

Statement of Intent  
2011/12~2013/14

NEW ZEALAND QUALIFICATIONS

AUTHORITY



NEW ZEALAND QUALIFICATIONS AUTHORITY  
MANA TOHU MĀTAURANGA O AOTEAROA

Statement of Intent  
2011/12~2013/14

*The New Zealand Qualifications Authority ensures that New Zealand qualifications are valued as credible and robust, both nationally and internationally.*

*We are accountable for managing the New Zealand Qualifications Framework, administering the secondary school assessment system, independent quality assurance of non-university education providers, qualifications recognition, standard setting for some specified unit standards and the development of qualifications in specific fields.*

## Whakatauki

*Te manu ka kai i te miro, nōna te ngahere.  
Te manu ka kai i te mātauranga, nōna te ao.*

*The bird that partakes of the berry, his is the forest.  
The bird that partakes of knowledge, his is the world.*

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# Introduction

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## *Introduction from the NZQA Board and Chief Executive*

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Working for the benefit of learners is central to everything we do. As stewards of New Zealand's qualifications system, we are able to have a direct and positive impact on learner achievement. We do this through:

- ensuring that meaningful, credible qualifications are available for learners
- driving continuous improvement in the delivery of those qualifications
- leading and participating in sector-wide, learner-centred initiatives that contribute to a world-class education system.

Education is an investment in the future. New Zealand needs skills in order to drive real growth. Ensuring the integrity of New Zealand qualifications, and the quality of the institutions delivering these qualifications, is our primary contribution to this investment.

Over the next three years we will:

- make the pathways to employment and further education clearer
- promote greater recognition of learner achievement
- increase New Zealanders' confidence in the quality of the tertiary education sector (non-university)
- create more opportunities for our key education and immigration partner countries to recognise New Zealand qualifications
- make New Zealand qualifications more portable across educational jurisdictions.

The importance of our work means that we are relentless in our pursuit of smarter, more effective ways of making a difference to the lives of New Zealanders. To this end, we will collaborate with other agencies, use technology to improve client service, evaluate our costs to ensure we are delivering value, and take our strategies for Māori and Pasifika to the next level.

This document has been prepared in accordance with the requirements of sections 141 and 142 of the Crown Entities Act 2004.



Sue Suckling  
BOARD CHAIR



Keith Taylor  
BOARD MEMBER



Karen Poutasi  
CHIEF EXECUTIVE



# PART ONE

## What we do

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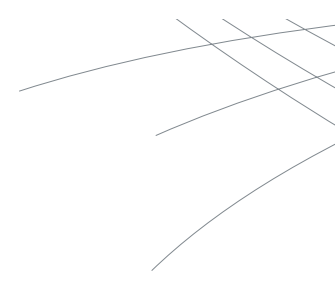
### *The nature and scope of our functions*

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Our role in the education sector is to help learners succeed in their chosen endeavours so that they can reach their personal aims and contribute to New Zealand society. We do this through ensuring that New Zealand qualifications are accepted as credible and meaningful, nationally and internationally. We are firm on our requirements, fair in our judgements, robust in our assessments and responsive to our clients.

We seek to be known for the quality of our services, which span the secondary and tertiary education sectors. We administer the National Certificate of Educational Achievement (NCEA) for secondary school students, are responsible for the quality assurance of non-university tertiary education organisations, and promote the understanding, comparability and recognition of New Zealand qualifications internationally.

Administering the NCEA for secondary school learners includes writing, distributing, marking and returning approximately 1.8 million examination scripts annually. In addition, we moderate 10 per cent of internally assessed work that earns credits. We also quality assure schools' assessment systems and practices. In quality assuring the tertiary sector we monitor over 700 organisations, carrying out approximately 180 external evaluations and reviews annually. We also approve qualifications and courses for learners.



The New Zealand Qualifications Framework (Figure 1) is a comprehensive list of all quality-assured qualifications in New Zealand. Our job is to ensure the framework is fit-for-purpose and supports the wider system to drive continuous gains in educational delivery and learner achievement. The framework makes it easier for learners, employers and the public to understand what different qualifications mean, and promotes consistency in the development and delivery of education in New Zealand.

**Figure 1: Enhancements to the New Zealand Qualifications Framework<sup>1</sup> underway**

Description	Level	Our work
Doctorates	10	
Masters	9	
Postgraduate certificates and diplomas and bachelors with honours	8	
Bachelors' degrees, graduate diplomas	7	Key education and immigration partner countries exhibit a greater recognition of New Zealand qualifications, and these qualifications are more portable across educational jurisdictions
Diplomas	6	
	5	
Certificates	4	The pathways to employment and further education are clearer and promote greater recognition of learner achievement <sup>2</sup>
	3	
	2	Enhanced NCEA delivery
	1	

<sup>1</sup> Certificates can be gained across all levels up to, and including, Level 7. Diplomas can be gained across Levels 5–7, inclusive.  
<sup>2</sup> This will enable learners to better understand the educational options available to them and increase their opportunities to achieve in their chosen field of study.

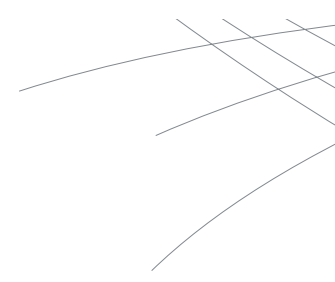
## Our clients

Supporting learners to reach their full potential requires effective networks that engage the people who influence individual learning outcomes. NZQA's priority is to support our diverse range of clients by providing effective and efficient services, within our statutory mandate, to meet their specific needs.

<i>We deliver these services</i>	<i>which provide</i>	<i>for these clients</i>
Develop, maintain and support the New Zealand Qualifications Framework	<ul style="list-style-type: none"> <li>• information about qualifications</li> <li>• information about what knowledge and experience holders of qualifications can be expected to have</li> <li>• information about what further education and/or employment opportunities the qualification leads to</li> </ul>	<ul style="list-style-type: none"> <li>• learners</li> <li>• parents</li> <li>• employers</li> <li>• education providers</li> <li>• New Zealanders studying or working abroad</li> <li>• whānau, hapū, iwi and Māori communities</li> <li>• students from overseas contemplating studying in New Zealand</li> </ul>
Manage the external assessment of secondary school students, monitor internal assessment in schools, and moderate internal assessment activities and results for secondary school students against assessment standards	<ul style="list-style-type: none"> <li>• external assessment results for NCEA</li> <li>• awards of Scholarship and the identification of Top Scholars</li> <li>• achievement statistics</li> <li>• quality assurance of schools that assess against assessment standards</li> </ul>	<ul style="list-style-type: none"> <li>• learners</li> <li>• parents</li> <li>• whānau</li> <li>• teachers</li> <li>• Ministry of Education</li> <li>• Education Review Office</li> <li>• employers</li> </ul>
Quality assure tertiary education organisations (TEOs) (non-university) <sup>3</sup> and their courses, and moderate assessment materials and learners' work for NZQA-owned unit standards	<ul style="list-style-type: none"> <li>• external evaluation and review of TEOs (non-university)<sup>4</sup></li> <li>• publicly available information about the quality and relevance of educational performance and organisational capability</li> <li>• feedback and guidance to organisations on standards-based assessment</li> </ul>	<ul style="list-style-type: none"> <li>• learners (including overseas students)</li> <li>• employers</li> <li>• education providers</li> <li>• Tertiary Education Commission</li> <li>• Ministry of Education</li> <li>• Department of Labour (Immigration New Zealand)</li> </ul>

<sup>3</sup> Universities New Zealand has responsibility for quality assurance across New Zealand's eight universities.

<sup>4</sup> External evaluation and review reports are available on our website at <http://www.nzqa.govt.nz/eer-reports>



<i>We deliver these services</i>	<i>which provide</i>	<i>for these clients</i>
Maintain effective liaison with overseas certifying and validating bodies in order to recognise overseas educational and vocational qualifications in New Zealand, and to achieve recognition of New Zealand educational and vocational qualifications overseas	<ul style="list-style-type: none"> <li>• the ability to use New Zealand qualifications as evidence of what people with qualifications can do in more countries overseas</li> <li>• the ability to support migrants to New Zealand by recognising their qualifications</li> </ul>	<ul style="list-style-type: none"> <li>• migrants to New Zealand</li> <li>• New Zealanders studying or working abroad</li> <li>• education providers</li> <li>• Ministry of Foreign Affairs and Trade</li> <li>• Department of Labour (Immigration New Zealand)</li> </ul>
Act as a standard-setting body	<ul style="list-style-type: none"> <li>• Māori standards and qualifications</li> <li>• standards and qualifications for which there are no other standard-setting bodies and which reflect Government priorities</li> </ul>	<ul style="list-style-type: none"> <li>• learners</li> <li>• whānau, hapū, iwi and Māori communities</li> <li>• industry/employers</li> </ul>

## **Client Charter**

We have formalised our commitment to our clients in our **Client Charter**, which is available at our website ([www.nzqa.govt.nz](http://www.nzqa.govt.nz)). The Client Charter specifies the level of service our clients can expect from us. We measure our performance against the standards we have committed to, and we constantly look for opportunities to improve the cost-effectiveness of our service. In 2010 we undertook a survey to enable us to better understand our clients' experience of our services, to determine current service satisfaction levels and to identify any areas for improvement. Results from this survey were very positive: over 50 per cent of our clients considered the quality of their experiences with us to be better or a lot better than their experiences with other government agencies. They also felt that we are continuing to improve over time. These results provide us with a challenging opportunity to maintain this momentum.

We are working to improve the experience our clients have when interacting with us. Communication occurs through a variety of ways – online, face-to-face, publications, on the phone, and in written correspondence via e-mail or post. These interactions demonstrate our commitment to *Te Rautaki Māori* (our Māori strategy) and our *Pasifika Strategy*, which are explained further in Part Two: Our strategic direction. We work hard as an organisation to support staff to deliver a great client experience for our diverse clients through all our channels.

The new and improved NZQA website launched in June 2010 is just one example of how we are improving client experience.



## Who we work with

Collaboration across the education sector fosters the synergy needed to achieve a greater impact on learner achievement. We work closely with the five other education agencies directly involved in the leadership and management of the education sector: the Ministry of Education, Career Services, the Education Review Office, the Tertiary Education Commission and the New Zealand Teachers Council.

Collaboration takes many forms, ranging from oversight by Chief Executives (for example, the ICT Standing Committee, which provides a sector view of key projects), to informal exchanges of information between our teams. Where initiatives will have an impact on multiple agencies (for example, Youth Guarantee<sup>5</sup> or changes to tertiary information), we seek contributions from all relevant agencies. These contributions take a variety of forms, including input to project direction and governance, resources to undertake work, or changes in the agency's own processes in support of the initiative.

We also exchange appropriate information with other agencies as part of our quality assurance and risk management work. For instance, in addition to exchanging information with the Tertiary Education Commission (TEC) on TEC-funded organisations, we have a Memorandum of Understanding with Immigration New Zealand whereby information on international education matters is exchanged in relation to permits, completions and qualifications.

<i>Our work to</i>	<i>contributes to these shared sector outcomes</i>
<ul style="list-style-type: none"> <li>encourage the use of the New Zealand Qualifications Framework so that qualifications can be delivered seamlessly across secondary and tertiary education, including Youth Guarantee (working with the Ministry of Education, Career Services and the TEC)</li> <li>continue enhancements to NCEA</li> </ul>	<ul style="list-style-type: none"> <li>every young person has the skills and qualifications to contribute to their own and New Zealand's future</li> </ul>
<ul style="list-style-type: none"> <li>quality assure tertiary qualifications and institutions (non-university), to support continuous improvement and to manage risk to learners and the Crown</li> </ul>	<ul style="list-style-type: none"> <li>relevant and efficient tertiary education provision that meets learners' and labour market needs</li> </ul>
<ul style="list-style-type: none"> <li>ensure that our approach to mātauranga Māori is compatible with Māori values and Māori expectations and to identify potential new qualifications that will bring improved economic benefits to Māori</li> <li>assist Māori education providers with programme development, quality management systems and communications</li> </ul>	<ul style="list-style-type: none"> <li>Māori achieving education success as Māori</li> </ul>

<sup>5</sup> Youth Guarantee is a Government initiative to improve the educational achievements of 16- and 17-year-olds.

<i>Our work to</i>	<i>contributes to these shared sector outcomes</i>
<ul style="list-style-type: none"> <li>• support international diplomacy and export education</li> </ul>	<ul style="list-style-type: none"> <li>• economic growth that delivers greater prosperity, security and opportunities for New Zealanders</li> </ul>
<ul style="list-style-type: none"> <li>• achieve collective education sector aims through more efficient and effective information sharing</li> <li>• provide more services online in response to client preferences</li> </ul>	<ul style="list-style-type: none"> <li>• maximising our investment in information and communication technology for the benefit of learners</li> </ul>

Maintaining effective working relationships with schools, businesses, wānanga, universities, institutes of technology and polytechnics, industry training organisations, private training establishments, registration boards and quality assurance bodies in New Zealand and overseas is vital to achieving our aims.



## PART TWO

# Our strategic direction

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### *Our operating environment*

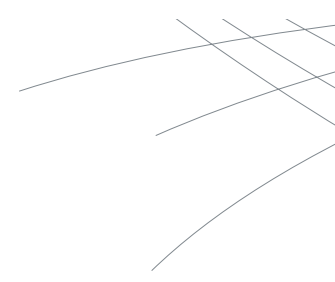
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Education has a large influence on how economies evolve. Workforce skills are a major enduring advantage countries can leverage in the long term. Education thus plays a key role in shaping New Zealand's current and future economic growth. This relationship is complex, as education and educational attainment levels evolve slowly while economic indicators exhibit short-term variations. Indicators such as labour-force participation, unemployment rates, earnings differentials and investment opportunities in education all point to substantial economic benefits from education, particularly tertiary education.<sup>6</sup>

NZQA directly contributes to the Government's priorities of economic growth and skills development by ensuring the integrity of the qualifications system. We work to create a responsive and robust system to meet the needs of both learners and industry.

Understanding the evolving environment and the growing expectations of our clients is vital to our success. The composition of our country's population is changing, technology is advancing and the global economy is having an increasing impact on the lives of New Zealanders. As the stewards of New Zealand's qualifications system, we must deliver on our present commitments while preparing for the future.

<sup>6</sup> Education at a Glance (OECD 2010).



The next few years will continue to present a challenging fiscal environment. Along with other Government agencies we are committed to improving the quality of our services within the funding constraints that apply. We have already made significant productivity and performance gains in the delivery of our services, including “Learner Web,” where learners can view and order their own results. A savings of \$145,000 has been realised in the first year. We are continuing to see further gains; for example, efficiencies in our procurement of resources and technology.

The Canterbury earthquakes have impacted on learners, educational institutions and the economy significantly. We are adapting our services to support individuals, schools and tertiary education organisations. Maintaining the reputation of New Zealand as a place where learners can achieve a high-quality education remains a focus for us. The earthquakes may influence how many international learners come to study in Canterbury and the number of tertiary education organisations based in Canterbury.

A significant proportion of our business is third-party funded. This means that changes in the number of learners, or the number of tertiary education organisations, impact on our workload and our revenue. We are monitoring the situation closely and will respond accordingly to continue our promise of quality service.

Rapid technological advances have had – and will continue to have – an impact on the way we deliver our services. The increasing ability to use technology while on the move offers both opportunities and challenges. External clients expect to be able to access information and services using the device and format of their choice. We will balance expectations around new technology against what is affordable, practical and secure.

The export education industry, estimated at \$2.5 billion in 2009, has been identified by the Government as an area for accelerated economic growth. This industry is dependent on New Zealand maintaining and enhancing its reputation as a provider of high-quality education. To support increased growth in the sector, we must build on existing relationships with our overseas counterparts to foster greater understanding and awareness of New Zealand as an attractive destination for overseas learners to come and study. As a result, we have now targeted our resources at a number of defined international geographic regions to maximise our impact on growth in this area.

New Zealand's population is growing increasingly diverse. We have a changing demographic profile as our Māori and Pasifika younger age groups grow, immigration increases and our general population and workforce age. The personal aspirations of individuals and the skills needed by our society as a whole influence the requirements for educational quality. We need to continue to tailor our services and strategies to ensure they are relevant and appropriate for our clients. For example, many people take classes that do not necessarily lead to qualifications, such as driver education. These are important skills for New Zealand society and we need to examine our role in this area. It is crucial that our clients understand, and are able to navigate their way through, the education system to give them the best opportunity for success.

We have two strategies underway to better direct our efforts to help meet Māori and Pasifika educational needs. *Te Rautaki Māori me te Mahere Whakatinana a te Mana Tohu Mātauranga o Aotearoa*, the *Māori Strategic and Implementation Plan 2007–2012*, for NZQA (referred to as *Te Rautaki Māori*) contributes to the Ministry of Education's goal of Māori enjoying educational success as Māori, and is consistent with the aims of *Ka Hikitia*, the Ministry of Education's *Māori Education Strategy 2008–2012*. We also have two external advisory groups to support the implementation of *Te Rautaki Māori*: Ngā Kaitūhono and our Māori Economic Development Forum. With the timetable for delivering *Te Rautaki Māori* coming to an end, we are working with our advisory groups on the next steps.

Our *Pasifika Strategy 2009–2012* supports the delivery of the Ministry of Education's *Pasifika Education Plan 2008–2012*. Our strategy outlines the framework to support the aspiration of Pasifika communities for Pasifika learners to become more highly skilled and qualified. The next step for our Pasifika work programme is consultation with Pasifika communities to review/renew the *Pasifika Strategy*. This will be led by our recently appointed Chief Advisor Pasifika, working closely with Ministry of Education staff and the Ministry of Pacific Island Affairs.

We are now planning beyond 2012 to determine what Māori and Pasifika learners need from us in the future.

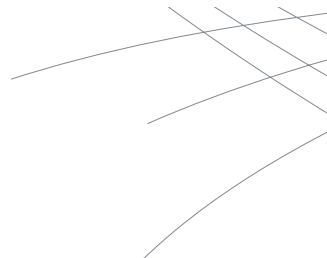


## *Our outcomes framework*

The contribution NZQA makes to New Zealand can be broadly grouped into three areas: qualifications, quality assurance and international education. The role we have in the education sector, the direction provided by the Government and the strategic environment we operate in together form the basis for our three outcomes. For the 2011/12–2013/14 period our outcomes are as follows:

1. The pathways to employment and further education are clearer and promote recognition of learner achievement.
2. New Zealanders have increased confidence in the quality of the tertiary education sector (non-university).
3. Key education and immigration partner countries exhibit a greater recognition of New Zealand qualifications, and these qualifications are more portable across educational jurisdictions.

The links between our core functions, initiatives and outcomes, the aims of the education sector and the contribution to meeting the Government's priorities are set out in Table 1 on the following page. We have six key initiatives underway to support the outcomes that are detailed in this section; two of these relate specifically to *Te Rautaki Māori*.



**Table 1: The New Zealand Qualifications Authority's Outcomes Framework**

**Our purpose:** The New Zealand Qualifications Authority ensures that New Zealand qualifications are valued as credible and robust, both nationally and internationally.

**Government priorities**  
What priorities is the Government seeking to achieve?

**Education sector aim**  
What is the education sector seeking to achieve?

**Outcomes**  
What are the outcomes we are seeking to achieve?

Economic growth that delivers greater prosperity, security and opportunities for New Zealanders

Developing the skills to enable citizens to reach their full potential and contribute to the economy and society

A world-leading education system that equips all New Zealanders with the knowledge, skills and values to be successful citizens in the 21st century

**Outcome 1:**  
The pathways to employment and further education are clearer and promote recognition of learner achievement

**Outcome 2:**  
New Zealanders have increased confidence in the quality of the tertiary education sector (non-university)

**Outcome 3:**  
Key education and immigration partner countries exhibit a greater recognition of New Zealand qualifications, and these qualifications are more portable across educational jurisdictions

**Output classes**  
How are we funded?

**Output Class 1: Provision of information and advisory services**  
1.1: Community consultation and communication  
1.2: Ministerial support

**Output Class 2: Quality assurance**  
2.1: Delivery of quality assurance processes  
2.2: Managing risk in the tertiary sector (non-university)

We are accountable for managing the New Zealand Qualifications Framework, administering the secondary school assessment system, independent quality assurance of non-university education providers, qualifications recognition, standard setting for some specified unit standards and the development of qualifications in specific fields.

### Impacts

What are the impacts we are seeking to achieve?

The New Zealand qualifications system is easier to understand for learners, employers and the public

Secondary school learners are assessed against the new New Zealand Curriculum, in partnership with the Ministry of Education, and there are increased opportunities for recognising learner achievement

Qualification pathways better meet identified needs for whānau, hapū, iwi, and Māori communities

There is an enhanced system for quality assuring TEOs (non-university) in order to support the delivery of high-quality education and training, maximise results for learners and minimise risk to the Crown

Learners have confidence through the Māori quality mark that institutions delivering programmes based on mātauranga Māori are of high quality and value, and contribute to Māori learning outcomes

There is increased understanding, comparability and recognition of New Zealand qualifications in key education and immigration partner countries

### Key initiatives

What are the key initiatives we are undertaking to deliver our outcomes?

KI 1: Implementing the Targeted Review of Qualifications recommendations

KI 2: Enhancing the delivery of NCEA

KI 3: Developing qualification pathways within a Māori context

KI 4: Implementing external evaluation and review for the tertiary education sector (non-university)

KI 5: Quality assuring qualifications and courses based on mātauranga Māori

KI 6: Enhancing the international recognition, understanding and portability of New Zealand qualifications

#### Output Class 3: Qualifications support structures

- 3.1: Development and maintenance of the New Zealand Qualifications Framework, and ensuring the credibility of standards and qualifications
- 3.2: Overseas qualifications assessment and recognition
- 3.3: International liaison

#### Output Class 4: Secondary school assessment

- 4.1: Secondary school external assessment
- 4.2: Secondary school internal assessment
- 4.3: New Zealand Scholarship examinations
- 4.4: Secondary school assessment systems

# Outcome 1: New Zealand qualifications

*The pathways to employment and further education are clearer and promote recognition of learner achievement*



Learners face some challenging decisions when making choices about their future. In an increasingly complex world, learners need to understand what different qualifications mean and what jobs or further education their study will prepare them for. Having the right information to support learners in their planning and decision-making is important for parents and whānau. Being able to translate a qualification into what a candidate for a job can be expected to know and do also helps employers make good recruitment and training investment decisions.

The key initiatives outlined below build on our previous work to help people understand the options available, and to promote greater opportunities for learners to achieve in their chosen endeavours.

## ***Key initiative 1: Implementing the Targeted Review of Qualifications recommendations***

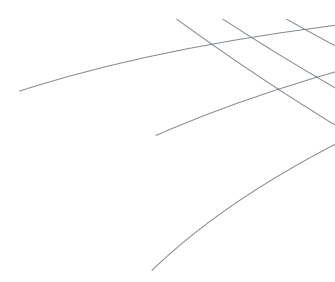
A targeted review of the New Zealand qualifications system, undertaken by NZQA in 2009, identified better ways of ensuring qualifications meet the current and future needs of learners, industry and other clients. As a result of this review we are implementing a package of changes to the framework, focusing on certificate and diploma qualifications at levels 1–6. These changes improve the New Zealand Qualifications Framework (NZQF) by:

- enabling a better understanding of the skills, knowledge and attributes a graduate has gained through completing a qualification
- making the pathways to educational and employment opportunities explicit
- encouraging collaboration between standard-setting bodies and TEOs (non-university) in the development of integrated and coherent qualifications
- enhancing public confidence in the value and relevance of New Zealand qualifications.

A key outcome from implementing the Targeted Review of Qualifications is to reduce the proliferation and duplication of qualifications at levels 1–6 on the NZQF to make it easier for learners to make choices about their training and education. For example, there are currently 274 English as a Second Language qualifications on the NZQF used by only 79 providers, making decisions for learners overly complicated. There are similar issues with other qualifications, such as tourism and hairdressing. NZQA aims for a 45 per cent reduction of qualifications by December 2012. Analysis of all qualifications at levels 1–6 on the NZQF indicates this level of reduction is attainable.







### Key initiative 3: Developing qualification pathways within a Māori context

The overall implementation of *Te Rautaki Māori* contributes to the Ministry of Education's Māori Strategy (*Ka Hikitia*) to ensure Māori enjoy educational success as Māori across a range of professional, vocational and industrial qualifications.

A key part of our commitment is to provide greater opportunities for Māori learner achievement, and to help whānau, hapū and iwi make decisions on education pathways and career opportunities. Developing a qualified workforce as iwi develop economic asset bases is a key driver for future qualification pathways in a Māori context.

Our relationships are vital to our success. Ngā Kaitūhono, an independent group we have established to help us ensure our approach to Māori knowledge is compatible with Māori values, advises us on our implementation of *Te Rautaki Māori*. NZQA's Māori Economic Development Forum is our external reference group that works with us to identify potential new qualifications that will bring improved economic benefits to Māori. We will continue to work with them to progress priority areas; for example, our work on a governance qualification pathway as a pilot project. We are also engaging the NZQA Māori Economic Development Forum in the processes for the mandatory review of qualifications.

To be effective, qualification pathways on the NZQF need to be clear and easy to access in order to facilitate the uptake of qualifications and encourage Māori learners to complete higher-level qualifications. This initiative will promote a greater understanding of the NZQF among whānau, hapū, iwi and Māori communities.

### How we will measure our success

<i>To achieve this outcome we are seeking the following impacts</i>	<i>We will measure our effectiveness at achieving these impacts through the following impact measures</i>
<ul style="list-style-type: none"> <li>The New Zealand qualifications system is easier to understand for learners, employers and the public.</li> </ul>	<ul style="list-style-type: none"> <li>The usability of the NZQF for learners, compared with the New Zealand Register of Quality Assured Qualifications,<sup>7</sup> is improved by 2013, as evidenced through independent analysis.</li> <li>There is a 45 per cent reduction (approximately 2,860 qualifications) in the number of qualifications on the NZQF by December 2012.</li> </ul>
<ul style="list-style-type: none"> <li>Secondary school learners are assessed against the new New Zealand Curriculum, in partnership with the Ministry of Education, and there are increased opportunities for recognising learner achievement.</li> </ul>	<ul style="list-style-type: none"> <li>Standards aligned with the new New Zealand Curriculum are available for secondary school learners, at the beginning of each school year, progressively from 2011: Level 1 in 2011, Level 2 in 2012 and Level 3 in 2013.</li> <li>An evaluation will be carried out on the impact that course endorsement is having on student motivation and achievement, with a report produced in 2014.</li> </ul>
<ul style="list-style-type: none"> <li>Qualification pathways better meet identified needs for whānau, hapū, iwi and Māori communities.</li> </ul>	<ul style="list-style-type: none"> <li>An evaluation will be carried out on those qualifications which have been identified by the Māori Economic Development Forum, and which have undergone a mandatory review process, to identify how they meet the needs of whānau, hapū, iwi and Māori communities, with a report produced in 2015.</li> </ul>

To achieve these impacts we have three key initiatives underway, which are explained in more depth in the following pages.



<sup>7</sup> The New Zealand Register of Quality Assured Qualifications was replaced by the New Zealand Qualifications Framework on 1 July 2010.

### Key initiative 1: Implementing the Targeted Review of Qualifications recommendations

#### Summary of initiative

This programme will continue the implementation of a package of changes to make the qualifications system in New Zealand more user-friendly and relevant. Over time, all qualifications will clearly state the skills and knowledge each qualification enables graduates to achieve and the education and employment pathways they might follow.

#### Deliverables to date

Deliverables to date include:

- the establishment of the New Zealand Qualifications Framework
- the development and implementation of procedures and criteria for:
  - strengthening and standardising qualification outcome statements
  - qualification developers to use existing qualifications rather than developing new ones
  - the involvement of recognised industry groups in qualification development
  - the development and implementation of a mandatory pre-assessment stage for qualification developers
- the commencement of ongoing fit-for-purpose reviews of qualifications.

#### Deliverables over the next three years

Deliverables over the next three years include:

- the continued implementation of the new approach to qualification design at levels 1 to 6, to ensure all qualifications have a clear focus on outcomes and a single set of design rules
- ongoing progressive mandatory reviews of existing qualifications on the New Zealand Qualifications Framework to ensure, over time, all qualifications meet the new requirements.

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## Key initiative 2: Enhancing the delivery of NCEA

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### Summary of initiative

This initiative will ensure secondary school learners are assessed against the new New Zealand Curriculum and will provide more opportunities for recognising learner achievement. This involves working with the Ministry of Education to bring nearly 2,000 standards up to date with the new curriculum, and the introduction of endorsements for individual school courses.

### Deliverables to date

Deliverables to date include:

- Level 1 achievement standards, new literacy and numeracy unit standards, and exemplars have been registered for use following sector consultation
- exemplars for Level 1 achievement standards (including those for new and significantly changed standards) have been published on our website for use by teachers and students
- standard-setting bodies are able to register unit standards with Excellence grades
- the criteria for achieving Merit and Excellence course endorsements, and the processes for awarding and reporting course endorsements, have been established.

### Deliverables over the next three years

Deliverables over the next three years include:

- as part of the progressive implementation of the new achievement standards over 2011–13, the publication of annotated examples of learner work exemplifying Achieved, Merit and Excellence for each new or significantly revised internally assessed standard
- the publication of Level 2 and Level 3 exemplars for use progressively, with Level 2 completed by December 2011 in readiness for implementation in 2012, and Level 3 completed by December 2012 in readiness for implementation in 2013
- the availability of course endorsement at all NCEA levels in 2011
- the collection and analysis of baseline data to inform the evaluation of the impact of course endorsement on learner motivation and achievement.



### Key initiative 3: Developing qualification pathways within a Māori context

#### Summary of initiative

This initiative focuses on working with Māori to ensure qualification pathways are available that meet identified needs for whānau, hapū, iwi and Māori communities and contribute to Māori achieving education success as Māori.

#### Deliverables to date

Deliverables to date include:

- our continued work with NZQA's Māori Economic Development Forum, with iwi representation, in order to:
  - identify areas where there are opportunities to improve the pathways available for learners (for example, development of a governance qualification at Level 5)
  - inform the development of qualifications and qualification processes based on mātauranga Māori.

#### Deliverables over the next three years

Deliverables over the next three years include:

- a review of the Field Māori qualifications provided by NZQA (in our role as a standard-setting body), with input from the Māori Economic Development Forum and Whakaruruhau, which will:
  - identify priority areas for Māori
  - develop a plan for promoting the use of those priority qualifications and pathways
- an active contribution to mandatory reviews of qualifications identified by the Māori Economic Development Forum as being of significance to whānau, hapū, iwi and Māori communities.

# Outcome 2: Quality assurance

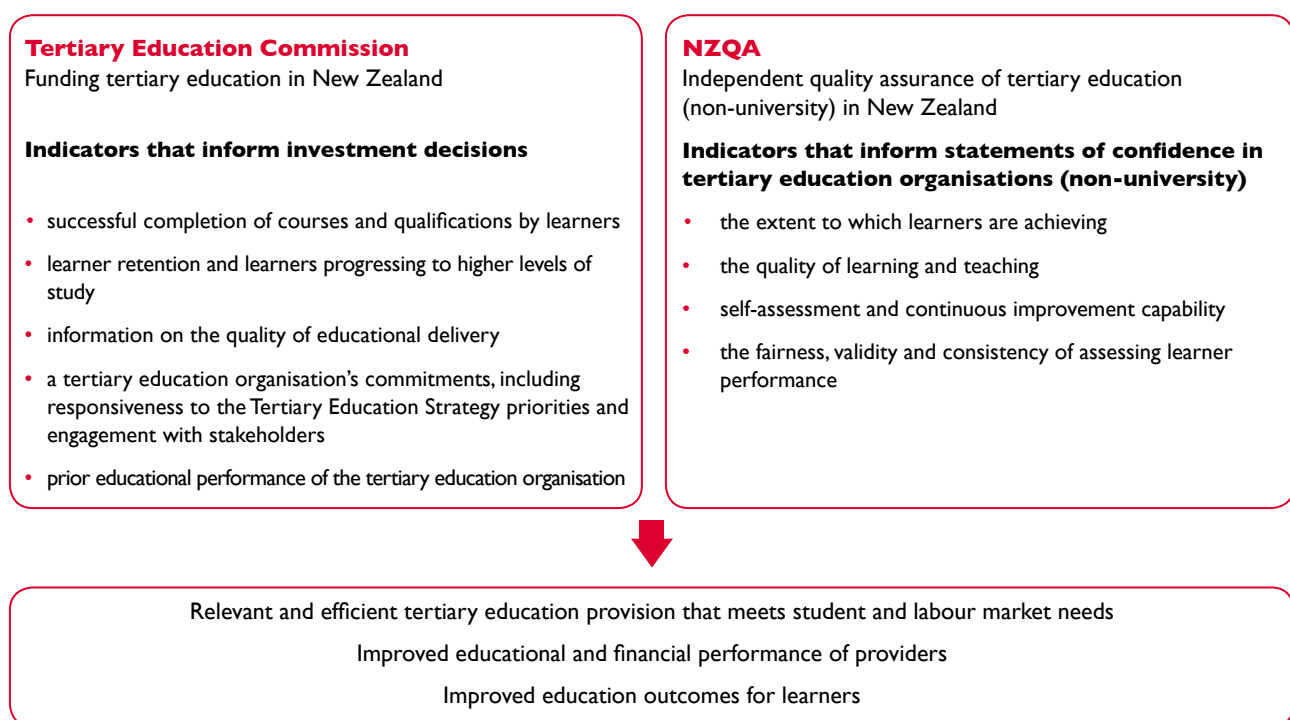
*New Zealanders have increased confidence in the quality of the tertiary education sector (non-university)*



Learners need to know that their investment of time, money and effort in gaining a qualification will result in a quality education that is valued by employers and other educational institutions. This means the courses that make up the qualifications, the teachers who teach them and the institutions that provide the infrastructure must together support learning that encourages meaningful educational outcomes.

The primary responsibility for the quality of education delivered to learners rests with the education provider. With over 700,000 people studying at a tertiary level in New Zealand it is important that the system as a whole is focused on learner achievement. Universities New Zealand has responsibility for quality assurance across the eight universities, while NZQA has responsibility across the rest of the tertiary education sector. We work closely with TEC, which is responsible for managing \$3 billion of annual funding for tertiary education. Although the functions of our agencies are quite different, the information we each have in relation to tertiary provider performance, when shared, creates valuable knowledge that informs ongoing improvement and supports the Government's tertiary education sector priorities, as shown in Figure 2 below.

*Figure 2: Role of TEC and NZQA in improving tertiary provider performance*



NZQA's quality assurance system includes self-assessment by TEOs and independent external evaluation and review by NZQA. This system supports TEOs (non-university) to continually develop capability, while providing the public with information about their performance through the published results of external evaluation and reviews. NZQA is also responsible for managing risks to learners and the Crown when educational providers are not performing well.

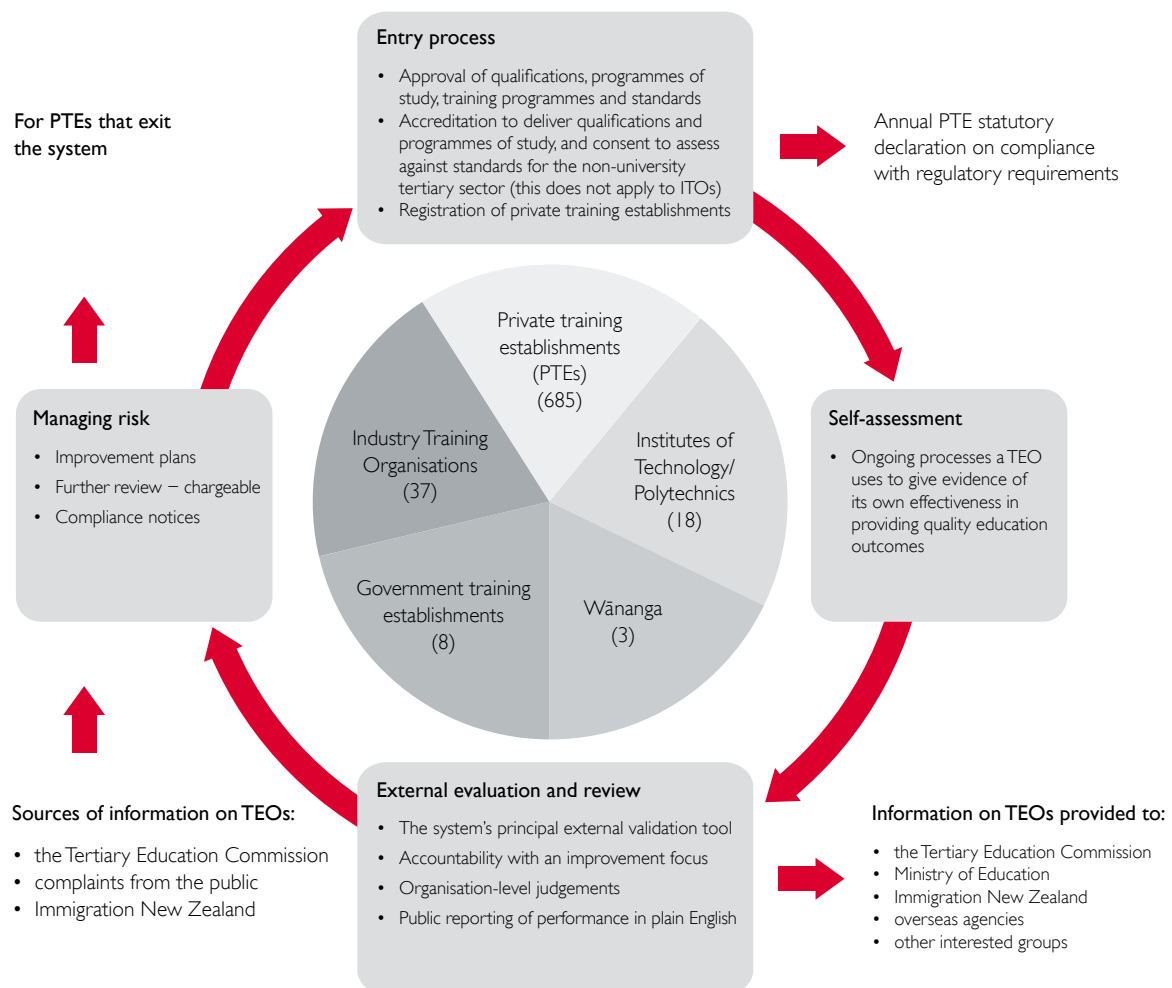
In January 2011 operational responsibility for the quality assurance of institutes of technology and polytechnics was transferred from Institutes of Technology and Polytechnics New Zealand back to NZQA. As a result, we are now directly responsible for quality assuring the entire non-university tertiary education sector. This enables us to ensure the delivery of high-quality, consistent and independent risk-based quality assurance, while recognising the distinctive contribution of different types of organisations in the sector.

Many New Zealand and international learners and educational institutions have been affected by the Canterbury earthquakes. We will continue our work to minimise the impact this has on educational achievement for these learners and on New Zealand's reputation as a destination for trusted, quality education services.

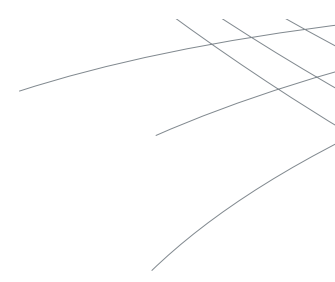
#### Key initiative 4: Implementing external evaluation and review for the tertiary education sector (non-university)

The progressive implementation of a new framework for the quality assurance of the tertiary education sector (non-university) commenced in 2009, with a shift from an audit regime to a more direct focus on the value of the outcomes of learning through external evaluation and review. Figure 3 illustrates how quality assurance in the tertiary education sector (non-university) now operates.

Figure 3: Quality assurance cycle for the tertiary education sector (non-university)<sup>8</sup>



<sup>8</sup> TEO numbers are as at 9 March 2011.



Over the past year we have completed the developmental work for an initial package of incentives and sanctions based on the judgements a provider receives as a result of external evaluation and review. This further development of the quality assurance framework recognises quality educational performance and self-assessment in individual providers and signals that poor performance is unacceptable. On the basis of the results of external evaluations and reviews, each tertiary education provider is assigned a quality assurance category. This category determines:

- the level of external scrutiny applied to applications for programme approval, accreditation and consent to assess against unit standards
- whether or not programme (course) applications can be fast-tracked
- the tenure of accreditations
- the frequency of external evaluation and reviews.

We envisage progressively expanding the range of incentives and sanctions.

NZQA has also joined the Crimestopper NZ Integrity Plus service to enable anonymous reporting of information about any illegal or fraudulent activity in the non-university education sector. We have taken this step to ensure that learners, staff and the public can provide information safely and anonymously, through a single independent source.

### **Key initiative 5: Quality assuring qualifications and courses based on mātauranga Māori**

The recognition of mātauranga Māori in education, including distinct pedagogies and methodologies, is a key component of *Te Rautaki Māori* (our Māori Strategy 2007–2012). In delivering on *Te Rautaki Māori*, we have recently tested our approach for quality assuring mātauranga Māori-based qualifications and programmes of study to ensure we have a process that is credible and robust. Working with Māori has been crucial in understanding the nuances of mātauranga Māori and the best ways for further development.

To appropriately recognise mātauranga Māori, we are developing a Māori quality mark as part of our quality assurance system. A Māori quality mark indicates that a TEO has the systems and processes in place that will contribute to the achievement of quality outcomes within a mātauranga Māori context.

The development and early implementation of evaluative quality assurance tools for mātauranga Māori will continue over the next three years. We will continue to work with Ngā Kaitūhono and the tertiary education sector (non-university) to provide assurances to learners that what they gain educationally, culturally and in other ways from mātauranga Māori supports them to succeed as Māori and as world citizens.

### **How we will measure our success**

<i>To achieve this outcome we are seeking the following impacts</i>	<i>We will measure our effectiveness at achieving these impacts through the following impact measures</i>
There is an enhanced system for quality assuring TEOs (non-university), in order to support the delivery of high-quality education and training, maximise results for students and minimise risk to learners and the Crown.	All non-university TEOs will have participated in at least one external evaluation and review by 2013, with the effectiveness of the new framework independently evaluated in 2012.
Learners have confidence through the Māori quality mark that institutions delivering programmes based on mātauranga Māori contribute to Māori learning outcomes.	Ngā Kaitūhono validates that our approach to the development and implementation of evaluative quality assurance tools for mātauranga Māori will have a positive impact on learner achievement.

To achieve these impacts we have two key initiatives underway, which are explained in more depth on the following pages.

#### Key initiative 4: Implementing external evaluation and review for the tertiary education sector (non-university)

##### Summary of initiative

This initiative involves implementing an evaluative approach to quality assurance in over 700 TEOs. The programme of work encourages continuous improvement in individual TEOs so that they deliver higher-quality education and training, maximise results for learners and minimise risk to learners and the Crown.

##### Deliverables to date

Deliverables to date include:

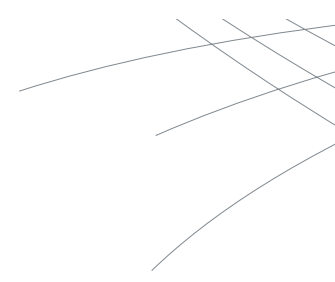
- all TEOs (non-university) are actively engaged in ongoing evaluative self-assessment
- the completion of external evaluation and review of 241 TEOs<sup>9</sup> (non-university), which represents 32 per cent of organisations
- the operation of new quality indicators for adult literacy and numeracy education in external evaluation and reviews
- the implementation of a package of incentives and sanctions for providers, based on the external evaluation and review results.

##### Deliverables over the next three years

Deliverables over the next three years include:

- at least 75 per cent of all TEOs (non-university) will have participated in external evaluation and review by the end of 2012, and 100 per cent by June 2013
- the completion of an independent evaluation of the quality assurance framework in 2012.

<sup>9</sup> As of 4 March 2011.



## Key initiative 5: Quality assuring qualifications and courses based on mātauranga Māori

### Summary of initiative

The initiative will develop and implement a model for quality assuring mātauranga Māori qualifications and courses. It will develop processes and evaluative tools for course approval and accreditation, self-assessment and external evaluation and review. These processes and tools will sit alongside the existing approach and will take explicit account of mātauranga Māori. In particular, they will take into consideration the physical or other tangible forms of traditional Māori values or expressions, as evidence of progression towards, or achievement of, quality Māori educational outcomes. This initiative supports the implementation of *Te Rautaki Māori*.

### Deliverables to date

Deliverables to date include the development and pilot of a quality assurance approach for:

- providers of mātauranga Māori programmes of study
- the approval and listing of a mātauranga Māori qualification on the NZQF
- mātauranga Māori programme approval and accreditation.

### Deliverables over the next three years

Deliverables over the next three years include:

- the implementation of the mātauranga Māori quality assurance model for:
  - providers of mātauranga Māori programmes of study
  - the approval and listing of a mātauranga Māori qualification on the NZQF
  - mātauranga Māori programme approval and accreditation
- the implementation of a Māori quality mark.



# Outcome 3: International education

# 3

*Key education and immigration partner countries exhibit a greater recognition of New Zealand qualifications, and these qualifications are more portable across educational jurisdictions*

Preserving and building on New Zealand's reputation as a high-quality education provider and increasing the portability of qualifications gained here will make New Zealand a more attractive place for students to come and study. The economic contribution of the New Zealand export education industry was estimated at \$2.5 billion for 2009. As the export education market becomes an increasingly important growth area of the economy, our international programme of work will support us to achieve this growth.

We work closely with overseas qualification authorities and equivalent agencies to increase the comparability between the qualification frameworks of our key immigration partner countries and improve cross-border recognition of qualifications. This is becoming increasingly important with a burgeoning global labour market, which requires qualifications that are more portable between countries.

## *How we will measure our success*

<i>To achieve this outcome we are seeking the following impact</i>	<i>We will measure our effectiveness at achieving this impact through the following impact measure</i>
There is increased understanding, comparability and recognition of New Zealand qualifications in key education and immigration partner countries.	New Zealand will be able to agree the compatibility of the NZQF with other national and regional qualification frameworks over time.

*To achieve this impact we have a key initiative underway, which is explained in more depth on the following page.*

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## Key initiative 6: Enhancing the international recognition, understanding and portability of New Zealand qualifications

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### Summary of initiative

This initiative is made up of four components:

- providing support, as required, for trade negotiations involving qualification recognition
- implementing the undertakings in signed free trade agreements
- providing advice and support to Pacific Island nations' qualifications framework development and quality assurance processes
- increasing understanding and comparability of qualifications.

### Deliverables to date

Deliverables to date include:

- the inclusion of recognition clauses in the New Zealand–Malaysia Free Trade Agreement (FTA), the ASEAN–Australia–New Zealand FTA, the New Zealand–Hong-Kong Closer Economic Partnership, and a qualifications recognition cooperation clause (Article 113) in the New Zealand–China FTA
- accession to the Lisbon Convention on the Recognition of Qualifications concerning Higher Education in the European Area
- the establishment of New Zealand's National Education Information Centre
- completion of a compatibility study between New Zealand's and Ireland's frameworks.

### Deliverables over the next three years

Deliverables over the next three years include:

- undertaking a joint work programme to recognise mutually identified vocational qualifications with China through the Joint Working Group on Recognition of Vocational Qualifications
- advising on, and potentially preparing for accession to, the UNESCO Regional Convention of Studies, Diplomas and Degrees in Higher Education in Asia and the Pacific (APRC)
- adopting UNESCO/OECD Guidelines for Quality Provision in Cross-Border Higher Education
- an annual secondment opportunity for staff from a Pacific Island nation working in a qualifications organisation
- completion of NZQA's contribution to the UNESCO collaborative research project Linking Recognition Practices to Qualification Frameworks: North–South Collaborative Research.





## PART THREE

# Our operating intentions

Ensuring the successful delivery of our strategic direction requires a strong focus on what matters. Robust processes, collaborative relationships, sound financial planning, strong leadership and a skilled workforce are all important to us. We will continue to build on this strong foundation to make a difference to learners in New Zealand.

### *Governance*

NZQA is a Crown entity,<sup>10</sup> governed by an independent board appointed by the Minister of Education. Our Board places emphasis on best-practice corporate governance, a factor that is crucial to our overall performance. The Board is responsible for setting the strategic direction of NZQA, in consultation with Ministers. The Board also ensures we carry out our legislative functions effectively, and robustly monitors our performance.

Two Board sub-committees support the work of the Board:

- the Audit Committee, which reviews and recommends actions to help the Board fulfil its responsibilities relating to accounting, reporting practices, internal audit and legislative compliance
- the Appointment and Remuneration Committee, which oversees the effective management of the appointment and remuneration of the Chief Executive and the remuneration for the Chief Executive's direct reports.

<sup>10</sup> Defined by the Crown Entities Act 2004, and empowered by section 248 of the Education Act 1989.

## Consultation and reporting to the Minister

The Board is accountable to the Minister of Education as NZQA's Responsible Minister; and to the Minister for Tertiary Education. The Board provides regular quarterly reporting to both Ministers and any additional reporting, as required. The Board will consult with both Ministers on areas of work that are closely aligned with Government objectives.

## Organisational health indicators

Our Board, Strategic Management Team and business unit managers monitor our performance against service and productivity targets on a monthly basis. This includes individualised measures focused on specific service delivery areas, as well as how well we are achieving NZQA-wide goals such as staff development and capital investment. Our higher-level indicators are summarised in Table 2.

**Table 2: Our organisational health indicators**

Indicators	Actual 2009/10	Forecast 2013/14
<b>Auditor-General's ratings:</b> <ul style="list-style-type: none"> <li>management control environment</li> <li>financial information systems and controls</li> <li>service performance information and associated systems and controls</li> </ul>	<p>Very good</p> <p>Very good</p> <p>Good</p>	<p>Very good</p> <p>Very good</p> <p>Good or Very good</p>
NZQA expenditure is monitored against budget to achieve +/- 5% within budget	Achieved	Achieved
Cash against debt ratio is maintained at not lower than 1.25:1 on an annual basis	Achieved	Achieved
Annual staff turnover is within 2% of the public sector average (9.2% in 2010)	Achieved (9.98%)	Achieved
More than 85% of surveyed clients consider the quality of their experiences with NZQA to be the same as or better than their experiences with other public sector organisations	Achieved (91%)	Achieved

## Our people

NZQA is a service delivery organisation, and our people are at the heart of everything we do and what we can achieve. Our people's skills are the single most important part of our capability to deliver a service that is responsive to clients' needs. In recognition of this, we have developed a four-year capability enhancement plan to ensure we have the workforce we need to meet our current and future objectives. This People Plan builds on a range of existing initiatives, including our Values and Client Charter, our Leadership Programme, and our *Te Rautaki Māori* and Pasifika strategies.

The seven initiatives in the plan focus on the skills that our people and managers need to support their own success and that of the organisation. Creating the right people management environment means that we:

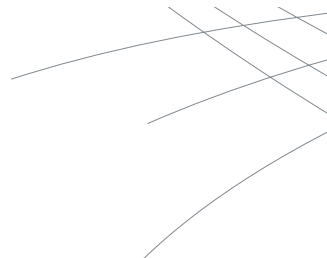
- effectively resource the roles in our organisation
- develop the skills of our people
- create a positive working environment
- provide opportunities for people to apply their skills and enthusiasm at work.

## Risk management strategy

The identification and effective management of risks that could affect our ability to achieve our priorities is a key part of how we work. We operate a dynamic risk register and management framework to systematically identify, analyse, treat and monitor risks to the organisation.<sup>11</sup> Our process requires managers at all levels to identify, quantify and mitigate risks. The Strategic Management Team monitors these risks monthly and reports them to the Board, according to the mitigated level of risk. We report regularly to the Minister of Education and the Minister for Tertiary Education on any outstanding issues.

<i>Our strategic risks</i>	<i>Our risk management strategies</i>
Our third-party revenue is variable and depends on the extent to which external parties require our services. The fixed cost component of some of our work is relatively high, and unit cost is therefore significantly influenced by volume. This could have an impact on our budgets.	Our financial risk management strategy includes quarterly rolling forecast exercises, and monitoring of expenditure and third-party revenue on a monthly basis. This approach enables NZQA to adjust its expenditure and financial commitments as required.
The increasing use of technology to manage the volume and complexity of our business means that at certain times of the year a significant failure in technology could affect our ability to meet our commitments.	We have put in place changes to our technology environment, which have enhanced our ability to manage the volume of activity during peak periods. This, in conjunction with change control procedures and monitoring, mitigates the risk.
Our project portfolio for the next several years is large and complex. This may require reprioritisation to manage any unexpected demands.	Our project governance framework provides appropriate prioritisation, visibility and support to project delivery. The need for independent quality assurance is regularly reviewed, and is engaged where appropriate.

<sup>11</sup> Our approach is consistent with the Joint Australian / New Zealand International Standard for Risk Management (AS/NZS ISO 31000:2009).



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## *Evaluative activities planned*

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Driving quality through ongoing self-assessment and improvement is a fundamental part of our philosophy. We have effective mechanisms to support ongoing improvements to our systems, policies and procedures. These include independent reviews (undertaken by the internal audit team or commissioned separately to support significant projects) and self-reviews (self-assessment practices based on the State Services Commission's Performance Improvement Framework and supported by annual client and staff surveys).

In addition, we have several formal evaluations taking place over the next few years focusing on the effectiveness of our key initiatives within the education sector. These include:

- an independent evaluation of the NZQF following the implementation of the Targeted Review of Qualifications recommendations, to determine the degree to which the usability of the NZQF has been improved for learners, compared with the New Zealand Register of Quality Assured Qualifications<sup>12</sup>
- an independent evaluation of course endorsement to determine the impact this has had on learner motivation and achievement
- an independent evaluation of NZQA's quality assurance framework for the tertiary education sector (non-university), which includes TEO self-assessment and independent external evaluation and review to determine the effectiveness of the new framework for improving educational outcomes for learners.

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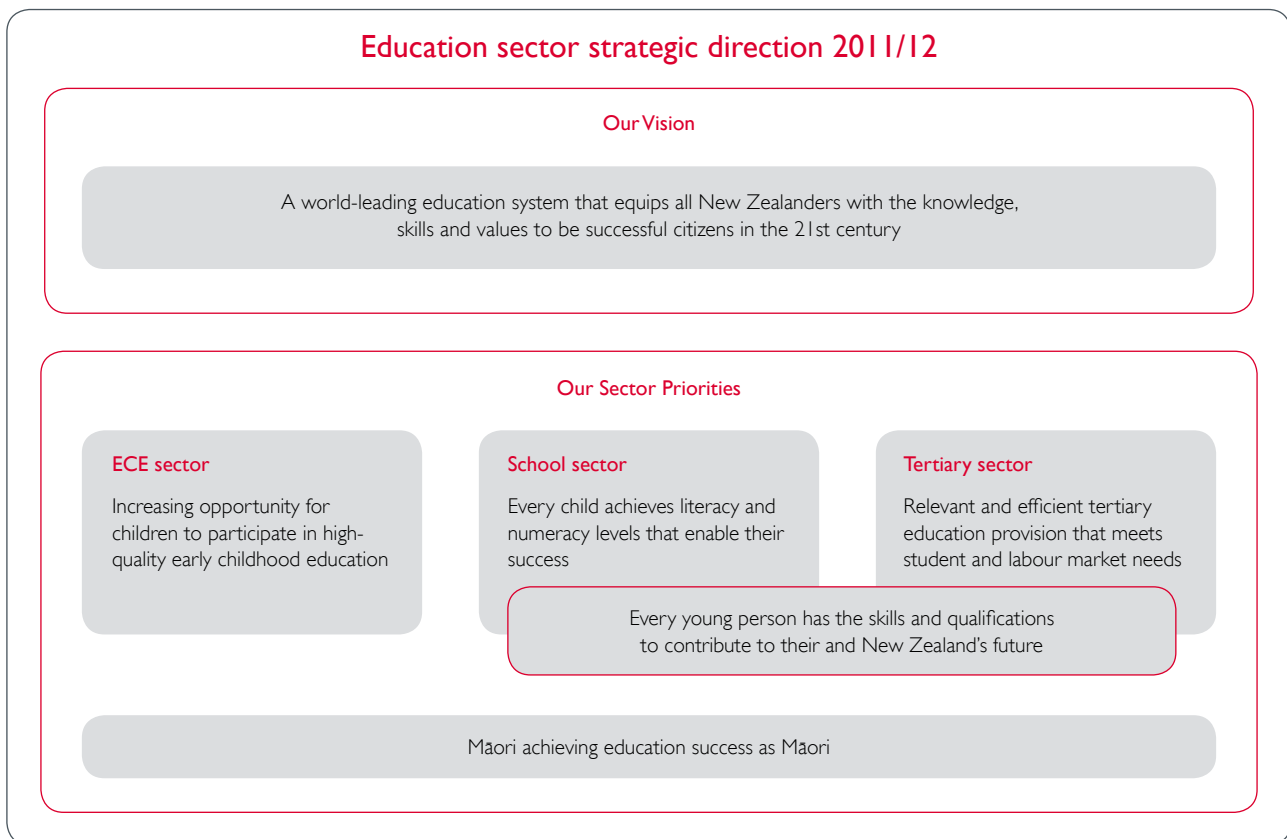
## *Working together*

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We collaborate with the five other education sector agencies, the Ministry of Education, Career Services, the Education Review Office, the TEC and the New Zealand Teachers Council. Together we are working towards achieving the Government's priorities and advancing learner achievement. The priorities depicted in Figure 4 provide a common direction and purpose for the education sector.



Figure 4: Priorities for the education sector



### Financial strategy and capital planning

Financial pressures on NZQA are increasing as we progress into the 2011/14 period. Some of these pressures are the result of the current economic climate, while others are the result of how we have chosen to adapt to this environment. For example, we have implemented a series of initiatives to enhance both secondary and tertiary education programmes while maintaining their fees and charges at 2004/05 levels. These initiatives include the Targeted Review of Qualifications.

NZQA's financial planning assumes that in the medium term there will be no increase in Crown funding and that resources will be prioritised into operational activities to further enhance the value of services we are delivering to our clients.

Going forward, we need to use a variety of approaches to meet the Government's expectations of improved service through greater cost-effectiveness. We are looking to leverage sector and all-of-government initiatives, where possible, to reduce costs associated with the procurement of core business goods and services, with particular focus on the delivery of our information and communication technologies.

NZQA has achieved a significant milestone in reducing its operational costs by consolidating its purchasing volume in collaboration with various joint government procurement initiatives. We have analysed our costs, both from a business unit perspective and from a product cost perspective, and will use that information to create further efficiencies.

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We are ensuring that both Crown and third-party revenue targets are minimised by tighter cost control across services, and by increasing clarity, cost allocation, examining our service mix and tracking our cost profile. We are regularly reviewing our fees and charges regime. This is to ensure that where we do charge a fee, the fee reflects the quality and value of the services we are providing and to take a longer-term view of our ongoing funding of systems and infrastructure.

Our strength in both financial operating and balance sheet management has enabled us to respond to ongoing funding pressures and to reprioritise and reinvest in strategic projects. We are increasing our capital reinvestment programme in initiatives to ensure we continue effective delivery. We are investing in upgrades and replacements to components of our core systems, in line with the capital depreciation timeframes and life spans of these assets. These changes will ensure that NZQA's systems remain robust, well supported and capable of delivering an increasing number of services to an expanding client base.

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### *Information and communication technology*

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Information and communication technology (ICT) is at the core of NZQA. Delivery of ICT services for learners and for NZQA itself is critical to enabling us to successfully carry out our functions for our clients.

We work closely with the other education sector agencies to improve all aspects of services to our clients. As part of this work, we aim to deliver efficient and effective ICT services and wherever possible make use of shared-service opportunities to reduce cost, complexity and delivery time.

Tertiary information is a key area for NZQA, the TEC, the Ministry of Education and StudyLink. A programme of work spanning the four agencies is underway to improve the systems used to support information management in tertiary education. This programme will deliver:

- robust core data registries (namely for qualifications and courses, and providers and learners)
- centralised “event driven” data collections that record the transactions of learners (such as enrolments, completions, withdrawals) in near real time
- more effective cross-agency process integration and information sharing.

NZQA is responsible for delivering the courses/qualifications data registries and providing support to sector projects as required.

In addition to our tertiary information work, NZQA utilises technology to support our staff in delivering on our work programme. For example, the NCEA examination cycle would not be possible without the processing efficiencies provided by technology. As core system components come up for upgrading or replacement, we will continue to review them for effectiveness, and will seek to simplify and streamline both business and ICT processes and systems as part of our investment decision-making. In the near term, this will include looking at the business and technology processes involved in supporting the NCEA examination cycle.



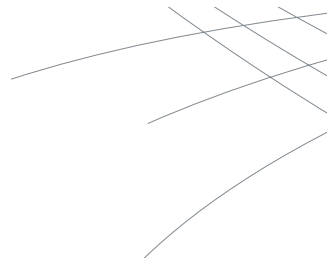


## PART FOUR

# Statement of forecast service performance 2011/12

NZQA has the following output classes funded by the Government through Vote Education:

- Output class 1: Provision of information and advisory services: this includes community consultation and communication and ministerial support.
- Output class 2: Quality assurance: this includes the delivery of quality assurance processes and the management of risk in the tertiary sector (non-university).
- Output class 3: Qualifications support structures: this includes the development and maintenance of the New Zealand Qualifications Framework and ensuring the credibility of standards and qualifications.
- Output class 4: Secondary school assessments: this includes secondary school external and internal assessments, New Zealand Scholarship examinations and secondary school assessment communications.



The following pages describe the aims we are seeking to achieve in the delivery of our outputs and how our performance is measured. These measures have been revised from previous years to reflect changes in the New Zealand qualifications system and the quality assurance of tertiary education organisations (non-university). These measures enable the public to monitor the aspects of our core functions that best indicate our performance in delivering excellent services to the Government and our clients.

Ministerial sign-off

Signed by:

Hon Anne Tolley  
Minister of Education

New Zealand Qualifications Authority sign-off

Signed by:

Sue Suckling  
Board Chair  
New Zealand Qualifications Authority

Karen Poutasi  
Chief Executive  
New Zealand Qualifications Authority

# Output Class 1

# 1

## Output class 1: Provision of information and advisory services

### Scope of appropriation

This appropriation is limited to providing information on government education policy and programmes, general information, advisory programmes, and services to the public, community groups, industry and the education community.

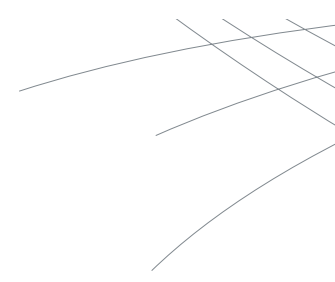
### Outputs in this output class are:

- Output 1.1: Community consultation and communication
- Output 1.2: Ministerial support

People need quality, timely and relevant information to make good decisions. These performance measures provide us with an indication of how well we are supporting learners, their whānau, schools, education providers and Government in their decision-making. The number of responses and submissions provided to Ministers can vary significantly according to demand, therefore no estimate for these services for 2011/12 has been provided.

### Provision of information and advisory services

<b>Cost and funding</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Revenue</b>			
Crown	2,614	2,614	2,614
Other	-	-	-
<b>Total revenue</b>	<b>2,614</b>	<b>2,614</b>	<b>2,614</b>
<b>Expenses</b>	2,606	2,614	2,614
<b>Net funded to/(from) NZQA reserves</b>	<b>8</b>	<b>-</b>	<b>-</b>



## Output 1.1: Community consultation and communication

Performance measures	Rationale	Actual 2009/10	Estimated actual standard 2010/11	Budget standard 2011/12 <sup>13</sup>
<b>Quantity measure</b>	Learners, parents, whānau, teachers, education providers and employers understand the New Zealand qualifications system			
The delivery of an information programme on the following: quality assurance, the New Zealand Qualifications Framework, <i>Te Rautaki Māori</i> , our <i>Pasifika Strategy</i> , NCEA and other government education policy for which NZQA has responsibility.		100%	100%	100%
<b>Quality measure</b>				
The percentage of external communications that meet identified good practice guidelines		New measure	95%	95%
<b>Timeliness measure</b>				
The percentage of people responding to our annual Client Survey who find our external publications are received in sufficient time to make educational decisions <sup>14</sup>		New measure	80%	80%



<sup>13</sup> Budget standard indicates the service level budgeted for the new financial year.

<sup>14</sup> NZQA commenced an annual Client Survey in June 2010. This did not include a specific question on external communications.

**Output 1.2: Ministerial support**

<i>Performance measures</i>	<i>Rationale</i>	<i>Actual 2009/10</i>	<i>Estimated actual standard 2010/11</i>	<i>Budget standard 2011/12</i>
<b>Quantity measures</b>				
The number of draft responses to Ministerial correspondence and Official Information Act requests	Ministers receive high-quality, timely advice to support decision-making	251	270	Volume is demand-driven
The number of submissions to Ministers		150	168	Volume is demand-driven
The number of draft responses to oral and written parliamentary questions		18	48	Volume is demand-driven
<b>Quality measures</b>				
The percentage of draft responses to Ministerial correspondence and Official Information Act requests accepted by the Minister in terms of technical accuracy		97% [Target 95%]	97%	97%
The percentage of submissions accepted by the Minister in terms of technical accuracy		100% [Target 95%]	97%	97%
The percentage of responses to oral and parliamentary questions that are accepted by the Minister in terms of technical accuracy		100% [Target 95%]	97%	97%
<b>Timeliness measures</b>				
The percentage of draft responses to Ministerial correspondence, Official Information Act requests and submissions that achieve the deadlines set by staff in the Ministers' offices		100% [Target 95%]	95%	95%
The percentage of responses to oral and written parliamentary questions that achieve the deadlines set by staff in the Ministers' offices		100% [Target 100%]	100%	100%

# Output Class 2



## Output class 2: Quality assurance

### Scope of appropriation

This appropriation is limited to the provision by the New Zealand Qualifications Authority of quality assurance services to support the New Zealand qualifications system, which includes ongoing development and management of quality assurance processes, monitoring and managing providers at risk and the ongoing refinement and maintenance of the quality assurance framework.

### Outputs in this output class are:

- Output 2.1: Delivery of quality assurance processes
- Output 2.2: Managing risk in the tertiary education sector (non-university)

Ensuring high-quality services are delivered to tertiary learners in the non-university sector is a core function for us. These performance measures provide us with an indication of how well we are quality assuring providers and managing risk both for learners and for the Crown's investment in the tertiary education sector (non-university). We do this through measuring key aspects of this work, including external evaluation and review and the implementation of the Incentives and Sanctions policy.

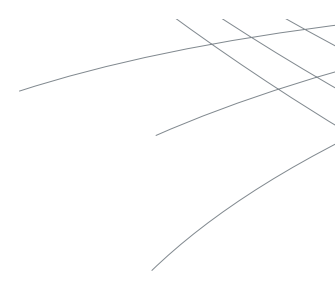
### Provision of quality assurance

<b>Cost and funding</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Revenue</b>			
Crown	4,370	4,370	4,370
Other	6,065	6,065	6,065
<b>Total revenue</b>	<b>10,435</b>	<b>10,435</b>	<b>10,435</b>
<b>Expenses</b>	10,781	10,516	10,516
<b>Net funded to/(from) NZQA reserves</b>	<b>(346)</b>	<b>(81)</b>	<b>(81)</b>

**Output 2.1: Delivery of quality assurance processes**

<i>Performance measures</i>	<i>Rationale</i>	<i>Actual 2009/10</i>	<i>Estimated actual standard 2010/11</i>	<i>Budget standard 2011/12</i>	
<b>Quantity measures</b>					
The number of external evaluations and reviews undertaken of tertiary education organisations (non-university)	There is a consistent and transparent approach to improving the quality of education provision and the quality of qualifications across the tertiary education sector (non-university)	154 [Target 150]	180	187	
The number of assessment standards quality assured and listed on the Directory of Assessment Standards		New measure	Volume is demand-driven	Volume is demand-driven	
The percentage of tertiary education organisations (non-university) with consent to assess and actively assessing against NZQA managed standards monitored in accordance with national external moderation requirements to determine how well they are assessing their learners against NZQA managed standards		New measure	100%	100%	
<b>Quality measures</b>					
The percentage of tertiary education organisations (non-university) that have sanctions applied on the basis that they have received judgements below "confident" as a result of external evaluation and review <sup>15</sup>		New measure	100%	100%	
The percentage of approved qualifications that meet all published requirements for placement on the NZQF, as demonstrated through a random sampling		100% [Target 100%]	100%	100%	
The percentage of tertiary education organisations (non-university) with consent to assess and actively assessing against NZQA managed standards, and where significant issues have been identified, that have an agreed plan in place or have sanctions applied against them	New measure	100%	100%		

<sup>15</sup>Implementation of the Incentives and Sanctions policy commenced from April 2011.



**Output 2.1: Delivery of quality assurance processes (Continued...)**

<i>Performance measures</i>	<i>Rationale</i>	<i>Actual 2009/10</i>	<i>Estimated actual standard 2010/11</i>	<i>Budget standard 2011/12</i>
<b><i>Timeliness measure</i></b>				
The percentage of external evaluation and review reports completed and sent to the tertiary education organisation within 20 working days of the site visit		96% [Target 95%]	95%	95%
The percentage of successful applications for sub-degree programmes of study approved within 55 working days		New measure	85%	85%
The percentage of tertiary educational organisations (non-university), with consent to assess and actively assessing against NZQA managed standards (and not exempt from national external moderation), that receive a National External Moderation report annually		100%	100%	100%

**Output 2.2: Managing risk in the tertiary education sector (non-university)**

<i>Performance measures</i>	<i>Rationale</i>	<i>Actual 2009/10</i>	<i>Estimated actual standard 2010/11</i>	<i>Budget standard 2011/12</i>	
<b>Quantity measures</b>					
The percentage of all provider trusts that are audited by a member of the New Zealand Institute of Chartered Accountants (NZICA) at the request of NZQA	Risk to learners and the Crown is minimised	71% [Target 50%]	70%	70%	
The percentage of tertiary education organisations that receive a “not confident” rating for educational performance and capability in self-assessment that have all programme approval and accreditation applications suspended		New measure	100%	100%	
The number of newly registered private training establishments that receive a validation visit within six months of registration		120	Volume is demand-driven	Volume is demand-driven	
The percentage of complaints regarding tertiary education organisations that are managed in accordance with published policies and procedures		100%	100%	100%	
<b>Quality measures</b>					
The percentage of issues identified through the NZICA audits of provider trusts that are addressed by NZQA		New measure	100%	100%	
The percentage of tertiary education organisations subject to sanctions as a result of an external evaluation and review judgement lower than “confident,” who have sanctions lifted only as a result of demonstrated improved performance	New measure	100%	100%		

**Output 2.2: Managing risk in the tertiary education sector (non-university) (Continued...)**

<i>Performance measures</i>	<i>Rationale</i>	<i>Actual 2009/10</i>	<i>Estimated actual standard 2010/11</i>	<i>Budget standard 2011/12</i>
The percentage of newly registered private training establishments that do not meet published policies and criteria that are required to achieve an appropriate action plan or face procedures ultimately leading to sanctions		100% [Target 100%]	100%	100%
The percentage of complaints managed in accordance with published policies and procedures as evidenced by the documentation trail		100% [Target 100%]	100%	100%
<b><i>Timeliness measure</i></b>				
The percentage of issues identified through NZICA audits of provider trusts that are addressed by NZQA within 30 working days of NZQA receiving notification		New measure	100%	100%
The percentage of tertiary education organisations who receive a "not confident" rating, have the process for suspension conditions commenced within 20 working days after receiving and accepting the rating		New measure	100%	100%
The percentage of newly registered private training establishments that receive a validation visit within six months of registration		100%	100%	100%
The percentage of complaints regarding tertiary education organisations that are concluded within 65 days		95% [Target 90%]	90%	90%



# Output Class 3

# 3

## Output class 3: Qualification support structures

### Scope of appropriation

This appropriation is limited to the provision for the New Zealand Qualifications Authority overseeing the setting of standards and New Zealand qualifications. It also includes standard setting and qualification development responsibility, recognition and review of qualifications, records management processes to support the New Zealand Qualifications Framework and participation in the promotion of the New Zealand qualifications system to key education and immigration partner countries.

### Outputs in this output class are:

- Output 3.1: Development, maintenance of the New Zealand Qualifications Framework, and ensuring the credibility of standards and qualifications
- Output 3.2: Overseas qualifications assessment and recognition
- Output 3.3: International liaison

As stewards of New Zealand's qualifications system we ensure that New Zealand qualifications are valued as credible and robust. These performance measures provide us with an indication of how well we are doing in developing and maintaining the NZQF, assessing overseas qualifications and promoting New Zealand qualifications internationally. We do this through measuring key aspects of the work including standards development, recognition of qualifications and international liaison.

### Qualifications support structures

<b>Cost and funding</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Revenue</b>			
Crown	6,049	6,049	6,049
Other	20,971	20,714	20,714
<b>Total revenue</b>	<b>27,020</b>	<b>26,763</b>	<b>26,763</b>
<b>Expenses</b>	25,279	25,279	25,279
<b>Net funded to/(from) NZQA reserves</b>	<b>1,741</b>	<b>1,484</b>	<b>1,484</b>

**Output 3.1: Development, maintenance of the New Zealand Qualifications Framework, and ensuring the credibility of standards and qualifications**

Performance measures	Rationale	Actual 2009/10	Estimated actual standard 2010/11	Budget standard 2011/12
<b>Quantity measures</b>				
The number of non-curriculum-based NZQA-owned standards maintained	Learners and employers have confidence that learners are assessed against credible, robust and consistent standards	New measure	1,100	220–260 <sup>16</sup> Volume is demand-driven
The number of credits assessed by accredited tertiary education organisations and put on to learners' transcripts	Learners' education records are timely and accurate	11,308,515	12 million	10–12 million Volume is demand-driven
The number of qualification certificates issued to learners		77,923	60,000–70,000	60,000–70,000 Volume is demand-driven
<b>Quality measures</b>				
The percentage of NZQA-owned standards submitted for quality assurance registered following no more than two quality assurance cycles		93% [Target 90%]	90%	90%
The percentage of credits for standards assessed by accredited tertiary education organisations accurately put on to learners' transcripts		100% [Target 100%]	100%	100%
The accuracy of national qualifications records awarded to tertiary learners		100% [Target 100%]	100%	100%
<b>Timeliness measure</b>				
The percentage of NZQA-owned non-curriculum-based standards maintained and accepted for registration by their planned review date		New measure	95%	95%

<sup>16</sup> NZQA owns over 5,000 standards. The decrease in volume reflects the completion of a project in 2010 to ensure all of our standards are up to date and move back into a cycle of maintenance and development.

### Output 3.1: Development, maintenance of the New Zealand Qualifications Framework, and ensuring the credibility of standards and qualifications (Continued...)

Performance measures	Rationale	Actual 2009/10	Estimated actual standard 2010/11	Budget standard 2011/12
The percentage of results for standards assessed by accredited tertiary organisations put on to learners' transcripts within two working days		99% [Target 98%]	98%	98%
The percentage of national qualification certificates dispatched to learners within five working days		98% [Target 98%]	98%	98%

### Output 3.2: Overseas qualifications assessment and recognition

Performance measures	Rationale	Actual 2009/10	Estimated actual standard 2010/11	Budget standard 2011/12
<b>Quantity measure</b>	People who want to work, live or study in New Zealand can apply to have their overseas qualifications evaluated to see if a comparison to a New Zealand qualification can be made			
The number of qualifications recognised and then benchmarked against the New Zealand Qualifications Framework		8,120	7,000–8,000	6,500–7,500 Volume is demand-driven
<b>Quality measure</b>	Employers, education providers and Immigration New Zealand can understand what knowledge, skills and competencies the qualification/s a person holds represent			
The percentage of qualifications subject to external corroboration from two sources regarding the legitimacy of the qualification		100%	100%	100%
<b>Timeliness measure</b>				
The percentage of standard applications evaluated within 35 working days (exclusive of any verification delays)		98% [Target 96%]	96%	96%
The percentage of fast track applications evaluated within 20 working days (exclusive of any verification delays)		96% [Target 96%]	96%	96%

### Output 3.3: International liaison

Performance measures	Rationale	Actual 2009/10	Estimated actual standard 2010/11	Budget standard 2011/12
<b>Quantity measures</b>				
Support for the Ministry of Foreign Affairs and Trade in free trade agreement negotiation meetings	Increased recognition of New Zealand qualifications internationally	29	20	20 Volume is demand-driven
The number of free trade agreements for which NZQA has implementation responsibilities		1	3	4 Volume is demand-driven
<b>Quality measure</b>				
NZQA provides support for free trade negotiations and implements free trade agreements to the satisfaction of the Ministry of Foreign Affairs and Trade		3 <sup>17</sup>	3	3
<b>Timeliness measure</b>				
The Ministry of Foreign Affairs and Trade is satisfied with the timeliness of NZQA's involvement with free trade negotiations and the implementation of NZQA's free trade agreement responsibilities		3	3	3

# Output Class 4

# 4

## Output class 4: Secondary school assessments

### Scope of appropriation

This appropriation is limited to the provision for the New Zealand Qualifications Authority overseeing assessment for national secondary school qualifications, including the NCEA and Scholarship examinations, and the moderation of internal and external school assessment.

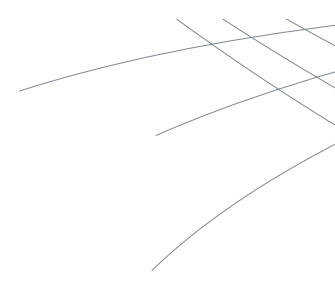
### Outputs in this output class are:

- Output 4.1: Secondary school external assessment
- Output 4.2: Secondary school internal assessment
- Output 4.3: New Zealand scholarship examinations
- Output 4.4: Secondary school assessment systems

Every year over 140,000 secondary school learners aim to achieve a National Certificate of Educational Achievement (NCEA). Ensuring a robust and equitable assessment system for New Zealand's secondary school learners is one of our core functions. These performance measures provide us with an indication of how well we are administering NCEA and ensuring the integrity of the secondary school assessments system. We do this through measuring key aspects of the work, including the examination of standards and assessment systems.

### Secondary school assessment

<b>Cost and funding</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Revenue</b>			
Crown	26,480	26,480	26,480
Other	12,733	12,733	12,733
<b>Total revenue</b>	<b>39,213</b>	<b>39,213</b>	<b>39,213</b>
Expenses	40,516	40,516	40,516
<b>Net funded to/(from) NZQA reserves</b>	<b>(1,303)</b>	<b>(1,303)</b>	<b>(1,303)</b>



### Output 4.1: Secondary school external assessment

Performance measures	Rationale	Actual 2009/10	Estimated actual standard 2010/11	Budget standard 2011/12	
<b>Quantity measures</b>					
The number of standards examined and assessed as part of the external assessment systems of the NCEA	The successful delivery of external assessment for secondary school students through national examinations for NCEA	348 [Target 330–390]	330–390	330–390 Volume is demand-driven	
<b>Quality measures</b>					
The percentage of marker judgements unaltered following Review or Reconsideration of External Assessment Results process		99.9% [Target 99%]	99%	99%	
<b>Timeliness measure</b>					
The percentage of results provided to learners by the third week of January 2012		100% [Target 99%]	99%	99%	

### Output 4.2: Secondary school internal assessment

Performance measures	Rationale	Actual 2009/10	Estimated actual standard 2010/11	Budget standard 2011/12
<b>Quantity and timeliness measure</b>				
The percentage, by volume, of Achieved, Merit and Excellence results, reported by secondary schools that are moderated annually	Assessment activities and assessment decisions about student work are at the national standard	10% [Target 10%]	10%	10%
<b>Quality measure</b>				
The percentage of moderation reports successfully appealed		0.07% [Target <1%]	< 1%	< 1%

**Output 4.3: New Zealand Scholarship examinations**

<i>Performance measures</i>	<i>Rationale</i>	<i>Actual 2009/10</i>	<i>Estimated actual standard 2010/11</i>	<i>Budget standard 2011/12</i>	
<b>Quantity measure</b>					
The number of entries for Scholarship subjects	Provided the published standard is met, scholarships will be awarded to the top 3% (plus or minus 0.25%) of candidates in subject cohorts exceeding 250 students	14,966	19,000	15,000–20,000 Volume is demand-driven	
<b>Quality measures</b>					
The percentage of teachers responding to a survey who agree the overall quality of the delivery of assessment systems for Scholarship is high or very high		77% [Target 75%]	75%	75%	
The percentage of marker judgements that are unaltered following Review or Reconsideration of External Assessment Results process		99% [Target 99%]	99%	99%	
<b>Timeliness measure</b>					
The percentage of validated results provided to learners within the second week of February 2012		100% [Target 100%]	99%	99%	

#### Output 4.4: Secondary school assessment systems

<i>Performance measures</i>	<i>Rationale</i>	<i>Actual 2009/10</i>	<i>Estimated actual standard 2010/11</i>	<i>Budget standard 2011/12</i>
<b>Quantity measure</b>	Continuous improvement in secondary schools' assessment practices to ensure they are accurate, consistent and to the national standards			
The number of Managing National Assessment checks completed		173 [Target 120–180]	120–180	120–180
<b>Quality measure</b>				
The percentage of significant issues identified by NZQA relating to the assessment of secondary students are addressed by a monitored action plan		100%	100%	100%
<b>Timeliness measure</b>				
The percentage of draft Managing National Assessment reports provided to schools within six weeks from the date of the first visit		99.9% [Target 100%]	100%	100%





## PART FIVE

# Part five: Prospective financial statements

### **Financial declaration**

In issuing these financial statements, the Board of NZQA is acknowledging it is responsible for the information presented, including the appropriateness of the assumptions used.

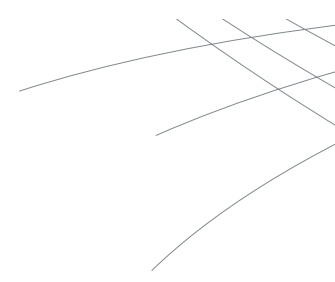
These Prospective Financial Statements are issued as at 31 March 2011 and are based on the information available at the time.

### **Prospective financial information disclosures**

These Prospective Financial Statements have been prepared for the purpose of fulfilling NZQA's obligations under the Crown Entities Act 2004 to table a Statement of Intent before Parliament. As such, these Prospective Financial Statements may not be suitable for other purposes.

NZQA is a Crown Entity as defined in the Crown Entities Act 2004. Its role is described in detail throughout this Statement of Intent. The prospective financial information contained in these statements reflects the organisation's purpose and activities.

The Prospective Financial Statements are prepared in accordance with New Zealand Generally Accepted Accounting Practice and comply with FRS-42 Prospective Financial Statements.



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## **Financial planning assumptions**

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The following assumptions are used in these Prospective Financial Statements. These assumptions may vary as a result of any of the underlying demographic data relating to the learner population in New Zealand or immigration trends changing. This includes any consequential changes in the make-up of the number and type of learning institutions within New Zealand.

The activities and services reflected in NZQA's financial strategy and their associated costs are based on a number of assumptions on what may occur during the next three years. This includes an optimised depreciation charge on core business assets to reflect their useful lives and timely recoveries of cash from asset depreciation for future capital reinvestment programmes.

The medium-term financial strategy will assist NZQA to develop an increasingly viable business model and maintain a prudent level of operating surplus to mitigate any potential downturn in NZQA's core funding and business activities. This will contribute to the Crown's investment in safeguarding the reputation of New Zealand qualifications.

NZQA is assuming that the range and levels of service to which its activities provide will not change from between 2011/12 and 2013/14.

Actual financial results achieved over the forecast period may differ from these Prospective Financial Statements, and the variations may be material. Events and circumstances may not occur as expected or may not have been predicted, or NZQA may subsequently take actions that differ from the proposed course of action on which the Prospective Financial Statements are based. It is assumed that fees will continue to be charged to third parties in all existing revenue areas.

Should there be a 10 per cent increase or decrease in any one of the fee rates for the key revenue streams resulting from NCEA Domestic Exam Fees, Credit Fees, Qualifications Recognition Fees or Quality Assurance Fees, there would be a respective increase or decrease in revenue received from that respective revenue stream of between \$400,000 and \$1 million.

## **Revenue**

Revenue from the Crown is based on the information contained in the 2011 Estimates of Appropriation, Vote: Education.

Revenue from third parties includes tertiary credit and assessment fees, secondary examination and assessment fees, charges for qualification recognition services provided to immigrants, Institutes of Technology and Polytechnics quality assurance charges and charges for External Evaluation and Review (EER), Risk and Compliance and accreditation services provided to education providers.

The volume forecast used to predict NCEA revenue is based on the 2010/11 forecasted outturn results with adjustments for projected movements in student numbers.

The volume forecast for NZQF credits is based on the 2010/11 forecasted outturn results with adjustments for projected movements in credit volume based on the trends of student numbers in the Tertiary Education Strategy Monitoring Report.

The number of Private Training Establishments is based on estimated movements into and out of the sector.

The volume forecast for qualifications recognition is based on NZQA's current volume capacity and Immigration New Zealand's forecast long-term arrivals. NZQA is contracted to Immigration New Zealand to quality assure the list of qualifications exempt from assessment.

## **Expenditure**

NZQA's expenditure is based on the assumption that NZQA will continue to realise efficiency and effectiveness savings over the period. NZQA's outputs are assumed to remain stable over the period.



### Key volume forecasts

	Forecasted Outturn Volume in 2010/11	Forecast Volume in 2011/12	Forecast Volume in 2012/13	Forecast Volume in 2013/14
Number of NZQF credits earned by learners	12,173,000	11,740,000	11,740,000	11,740,000
Number of domestic students sitting NCEA	136,000	134,000	134,000	134,000
Number of foreign fee paying students sitting NCEA	5,061	4,500	4,500	4,500
Number of Private Training Establishments (PTEs) registered with NZQA	700	680	680	680
Number of applications for qualifications recognition	7,500	8,000	8,000	8,000

Whilst there will be a minor impact on some revenue received as a result of the above forecasts, total revenue received by NZQA is forecast to remain almost constant over the next three years as a result of compensating changes to other revenue streams (e.g. EER and Risk and Compliance services provided).

### Output Expense Allocations

All revenue except interest revenue is allocated directly to output expenses.

NZQA allocates activities to output expenses. Information about expenditure and effort on activities is collected through the general ledger to allow the activities of NZQA to be allocated either directly or indirectly to outputs and output expenses.

Indirect expenditure is allocated to outputs and output expenses by first allocating these costs to the activities that contribute directly to outputs. NZQA's allocation policies are described in the Statement of Accounting Policies contained within this Statement of Intent.

NZQA's output allocation methodology is assumed to be unchanged during the forecast period.

NZQA aims to provide the best service in the most cost-effective way. NZQA operates a hybrid of a historical and a zero-based budgeting system in the delivery of outputs, while maintaining a stable price to users of its services. NZQA recognises the ongoing need for quality improvement under a constant pricing regime in order to achieve efficiency gains.

### Key costing and pricing policies

The key costing and pricing policies of NZQA are:

- core business output and non-output expense products and services are assessed at their full cost, including overhead costs
- with the exception of NCEA and Scholarship examination fees, charges to learners (including qualifications credit and registration fees) are based on full cost-recovery, which includes quality assurance and development costs including overhead costs. NCEA and Scholarship examinations are partly funded by Crown revenue and remissions fees
- core business outputs are expected to provide for the research, development and capital costs of the maintenance of those outputs.

## Going concern

NZQA recognises that taxpayers' equity and NZQA's liquidity must remain at levels sufficient to sustain impetus and to ensure that NZQA is viable as a going concern.

In order to ensure this the Board of NZQA will:

- maintain equity at a level sufficient to sustain the organisation; and
- consult with the Responsible Minister on the use of taxpayers' equity resulting from any surpluses to ensure it is in line with the Government's direction (other than use for the acquisition of capital items).

## Financial summary

(For the year ended 30 June)

	<b>Budget 2011/12</b>	<b>Budget 2012/13</b>	<b>Budget 2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Crown revenue	39,513	39,513	39,513
Other revenue	39,769	39,512	39,512
Interest	684	684	684
<b>Total revenue</b>	<b>79,966</b>	<b>79,709</b>	<b>79,709</b>
Expenses	79,866	79,609	79,609
<b>Net surplus/(deficit)</b>	<b>100</b>	<b>100</b>	<b>100</b>

*Financial targets*

<b>Performance Measure</b>	<b>Unit</b>	<b>Budget 2011/12</b>	<b>Budget 2012/13</b>	<b>Budget 2013/14</b>
<b>Working capital</b>				
Net current assets	\$000	4,565	4,133	3,601
Current ratio	ratio	1.34	1.30	1.25
<b>Resource utilisation</b>				
Total non-current assets	\$000	16,062	16,594	17,226
Total non-current assets as % of total assets	%	47%	48%	49%
Additions as % of total non-current assets	%	34%	33%	32%
Total non-current assets per employee	\$000	37	39	40
<b>Public equity</b>				
Level at year-end	\$000	19,909	20,009	20,109
Level per employee	\$000	46	46	47
<b>Forecast net cash flows</b>				
Surplus / (deficit) from operating activities	\$000	5,500	5,400	5,500
Surplus / (deficit) from investing activities	\$000	(5,500)	(5,400)	(5,500)
Surplus / (deficit) from financing activities	\$000	-	-	-
Net increase / (decrease) in cash held	\$000	-	-	-
<b>Human resources</b>				
Total staff – full time equivalents	No.	431	431	431

## Prospective Statement of Comprehensive Income

(For the year ended 30 June)

	Budget 2011/12 \$000	Budget 2012/13 \$000	Budget 2013/14 \$000
<b>REVENUE</b>			
Crown revenue	39,513	39,513	39,513
Other revenue	39,769	39,512	39,512
Interest	684	684	684
<b>Total revenue</b>	<b>79,966</b>	<b>79,709</b>	<b>79,709</b>
<b>EXPENSES</b>			
Personnel & Board	38,888	39,083	39,083
Specialist workforce	10,934	10,934	10,934
Professional services	8,227	8,024	8,024
Publication, printing & distribution	4,914	4,914	4,914
Audit fees	75	75	75
Other operating costs	11,961	11,711	11,711
Depreciation and amortisation	4,867	4,868	4,868
<b>Total expenses</b>	<b>79,866</b>	<b>79,609</b>	<b>79,609</b>
<b>Net surplus/(deficit)</b>	<b>100</b>	<b>100</b>	<b>100</b>
Other comprehensive income	-	-	-
<b>Total comprehensive income</b>	<b>100</b>	<b>100</b>	<b>100</b>

Since NZQA is a wholly owned crown entity, the entire net surplus and total comprehensive income are attributable to public equity.

## Prospective Statement of Financial Position

(As at 30 June)

	Budget 2011/12 \$000	Budget 2012/13 \$000	Budget 2013/14 \$000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	12,673	12,673	12,673
Debtors and other receivables	5,182	5,182	5,182
<b>Total current assets</b>	<b>17,855</b>	<b>17,855</b>	<b>17,855</b>
<b>Non-current assets</b>			
Property, plant and equipment	3,871	3,266	2,762
Intangible assets	12,191	13,328	14,464
<b>Total non-current assets</b>	<b>16,062</b>	<b>16,594</b>	<b>17,226</b>
<b>TOTAL ASSETS</b>	<b>33,917</b>	<b>34,449</b>	<b>35,081</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Creditors and other payables	10,345	10,777	11,311
Employee entitlements	2,001	2,001	2,001
Deferred revenue	483	483	481
GST payable	461	461	461
<b>Total current liabilities</b>	<b>13,290</b>	<b>13,722</b>	<b>14,254</b>
<b>Non-current liabilities</b>			
Provisions	118	118	118
Employee entitlements	600	600	600
<b>Total non-current liabilities</b>	<b>718</b>	<b>718</b>	<b>718</b>
<b>TOTAL LIABILITIES</b>	<b>14,008</b>	<b>14,440</b>	<b>14,972</b>
<b>NET ASSETS/PUBLIC EQUITY</b>	<b>19,909</b>	<b>20,009</b>	<b>20,109</b>

## Prospective Statement of Changes in Public Equity

(For the year ended 30 June)

	<b>Budget 2011/12</b>	<b>Budget 2012/13</b>	<b>Budget 2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Public equity brought forward	19,809	19,909	20,009
Capital contribution	-	-	-
Total comprehensive income	100	100	100
<b>Public equity as at 30 June</b>	<b>19,909</b>	<b>20,009</b>	<b>20,109</b>

## Prospective details of fixed and intangible assets

(As at 30 June)

	<b>Budget 2011/12</b>	<b>Budget 2012/13</b>	<b>Budget 2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Property, plant and equipment</b>			
Furniture and fittings (incl leasehold improvements)	1,646	1,341	1,137
Computer equipment	2,100	1,800	1,500
Office equipment	125	125	125
<b>Total property, plant and equipment</b>	<b>3,871</b>	<b>3,266</b>	<b>2,762</b>
<b>Intangible assets</b>			
Software	9,191	10,328	11,464
Work in progress	3,000	3,000	3,000
<b>Total intangible assets</b>	<b>12,191</b>	<b>13,328</b>	<b>14,464</b>



## Prospective Statement of Cash Flows

(For the year ended 30 June)

	<b>Budget 2011/12</b>	<b>Budget 2012/13</b>	<b>Budget 2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Cash flows from operating activities</b>			
Cash provided from:			
Crown revenue	39,513	39,513	39,513
Revenue from customer services	39,769	39,512	39,512
Interest income	684	684	684
	79,966	79,709	79,709
Cash applied to:			
Employees & Board	(38,888)	(39,083)	(39,083)
Suppliers	(35,578)	(35,226)	(35,126)
	(74,466)	(74,309)	(74,209)
<b>Net cash flows – operating activities</b>	<b>5,500</b>	<b>5,400</b>	<b>5,500</b>
<b>Cash flows from investing activities</b>			
Cash applied to:			
Purchase of property, plant and equipment	(700)	(900)	(1,000)
Purchase of intangible assets	(4,800)	(4,500)	(4,500)
<b>Net cash flows – investing activities</b>	<b>(5,500)</b>	<b>(5,400)</b>	<b>(5,500)</b>
<b>Net cash flow from financing activities</b>			
Cash provided from:			
Crown – Capital contribution	-	-	-
<b>Net cash flows – financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL CASH FLOWS</b>	<b>-</b>	<b>-</b>	<b>-</b>
Opening cash	12,673	12,673	12,673
Net increase/(decrease) in cash held	-	-	-
<b>Closing total cash balance projected at 30 June</b>	<b>12,673</b>	<b>12,673</b>	<b>12,673</b>
Statement of financial position			
Cash and cash equivalents	12,673	12,673	12,673
<b>Closing cash balance</b>	<b>12,673</b>	<b>12,673</b>	<b>12,673</b>

## Reconciliation to net surplus from the Prospective Statement of Comprehensive Income

(For the year ended 30 June)

	<b>Budget 2011/12</b>	<b>Budget 2012/13</b>	<b>Budget 2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Statement of Comprehensive Income</b>			
Surplus/(deficit)	100	100	100
Depreciation	1,504	1,505	1,505
Amortisation	3,363	3,363	3,363
<b>Total</b>	<b>4,967</b>	<b>4,968</b>	<b>4,968</b>
<b>Add/(less) movements in working capital items</b>			
Decrease/(increase) in debtors and receivables	-	-	-
Increase/(decrease) in creditors and payables	533	432	534
Increase/(decrease) in deferred revenue	-	-	(2)
Increase/(decrease) in employee entitlements	-	-	-
Increase/(decrease) in provisions	-	-	-
Increase/(decrease) in GST payable	-	-	-
<b>Net cash flow from operating activities</b>	<b>5,500</b>	<b>5,400</b>	<b>5,500</b>

## Prospective Statement of Commitments

	<b>Budget 2011/12</b>	<b>Budget 2012/13</b>	<b>Budget 2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Operating leases</b>			
Not later than one year	3,044	3,058	3,035
Later than one year and not later than two years	3,058	3,035	3,035
Later than two years and not later than five years	8,978	8,839	8,700
More than five years	7,240	4,344	1,448
<b>Total estimated commitments</b>	<b>22,320</b>	<b>19,276</b>	<b>16,218</b>

For 2011/12, the above statement is an unaudited estimate of non-cancellable annual expenditures falling due to which NZQA is currently contractually committed, but which will have not yet fallen due. For 2012/13 and 2013/14, the figures are based on the best estimate of commitments that are likely to be in place at the start of the respective financial year. NZQA has long-term leases on its premises in Wellington and Auckland and lease payments are subject to varying reviews. The amounts disclosed above are based on current rental rates.

## Prospective Statement of Capital Expenditure

(For the year ended 30 June)

	<b>Budget 2011/12</b>	<b>Budget 2012/13</b>	<b>Budget 2013/14</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Property, plant and equipment</b>			
Furniture and fittings (including leasehold improvements)	300	200	300
Computer equipment	300	600	600
Office equipment	100	100	100
<b>Total property, plant and equipment</b>	<b>700</b>	<b>900</b>	<b>1,000</b>
<b>Intangible assets</b>			
Computer software	4,800	4,500	4,500
<b>Total intangible assets</b>	<b>4,800</b>	<b>4,500</b>	<b>4,500</b>

## Statement of accounting policies

### Reporting entity

NZQA is a Crown Entity as defined by the Crown Entities Act 2004. NZQA ensures that New Zealand qualifications are valued as credible and robust both nationally and internationally. We are accountable for managing the New Zealand Qualifications Framework, administering the secondary school assessment system, independent quality assurance of non-university education providers, qualifications recognition and standard setting for some specified unit standards.

The Prospective Financial Statements have been prepared as per the statutory requirement of sections 141 and 142 of the Crown Entities Act 2004.

NZQA is a public benefit entity whose primary objective is to provide goods and services for community and social benefit rather than for a financial return. All available public benefit entity reporting exemptions under New Zealand equivalents to International Financial Reporting Standards (NZIFRS) have been adopted where applicable.

### Accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the Prospective Financial Statements. The following accounting policies, which materially affect the measurement of results and financial position, have been applied.

### Statement of compliance

The reporting period for the Prospective Financial Statements is the year ended 30 June.

The Prospective Financial Statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with FRS-42 Prospective Financial Statements and other applicable standards as appropriate for public benefit entities.

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### ***Judgements and estimations***

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### ***Measurement base***

The financial statements have been prepared on a historical cost basis.

The accrual basis of accounting has been used unless otherwise stated. The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

### ***Revenue recognition***

Revenue is measured at the fair value of the consideration received or receivable for goods and services provided in the normal course of the business net of discounts and Goods and Services Tax.

NZQA derives revenue from the provision of outputs to the Crown, provision of services to third parties, sale of publications and interest on its deposits.

Revenue is recognised when earned and reported in the financial period to which it relates. Interest income is recognised using the effective interest method.

### ***Financial assets***

Financial assets can be classified to four categories: financial assets at fair value through profit and loss, held-to-maturity investments, deposits and receivables, and financial assets at fair value through equity. Management, depending on the purpose of the financial asset, determines the classification.

Deposits and receivables include NZQA's term deposits with a maturity of less than three months and trade receivables. Receivables issued with a duration of less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired. Interest and impairment losses are recognised in the Statement of Comprehensive Income.

### ***Debtors and other receivables***

Debtors and other receivables are initially measured at fair value less any provision for impairment. A provision for impairment of receivables is established when there is objective evidence that NZQA will not be able to collect all amounts due according to the original terms of the receivable.

### ***Cash and cash equivalents***

Cash and cash equivalents comprise cash in hand, call deposits and other short-term, highly liquid investments with maturities of three months or less.



## Leases

An operating lease is a lease that does not substantially transfer the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Leasehold improvements are capitalised and the cost is amortised over the unexpired period of the property lease or the estimated useful life of the improvements, whichever is shorter.

## Property, plant and equipment

The initial cost of property, plant and equipment is the value of the cost to acquire or create the asset, and any directly attributable costs of bringing the asset to working condition for its intended use. Property, plant and equipment, which include office equipment and furniture and fittings, are recorded at cost less accumulated depreciation and any accumulated impairment losses.

Gain and loss on disposal is determined by comparing the proceeds with the carrying amounts of the asset. Gain and loss on disposal is included in the Statement of Comprehensive Income.

## Intangible assets

Intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents expenditure incurred in the development phase of the asset only. Intangible assets with finite lives are subsequently recorded at cost less any amortisation and impairment losses.

Amortisation is charged to the Income Statement on a straight-line basis over the useful life of the asset. Typically, the estimated useful lives of these assets are as follows:

- Software (purchased) five years (20%)
- Specialised software (internally generated) amortised over estimated useful lives of between 3–5 years.

Realised gains and losses arising from disposal of intangible assets are recognised in the Statement of Comprehensive Income in the period in which the transaction occurs. Intangible assets with finite lives are reviewed at least annually to determine if there is any indication of impairment.

Losses resulting from impairment are reported in the Statement of Comprehensive Income.

## Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Furniture and fittings	10 years (10%)
Office equipment	4 years (25%)
Computer equipment (desktops and notebooks)	4 years (25%)
Computer equipment (networks and servers)	3–5 years (20%–33%)
Leasehold improvements	Lesser of 10 years or unexpired period of the lease.

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## **Impairment**

Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

Depreciated replacement cost for an asset is where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount.

For assets not carried at a revalued amount, the total impairment loss is recognised in the Statement of Comprehensive Income.

## **Employee entitlements**

### **Short-term benefits**

Employee benefits that NZQA expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

NZQA recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that NZQA anticipates it will be used by staff to cover those future absences.

### **Long-term benefits**

#### **Long service leave and retirement leave**

Entitlements that are payable beyond 12 months, such as long service leave and retirement leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and the contractual entitlement information
- the present value of the estimated future cashflow calculated using an appropriate discount rate and adjusting for inflation.

### **Superannuation schemes**

NZQA contributes to a number of defined contribution schemes. Obligations for contributions are recognised as an expense in the Statement of Comprehensive Income.

### **Provisions**

NZQA recognises a provision for future expenditure of uncertain amounts or timing when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditure expected to settle the obligation.

### **Accounting policies and changes in the estimates**

Accounting policies are changed only if the change is required by a standard or interpretation or that otherwise provides more reliable and more relevant information.

### **Comparatives**

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impractical to do so.

### **Contingent liabilities and assets**

Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

### **Related party transactions**

Compensation paid to key management personnel of NZQA is classified as a related party transaction. Compensation includes short-term, long-term and retirement employee benefits.

Key management personnel are those having the authority and responsibility of planning, directing and controlling the activities of the organisation directly or indirectly.

Funding from government agencies is carried out on a commercial and arm's-length basis.

### **Taxation**

Section 254E of the Education Act 1989 exempts NZQA from tax, except for Goods and Services Tax (GST) and Fringe Benefit Tax (FBT).

### **Goods and services tax**

All items in the financial statements are stated exclusive of GST except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivable or payables in the Statement of Financial Position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Cost allocation**

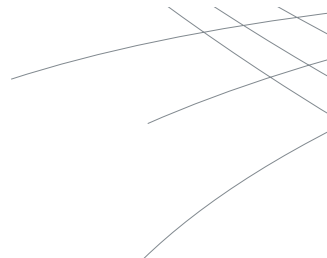
Direct costs are those costs directly attributed to a significant output. Indirect costs are those costs, which cannot be identified in an economically feasible manner, to a specific significant output. Direct costs, including depreciation, are charged directly to outputs. Indirect costs are charged to outputs using appropriate cost drivers such as actual usage, staff numbers or floor area.

# Glossary

assessment (external)	End-of-year external examinations for secondary school students that are set and marked by NZQA.
assessment (internal)	Work that is set and marked by individual schools; independent moderators from NZQA ensure that all schools are assessing work to the national standard.
comparability of qualifications	The process by which other national and regional frameworks are compared. Each country has particular traditions and approaches to awarding qualifications. Provided the outcomes of qualifications (or what the learner is able to do as a result of gaining the qualification) can be deemed similar, comparisons can be made.
external evaluation and review (EER)	The purpose of EER is to provide a judgement of the quality and performance of a tertiary education organisation (TEO). This judgement includes assurance that TEO self-assessment processes achieve, and improve, outcomes for learners and other clients.
industry training organisation (ITO)	An industry-specific body, recognised under the Industry Training Act 1992, which sets NZQA-accredited skill standards for its industry, and manages arrangements for industry training that enable trainees to attain those standards.
Lisbon Convention	The <i>Lisbon Convention on the Recognition of Qualifications concerning Higher Education in the European Area</i> is recognised as setting international best practice for assessing and comparing qualifications from around the world. New Zealand acceded to the Lisbon Convention in February 2008.
Managing National Assessment (MNA)	The term used to describe the processes for achieving valid, fair, accurate and consistent internal assessment in schools. It is a partnership between schools and NZQA, by which NZQA checks, evaluates and reports on schools' processes and systems, to ensure that internal assessment decisions and systems remain effective.
Māori Economic Development Forum	An external Māori reference group, established by NZQA to identify potential new qualifications that will bring improved economic benefits to Māori.
Māori quality mark	A Māori quality mark indicates that a TEO has the systems and processes in place that will contribute to the achievement of quality outcomes within a mātauranga Māori context.
moderation	The process of confirming that an organisation's assessment activities are fair, valid and consistent with the required standard across a number of assessors or assessing organisations.
National Certificate of Educational Achievement (NCEA)	New Zealand's main national qualification for secondary school students. Available at Levels 1–3, it is registered as part of the New Zealand Qualifications Framework.
New Zealand Institute of Chartered Accountants	The New Zealand Institute of Chartered Accountants is the membership body for accounting professionals in New Zealand. Members are required to complete academic study, a practical experience programme and a professional competency programme as well as maintaining ongoing professional development.

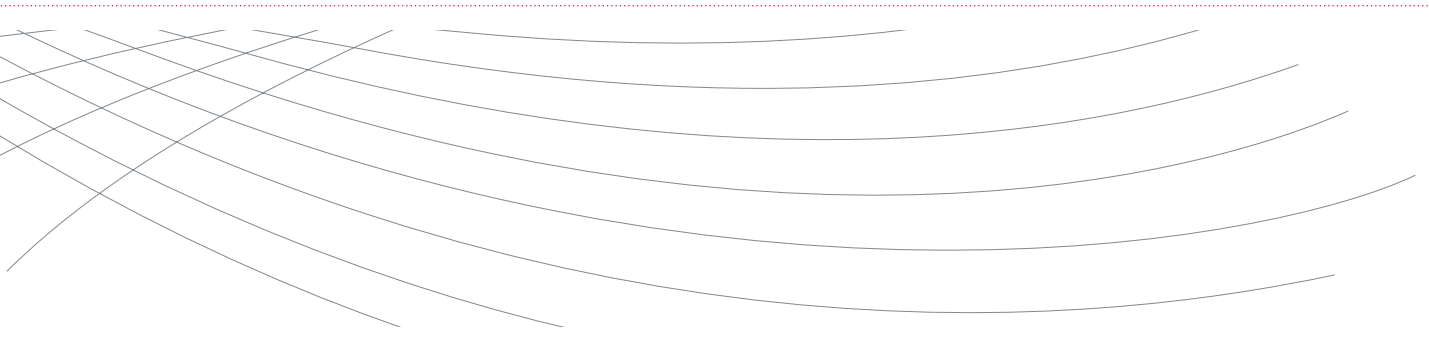


New Zealand Qualifications Framework (NZQF)	From 1 July 2010, the NZQF replaced the New Zealand Register of Quality Assured Qualifications, Te Āhurutanga (the Register) and the National Qualifications Framework. The New Zealand Qualifications Framework is a comprehensive list of all quality-assured qualifications in New Zealand.
New Zealand Scholarship	The New Zealand Scholarship examinations are most often undertaken by students in the final year of secondary school (Year 13). The Scholarship is a competitive monetary award for top-performing students who intend to enter tertiary study; it does not contribute towards a qualification.
Ngā Kaitūhono	An independent group appointed to ensure that NZQA's approach to Māori knowledge is compatible with Māori values, consistent with Māori expectations, and complementary to other validation processes, including those that may be established by Māori.
outcome statements	These set out the outcomes achieved from the learning process of a qualification and describe the knowledge, skills and attributes of a graduate.
<i>Pasifika Strategy 2009–2012</i>	The <i>Pasifika Strategy</i> outlines NZQA's strategic framework to support the aspiration of Pasifika communities that Pasifika learners become more highly skilled and qualified. The strategy can be found on our website at <a href="http://www.nzqa.govt.nz/pasifika-strategy">www.nzqa.govt.nz/pasifika-strategy</a>
private training establishment (PTE)	An establishment that provides post-school education and training, and is registered by NZQA under Part 18 of the Education Act 1989.
quality assurance body	A body that exercises certain powers under section 260 of the Education Act 1989. Currently NZQA and the New Zealand Vice-Chancellors' Committee are deemed quality assurance bodies.
self-assessment	The processes that providers of post-school education and training services use to establish evidence of their own effectiveness. The results of these processes should inform future planning and lead to actions that bring about improvements.
standard-setting bodies	Standard-setting bodies are responsible for the quality and credibility of standards submitted to NZQA for registration on the New Zealand Qualifications Framework. They work with industry partners, professional groups and other clients to develop useful and relevant standards and qualifications that are nationally recognised. SSBs include industry training organisations, the Ministry of Education and NZQA.
standards	There are two types of national standards on the NZQF: achievement standards and unit standards. Credits from all achievement standards and all unit standards count towards NCEA. Because the standards are nationally agreed, learners' achievements can be recognised in a number of contexts, and their knowledge and skills will be transferable between qualifications and providers.



<i>Te Rautaki Māori me te Mahere Whakatinana a te Mana Tohu Mātauranga o Aotearoa</i>	NZQA's strategic and implementation plan to advance Māori education and training between 2007 and 2012. The strategy can be found on our website at <a href="http://www.nzqa.govt.nz/maori/te-rautaki-maori/">http://www.nzqa.govt.nz/maori/te-rautaki-maori/</a>
tertiary education organisations (TEOs)	Universities, industry training organisations, institutes of technology and polytechnics, private tertiary establishments, government training establishments and other providers.
wānanga	A body established under section 162(2) of the Education Act 1989 that is characterised by teaching and research that maintains, advances and disseminates knowledge and develops intellectual independence, and assists the application of knowledge regarding āhuetanga Māori (Māori tradition), according to tikanga Māori (Māori custom).
Whakaruruhau	Whakaruruhau are expert advisory groups who assist NZQA in the development and review of standards and qualifications based on mātauranga Māori.







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