

AFML/PFIL Application Assessment Template

Criteria	Information required	Key decision points	Ref template
Background information		Is there clearly identifiable specific evidence to support the relevant key points?	
The organisation is unable to support the course(s) from its total surplus from all sources while remaining financially viable	<p>TEOs should provide information on the following for 2008:</p> <ul style="list-style-type: none"> The number of EFTS, domestic, international, and other in the course(s) Number of staff and Full Time Equivalents Domestic student fee income per EFTS <p>For 2009:</p> <ul style="list-style-type: none"> The forecast number of students, the expected income and the fees to be charged for the course(s). The numbers and costs of staff directly involved in delivering the course(s) The costs of consumables, overheads, materials and other costs incurred in course(s) delivery The costs of shared resources (such as administrative staff) and the rationale for the apportionment of these costs The contribution of the course, qualification, or department (as appropriate) to the TEO's surplus <p>At the course, qualifications, and/or departmental level (whichever is appropriate for the application), and at the institution level, also provide:</p> <ul style="list-style-type: none"> Explanation regarding factors that cause costs to be unsustainable without an increase in revenue The fees charged for similar courses by other TEOs and an explanation for any significant difference. <p>TEOs should provide macro level information by department concerning:</p> <ul style="list-style-type: none"> The number of students (EFTS) (Weighted) average fees The (general) range of qualifications offered Any funding received from government as part of educational funding Surplus from all sources 2007 and projected 2008 Surplus projections for 2009, 2010, and 2011 Other evidence to support the case that the ability to support the course(s) does not exist because of the extent of the total surplus from all sources. 	<p>• Total costs for course(s) exceed total contribution from the course(s)</p> <p>• Cost estimates seem reasonable and indirect elements are consistent with departmental and institution level data</p> <p>• Is explanation regarding why costs cannot be met without an increase in revenue reasonable and plausible?</p> <p>• Are the fees charged significantly more or less than the fees charged for similar courses by other TEOs? Is any explanation regarding why fees differ significantly from other TEOs reasonable and plausible?</p> <p>• Do financial projections meet TAMU guidelines, for example:</p> <ul style="list-style-type: none"> Is the surplus from all sources projected not to meet or exceed 3% of revenue in 2009? Is the cashflow projected not to meet or exceed the 111% guideline in 2009? <p>• Are there any key short-term or one off expenditure items in 2007, 2008, or 2009 contributing to costs, which are not ongoing or not expected normally?</p> <p>• Does the institution's financial history and its projections for 2007, 2008, and 2009 indicate that it can carry this provision, even if it does not meet the guidelines in 2009?</p> <p>• Is the surplus increasing or declining on an annual or 5 year rolling average basis?</p> <p>• To what extent is the TEO reliant on SAC and TEOC funds for financial viability?</p> <p>• Is the information provided consistent with the TEO's published annual accounts?</p>	<p>Income and Expenditure 2009.</p> <p>Annual Accounts data 2007 – 2011; Fee Increases</p>
Not increasing fees would compromise progress towards the achievement of the Tertiary Education Strategy (TES) and the Statement of Tertiary Education Priorities (STEP), or other critical elements of the tertiary	<ul style="list-style-type: none"> Describe the coping strategy or strategies you would implement if not given an exemption Describe briefly other viable coping strategies considered Explain why the chosen strategy would have less impact than the others and why it was chosen. <p>Then</p> <ul style="list-style-type: none"> If an exemption were not granted, describe how implementing the chosen coping strategy would compromise progress toward the TES, in a way that demonstrates "exceptional circumstances" that are beyond the normal range 	<p>How do the fees charged compare to the fees charged for similar courses by other TEOs?</p> <p>Coping strategies</p> <p>Is there specific evidence to show that the fallback coping strategy is one which would minimise the impact on the business, and would be considered appropriate by a prudent manager?</p> <p>Is there supporting accounting information showing that the proposed use of the</p>	

<p>reforms. In this context, TEC must have particular regard to situations where not increasing the fees would severely restrict access to a particular programme of study or for a segment of the student population e.g. regional access.</p>	<p>of business resourcing decisions</p> <ul style="list-style-type: none"> • Demonstrate by way of a business case how the additional income, which is the subject of the exemption application, would be applied to address this • If the proposed fee is still less than the cost of delivering the course(s) (see under principle 1), demonstrate how the additional 5% would, if an exemption were granted, be applied as above and how effective that expenditure would be. <p>Each of the grounds for exemption, such as the following, should be addressed in the above format. Providing a business case would help discharge the onus on TEOs to demonstrate a case for an exemption. To meet the threshold of "exceptional circumstances", TEOs must demonstrate a situation significantly beyond normal resourcing decisions.</p> <p>CARE</p> <p>Capability Information on impact on:</p> <ul style="list-style-type: none"> • Staffing in area(s) affected, including any impacts on research ability • Institution viability • Other delivery or courses. <p>Provide comparisons with other TEOs regarding:</p> <ul style="list-style-type: none"> • The relevant fee • Staff: student ratios • Any other relevant parameter. <p>Excellence, Information on:</p> <ul style="list-style-type: none"> • Successful course completions in affected courses • Teaching and industry training standards • Staff student ratios – comparisons with other TEOs delivering the same or similar courses in the areas affected. <p>Relevance</p> <ul style="list-style-type: none"> • Relevance to economic development. How does the course fulfil the following and how will these factors be affected if the exemption is not granted: <ul style="list-style-type: none"> - Addresses local, regional and/or national skill need - Teaches transferable skills (core competencies) - Engagement/involvement with business / industry 	<p>additional fees, if allowed, is one which would be expected to be approved as a sound business investment for the "return" expected, by a prudent manager?</p> <p>CARE</p> <p>Capability Does the accounting information show that the projected cost savings of implementing the coping strategy (eg salaries not paid if staff are not appointed or replaced, or are made redundant) is consistent with the amount to be gained by the extra 5% revenue from an exemption? If the extra revenue is significantly less than the cost savings, and there is no associated loss of EFTS/income, is the coping strategy described plausible and reasonable? Is there evidence to show that:</p> <ul style="list-style-type: none"> • The impacts on staffing are likely to unreasonably diminish the ability of the institution to deliver teaching in the affected area(s)? Will this result in decreased student numbers and income? (Such income would need to be factored into the costings/business case for the effectiveness of the extra income from an exemption) • The impacts on staffing are likely to unreasonably diminish the ability of the institution to undertake research in the affected area(s) (if applicable)? • The PBRF rating of the areas in question is high? – i.e. will it affect a leader of research in this area? <p>Is the viability of the institution as a whole is threatened, or is the financial issue more localised to an area of delivery? This will likely be proportional to the level at which the application is made – course, department, or institution.</p> <p>Do the TEI's figures sit significantly below the range of comparable TEIs, such that it is likely to be significantly impacted.</p> <p>Excellence Is there evidence to show that:</p> <ul style="list-style-type: none"> • The course has good retention and successful completion rates • There specific standards imposed by industry or international organisations. Are these in jeopardy under the coping strategy? • The applicant's staffing levels fall significantly below that of comparable providers. <p>Relevance</p> <ul style="list-style-type: none"> • Does the course's area of delivery feature strongly in the provider's Investment Plan? • Is there evidence that the qualification meets a specific occupational target or provides strong generic base skills (eg literacy or numeracy, or high level analytical thinking)? • Is there evidence of a strong need for the type of education in question in 	
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	<ul style="list-style-type: none"> • Employment relevance for learners <ul style="list-style-type: none"> - The TEO's employment targets for the course(s) and an explanation for why the targets are appropriate. - What are graduate destination outcomes (employment related) and how do they compare to the employment targets for the course(s). - To what extent are learners on primarily vocational programmes likely to be employed in industry related to education received - For how long will skills learned remain valid if learners are not retrained - What is the level of recognition of qualifications or credits, particularly by the relevant industry/profession. • Relevance for social goals. What is the value of the learning for <ul style="list-style-type: none"> - The voluntary sector / other key community stakeholders - Local Iwi or other Maori groups - Local Pacific Island groups. • Social relevance for learners <ul style="list-style-type: none"> - Is the learning primarily vocational or recreational in nature - If the course(s) is used to staircase/transition learners to higher levels of learning: <ul style="list-style-type: none"> - Explain why this course is appropriate to transition learners to higher levels of study - Provide targets for transition and an explanation for why the targets are appropriate - Provide evidence that show how the actual number of transition compares to the targets. <p>Access</p> <p>For an application based on access, TEOs should provide, as appropriate:</p> <ul style="list-style-type: none"> • Demographic information relating to which groups of students will face restricted access. For example, both regional and population-based data (age, ethnicity, etc) • Information demonstrating that there are no suitable alternatives for these students. 	<p>relation to business or industry needs</p> <ul style="list-style-type: none"> • Is the TEO's explanation for the employment targets for the course(s) reasonable and, if not, is there evidence that the targets are reasonable? • Is there evidence that the actual employment outcomes meet the TEO's targets? • Is there evidence that, for vocational related courses: <ul style="list-style-type: none"> • The course is directly related to local industry needs? • There is a shortage of these skills, with associated job vacancies? • Is evidence supplied to show that that the learners are going onto employment in industry related to the education received? • Is evidence provided showing that the course/qualification is highly regarded by its target industry or that the qualification is particularly valuable in the marketplace? • Are the arguments concerning the value of the course(s) to the community stakeholders reasonable and is evidence provided to support the arguments? • Are the arguments concerning the value of the (course) to local Iwi or other Maori groups or local Pacific learners, and their communities reasonable and is evidence provided to support the arguments? • From the SACQO template (PTEs) how well does the course target under-represented groups? • From TFS, what is the percentage of Maori and Pacific learners • Do the arguments made in relation to the value of the course(s) to Maori and Pacific learners line up with the SACQO templates and the number of Maori and Pacific learners in the course(s) or targeted in the SACQOT. • To what extent is the training in areas that have a high recreational or hobby element? • Are there any features of the course(s) that may make it a poor choice for transitioning students to higher levels of study? • Is the TEO's explanation for the transition targets for the course(s) reasonable and, if not, is there evidence that the targets are reasonable? • Do actual transition figures meet the TEO's targets? <p>Access</p> <ul style="list-style-type: none"> • Are potentially disadvantaged learners in a group targeted in the TES? • Is evidence provided showing that learning is in relation to important local industry, business, or community needs? • This should be identified in the Plan. Either there will be no other local provider of the type of delivery, or the alternative(s) would impose a level of financial burden insurmountable by a significant percentage of potential learners? 	
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