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Office of the NSW Board of Studies

## Review of Special Provisions

FINAL REPORT

February 2009 ■ ■ ■

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# 1 Executive Summary

## 1.1 Introduction

WalterTurnbull has been engaged by the Office of the NSW Board of Studies ("OBOS") to undertake an internal audit of the processing of applications made by Higher School Certificate (HSC) students for special provisions.

## 1.2 Objectives & Scope

The overall objectives of this audit were to:

- Ensure that OBOS has adequate policies and procedures in place in relation to applications for special provisions made by HSC students; and
- Determine the level of compliance by OBOS with the above policies and procedures.

The audit examined policies, procedures and practices in place for HSC special provisions applications from the 2008 school year.

A sample of 54 applications was selected for testing on a random judgemental basis and included:

- An equal number of students enrolled in each of the government, independent and catholic school sectors; and
- A proportional number of applications from each category of special need based on the number of applications received in each category as a proportion of the total number of applications received. It should be noted that the sample included applications from all categories.

## 1.3 Summary of Findings

Each finding/issue identified during this audit has been categorised as an Efficiency/Performance Issue or a Internal Control Weakness, which is further defined in Appendix A of this report. All findings/issues have also been given a Risk Ranking to indicate to management the significance of the finding/issue and the attention required to reduce its probability and/or impact. Classifications of Risk Ranking and the methodology behind these ratings are detailed in Appendix B of this report.

Finding/Issue	Report section	Risk Ranking
<b>Internal Control Issues</b>		
General Positive Finding	3.1	N/A
Review of Appeals	3.2	Low

## 1.4 Conclusion

Overall, the review findings were positive. We found that OBOS has appropriate procedures in place to assist them in decision making for special provisions applications. Criteria have been established to provide clear guidelines to decision makers for each category of special need and each recommendation is reviewed by a second officer prior to being formally approved. Based on the sample of applications tested during the review, in all instances examined, OBOS has complied with its established procedures when approving or declining applications and the decisions have been appropriately documented.

We identified one minor deviation from established procedures for an appeal received regarding an application which was not referred to a panel member for a recommendation as required. The recommendation was made by an OBOS officer and approved appropriately. The decision was documented and appeared reasonable.

## 1.5 Acknowledgement

We wish to acknowledge the assistance and co-operation received from the management and staff of OBOS during the course of the review.



**Mark Driessen**  
**Executive Director**

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## 2 Background

### 2.1 Overview of the Special Provisions Program

In order to comply with its legislative and policy obligations OBOS has procedures in place to grant special provisions to students undertaking examinations as part of the HSC where the student has a special need that will, in a normal examination situation, prevent them from:

- reading the examination questions; and/or
- communicating responses.

Special provisions are granted to provide practical support whilst students are sitting examinations and are solely determined by the implications of the student's functioning in a test situation. Difficulties in undertaking the course or problems such as a lack of familiarity with the English language are not considered as a special need for the purposes of these provisions.

OBOS receives applications in relation to 18 categories of special needs as follows:

- asperger's syndrome;
- ADHD;
- back disability;
- cerebral palsy;
- chronic fatigue/ME;
- colour blindness;
- diabetic;
- epilepsy;
- hand/arm disability;
- head injury;
- hearing impairment;
- irlen syndrome;
- late injury/illness;
- learning difficulty;
- medical miscellaneous;
- pregnancy;
- psychological; and
- vision impairment.

Schools and students are provided with information regarding the availability of special provisions through the distribution of various OBOS publications including:

- Rules & Procedures for 2008: Higher School Certificate Candidates; and
- Section 10 of the Assessment, Certification and Examination (ACE) Manual, which is dedicated to the Special Provisions Program.

In addition, schools are sent a quantity of applications which are accompanied by an Information Guide for Students and Parents.

All applications are required to be made through the student's school. OBOS requests that applications be submitted early in the school year to allow adequate time for decision-making and any appeals (for the 2008 HSC examinations the due date was 11 April). However, OBOS will accept any late applications made.

To assist in assessing applications for special provisions, OBOS has engaged a panel of 15 specialists to provide recommendations for particular categories of special need, none of whom are employed within OBOS. Of the 15 panellists, 4 assess medical related applications, 1 assesses vision impairment applications, 1 assesses hearing related applications and 9 assess learning difficulty applications.

## **2.2 Audit Methodology**

We achieved the review objectives by:

- Meeting with relevant stakeholders to discuss the objectives of the review;
- Reviewing current policies and procedures;
- Documenting existing systems and undertaking an assessment of the internal control environment;
- Undertaking a 'walk-through' of the existing systems;
- Developing a detailed audit program;
- Testing of special provision applications on a sample basis with a focus on ensuring compliance with documented policies and procedures;
- Preparing a draft report for management comment; and
- Issuing a final report.

## 3 Specific Findings

### 3.1 General Positive Finding

#### Finding Category – Internal Control Issues

##### Finding

Overall we found that sufficient policies and procedures are in place at OBOS to provide an effective framework for OBOS to make appropriate decisions regarding special provisions applications submitted by HSC students. In particular we noted that:

- comprehensive clear criteria are set for each category of special need to ensure consistent and appropriate decisions can be reached;
- a panel of specialists are in place to assist OBOS by providing expertise in particular areas of special need;
- recommendations made for each application are reviewed by a second officer to ensure that decisions have been made based on the appropriate criteria;
- an appeals process is in place to provide students and schools with the opportunity to provide additional evidence to support their applications where they has been declined; and
- staff displayed a high level of understanding of the special provisions framework.

Testing of special provision applications on a sample basis (54 in total) confirmed that:

- sufficient documentation existed in relation to each successful applicant;
- the appropriate criteria were met for successful applicants;
- the information provided by unsuccessful applicants did not meet the specified criteria;
- decisions were appropriately approved in accordance with OBOS delegations;
- overall the decision making processes adhered to documented internal policies and procedures; and
- no breaches of procedural fairness were identified during the review.

## 3.2 Review of Appeals

### Finding Category – Internal Control Issues

#### Finding

Where a student and their school can provide additional evidence supporting their application for a special provision which has been previously declined, they are entitled to submit an appeal to OBOS. OBOS has established internal guidelines requiring all appeals to be reviewed by an appropriate panel member who makes a recommendation accordingly. This recommendation is subsequently reviewed and approved by OBOS according to the Delegations of Authority.

During our testing, one instance of an appeal received was identified whereby the appeal was not referred to a panel member, instead a recommendation was made by an OBOS officer. This is a non-compliance with the guidelines.

We did however note that in this instance the recommendation was approved in accordance with the guidelines and the reason for the decision was well documented and appeared reasonable and correct.

#### Implication

Non-compliance with the appeals procedure opens the process up to further challenge.

In addition, the use of a panellist who has specialist expertise in particular areas of special need provides OBOS with a greater level of assurance as to the effectiveness of a decision made as a result of an appeal.

#### Recommendation

It is recommended that OBOS ensure that all appeal applications are forwarded to an appropriate panel member for review in compliance with the guidelines.

#### Risk Rating

Low

#### Management Comments

The student concerned lodged a special provisions appeal on 27 August 2008, including fresh medical evidence supporting the provision of a writer. The Office's guidelines provide that the appeal should have been sent to a member of the medical panel. Board officers determined that the student was eligible for the granting of a writer on the following basis:

1. The student met the conditions for approval of the provision.
2. The student had previously been granted a writer for the School Certificate tests.
3. With the HSC exams about six weeks away, sending the appeal to a doctor would have delayed the decision by a further 1-2 weeks, thereby delaying the student's opportunity to practise with his writer.

The Office will amend its procedures to ensure that schools and students are advised of the importance of submitting applications and any ensuing appeals in a timely fashion, particularly in circumstances where they could have been reasonably foreseen.



## Appendix A – Assessment of Findings/Issues

Each finding/issue identified during the audit has been assigned to one of the following categories.

Finding Category	Definition of the Finding Category <i>(For the purposes of this report)</i>
<p style="text-align: center;"><b>Efficiency/ Performance Issue</b></p>	<p>Finding/issue relates to:</p> <ul style="list-style-type: none"> <li>▪ identified inefficiencies in formally adopted procedures or provision of services; or</li> <li>▪ failure in the provision of services or in the monitoring and reporting of the provision of services.</li> </ul>
<p style="text-align: center;"><b>Internal Control Weakness Issue</b></p>	<p>Finding/issue relates to:</p> <ul style="list-style-type: none"> <li>▪ a breakdown or non-compliance with formally adopted procedures or controls; or</li> <li>▪ an assessed weakness in the internal control framework as documented during the audit.</li> </ul>

## Appendix B – Risk Rankings

Each of the report findings has been allocated a Risk Ranking to indicate to management the level of attention is required to reduce its probability and/or impact to manage the risk.

The following category of strategies for each Risk Ranking has been adopted.

Risk Ranking	Strategy Category
<b>Extreme</b>	Immediate detailed planning and action required at senior levels to determine how to reduce the risk and regular monitoring of progress by senior management.
<b>High</b>	Senior management attention and monitoring of progress with risk management action is required.
<b>Medium</b>	Management responsibility to be specified, monitor and review response action as necessary.
<b>Low</b>	Manage through existing processes and procedures.
<b>Negligible</b>	Unlikely to require allocation of resources.

In determining the Risk Ranking for each of the findings we have considered both:

- the impact of event which is not covered by existing controls, and
- the probability of this event occurring.

The overall Risk Rankings have been devised using the matrix on the following page.

<b>Impact</b>	An <u>extreme impact</u> to the extent that there could be a critical business failure and expose the organisation to major financial or non-financial damage or loss.  It could also involve extensive disruption or damage to community services, natural resources, etc, and expose the agency to severe criticism.	An <u>extensive impact</u> to the extent that it could cause: <ul style="list-style-type: none"> <li>▪ considerable client dissatisfaction;</li> <li>▪ loss of revenue;</li> <li>▪ excessive costs;</li> <li>▪ delays in achieving key objectives; or</li> <li>▪ place the business area in breach of legislative obligations.</li> </ul>	The occurrence of the event will have a <u>significant impact</u> to the extent that it could cause: <ul style="list-style-type: none"> <li>▪ reduction in business performance levels to the extent that performance targets cannot be met;</li> <li>▪ significant increase in costs;</li> <li>▪ limited client dissatisfaction.</li> </ul>	<u>Some impact</u> in terms of delays, system quality, and reduction in client service, but it should be possible to handle at the operational level.
<b>Probability</b>				
It is almost certain that the event or described result will occur	<b><u>Extreme</u></b>	<b><u>High</u></b>	<b><u>High</u></b>	<b><u>Medium</u></b>
There is a strong possibility that the event or described result will occur	<b><u>Extreme</u></b>	<b><u>High</u></b>	<b><u>Medium</u></b>	<b><u>Low</u></b>
Whilst it is not certain, the event or described result could occur	<b><u>High</u></b>	<b><u>High</u></b>	<b><u>Medium</u></b>	<b><u>Low</u></b>
While it is still possible, it is unlikely that the event or described result will occur.	<b><u>Medium</u></b>	<b><u>Medium</u></b>	<b><u>Low</u></b>	<b><u>Negligible</u></b>

## Appendix C – Disclaimer and Inherent Limitations

### **Disclaimer**

This report has been prepared by WalterTurnbull for distribution within the Office of the NSW Board of Studies. We disclaim any assumption of responsibility for any reliance on this report by any person other than the Office of the NSW Board of Studies, or for any purpose other than that for which it was prepared.

### **Inherent Limitations**

Whilst all due care and attention has been taken in the design and execution of our audit procedures, it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected because:

- of the inherent limitations of any internal control structure;
- our audit procedures were not performed continuously throughout the period; and
- control procedures were tested on a sample basis only.

Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.