQA	Australian Skills Quality Authority
RTO	Registered Training Organisation
NVR	National VET Regulator
VET	Vocational Education and Training

## 11. ASSOCIATED PROCEDURES AND FORMS

Name and number of document
IRT Academy Management Manual
IRT Academy Procedure Manual
IRT Academy Administration Process Manual
IRT Academy Procedure Manual
Learner Handbook
Fees and Charges Schedule
Refund Application
ASQA's Financial Manual

## 12. REFERENCES - COMPLIANCE AND BEST PRACTICE

<b>Legislative references</b>
National Vocational Education and Training Regulator Act 2011 Standard 7: The RTO has effective governance and administration arrangements in place.
<b>Best Practice references</b>
Not applicable

**Compliance Plan reference:** Not applicable

## 13. LINKS TO OTHER POLICIES

Not applicable
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