



Victorian Curriculum and Assessment Authority

Annual Report 2005–06



October 2006
Lynne Kosky, MP
Minister for Education and Training
2 Treasury Place
East Melbourne Victoria 3002

Dear Minister

I have pleasure in submitting the annual report of the Victorian Curriculum and Assessment Authority (VCAA). All reporting is conducted in accordance with the *Financial Management Act 1994*.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stuart Hamilton', with a stylized flourish at the end.

Stuart Hamilton, AO
CHAIR

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Report of the Chair

The VCAA provides curriculum and assessment services to enable students to develop the knowledge, skills and attributes which will give them the best possible opportunity in an increasingly complex world.

During 2005–06, the VCAA completed the development of the Victorian Essential Learning Standards. The Standards offer a new approach to Victorian curriculum from P–10, and are based on three inter-related components: physical and social development, discipline-based learning and inter-disciplinary learning.

The Standards were developed through extensive consultation with teachers, parents, students and the general public. They assist in raising educational standards by helping schools equip students for further education, work and their wider life.

In 2005–06, the VCAA also prepared curriculum resources specifically for the Melbourne Commonwealth Games. Schools were sent a selection of materials to assist students and teachers learn about and reflect on this international event.

We continued to improve security measures for Victorian Certificate of Education (VCE) examinations, expanded the Achievement Improvement Monitor (AIM) assessment program – in particular with the first year of Year 9 AIM testing – and enhanced the online VCE Data Service and the VCE Examinations Results Service. The 2005 VCE and the Victorian Certificate of Applied Learning (VCAL) assessments proceeded smoothly with record numbers taking part in both programs.

Several VCE and VCAL studies were reviewed during the year to ensure that they remained current and of a high standard. There was considerable public debate about VCE English in particular. Some participants apparently did not fully understand what the VCAA intended. We must accept some of the blame for the lack of understanding as we failed to communicate our aim with sufficient clarity. I might ruefully reflect on the irony of that statement given a key purpose for studying English is communication. Ultimately, the debate was very helpful and resulted in a VCE English study design that is of a high standard and which we believe will be even more engaging than its predecessor for both students and teachers.

I thank the members of the VCAA Board for their strong contribution to our work, the new chief executive officer John Firth for his leadership, and the staff of the VCAA for their professionalism and commitment during a year of significant achievement for our organisation.



Stuart Hamilton, AO

Report of the Chief Executive Officer

In 2005–06, the VCAA has been engaged in the improvement of the quality of curriculum and assessment services and products for Victorian students. Last year the development of the Victorian Essential Learning Standards was a key project. This year we have worked in collaboration with the school sector authorities to validate the Standards and to develop the range of assessment material required to support its successful implementation in schools. In addition to maintaining and expanding our large-scale assessment programs, we have undertaken extensive planning for two major projects which will be very important to our continuing success. We are planning the move of our Assessment Processing Centre from Camberwell to Coburg in early 2007 and we have completed the detailed specifications for the redevelopment of our Assessment Processing System. Both of these projects will be central to improvements in our business for the foreseeable future. They represent a major opportunity to renew and strengthen our operational capabilities and our capacity to provide high-quality data and analysis for schools and sector authorities to improve student learning.

Assessment Improvement Monitor

Statewide Year 9 literacy and numeracy tests were held for the first time in May 2006. These were optional this year. Our expectations were exceeded with over 80 per cent of Victorian schools and students participating. This figure confirms the value that the profession and the community see in the regular AIM program.

The Years 3, 5 and 7 program continued in August 2005. A small number of schools experienced difficulties in administering the tests. This led to a comprehensive review of security and test administration arrangements culminating in a package of measures announced by the Minister in September which will continue to improve the integrity of the AIM. Schools have responded very positively to these enhancements and Victoria now leads the nation in its preparation, training and implementation of statewide literacy and numeracy tests.

VCE examinations

During the November 2005 examination period, over 330,000 examinations were completed by more than 79,000 students in 117 VCE examinations. A total of 49,273 students were eligible to complete their VCE, of whom 47,566 were successful. One hundred and seventy-six students sat for their VCE overseas in venues including Australian embassies and consular offices and schools which were able to provide appropriate facilities.

In June 2006, over 79,670 students sat for more than 129,000 examinations in six studies and the General Achievement Test (GAT). Eight students sat their examinations interstate and 777 students sat their examinations in 30 overseas locations.

The annual task of conducting VCE examinations is core business. It requires constant and vigilant attention to detail and a commitment to continuous improvement. Both of these examination periods were conducted successfully with results processed and distributed on time. The VCAA maintains tight scrutiny of the conduct of the examinations and fully investigates all cases of reported breach of rules.

Victorian Essential Learning Standards

The Standards describe what is essential for students to achieve from Years P–10 in Victorian schools. They provide a whole-school curriculum planning framework that sets out learning standards for use in preparation of their teaching and learning programs, including assessment and reporting of student achievement and progress.

The Standards are based on best practice in Victorian schools, national and international research and widespread consultation with school communities, educators, professional associations and community groups. They provide the means for all Victorian schools to use the best curriculum thinking to better prepare students for success at school and beyond.

The Standards were developed as a key element of the *Blueprint for Government Schools*. Throughout 2005, the VCAA undertook a number of projects to validate the Standards, originally published in March. This validation led to refinements, clarification and improvements. Revised standards were published on the Standards website in December 2005 and distributed to all schools via DVD in early 2006.

The VCAA is working closely with the Office of Learning and Teaching, the Catholic Education Office and the Association of Independent Schools in Victoria to provide support to schools in the assessment of student performance across all domains. Additional materials to support schools in the assessment of student achievement against the Standards are being progressively developed and published. These include sample assessment tasks, progression points and student work samples to be published in assessment maps. The online publication of these materials, beginning with English and Mathematics, has commenced. Materials focusing on the other 14 domains will be developed and published progressively in the next reporting period.

Victorian Certificate of Applied Learning

The VCAL continues to grow in support from students, parents, teachers and employers. In 2005, there were 10,692 VCAL enrolments with 380 providers around the State. Through their VCAL studies, students have developed skills and achieved recognition for learning through school-based new apprenticeships, structured work placements and participation in community projects. The analysis of VCAL destination data provides strong evidence of its value in preparing students for successful translation to employment and further training.

I wish to thank the Chair of the Board, Stuart Hamilton, and all Board members for their support and leadership, and the VCAA staff who continue to provide high-quality curriculum and assessment services to Victorian schools.



John Firth

Strategic directions

The VCAA's Strategic Plan articulates the goals and targets set by the Government for education and training and outlines the VCAA's contribution towards fulfilling the Government's education agenda.

VCAA strategic plan 2004–2007

VCAA's GOAL				
Our goal is to create a school curriculum and assessment framework which supports high-quality education and the recognition of student achievement and which engages students and helps them to move on to work and further study.				
	P–10 curriculum and assessment	Post-compulsory curriculum and assessment	Research measurement and reporting	Organisational capability
AIMS	To develop a curriculum and assessment framework that provides students with a solid foundation of knowledge, skills and personal attributes; and supports high-quality teaching and learning practices.	To provide senior secondary students with study choices and assessments of their learning to promote successful transition to work or further study.	To provide accurate and comprehensive information to students, parents, schools, government and the community on education outcomes against state and national standards.	To build infrastructure and capability for innovation and deliver improved services to clients.
PERFORMANCE INDICATORS	<ul style="list-style-type: none"> Proportion of students proceeding to senior secondary years Teacher satisfaction with curriculum framework Parent satisfaction with VCAA student reports Student achievement at Years 3, 5 and 7 against national benchmarks 	<ul style="list-style-type: none"> Proportion of students completing Year 12 or equivalent Student satisfaction with VCE, VCAL and VET Proportion of successful transitions post-Year 10 	<ul style="list-style-type: none"> School satisfaction with AIM and VCE data service 	<ul style="list-style-type: none"> Services delivered on time and within budget > 90% Client satisfaction with the provision of timely and accurate reports on student achievement
STRATEGIC PRIORITIES	Develop a new compulsory years curriculum of 'essential learnings' that enables smooth transition to senior secondary pathways	Improve senior secondary completion rates through the broadening of study options and more flexible graduation requirements	Improve assessment techniques and data analysis to provide better reporting of student performance and system effectiveness	Review and develop enhanced infrastructure for the provision of improved products and services
MAJOR PROJECTS	<ul style="list-style-type: none"> Framework of 'essential learnings' and defined performance standards Assessment processes to support new framework Nationally consistent curriculum outcomes Online statewide testing Online on-demand testing New models of reporting to parents 	<ul style="list-style-type: none"> Flexibility in design and delivery of senior secondary curriculum and assessment Formal recognition of generic skills Improved VCE studies in critical areas Shape Years 11 and 12 qualifications consistent with Victorian Qualifications Authority directions Oversight development and delivery of VCAL ICT-based delivery and assessment of VCE studies 	<ul style="list-style-type: none"> Research publications program Common scale for literacy and numeracy P–10 VCE/VCAL Data Service AIM Online reporting Tracking educational growth of students Improved comparability of national data 	<ul style="list-style-type: none"> Redevelopment of APS database Improvement of project management capacity Electronic records management Implement electronic procurement and financial management system Extend VCAA education services nationally and internationally

Performance highlights

P–10 curriculum and assessment	
<p>AIM To develop a curriculum and assessment framework that provides students with a solid foundation of knowledge, skills and personal attributes, and supports high-quality teaching and learning practices.</p>	
<p>Key strategic initiatives</p> <ol style="list-style-type: none"> 1 Implement the Victorian Essential Learning Standards (VELS) <ul style="list-style-type: none"> • Develop P–10 calibrated assessment resources in science and inter-disciplinary areas • Contribute to a communication strategy about reporting the VELS 2 Provide curriculum and assessment expert policy advice for Victoria on key Commonwealth and State education and training issues 3 Refocus online testing and tasks to ensure consistency with the VELS 4 Implement Year 9 AIM testing and evaluate the AIM pre-enrolment process for all schools <ul style="list-style-type: none"> • Internal evaluation of future options for 2006–07 including the development of a project mandate for enhancements to Victorian Assessment Software System 	<p>Progress/Achievement</p> <p>Two parent booklets were developed (through parent focus groups) and distributed to all families of Victorian students to explain the new curriculum framework.</p> <p>Print copies of the new VELS were distributed to all schools.</p> <p>A second Student Learning DVD for teachers was distributed to all schools in February 2006.</p> <p>The VELS <i>English As Second Language Companion</i> was developed and distributed in print format to all schools during Term 2, 2006. <i>Students with Disabilities Guidelines</i> were also developed and made available online.</p> <p>Assessment Maps Stage 1 was published online for the English and Mathematics domains. Assessment Maps are being developed for the other 14 domains.</p> <p>Work commenced on the development of progression points, within each Standard, for all Domains other than English and Mathematics.</p> <p>Written support and feedback was provided throughout the development and finalisation of the 'National Statements of Learning and Professional Elaborations' in Mathematics, Science, Information and Communications Technologies and Civics and Citizenship. Policy advice was periodically provided to the Australian Education Systems Officials Committee as part of core operations.</p> <p>The online On Demand Testing system was fully reviewed to ensure consistency with the VELS. All questions in the online bank of tests were reclassified with essential learning standard skills and tests reconstructed accordingly.</p> <p>The On Demand Testing system added 30-question computer adaptive tests for Years 2–8 in Reading, Writing, Spelling, Number, Space, Measurement (chance and data). In addition to these, 60-question computer adaptive tests in English and Mathematics have now been fully reviewed for consistency with the VELS. Work is continuing to extend the range of computer adaptive tests to include Years 9 and 10.</p> <p>There are 80 linear tests for Years 2–8 English, Mathematics and Science that can be completed by students online or printed for use in the classroom. These tests have been fully revised for consistency with the VELS.</p> <p>Pre-enrolment at Years 3, 5, 7 and 9 was successfully implemented with the support of the student data website. Strategic plans to utilise the students' data website were already in existence. Student data verification will also be included in the 2007 testing cycle. Pre-enrolment in the Victorian Assessment Software System will not be undertaken for 2007.</p>

Post-compulsory curriculum and assessment

AIM To provide senior secondary students with study choices and assessments of their learning to promote successful transition to work or further study

Key strategic initiatives

- 5 Provide leadership and direction for Victoria on key Commonwealth and State policy issues including the Australian Certificate of Education
- 6 Provide curriculum and assessment expert policy advice for Victoria in relation to the establishment of the Australian Technical Colleges
- 7 Management of implementation and quality assurance for the VCAL and provide curriculum and professional development support to schools for the delivery of the VCAL
- 8 Complete the Review of English/ESL that considers the recognition of existing relevant and appropriate qualifications and maximises retention and pathways
- 9 Investigate the feasibility of formal recognition of generic skills, including employability skills, within senior secondary certification
- 10 Further develop initiatives in ICT-based delivery and assessment of VCE studies
- 11 To secure resources for the implementation of VCE online marking
- 12 Planning for Coburg relocation of exams processing by February 2007

Progress/Achievement

Senior personnel participated in forums on adult community education and provision of advice to government departments and Australasian Curriculum Assessment Certification Authorities as requested.

Advice was provided to Victorian ATCs on curriculum and assessment options including VCE, VCAL and VET programs.

The VCAL Quality Assurance program for 2006 was developed and communicated to providers. Stage 1 of the process was completed with 96 per cent of providers attending quality assurance meetings, the remainder followed up with only 1 per cent of providers requiring an audit by the VCAA. The statewide quality assurance process also provided a professional development opportunity for teachers.

New Literacy and Numeracy Skills units for Foundation level VCAL were developed by the VCAA and published for implementation in 2006.

VCAL take-up has increased in 2006 with over 12,000 students and seven new providers.

The Review of English/ESL was completed and approved by the Board, accredited by the VQA and published in the first instance electronically. It was subsequently printed and distributed to all schools in Term 1, 2006.

A pilot program was successfully conducted and meetings with teacher participants completed. A report was received by the Post-Compulsory Curriculum and Assessment Committee of the Board and proposals are being developed for 2006–07.

This initiative is on hold. The priority is for online marking.

Expertise was sought to prepare a bid for additional resources for online marking including the development of a detailed business case of VCAA requirements for an online marking system.

Ground floor and Level 1 plans were finalised for an exam-processing relocation. Space allocation was negotiated for Assessment Branch staff to relocate to Level 2. External site works and security are yet to be resolved.

Research measurement and reporting

AIM To provide accurate and comprehensive information to students, parents, schools, government and the community on education outcomes against state and national standards

Key strategic initiatives

13 Provide leadership and direction for Victoria in Commonwealth deliberations on improving the comparability of literacy and numeracy achievement measures across jurisdictions

14 Develop a VCAA Annual Research Plan to support strategic directions

15 Improved reporting of achievement to external audiences

16 Forge partnerships with the Victorian Qualifications Authority, Office of Learning and Teaching, Office of School Education, Office of Strategy and Review and the Catholic Education Office for better understanding and interpretation of student outcome information

Progress/Achievement

VCAA staff have worked with areas of the Department of Education & Training to provide advice concerning national deliberations on measurement of student achievement in the compulsory years. This includes the development and implementation of the Common Achievement Scale Years 3–9 and AIM Link.

Reprioritised and integrated with the Department of Education & Training plan.

Measures of similarity were developed to enable schools to compare their students' performance in both the AIM and the VCE with other students. Testing and validation is underway with representatives of the government and Catholic school systems.

The VCE Examination Results service was enhanced so that registered training organisations can now view summary statistics on the students they assess, even though the registered training organisation may not be the student's home school. Further enhancements are being developed to enable providers to obtain statistics on areas of study and comparative student performance on optional questions.

Improved information was made available to parents, students and the general public about post-compulsory curriculum provision and the performance of secondary schools on the VCAA website.

The VCAA worked with the Post-Compulsory Division of the Office of Learning and Teaching to implement the On Track initiative, which reports on the post-school destinations of Year 12 completers at school level.

The VCAA strengthened its relationships with key senior education personnel through representation on the Flagship 1 Steering Committee, the Department of Education & Training Assessment and Reporting Taskforce, and through the establishment of the Joint VCAA/Department of Education & Training Measurement and Research Committee.

As part of its core operations, the VCAA produced a range of reports about student participation and achievement in post-compulsory education and literacy and numeracy in the compulsory years, and provided key data for projects across the portfolio.

Organisational capability

AIM To build infrastructure and capability for innovation and deliver improved services to clients.

Key strategic initiatives

- 17 Implement learning and development programs to enhance staff capability
- 18 Develop a coordinated policy response to the Legislative Review and implement and communicate its outcomes
- 19 Redevelop the VCAA Assessment Processing System to enable a more robust structure and more effective management of student outcomes data
- 20 Implement the VCAA Information and Communication Strategy including a corporate website policy and online framework and strategy
 - establish Information Management Policy and finalise Objective implementation
 - develop a corporate website strategy, policy and standards
- 21 Undertake a strategic analysis of international engagement for the VCAA, and develop standards and costings for the expansion of offshore delivery, including northern hemisphere VCE examinations
- 22 Review VCAA decision-making and administrative policies, processes and procedures in relation to assessment matters and communicate new arrangements to stakeholders.
- 23 Determine the most appropriate financial system and develop a business case

Progress/Achievement

A number of programs were provided to staff in various parts of the organisation. A leadership program was implemented in response to aspects of the 2005 climate survey. Individual professional development is recognised as an important component of performance plan development.

The work in this area is ongoing and both the CEO and Chair continue to provide input given its critical importance to the future operations, structure and direction for the VCAA.

Following significant preparatory work, the VCAA has completed an extensive procurement process that will see implementation in the first quarter of 2006–07.

A review of the implementation of the Objective Electronic Document Management System was completed. The VCAA has also completed a web style guide and is currently redeveloping its Intranet. Further work is underway to consider information management and corporate website development policy and standards.

After an analysis of northern hemisphere VCE examinations which identified a number of issues affecting the feasibility of delivery of northern hemisphere VCE examinations, it was decided not to undertake further work in this area in the short term.

A review is near completion and updates to key documents, for example the VCE/VCAL handbook, have been made. Regular updates are provided to schools in memoranda and the VCAA Bulletins. There will be an ongoing need for regular review particularly in the light of legislative change.

A business case is close to finalisation. Once complete, it will be considered by VCAA Executive Management and actioned in 2006–07.

Diversity

The VCAA ensures that the diverse nature of Australian society is reflected in all aspects of its operations. It has an ongoing commitment to the principles set out in the Victorian Government's *Valuing Cultural Diversity* policy statement. The policy focuses on valuing, respecting and meeting the needs of our culturally and linguistically diverse communities and the needs of women, youth and Indigenous people.

Cultural and linguistic diversity

The delivery of culturally responsive, equitable programs is a core goal of the VCAA. This important role ensures that respect and appreciation for cultural and linguistic diversity are a normal part of all curriculum and assessment policies, programs and procedures. The VCAA aims to reflect the Government's multicultural policy for Victorian schools, both in its interaction with schools and within its own administrative structures and procedures.

In 2005–06, the VCAA:

- reviewed the criteria governing eligibility of students to enrol in the VCE Chinese Second Language study
- established a widely representative reference group to consider modifications to the structure of the VCE Chinese Second Language study to ensure maximum fairness for all students
- provided three new language other than English (LOTE) studies at VCE Units 3/4 level: Bosnian, Classical Hebrew and Yiddish
- provided a professional development program on VCE LOTE course writing for teachers and principals from approximately 80 community-based single-study providers
- held a wide range of seminars and workshops on the implications of the Standards for the teaching of LOTE at P–10 levels, including

activities to clarify the new LOTE domain 'Intercultural Knowledge and Language Awareness'

- conducted regular liaison meetings with the leadership team of the Victorian School of Languages (the biggest LOTE provider in Victoria)
- conducted workshops for teachers of VCE Auslan and participated in ongoing activities to support the work of Deaf Children Australia, including participation in the Auslan CD-ROM/ DVD Steering Group.

Indigenous affairs

In 2005–06, the VCAA continued to offer extensive support to schools offering the new VCE Indigenous Languages study – Indigenous Languages of Victoria: Revival and Reclamation.

The VCAA Indigenous Languages Implementation Group continued to meet regularly to provide support for teachers of Indigenous languages through planning of professional development activities and the development of implementation support materials. The VCAA employed two part-time Indigenous Languages Project Officers who supported the implementation group, planned professional development activities and designed VCE materials for the study.

Professional development sessions were provided for schools and communities currently offering, or planning to offer, the new study.

Women

The VCAA is committed to the promotion of equality for women, both in its communication with schools and within its own workforce. In developing educational programs that remain fair and accessible to all, the VCAA assures a commitment to equity and diversity at all times.

Youth

The VCAA provides advice and support for young people to help them make informed choices about pathways that will direct them into work and further study. This support includes a broader range of study options in the post-compulsory years of schooling.

Recognising achievement

The VCAA celebrates and promotes young people's achievements through:

- the VCE's Season of Excellence which provides opportunities for students and teachers to view some of the best work in technology, visual and performing arts from the previous year's VCE students
- the VCE Achiever Awards, coordinated by the VCAA, which recognise the efforts of VCE students in promoting community involvement in their local school and wider community
- the VCAL Achievement Awards which recognise the outstanding achievements of young people who participate in the VCAL, and the contribution and achievement of VCAL teachers and partner organisations in the development and delivery of innovative VCAL programs
- the Plain English Speaking Award, organised and conducted by the VCAA, which provides an excellent opportunity for students to build self-confidence and extend their skills in oral communication, speech writing and research.

Summary of financial results

The 2005–06 financial year was the fifth full operating year for the VCAA.

The main source of funding for the VCAA's operations is the Department of Education & Training through operational and project grants. Revenue was also derived from a number of external sources, including overseas student fees, publication sales and student services.

The 2005–06 net result was a \$0.8 million deficit, compared with a \$5.6 million surplus in the previous year.

The 2005–06 revenue totalled \$39.6 million, compared with \$44.9 million in the previous year. This is due to an agreement reached, in the previous year, with the Department to fund long-service leave. As a consequence, revenue and a receivable of \$2.5 million were recorded in the accounts as a one-off movement.

In addition, Expenditure Review Committee funding of \$3.5 million was drawn down in 2004–05 for the development of the Assessment Processing System Redevelopment (APS-R). The majority of these funds were not spent last year and no funding was drawn down for the project in 2005–06.

The 2005–06 expenditure totalled \$40.5 million, compared with \$39.3 million (including APS-R cost of \$0.3 million) in the previous year. The increase was a result of a revaluation of the long-service leave resulting from Australian Equivalents to International Financial Reporting Standards (A-IFRS) and legislative change, increased accumulated annual leave and costs associated with the Victorian Essential Learning Standards project.

There are presently no known events that could adversely affect the operations of the VCAA during the next reporting year.

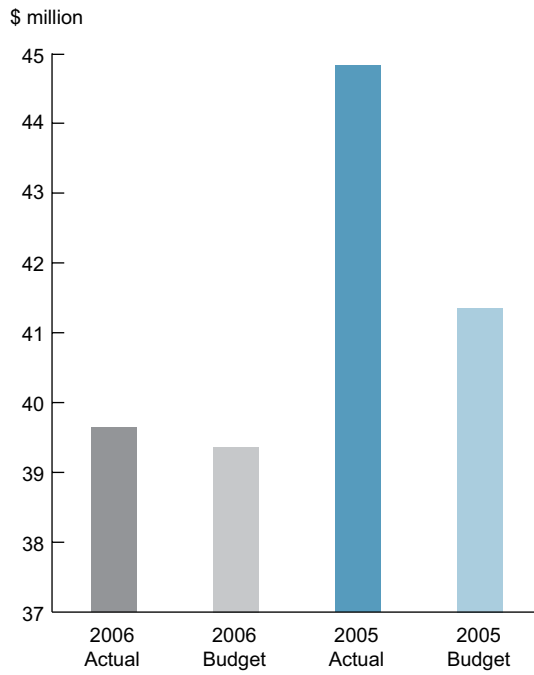
Summary of financial position

	Surplus/(Deficit)	Revenue	Expenses	Assets	Liabilities
30 June 2006	(840,842)	39,630,302	40,471,144	13,158,475	8,259,794
30 June 2005	5,642,360	44,902,952	39,260,592	13,324,571	7,585,048
30 June 2004	(1,096,829)	33,456,701	34,553,530	6,022,471	5,925,308
30 June 2003	(932,981)	31,910,252	32,843,233	7,830,662	6,636,670
30 June 2002	(2,153,183)	28,196,883	30,350,066	9,998,502	7,871,530

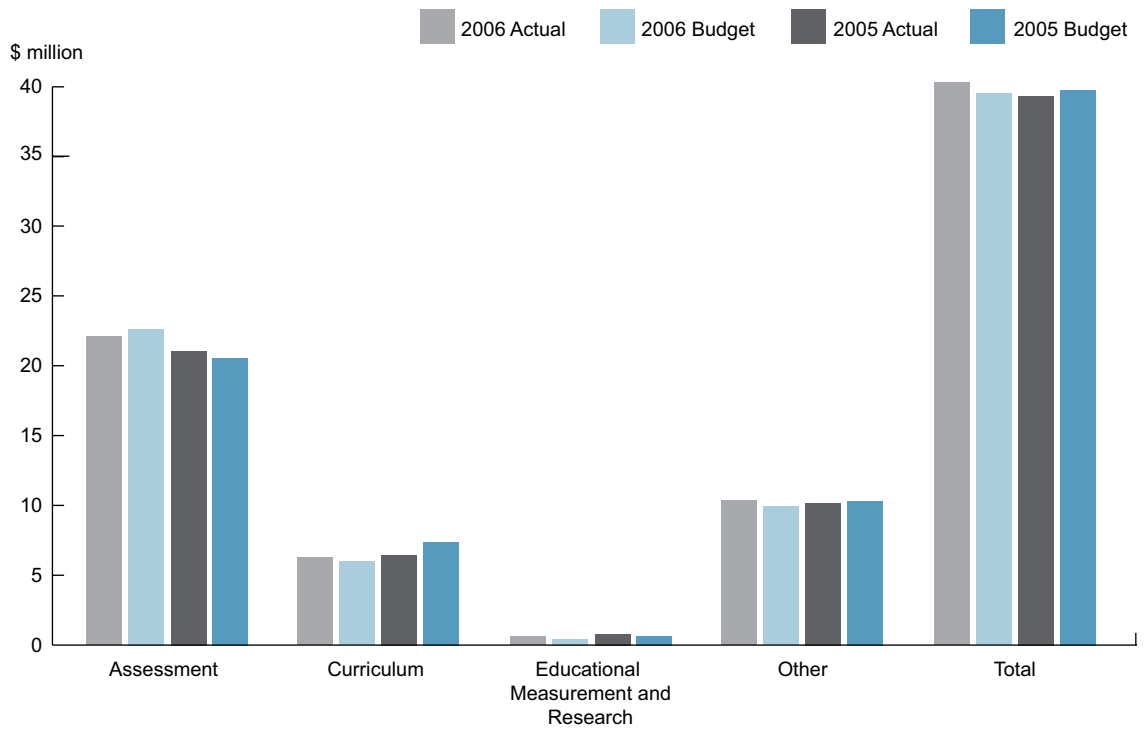
Performance against budgetary objectives as at 30 June 2006

	Actual \$				Budget \$			
	2006	2005	2004	2003	2006	2005	2004	2003
Revenue	39,630,302	44,902,952	33,456,701	31,910,252	39,460,285	41,395,086	32,602,068	29,914,572
Expenditure								
Assessment	22,426,325	21,034,342	19,795,102	19,055,325	22,637,811	20,639,444	18,854,798	19,298,002
Curriculum	6,187,333	6,594,539	4,997,610	4,312,240	5,999,820	7,365,774	4,826,053	5,129,491
Policy, measurement and research	1,300,787	1,415,188	1,101,853	1,498,505	1,014,966	1,269,249	1,412,866	1,365,923
Other	10,556,700	10,216,523	8,658,965	7,977,163	9,923,128	10,623,094	9,026,232	6,989,272
Total	40,471,145	39,260,592	34,553,530	32,843,233	39,575,725	39,897,561	34,119,949	32,782,688
Operating result	(840,843)	5,642,360	(1,096,829)	(932,981)	(115,440)	1,497,525	(1,517,881)	(2,868,116)

VCAA revenue



VCAA expenditure



Overview of the Victorian Curriculum and Assessment Authority

Governance

Establishment

The VCAA came into operation on 1 March 2001 and was the successor to the Board of Studies. The VCAA is accountable to the Minister for Education and Training.

Objectives

The *Victorian Curriculum and Assessment Authority Act 2000* sets out the following objectives for the VCAA:

- to develop high-quality courses and curriculum and assessment products and services
- to develop courses normally undertaken in, or designed to be undertaken in, Years 11 and 12, including courses leading to the issue of the VCE, that will prepare students for successful transition to employment, tertiary education, vocational education and training and further education
- to provide linkages that will facilitate movement between the VCAA's courses and other courses.

VCAA Board

Board membership

The members of the VCAA Board are drawn from educationalists and community representatives.

During 2005–06, Mr John Fry, Ms Jennifer Haynes and Mr Garry McLean resigned their positions. Ms Esmerelda Bamblett and Mr John Maddock were both reappointed for a further three years. Mr Glen Pearsall, Ms Debra Punton and Ms Helen Staindl were all appointed for three-year terms, their membership commencing in June 2006.

Members



**MR STUART HAMILTON
AO, CHAIR**

BA (Hons), BEc

Mr Stuart Hamilton, AO, is currently Chief Executive, Open Universities Australia and secretary of the Board of the Council

for the Humanities, Arts and Social Sciences. He was Secretary of the Department of Education & Training and CEO of the Victorian Innovation Economy Advisory Board. He was also Deputy Chair of the Australian Council for Educational Research and a member of the National Inquiry into Teaching and Teacher Education. A former Executive Director of the Australian Vice Chancellors' Committee, he worked for many years for the Australian Public Service, including as Secretary to the Health and Environment Departments. He has been a member of several other boards, including the Council of La Trobe University and the Academic Senate of Melbourne University Private, the International Association of Universities, the Australian Heritage Commission, the Australian Sports Commission and the Health Insurance Commission.



**MS ESMERELDA
BAMBLETT**

DipT, GradDipArts, MEd

Ms Esmerelda Bamblett is a member of the Bangerang and Wiradjuri Aboriginal nations and has had a longstanding

career in Aboriginal education and development. She was an inaugural member of the Council for Aboriginal Reconciliation from 1991–94 and a member of the Australian Council of Women from 1993–96. She has been Vice-President of the Aboriginal Advancement League since 1998.

Ms Bamblett commenced her career in education working as a primary school teacher, eventually taking up a lecturing position in Indigenous Studies at the University of Melbourne in 1998. Ms Bamblett was a Koorie Education Development Officer for the Department of Education & Training from 1989–2003, Research Manager for the Institute of Koorie Education at Deakin University from 2000–02 and acting manager of the Koorie Education Strategy Team for the Department of Education & Training in 2003. Currently Ms Bamblett is the Director of Neenann Multimedia and Consultancy.



**PROFESSOR GERALD
BURKE**

BCom, DipEd, PhD

Professor Gerald Burke is currently the Chair of the Victorian Qualifications Authority, Executive Director of

the Monash University Australian Council for Educational Research Centre for the Economics of Education and Training, and a member of the Faculty of Education at Monash University. He has undertaken research over a long period on the finance of education and training and on education and employment. He is a member of the Education and Training Statistics Advisory Committee of the Australian Bureau of Statistics and has consulted for a range of mainly government organisations in Australia and overseas.



MR JOHN FRY

(resigned 7 October 2005)

BA, DipEd,
GradDipCareersEd,
MAICD

Mr John Fry has taught in secondary schools since 1980. He has

coordinated at faculty and curriculum year level and is currently teaching the VCE and the VCAL at Lalor North Secondary College. Mr Fry holds the position of Chair of the Whittlesea Youth Commitment and is Deputy Chair of the Hume/Whittlesea Local Learning and Employment Network. He has been a councillor at the City of Whittlesea since 1989, having served three terms as mayor. Mr Fry is a member of the Australian Education Union Council and State Branch Executive. He also serves on the Victorian Institute of Teaching Council.



MS JENNIFER HAYNES

(resigned 15 December 2005)

BA, DipEd, MEd, MACE,
MAICD, FACE

Ms Jennifer Haynes was formerly Acting Principal at Mentone Girls' Grammar,

a K–12 school and has taught at the primary, secondary and tertiary levels. Ms Haynes is a life member of the Victorian Association for the Teaching of English and a past president of the Australian Association for the Teaching of English. She was a writer of the VCE English and Literature study designs, a member of the First Council of the Victorian Institute of Teaching and is currently a member of its Standards and Professional Learning Committee. Ms Haynes was also a member of the Victorian Independent Education Union and the Vice-President of the Independent Association of Registered Teachers of Victoria. She left Victoria in December 2005 to take up a senior position in Queensland.



MR GRANT HEHIR

Appointed as Secretary of the Department of Education & Training in May 2003, Mr Grant Hehir leads the Department in fulfilling its role to provide, fund, purchase

and regulate education and training services for Victorians of all ages. His responsibilities encompass schools, TAFE institutes, registered training organisations, adult community education (ACE) providers, adult education institutions and higher education institutions.

Following a career in public sector policy development and budget management, his most recent role was as Deputy Secretary, Strategic, Economic and Social Policy at the Department of Premier and Cabinet, advising the Premier on social and economic policy matters. His previous role was as Deputy Secretary, Budget and Financial Management Division at the Department of Treasury and Finance. In this role, he provided advice to Government on State Budget strategy and management, and advised on emerging policy issues.



MR JOHN MADDOCK

GradDipBus, GradDipEd, FAICD, FAITD, MASTD

Mr John Maddock is the Chief Executive Officer of Box Hill Institute of TAFE. His involvement in the vocational education

and training sector has included membership and chairing of committees at both state and national levels. Mr Maddock is a member of the Deakin University Council, Victorian Tertiary Admissions Centre (VTAC) Board of Trustees and Management Committee, Innovation and Business Industry Skills Council Board, the Centre for Economics of Education and Training, VET Advisory Committee, and is an executive member of the Post-Secondary International Network for Presidents and Chief Executive Officers.



MR GARRY MCLEAN

(resigned 23 September 2005)

DipT, BEd, GradDipRE, MACE, MACEA, AIMM

Mr Garry McLean is Assistant Director (School Services) at the Catholic

Education Office. He taught at a number of parish primary schools before being appointed Principal of St Mary’s School, West Melbourne in 1984. He was appointed Principal of St Joseph the Worker School, Reservoir North, in 1990 and later awarded life membership of the Australian Primary Principals’ Association. In 1995, Mr McLean was appointed to the Catholic Education Office in the role of Chairperson, Special Programs. He was appointed to his current position in June 2001. Mr McLean was elected to the executive of the Australian Curriculum Studies Association in 1999 and is a member of the Program for International Student Assessment National Advisory Committee. He is a former executive member of the Catholic Education Commission of Victoria.



MR PETER MCMULLIN

LLB, BCom, FAIM

Mr Peter McMullin is a legal practitioner specialising in commercial law and mediation. He was elected Mayor of Geelong in November

2005, Chairman of the Geelong Regional Library Corporation and a Board Member of the Geelong Art Gallery. Mr McMullin is Deputy President of the Museums Board of Victoria. He is a Director of Turning Point, Chairman of the Melbourne International Comedy Festival and Deputy President of the Victorian Chamber of Commerce and Industry. Mr McMullin previously served on the Melbourne City Council as Deputy Lord Mayor from 1996–99.



PROFESSOR ROBERT PARGETTER

BSc, DipEd, MA, PhD

Professor Robert Pargetter is Professor Emeritus at Monash University and Principal of Haileybury College. He is also a

Director of the Australian Institute of Management. He was formerly Deputy Vice-Chancellor at Monash University, Dean of Arts and Professor of Philosophy. He was Chair of the Management Committee of the Victorian Tertiary Admissions Centre for four years.

MR GLEN PEARSALL

BEd

Mr Glen Pearsall is a highly regarded Leading Teacher at Eltham High School who is considered to have significant leadership potential. Glen began his career at Eltham High School as a graduate in 1999 and has been the Head of English there from 2002 to the present. He has been involved in the development of a grief counselling program in conjunction with the University of Melbourne. Glen has been a seminar leader in the Faculty of Education at the University of Melbourne on the role of Graduate and pre-Service Teachers and has presented a wide array of seminars and workshops for the Victorian Association of the Teachers of English and the Australian Education Union.



MS CATHERINE PIANTA

BA, BLit (Hons),
GradDipEd

Ms Catherine Pianta is currently Principal of Benalla College. Prior to this, she has held a variety of roles with the

Department of Education & Training, including curriculum consultant, teacher and principal at primary and secondary schools. Ms Pianta acts as a facilitator and mentor for several leadership development programs. She is a member of the Australian Principals' Federation and the Victorian Association of Secondary School Principals.

She is also a Fellow of the Williamson Community Leadership Program of Victoria and is involved in a number of SkillsBank programs for Leadership Victoria.



MS DEBRA PUNTON

DipT, BEd, MEd Studies

Ms Debra Punton is a trained teacher and initially worked in government schools before taking up a teaching appointment in the Catholic education

system. She completed a Masters of Educational Studies at Monash University in 1991 with a major in psychology and a focus on the psychology of educational leadership. Ms Punton was involved in the establishment of the Monash Education Centre in 1987. She is currently the Assistant School Director, Catholic Education Office, and has held various principal positions in the Catholic sector for 16 years.



MS JOANNE ROBERTS

CertAEd, DipEd,
GradDipCompEd

Ms Joanne Roberts has worked in the primary, secondary and tertiary sectors, and is Assistant Principal at The Grange

P-12 College. Ms Roberts has worked with the Australian National Schools Network and the Department of Education & Training in planning and facilitating professional development of other educators at school-based, regional and national conferences. She has undertaken curriculum research within the State and national projects to improve student learning in the middle years of schooling. Her research work continues in middle years' curriculum review and reform.



MS HELEN STAINDL

MEd, MA (Theol Studies),
GradDipEdAdmin, BEd,
DipT (Primary)

Ms Helen Staindl has
10 years' experience as
a primary principal in
the Catholic sector and

10 years experience as an assistant principal in a number of regional and rural primary schools. She was Assistant Principal at Morwell East, Cranbourne and Orbost over the period 1985–95 and is currently Principal of St Joan of Arc School in Brighton, where she has redeveloped all curricula policies and programs, implemented Parent Education programs and fostered an active parent body in the school. Ms Staindl was Principal of St Patrick's School, Stratford, for four years where she rebuilt a sense of community by renewing the school vision and mission statements and devising and implementing pastoral care, discipline and anti-bullying policies.



PROFESSOR SUE WILLIS

BSc, DipEd, PhD

Professor Sue Willis is the Dean of the Faculty of Education at Monash University.

Her area of expertise is

in mathematics education relating to children's development of key mathematical ideas and the development of informed numeracy in children and adults. She has written state and national curriculum frameworks for mathematics, developing cross-curriculum policies and practices in outcomes-based education and in enhancing teacher judgement and professional accountability. Professor Willis is a member of the Australian Association of Mathematics Teachers, the Australian Association for Research in Evaluation, the Australian Council of Adult Literacy and the Australian Curriculum Studies Association.

VCAA Board Committees

Executive Committee

The Executive Committee consists of the VCAA Chair, its Chief Executive Officer and three Board members: Professor Robert Pargetter, Mr Garry McLean (until his resignation on 15 September 2005) and Mr Grant Hehir. The Executive Committee, established under Section 12 of the *Victorian Curriculum and Assessment Authority Act 2000*, can provide recommendations to the Board and act under the delegation of the Authority's power in matters of urgency and matters related to the following areas:

- overseas programs
- Review Committee decisions
- issues with sectoral implications
- approval for use of common seal for contracts over \$100,000
- legislative compliance
- confidential and sensitive matters.

Audit Committee

In 2005–06, the VCAA Audit Committee comprised three Board members: Mr John Maddock, Committee Chair, Ms Catherine Pianta (replacing Professor Sue Willis in October 2005), Mr Peter McMullin; and one coopted non-Board member, Mr Stuart Alford. The Audit Committee is responsible for governance, risk management and business assurance of the VCAA.

The prime functions of the Committee are to:

- have oversight of the financial management of the VCAA
- maintain a register of assets held and managed by the VCAA
- ensure that internal control structures and processes are appropriate for the VCAA's activities
- ensure that risk management strategies are adequate and appropriate.

P–10 Curriculum and Assessment Committee

The P–10 Curriculum and Assessment Committee consisted of VCAA Board members and two coopted members, Mr Tony Mackay and Ms Michelle Green.

The Committee provides expert advice and makes recommendations to the Board on:

- policies, standards and criteria for the development of curriculum and assessment programs for students in Years P–10
- implementation of the AIM program
- the redevelopment of the curriculum framework and the Standards
- the monitoring and reporting of student participation in P–10 assessment programs
- the relationship between P–10 curriculum and post-compulsory pathways in education and training, including the VCE
- the provision of related research and professional development activities.

Post-Compulsory Curriculum and Assessment Committee

The Post-Compulsory Curriculum and Assessment Committee consisted of the VCAA Board plus four coopted members: Dr Dennis Gunning, Mr Tony Mackay, Professor Jillian Blackmore and Professor Peter Stacey.

The Committee provides expert advice and makes recommendations to the VCAA Board on:

- the development, evaluation and approval of curriculum and assessment in the post-compulsory years
- policy and procedures for the design, delivery and evaluation of assessments and assessment products and services for the VCE, VCAL and other post-compulsory qualifications available to students
- patterns of participation and quality of outcomes relating to courses of study in the post-compulsory years, including related professional development and research.

Review Committee

The Review Committee consists of three persons who are either members of the VCAA Board or staff of the VCAA. A Board member chairs Review Committee hearings. The Review Committee acts on the VCAA Board's behalf and is responsible for:

- investigating suspected contravention of examination rules or any allegation that a student's assessment by the VCAA was obtained by fraudulent, illegal or unfair means

- hearing appeals against penalties imposed by schools on students for breaches of rules relating to school-assessed tasks and school-assessed coursework assessments
- hearing charges alleging serious breaches of rules relating to examinations and to impose penalties
- when necessary, cancelling or altering student results.

Appeals Committee

A student affected by a decision of the Review Committee may apply for a review of the decision by the Appeals Committee on the grounds that the decision was unreasonable and/or the penalty imposed was too harsh.

The Appeals Committee is an independent body with panel members appointed by the Minister for Education and Training. Members must not be a member of the VCAA Board or staff.

VCE Review Committees and Study Reference Groups

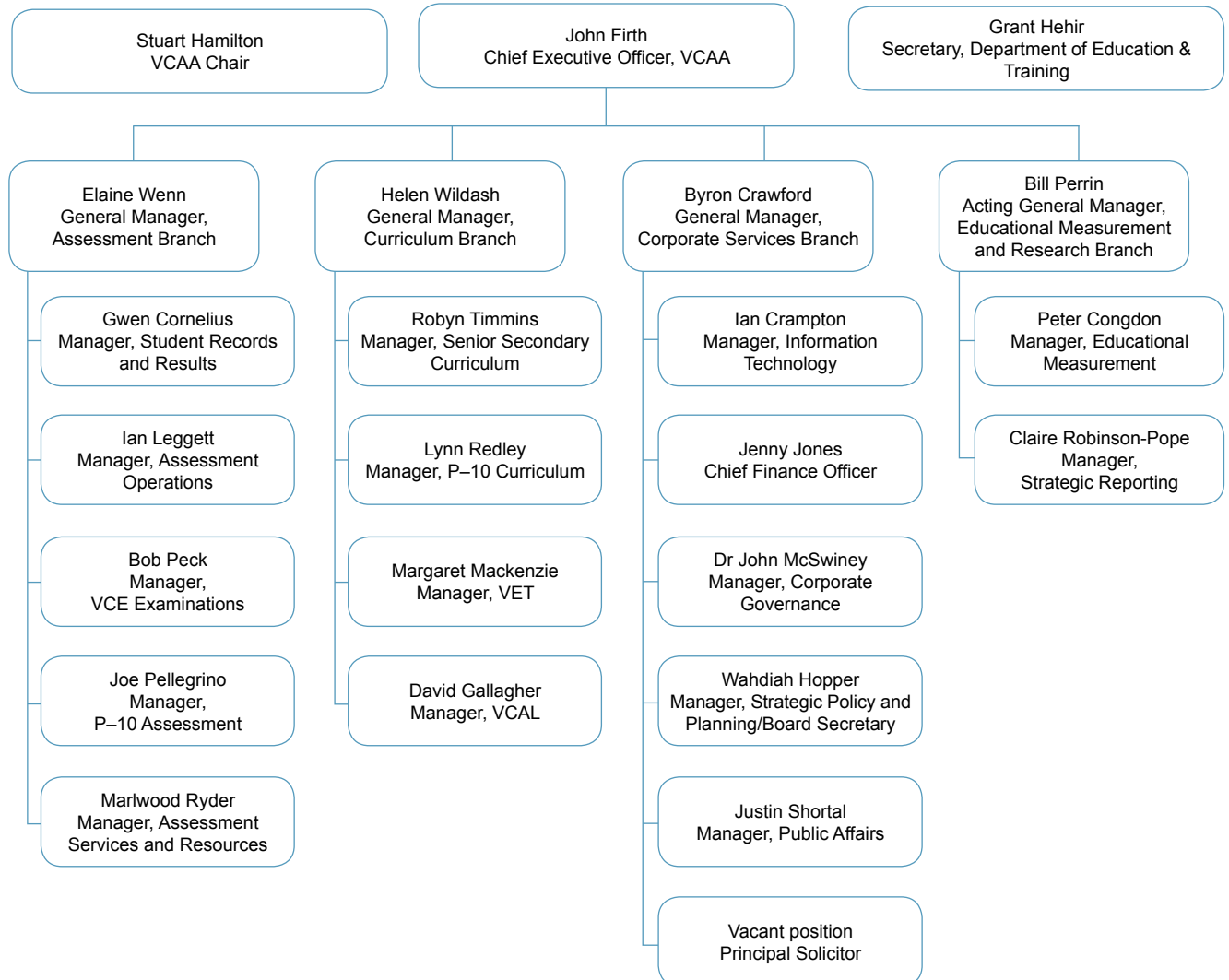
VCE Review Committees are established to review and evaluate VCE studies and to prepare proposals for new and revised studies for the approval of the VCAA Board. These committees include practising VCE teachers from each sector, academic and curriculum experts, and business and training sector representatives.

VCAA Study Reference Groups oversee the development of new VCE studies.

Board working parties

Specific-purpose working parties are commonly established for policy development to support Board business. They operate for specific periods, with clear terms of reference and reporting mechanisms. During the reporting period the International Working Party oversaw the approval of proposals offering VCE overseas and reported its deliberations to the Board.

Organisational chart



Senior officers and branch outlines



CHIEF EXECUTIVE OFFICER

(to 7 August 2005)

MR MICHAEL WHITE
BA, DipEd, MEd

Mr Michael White was the Chief Executive Officer of the VCAA

until 7 August 2005. Mr White commenced his career as a secondary teacher in Victorian government schools before teaching for 15 years in teacher education programs at both pre-service and Masters level. In addition to his work in teacher education, Mr White lectured in human development with an emphasis on early childhood development. He held a number of senior positions in human services where he led programs in child protection, youth justice, family support, child-care and community development. He was the Director of School Education in the Department of Education & Training, Victoria from 2000–02. He has also held the position of Executive Director of Education and Training in the ACT.



CHIEF EXECUTIVE OFFICER

(from 14 November 2005)

MR JOHN FIRTH
BCom, DipEd

Mr John Firth was acting Chief Executive Officer of the VCAA from 8 August,

and appointed as Chief Executive Officer on 14 November 2005. He is a member of the national working group on VET (Vocational education and training) Recognition established by the Commonwealth Department of Education, Science and Technology, the VET group of the Australasian Curriculum Assessment Certification Authorities, the Enterprise and Vocational Education Working Group of the Ministerial Council on Education, Employment, Training and

Youth Affairs (MCEETYA) Taskforce on Transition from Schools and the Nationally Consistent Curriculum Outcomes Working Party.



GENERAL MANAGER ASSESSMENT

MS ELAINE WENN
BSc, DipEd,
GradDipSocSc

Ms Elaine Wenn is responsible for the operations of the

Assessment Branch of the VCAA and the development, implementation and monitoring of the VCAA's VCE assessment policies and procedures. Ms Wenn oversees the Assessment Branch in the development, production, conduct and marking of all VCE examinations and the Years 3, 5, 7 and 9 statewide AIM tests, including quality assurance and moderation programs for school-based assessments. Ms Wenn also manages the collection and processing of students' enrolment and assessment data for the VCE, VCAL and AIM, the maintenance of student records and, under delegation from the Victorian Qualifications Authority, the issuing of students' VCE and VCAL certificates.

GENERAL MANAGER CURRICULUM

(to 13 November 2005)

MR JOHN FIRTH
BCom, DipEd

In his previous role as General Manager Curriculum, Mr John Firth was responsible for the operations of the Curriculum Branch, leadership of project teams, VCE Review Committees, the Vocational Education Reference Group and the Curriculum and Assessment Committees of the Board. These committees provide advice and recommendations to the VCAA on the development and implementation of the VCE and the VCAL and development, implementation and monitoring of the P–10 curriculum. Mr Firth managed the development and the dissemination of the Victorian Essential Learning Standards, the development and implementation of policies and procedures for VCE, VET, block credit and the support and review of the VCAL.



**GENERAL MANAGER
CURRICULUM**

(from 26 June 2006)

MS HELEN WILDASH

Ms Helen Wildash was formerly the Director, Learning Improvement and Support Services,

Department of Education and Children’s Services (DECS) in South Australia. Her responsibilities encompassed the development and delivery of statewide policy and programs in the areas of children’s services, students with disabilities, and learning difficulties; school sport, swimming and aquatics; school instrumental music programs; whole-of-government social inclusion and school retention initiatives; the school drug strategy; student behaviour management, attendance, health, juvenile justice and child protection. Prior to this she held a number of positions in DECS and the South Australian Department of Premier and Cabinet, the Australian Education Council, the Adelaide CAE and as a practising teacher.



**GENERAL MANAGER
CORPORATE SERVICES**

MR BYRON CRAWFORD
BCom, BSocSc(Info Mgt),
MAF, CPA

Mr Byron Crawford is responsible for managing the operational units that

support the conduct of the VCAA’s business: strategic policy and planning, corporate governance, executive services, finance and administration, human resources, procurement and project management, information technology, public affairs, information services, Season of Excellence, international projects and the VCAA website.



**GENERAL MANAGER
EDUCATIONAL
MEASUREMENT AND
RESEARCH**

(to 14 February 2006)

DR GLENN ROWLEY
BSc, BEd, MA, PhD

Dr Glenn Rowley was responsible for managing, maintaining and improving the quality of educational measurement and statistical analysis in the VCE and P–10 programs and the strategic reporting of VCAA data. This includes the accurate reporting of achievement data within the VCAA and to the public, as well as the provision of strategic and policy advice that arises from VCAA research and reporting.

VCAA staff establishment

As at June 2006, the VCAA operated with an establishment of 182.2 full-time equivalent (FTE) positions. During the year the VCAA also employed approximately 320 casual employees and over 3500 sessional employees. Sessional employees were mainly engaged in the following employment categories:

- assessing written examinations and the GAT
- reviewing school-based assessment (visitation, coursework audit)
- VCE examination-setting and vetting panels
- LOTE oral assessment
- arts performance assessment
- AIM marking (pen and paper, online)
- AIM test development (item writers, study content experts and writers)
- VCAL quality assurance panels
- VET state reviewers
- specialist advisory panels (derived examination scores, Music: Alternative Works).

More detail is provided in the workforce statistics section (see Appendix 3).

Strategic Aim 1

P–10 curriculum and assessment

To develop a curriculum and assessment framework that provides students with a solid foundation of knowledge, skills and personal attributes, and supports high-quality teaching and learning practices.

P–10 curriculum

The VCAA develops quality curriculum for the compulsory years of schooling (P–10), and a range of curriculum and assessment support materials to assist teachers in the implementation of their teaching, learning and assessment programs.

Victorian Essential Learning Standards

The Standards were developed as a key element of the *Blueprint for Government Schools* and are a major contribution to the Government's ongoing commitment to improve the learning outcomes of Victorian students. The Standards provide a new approach to organising the curriculum in schools by identifying what is essential for Victorian students to achieve at different stages of their schooling, setting standards for those achievements and providing a clear framework for reporting to parents and for school planning of curriculum delivery. The Standards are set in three core and inter-related strands: physical, personal and social learning, discipline-based learning and inter-disciplinary learning.

Revised Standards were published on the Standards website in December 2005.

From 2006, the Standards will progressively replace the Curriculum Standards Framework (CSF) as the basis for curriculum and assessment

in Victorian schools. Initially, schools will only report student achievement against English and Mathematics with the remaining domains to be reported against from 2007 and 2008.

Achievements

Major achievements in the reporting period included:

- validation of the Standards
- development and publication of the *Students with Disabilities Guidelines* and the *English as a Second Language Companion to the Standards*
- publication and distribution of a suite of resources to support teachers in becoming familiar with the Standards
- production of the Commonwealth Games Education program.

P–10 assessment

Achievement Improvement Monitor

The AIM is an integrated set of assessment and monitoring programs for measuring student progress and achievement. The VCAA delivered statewide AIM assessments at Years 3, 5 and 7 in August 2005 and subsequently delivered AIM results to all participating schools.

In April 2006, the Year 9 AIM English and Mathematics tests were conducted for the first time in schools. A total of 472 Victorian schools (81 per cent) volunteered to conduct the tests with approximately 55,000 students participating.

Parents of children who completed the AIM tests were issued with reports showing their child's achievement levels in Reading, Writing, Spelling and Mathematics. Results are referenced to the

expected level of achievement, school year, the statewide average and the middle 80 per cent of all students completing the test. Unlike Years 3, 5 and 7, national benchmarks have not yet been established for Year 9.

The parent reports also provide interpretive text describing what the results say about a student's level of performance and suggesting further action at the school level where necessary. Parents of students who achieved results well above or below the expected level are advised to discuss these results with their child's school.

Achievements

During the reporting period:

- enhanced security measures were put in place for the AIM tests
- the development, trialing and production of the 2005 AIM tests was completed within budget and scheduled timelines
- AIM tests in 2005 were delivered to over 65,000 students in Year 3, over 64,000 students in Year 5 and over 56,000 students in Year 7
- AIM tests were delivered internationally to Years 3, 5 and 7 students at the Saudi Arabian International School
- following a successful trial in 2004, online marking of the AIM tests was introduced in 2005 to provide a more flexible and efficient means of marking tests. It also allowed markers to work from home and resulted in a greater number of markers being employed from non-metropolitan Victoria

- results were delivered to schools for the second time through the online AIM Data Service. This service was supported with professional development for nearly 2000 teachers, principals and curriculum leaders at multiple locations across Victoria
- professional development activities were conducted in 2005 for approximately 680 teachers from over 400 schools to support implementation of the AIM Online and On Demand Testing
- the AIM Online program's highest participation to date was achieved with 128 schools and almost 16,000 students.

AIM Online participation 2005

	Year 3	Year 5	Year 7
Number of schools*	40	42	85
Number of students	1,712	1,826	12,326

*Forty-three primary schools offered AIM Online in 2005. Not all of these schools offered both Years 3 and 5 testing.

Due to the anticipated introduction of national literacy and numeracy tests in 2007, this was the final time that AIM Online was offered as an alternative to pencil and paper tests.

Strategic Aim 2

Post-compulsory curriculum and assessment

To provide senior secondary students with study choices and assessments of their learning to promote successful transition to work or further study.

- The VCAA develops the curriculum and manages the assessment of the VCE which enables VCE students to acquire skills and knowledge in a wide range of studies. It is also responsible for ensuring the quality of the school-assessed component of the VCE and the external examinations in June and November.
- The VCAL is a practical alternative to the VCE for Years 11 and 12 students which develops work-related experience, literacy and numeracy skills, and the opportunity to build personal skills.
- The VCAA is also responsible for developing and maintaining the recognition arrangements for vocational education and training within the VCE and VCAL.

Post-compulsory curriculum

Victorian Certificate of Education

The VCAA supports the delivery of the VCE curriculum through the provision of advice and resources to teachers. This includes access to a wide range of VCAA curriculum materials and resources on the VCAA website. Statewide professional development sessions were conducted to accompany the introduction of the revised VCE studies.

The VCE curriculum is subject to rigorous quality assurance processes through annual monitoring activities and cyclical evaluation and reaccreditation. This ensures that the highest quality curriculum is available to all Victorian students.

The VCE covers a broad range of studies. Over 130 options are available at Year 12 level, including 51 LOTE, 28 VCE VET programs and 13 school-based new apprenticeships. The VCAA provides curriculum implementation support for revised VCE studies. VCE VET programs are fully integrated and provide students with credit in the VCE as well as nationally through training credentials issued within the Australian Qualifications Framework.

Victorian Certificate of Applied Learning

There are three VCAL levels: Foundation, Intermediate and Senior. Students start and complete the VCAL at the level that matches their needs and abilities. A VCAL student's learning program must comprise four compulsory curriculum strands. These are:

- literacy and numeracy skills
- work-related skills
- industry-specific skills
- personal development skills.

Some students who have completed the Senior VCAL or the VCE are able to enrol in Senior Extension VCAL, a pilot program operating in three government secondary schools.

Vocational education and training in schools

VET in Schools programs allow students to combine general and vocational studies with senior secondary education. Students are also provided with pathways into training, further education and employment and direct experience in business and industry.

Students undertaking VET in Schools through either the VCE or the VCAL are able to include nationally recognised vocational education and training in their study program. In Victoria, the term VCE VET has been adopted to clearly describe the formalised arrangements where VET certificates have been incorporated in the VCE. Most students undertaking VET as part of their VCE or VCAL are enrolled in VCE VET programs.

Students may enrol in a VET certificate in a school-based new apprenticeship program in a range of industry areas promoted by industry stakeholders.

The VCAA develops VCE VET programs from national training package VET qualifications or nationally recognised curriculum which can contribute directly as VCE studies. Students are able to select from a suite of vocational certificates approved by the VCAA and accredited by the Victorian Qualifications Authority for inclusion in the VCE.

Students undertaking VET training outside the suite of approved VCE VET and school-based new apprenticeships are able to apply for block credit recognition. This provides broader pathways for VCE students because they are given access to a greater range of VET programs and the opportunity to tailor their studies to local employment circumstances. It enables greater student uptake of school-based new apprenticeships in a wider range of industries.

Through both the industry and the work-related skills strands of the VCAL, students are able to gain credit for vocational education and training undertaken in any industry or training setting.

VET in Schools enrolments

In 2005, 37,179 students were enrolled in VET in Schools with 561 providers. This resulted in

47,636 certificate enrolments across a range of industry areas. These enrolments include 4585 enrolments in school-based new apprenticeships.

Achievements

During 2005–06, nine VCE studies were reviewed. Consequently, teacher professional development programs and resources were created for a large number of the redeveloped studies during the first half of 2006.

In addition, the VCAA provided:

- statewide briefings on new developments in VCE VET programs to over 900 VCE coordinators, VET coordinators and teachers in 13 locations during November 2005
- activity workshops in 12 scored VCE VET programs over five days in April/May 2006 for 200 assessors from private providers, ACE providers, TAFE institutes and schools
- professional development seminars in December 2005 and February 2006 for 100 teachers to prepare them for the revised VCE VET Sport and Recreation program.

The VCAA also developed high-quality materials to support the implementation of training packages in VCE VET programs and achieved:

- successful outcomes for the Generic Employability Skills project to develop a process for formal recognition of generic skills
- an increase in the number of enrolments in VET in Schools through increased flexibility in the choice of VET certificates, achieved in part through the expansion of block credit recognition arrangements.

Post-compulsory assessment

The VCAA has responsibility for both senior secondary qualifications: the VCE and the VCAL. The VCAA develops high-quality curriculum and assessments, teacher support materials and related professional development activities to support the delivery of the two certificates.

The VCAA also develops programs that lead to VET qualifications, a popular choice within both senior secondary qualifications.

Victorian Certificate of Education

During the November 2005 examination period, 124 written examinations were conducted over 16 days. All student examinations were processed, assessed and examination scores finalised over a period of 32 days.

Outcomes of graded assessment 2005

Students undertaking Units 3 and 4 sequences may participate in graded assessment. In summary, the most awarded grade in 2005 was an A. The median grade was a B, with 59.5 per cent of grades attaining a B or higher.

VCE VET programs

In 2005–06, 14 VCE VET programs provided students with the option of undertaking scored assessment of the designated Units 3 and 4 sequences.

Scored assessment is available in the following VCE VET programs: Business Administration, Community Services, Dance, Electronics, Engineering Studies, Equine Industry, Financial Services, Furnishing, Hospitality (Operations), Information Technology, Laboratory Skills, Multimedia, Music Industry and Sport and Recreation.

The study score for a VCE VET program is calculated through assessments on a set of coursework tasks and an examination at the end of the year. The score allows students to use their VCE VET programs for direct contribution to their Equivalent National Tertiary Entrance Rank (ENTER).

VCE high grades 2002–05

	2002	2003	2004	2005
Total number of grades	795,201	790,462	787,625	777,182
Number of A+ grades	110,172	108,428	108,559	107,972
Percentage of A+ grades	13.9	13.7	13.8	13.9
Number of A grades	126,681	125,087	126,364	124,998
Percentage of A grades	15.9	15.8	16.0	16.1

Note: Total number of grades excludes the number NA (not assessed).

VCE study scores 2002–05

	2002	2003	2004	2005
Number of study scores	262,055	263,653	263,009	255,024
Students with at least one study score	74,240	75,543	76,050	47,781
Students with at least one study score of 40+	14,410	14,652	14,435	14,567
Students with at least one study score of 50	610	625	606	614
Number of study scores of 50	677	696	692	684

Achievements

During the reporting period the VCAA:

- awarded:
 - VCE certificates 46,292
 - VCAL certificates 4,834
- delivered to students' homes:
 - VCE statements of results 77,738
 - GAT statements 74,813
 - VCAL statements of results 2,260
 - VET statements of results 12,779
- recorded successful completions of university extension studies 638
- delivered to students through their school:
 - VCE statements of results 60,862
 - VCAL statements of results 7,547
 - VET statements of results 20,249
- provided the VCAA and VTAC joint information service for students who accessed results:
 - by telephone 1,895
 - by SMS 11,475
 - by Internet 50,503
- maintained and strengthened security arrangements in regard to the administration, dispatch, collection and processing of VCE examinations, with no breaches of security reported
- visited all VCE schools at least once between 2003 and 2005 to inform staff about and inspect provisions for VCE examination security
- trained all Chief Supervisors in 2005 to ensure that VCAA examination supervision and security requirements were well understood and implemented across all VCE examination centres
- implemented new special examination arrangements application procedures in 2005. An independent review confirmed that the special examination arrangements applications were appropriate and consistently applied by the VCAA
- conducted statewide professional development sessions to support school personnel in understanding and supporting students with learning disabilities
- published two new and three revised Assessment Guides for scored programs
- recorded an increase in student take-up of the scored assessment option in the 14 scored VCE VET programs
- recorded an increase in the number of students undertaking school-based new apprenticeships.

Strategic Aim 3

Research, measurement and reporting

To provide accurate and comprehensive information to students, parents, schools, government and the community on education outcomes against state and national standards.

Educational measurement

During 2005–06, the Measurement Unit provided expertise to support the operations of assessment in the VCE and the AIM.

Achievements

During 2005–06, the Measurement Unit provided advice and support on a range of issues, including:

- provision of professional development and training in the use of the AIM and VCE Data Service to more than 300 teachers and principals statewide
- the construction of derived examination scores for the VCE
- the equivalence of assessments conducted in different circumstances and using different modes (online versus paper and pencil)
- measurement issues that arise in relation to the development and improvement of AIM reporting
- data analysis and advice relating to the trialing of AIM tests and the preparation of reports on the results of AIM testing
- expertise to outside bodies including the VTAC, the National Measurement Advisory Group and the Malaysian Ministry of Education.

Strategic reporting

During 2005–06, the Strategic Reporting Unit provided information, reports and advice relating to students' post-compulsory participation and achievement in the VCE, VCAL and VET in Schools to a wide range of audiences including the general public, students, parents and teachers, and private and government education agencies.

Achievements

Strategic information provided during the reporting period includes:

- information provided on the VCAA website regarding the outcomes of the VCE, VCAL and VET in Schools assessment to enable students and parents to make choices about post-compulsory schooling
- VET in Schools information for national reporting provided to the National Council for Vocational Education and Training
- information provided to the Department of Education & Training for program implementation, performance monitoring and policy development
- provision of support to the On Track initiative which monitors the post-school destinations of Victorian young people.

Strategic Aim 4

Organisational capability

To build infrastructure and capability for innovation and deliver improved services to clients.

The range of services provided by the Corporate Services Branch are designed to augment the VCAA's internal operations and its dealings with key educational stakeholders:

- corporate governance
- strategic policy and planning
- finance
- human resources and administration
- procurement and project management
- information technology
- information services and public affairs.

Achievements

During the 2005–06 reporting period, Corporate Services:

- lead and managed the organisation's strategic and business planning processes
- undertook assessments of organisational risk and performance
- implemented a schedule of regular stakeholder meetings, including forums for principals and educational representative organisations, to inform policy decisions of the Board
- coordinated the annual 'Your Job, Your Say' survey across the VCAA and ensured that action plans were established for all branches
- developed and maintained procurement strategies, methodologies and support documentation to ensure that all procurement and contracting processes in the VCAA comply with legislative requirements and Victorian Government Purchasing Board policies

- managed the Season of Excellence – the annual program of exhibitions, performances and screenings of student work from VCE studies: Art, Dance, Drama, Design and Technology, Food and Technology, Media, Music Performance: Group, Music Performance: Solo, Studio Arts, Theatre Studies, Systems and Technology, and Visual Communication and Design and VCE VET studies: Dance and VCE VET Multimedia
- continued work on the redevelopment of the Assessment Processing System
- implemented a web content management system to enable information on the VCAA website to be updated more regularly and easily
- provided educational services to a number of schools overseas including:
 - delivery of the VCE through schools in China and Indonesia
 - provision of CSF and AIM services to a school in Saudi Arabia
 - delivery of the GAT and examination equivalence and moderation services to schools in South Africa
- produced the VCE and VCAL *Administrative Handbook 2006*, VCE and VCAL Statement of Results brochures and other key documents for schools such as VCE reaccredited study designs, VCE assessment handbooks and the VCAL Curriculum Planning Guide
- provided a range of financial, administration and human resource support functions which contribute to the efficient and effective delivery of the VCAA's services to students, teachers, schools, parents and the general community.

Financial Report

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Operating statement for the financial year ended 30 June 2006

	Notes	Year ended 30 June 2006 \$	Year ended 30 June 2005 \$
Income			
Operating appropriations	2	35,110,700	32,983,959
Capital grants	2	200,000	200,000
Special grants	2	266,507	1,380,200
DE&T allocation for long-service leave	3, 19	–	2,495,599
APS development	4	–	3,500,000
Resources received free of charge	5	1,846,124	1,733,610
Interest		375,965	320,072
User charges	6	1,831,006	2,289,512
		39,630,302	44,902,952
Expenses			
Employee benefits	8	24,114,398	22,957,040
Depreciation and amortisation	9	277,023	864,653
Resources received free of charge	5	1,846,124	1,733,610
Supplies and services	10	14,233,599	13,701,890
Written-down value of assets disposed	7	–	3,399
		40,471,144	39,260,592
Net result for the period		(840,842)	5,642,360

The above statement of cash flows should be read in conjunction with the accompanying notes.

Balance sheet

as at 30 June 2006

	Notes	Year ended 30 June 2006 \$	Year ended 30 June 2005 \$
Current assets			
Cash assets	12	782,354	4,166,834
Financial assets	13	4,546,178	4,866,813
Receivables	14	4,047,711	1,037,533
Prepayments	15	204,225	188,791
		9,580,468	10,259,971
Non-current assets			
Receivables	14	2,495,599	2,495,599
Property, equipment and motor vehicles	16	681,984	569,001
Work in progress	17	400,424	–
		3,578,007	3,064,600
Total assets		13,158,475	13,324,571
Current liabilities			
Payables	18	3,904,044	3,791,140
Provisions	19a	3,918,378	3,352,851
Finance leases	20	30,553	19,349
		7,852,975	7,163,340
Non-current liabilities			
Provisions	19a	355,948	319,079
Finance leases	20	50,871	102,629
		406,819	421,708
Total liabilities		8,259,794	7,585,048
Net assets		4,898,681	5,739,523
Net equity			
Contributed capital	21	4,698,492	4,698,492
Accumulated surplus/(deficit)	22	200,189	1,041,031
Total equity		4,898,681	5,739,523

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of changes in equity for the financial year ended 30 June 2006

	Year ended 30 June 2006 \$	Year ended 30 June 2005 \$
Balance at beginning of year	5,739,523	97,163
Net result for the period	(840,842)	5,642,360
Balance at end of year	4,898,681	5,739,523

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Cash flow statement for the financial year ended 30 June 2006

	Notes	Year ended 30 June 2006 \$	Year ended 30 June 2005 \$
Cash flows from operating activities			
Receipts			
Government contributions		32,573,257	38,014,850
Interest		388,048	307,279
User charges		1,936,289	2,630,824
Payments			
Employee costs		(23,440,042)	(22,217,528)
Supplies and services		(14,504,202)	(13,300,201)
Net cash (used in)/provided by operating activities	27	(3,046,650)	5,435,224
Cash flows from investing activities			
Payments for computers, plant and equipment		(286,475)	(162,468)
Proceeds from sale of equipment		-	-
Payments for work in progress		(357,182)	
Net cash (used in)/provided by investing activities		(643,657)	(162,468)
Cash flows from financing activities			
Repayment of finance leases		(14,808)	(14,574)
Net cash (used in)/provided by financing activities		(14,808)	(14,574)
Net increase/(decrease) in cash held			
		(3,705,115)	5,258,182
Cash at beginning of the financial year		9,033,647	3,775,465
Cash at end of the financial year	28	5,328,532	9,033,647

The above cash flow statement should be read in conjunction with the accompanying notes.

NOTE 1 Summary of significant accounting policies

Statement of compliance

The financial report is a general-purpose financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994*, Australian Accounting Standards and Urgent Issues Group Interpretations. Accounting Standards include Australian equivalents to International Financial Reporting Standards (A-IFRS).

The financial statements were authorised for issue by J. Jones (Chief Finance and Accounting Officer – VCAA) on 13 September 2006.

Bases of preparation

The financial report has been prepared on the basis of historical cost, where cost is based on the fair values of the consideration given in exchange for assets.

In the application of A-IFRS, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. 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.

Judgements made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed throughout the notes in the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The VCAA changed its accounting policies on 1 July 2005 to comply with A-IFRS. The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 'first-time Adoption of the Australian Equivalents to International Financial Reporting Standards', with 1 July 2004 as the date of transition.

The VCAA has also elected to apply Accounting Standard AASB 2005-4 and 2005-6 'amendments to Accounting Standards' (June 2005), even though the Standard is not required to be applied until annual reporting periods beginning on or after 1 January 2006. The table below outlines each of these amended standards and the change in accounting policy, if any.

AASB 2005-4	<i>Amendments to Australian Accounting Standards [AASB 139, AASB 132, AASB 1, AASB 1023 and AASB 1038]</i>	No change to accounting policy required. Therefore no impact.	30 June 2005	30 June 2006
AASB 2005-6	<i>Amendments to Australian Accounting Standards [AASB 3]</i>	No change to accounting policy required. Therefore no impact.	30 June 2005	30 June 2006

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2006, the comparative information presented in these financial statements for the year ended 30 June 2005, and in the preparation of the opening A-IFRS balance sheet at 1 July 2004, the VCAA's date of transition. The VCAA, upon completion of its business impact analysis and evaluation of policy alternatives, concluded there was no significant impact on the VCAA's operating statement,

balance sheet and cash flow statement from changes in accounting policies on the adoption of A-IFRS, consistent with that disclosed in the 2005 annual report.

(a) Reporting entity

The VCAA is a statutory authority, established under the *Victorian Curriculum Assessment Authority Act 2000* (the Act). The Authority is headed by the Chief Executive Officer, whose powers and functions are set out in section 13 of the Act. The CEO is responsible to the Authority for policy and operational matters and to the Secretary of the Department of Education & Training for budgetary, personnel and other administrative matters.

(b) Objectives and funding

The VCAA's objectives are to create a school curriculum and assessment framework which supports high-quality education and the recognition of student achievements which engages students and helps them to move on to work and further study.

The main source of funding for the VCAA's operations is the Department of Education & Training through operational and project grants. Revenue was also derived from a number of external sources, including overseas student fees, publication sales, student services, royalties and other administrative fees.

The Department of Education & Training has provided letters of comfort over the past years to support their request that the VCAA draw on accumulated reserves to fund operating activities. The current letter of comfort documents the agreement by the Department of Education & Training to fund any operational shortfall for the 2006–2007 financial year activities, should it occur, to enable the VCAA to meet its financial commitments as and when they fall due, subject to the shortfall arising as a result of costs being incurred by the VCAA in its good faith endeavours to achieve the outcomes agreed between the VCAA and the Department of Education & Training.

(c) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, taxation authority is classified as operating cash flows.

(d) Work in progress

The work in progress represents the software development costs capitalised for the Assessment Processing System (APS) and the Sessional Staff Management System (SSMS). Continued development will take place in 2006–07, upon completion the cost will be fully amortised over the useful life of the asset or tested for impairment and written off.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash in banks and investment in money market instruments.

(f) Depreciation

Depreciation is calculated on a straight-line basis so as to write off the net cost amount of each asset over its estimated useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation.

	Useful life years	
	2006	2005
Computer equipment	3	3
Plant and equipment	5	5
Motor vehicles	5-10	5-10
Leasehold improvements	5	5

(g) Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long-service leave.

Measurement of short-term and long-term employee benefits

Short-term employee benefits are those that are expected to be settled within 12 months, and are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. They include wages and salaries, annual leave, and long-service leave that are expected to be settled within 12 months.

Long-term employee benefits are those benefits that are not expected to be settled within 12 months, and are measured at the present value of the estimated future cash outflows to be made by the VCAA in respect of services provided by employees up to the reporting date. They include long-service leave not expected to be settled within 12 months.

The present value of long-term employee benefits is calculated in accordance with AASB 119 *Employee Benefits*. Long-term employee benefits are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national Government-guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Classification of employee benefits as current and non-current liabilities

Employee benefit provisions are reported as current liabilities where the VCAA does not have an unconditional right to defer settlement for at least 12 months. Consequently, the current portion of the employee benefit provision can include both short-term benefits, that are measured at nominal values, and long-term benefits, that are measured at present value.

Employee benefit provisions that are reported as non-current liabilities also include long-term benefits such as non-vested long-service leave, (that is, where the employee does not have a present entitlement to the benefit) that do not qualify for recognition as a current liability, and are measured at present value.

(h) Employee benefits (continued)

Superannuation

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

Defined benefit plans

The amount charged to the operating statement in respect of defined benefit plan superannuation represents the contributions made to the superannuation plan in respect to the current services of current staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

The VCAA does not recognise any defined benefit liability in respect of the superannuation plan because the VCAA has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance administers and discloses the State's defined benefit liabilities in its financial report.

(i) Non-current physical assets

Computers, plant and equipment are measured at cost. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition.

(j) Finance leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incident to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits. Finance leases are capitalised. A lease asset and liability are established at the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The lease asset is amortised on a straight-line basis over the term of the lease or where it is likely that the VCAA will obtain ownership of the asset, the expected useful life of the asset to the VCAA.

Operating lease payments are charged to the operating statement in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

Other operating lease payments are charged to the operating statement in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(k) Revenue recognition

Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes. Revenue is recognised for each of the major activities as follows:

Grants

Grants are recognised as income when the VCAA gains control of the underlying assets. Where grants are reciprocal, income is recognised as performance occurs under the grant. Non-reciprocal grants are recognised as income when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Royalties

VCAA intellectual property is captured and maintained in a register, with royalties recognised as income when the VCAA gains control of the underlying asset.

Fees, publications and other

Fees from overseas students are recognised in the period that the service is provided. Where student fees of a reciprocal nature have been received in respect of services to be delivered in the following financial year, such amounts are deferred and disclosed as fees in advance.

Publication and other miscellaneous revenue received are recognised as revenue on provision of service.

Interest revenue

Interest revenue is recognised on a time-proportionate basis that takes into account the effective yield on the financial asset.

(l) Financial assets

The VCAA classifies its investments in the category: financial assets held-to-maturity. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Held-to-maturity investments

Where the VCAA has the positive intent and ability to hold investments to maturity, they are stated at amortised cost less impairment losses.

(m) Receivables

All debtors are recognised at the amounts receivable as they are due for settlement at no more than 30 days from the date of recognition. Collectability of debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

(n) Payables

Payables are recognised when the VCAA becomes obliged to make future payments resulting from the purchase of goods and services.

(o) Resources provided and received free of charge

Contributions of resources provided free of charge are recognised at their fair value. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

The value of the VCAA accommodation costs from the Department of Education & Training is recognised in the operating statement as an expense offset by an increase to revenue as resources received free of charge.

(p) Rounding of amounts

Amounts in the financial report have been rounded to the nearest dollar.

NOTE 2 Appropriations

	2006 \$	2005 \$
Operating appropriations		
Current year	35,110,700	32,983,959
Capital grants		
Other	200,000	200,000
Special grants		
Commonwealth games funding	0	900,000
VCAL	260,000	396,000
Redevelopment of VCE Chemistry	6,507	64,200
Design in schools	0	20,000
	266,507	1,380,200

Increased appropriation in 2006 is mainly due to additional funding for the new test development of AIM Year 9; salary increases for staff members under the VPS agreement; and indexation.

NOTE 3 Department of Education & Training allocation for long-service leave

	2006 \$	2005 \$
Department of Education & Training allocation for long-service leave	0	2,495,599
	0	2,495,599

During the 2004–05 financial year an agreement was reached with the Department in relation to funding of the long-service leave. As a consequence, revenue and a receivable of \$2,495,599 are recorded in the accounts. These funds have been brought to account as a one-off movement.

NOTE 4 APS development

	2006 \$	2005 \$
ERC Grant – APS software development	0	3,500,000
	0	3,500,000

Of the \$3,500,000 drawn down for the APS-R project last financial year, \$3,200,000 was unspent tagged funding for future years thus there was no funding sought for the project in the 2005–06 financial year.

NOTE 5 Resources provided and received free of charge

	2006 \$	2005 \$
Property rentals and outgoings	1,846,124	1,733,610
	1,846,124	1,733,610

These amounts relate to two separate building occupancy arrangements:

- a lease on the VCAA's Assessment Centre at Camberwell
- occupancy of 41 St Andrews Place, East Melbourne.

Property rentals and outgoings were paid on the VCAA's behalf by the Department of Education & Training. These amounts have been recognised in the operating statement as expenditure offset by an increase to revenue as resources received free of charge.

NOTE 6 User charges

	2006 \$	2005 \$
Fee-paying overseas students	1,310,591	1,315,807
Publication sales – Study Designs/CSF material	41,200	56,005
Student services	231,113	204,460
VCE results hotline	10,529	53,107
Royalties	106,449	565,135
VCE Season of Excellence	44,231	52,621
Miscellaneous income	86,893	42,377
	1,831,006	2,289,512

NOTE 7 Disposal of fixed assets

	2006 \$	2005 \$
Equipment		
Proceeds from sale of fixed assets	0	0
Less written-down value of fixed assets disposed	0	3,399
Net (loss) profit on disposal of assets	0	(3,399)

NOTE 8 Employee benefits

	2006 \$	2005 \$
Salaries and allowances	14,321,019	13,548,790
Fees for setting, vetting and assessing examinations	6,436,033	6,172,152
Associated salary oncosts	3,289,906	3,153,801
Other	67,140	82,297
	24,114,398	22,957,040

NOTE 9 Depreciation and amortisation provided

	2006 \$	2005 \$
Amortisation of leasehold improvements	0	335,089
Amortisation of leased motor vehicles	14,904	15,335
Depreciation of equipment	262,119	514,229
	277,023	864,653

The carrying value for the leasehold improvements at 41 St Andrews Place has been fully amortised.

NOTE 10 Supplies and services

Major items of expenditure included the following:

	2006 \$	2005 \$
Administrative expenses	863,632	956,424
Computer and Internet expenses	621,463	461,378
Contractors and consultants	5,158,253	4,775,116
Bad and doubtful debts	11,784	29,910
Exam centre supervisor grants	2,226,696	2,080,420
Freight and cartage	429,257	520,626
Furniture and equipment	86,513	123,490
Hire and leasing of venues	137,483	151,855
Office supplies	170,134	160,129
Operating leases – motor vehicles	12,302	35,513
Printing and production	2,001,118	1,925,905
Staff training	256,487	158,165
Teacher release and development grants	998,859	1,173,613
Travelling and personal expenses	367,954	365,742
Utilities	749,084	662,826
Warehouse rental and outgoings	142,580	120,778
	14,233,599	13,701,890

NOTE 11 Remuneration of auditors

Audit fees paid or payable to the Victorian Auditor-General's Office for audit of the VCAA financial report:

	2006 \$	2005 \$
Audit fees	24,300	23,600

NOTE 12 Cash assets

	2006 \$	2005 \$
Cash on hand	400	600
Cash at bank	781,954	4,166,234
	782,354	4,166,834

Refer Note 4.

NOTE 13 Other financial assets

	2006 \$	2005 \$
Bank bills	0	2,465,949
Term deposits at cost	4,546,178	2,400,864
	4,546,178	4,866,813

Bank bills are held for a 30-day period with the National Australia Bank and are valued at cost.

Refer Note 4.

NOTE 14 Receivables

	2006 \$	2005 \$
Current		
Fee-paying overseas students	521,337	583,325
Operating appropriation receivable	3,097,999	63,009
Other	448,375	411,199
	4,067,711	1,057,533
Less provision for doubtful debts	20,000	20,000
	4,047,711	1,037,533
Non-current		
DE&T allocation for long-service leave	2,495,599	2,495,599

The \$3,097,999 operating appropriation receivable represents the balance of the 2005–06 appropriation at 30 June to be drawn down. Refer note 3 and 19 for an explanation of the \$2,495,599 receivable from the Department of Education & Training in respect of long-service leave.

NOTE 15 Prepayments

	2006 \$	2005 \$
Software maintenance	123,675	132,127
Administration	80,550	56,664
	204,225	188,791

NOTE 16 Property, equipment and motor vehicles

Equipment

	2006 \$	2005 \$
At cost	2,788,463	2,660,523
Less accumulated depreciation	2,420,652	2,212,739
	367,811	447,784

Leasehold improvements

	2006 \$	2005 \$
At cost	233,144	1,086,778
Less accumulated amortisation	0	1,086,778
	233,144	0

Leased assets

	2006 \$	2005 \$
Motor vehicles at cost	99,293	136,552
Less accumulated amortisation	18,264	15,335
	81,029	121,217

Movements during the reporting period

	Equipment \$	Leasehold improvements \$	Leased assets \$
Carrying amount			
Balance at 1 July 2004	837,005	335,089	-
Additions	128,407	-	136,552
Disposals	(3,399)	-	-
Transfers	-	-	-
Depreciation	(514,229)	-	-
Amortisation	-	(335,089)	(15,335)
Balance at 30 June 2005	447,784	-	121,217
Additions	182,146	233,144	37,225
Disposals	-	-	-
Transfers	-	-	(62,509)
Depreciation	(262,119)	-	-
Amortisation	-	-	(14,904)
Balance at 30 June 2006	367,811	233,144	81,029

NOTE 17 Work in progress

	2006 \$	2005 \$
Assessment Processing System Redevelopment (APS-R)	322,357	0
Sessional Staff Management System Development (SSMS)	78,067	0
	400,424	0

Movements during the reporting period

	Opening WDV \$	Additions \$	Disposals \$	Amortisation \$	Closing WDV \$
APS-R	–	322,357	–	–	322,357
SSMS	–	78,067	–	–	78,067
Total	–	400,424	–	–	400,424

NOTE 18 Payables

	2006 \$	2005 \$
Trade creditors	1,825,834	1,791,282
Accrued salaries	1,599,825	1,527,865
Fees in advance	478,385	471,993
	3,904,044	3,791,140

NOTE 19 Employee benefits

(a) Provision for employee benefits

	2006 \$	2005 \$
Current		
Long-service leave		
Short term at nominal value	300,000	263,499
Long term at present value	2,503,417	2,176,520
Annual leave		
Short term at nominal value	1,114,961	912,832
Long term at present value	-	-
	3,918,378	3,352,851
Non-current		
Long-service leave	355,948	319,079

\$2,495,599 of the current long-term long-service leave and non-current long-service leave is financed by the Department of Education & Training under an agreement reached in the 2004–05 financial year. A receivable relating to this obligation is in Note 14.

(b) Government Employees' Superannuation Fund

Superannuation contributions for the reporting period are included as part of salaries and associated costs in the operating statement of the VCAA.

The name and details of the major employee superannuation funds and contributions made by the VCAA are as follows:

Payments to the State Superannuation Fund and the Victorian Superannuation Fund in respect to ongoing staff employed by the VCAA were made by the Department of Education & Training. The Department was reimbursed an amount of \$1,320,754 at balance date for these contributions, which have been calculated at an average rate of 10.75 per cent of actual salaries.

In addition to the above, the VCAA paid contributions on behalf of eligible casual and sessional employees into 37 different funds.

Contributions are calculated at a rate of 9 per cent pursuant to the provisions of the *Superannuation Guarantee Act 1992*. Total contributions of \$594,635 were paid directly to the following funds:

• VicSuper	\$572,236
• Catholic Super Fund	\$7,118
• Tertiary Education Super Scheme	\$5,541
• Spectrum Super Fund	\$3,388
• Other (33 different funds)	\$6,352

The VCAA has no loans from the employee superannuation funds.

No liability is recognised in the balance sheet for the VCAA's share of the State's unfunded superannuation liability. The State's unfunded superannuation liability has been reflected in the financial statements of the Department of Treasury and Finance.

NOTE 20 Finance leases

	2006 \$	2005 \$
Current		
Motor vehicles under finance lease	30,553	19,349
Non-current		
Motor vehicles under finance lease	50,871	102,629

NOTE 21 Contributed capital

	2006 \$	2005 \$
Balance 1 July	4,698,492	4,698,492
Contributions of equity	–	–
Balance 30 June	4,698,492	4,698,492

NOTE 22 Accumulated surplus/(deficit)

	2006 \$	2005 \$
Accumulated surplus/(deficit) at the beginning of the financial year	1,041,031	(4,601,329)
Net result for the reporting period	(840,842)	5,642,360
Accumulated surplus/(deficit) at the end of the financial year	200,189	1,041,031

Refer note 3 and 4 for an explanation of major differences in the net result for the period.

NOTE 23 Financial instruments

(a) Interest rate risk

The VCAA's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, recognised at balance date, are as follows:

Financial instruments	Floating interest rate		Non-interest-bearing		Total carrying amount as per statement of financial position	
	2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$
(i) Financial assets						
Cash assets	781,954	4,166,234	400	600	782,354	4,166,834
Other financial assets	4,546,178	4,866,813	–	–	4,546,178	4,866,813
Receivables	–	–	6,543,310	3,533,132	6,543,310	3,533,132
Total financial assets	5,328,132	9,033,047	6,543,710	3,533,732	11,871,842	12,566,779
(ii) Financial liabilities						
Payables	–	–	3,425,659	3,319,147	3,425,659	3,319,147
Interest-bearing liabilities	81,424	121,978	–	–	81,424	121,978
Total financial liabilities	81,424	121,978	3,425,659	3,319,147	3,507,083	3,441,125
(iii) Weighted average interest rate						
Interest	5.53%	5.4%				

(b) Fair values

The aggregate fair value of financial assets and financial liabilities, recognised at balance date, are as follows:

	Total carrying amount and aggregate net fair value as per operating statement	
	2006 \$	2005 \$
(i) Financial assets		
Cash assets	782,354	4,166,834
Other financial assets	4,546,178	4,866,813
Receivables	6,543,310	3,533,132
Total financial assets	11,871,842	12,566,779
(ii) Financial liabilities		
Payables	3,425,659	3,319,147
Interest-bearing liabilities	81,424	121,978
Total financial liabilities	3,507,063	3,441,125

The following methods and assumptions are used to determine the net fair values of financial assets and financial liabilities:

Recognised financial instruments

Cash and other financial assets: The carrying amount approximates fair value because of their short-term maturity.

Receivables and payables: The carrying amount approximates fair value.

Interest-bearing liabilities: The carrying amount approximates fair value.

(c) Credit risk exposures

The VCAA's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet.

Credit risk in trade receivables is managed in the following ways:

- payment terms are 30 days
- debt collection policies and procedures are employed.

NOTE 24 Responsible persons

Responsible Persons and Executive Officers

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding the responsible Ministers and the responsible persons for the reporting period.

Names

The persons who held the positions of Ministers and Accountable Officers in the VCAA at any time during the financial period are as follows:

Responsible Minister

Minister for Education and Training	The Hon Lynne Kosky, MP	1 July 2005 – 30 June 2006
Acting Minister for Education and Training	The Hon Jacinta Allan, MP	24 July 2005 – 5 August 2005
		31 August 2005 – 2 September 2005
		9 January 2006 – 29 January 2006
		8 April 2006 – 13 April 2006
	The Hon Sherryl Garbutt, MP	19 September 2005 – 23 September 2005
	The Hon Bob Cameron, MP	14 April 2006
	The Hon Gavin Jennings, MP	19 June 2006 – 30 June 2006
Accountable Officers	Mr John Firth	Appointed 8 August 2005
	Mr Michael White	Resigned 5 August 2005
VCAA members	Mr Stuart Hamilton, Chair	
	Ms Esmerelda Bamblett	
	Professor Gerald Burke	
	Mr John Fry	Resigned 7 October 2005
	Ms Jennifer Haynes	Resigned 15 December 2005
	Mr Grant Hehir	
	Mr John Maddock	
	Mr Garry McLean	Resigned 23 September 2005
	Mr Peter McMullin	
	Professor Robert Pargetter	
	Mr Glen Pearsall	Appointed 1 June 2006
	Ms Catherine Pianta	
	Ms Debra Punton	Appointed 1 June 2006
	Ms Joanne Roberts	
	Ms Helen Staindl	Appointed 1 June 2006
	Professor Sue Willis	

Remuneration of Ministers and Accountable Officers

Remuneration received or receivable by the Accountable Officers in connection with the management of the VCAA during the reporting period are shown below in their relevant income bands.

Income	2006	2005
\$0	9	4
\$1–\$9,999	6	9
\$30,000–\$39,999	1	1
\$40,000–\$49,999	1	
\$180,000–\$189,999	1	
\$220,000–\$229,999		1
Total remuneration received, or due and receivable by responsible persons amounted to:	\$283,009	\$288,115

Amounts relating to the Ministers are reported in the financial statements of the Department of Premier and Cabinet.

Remuneration of Executives

The number of executive officers, other than Ministers and the Accountable Officer, and their remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

Several factors have affected total remuneration payable to executives over the year, including contract renegotiation, new appointments, retirements and bonus payments. These bonus payments depend on the terms of the individual employment contracts.

This has had an impact on total remuneration due to the inclusion of annual leave, long-service leave payments and retirement benefits. The executive officers receiving total remuneration exceeded \$100,000 during the reporting period, are shown in the table below in their relevant income bands.

Income band	Total remuneration		Base remuneration	
	2006 No.	2005 No.	2006 No.	2005 No.
\$ 90,000–\$99,999			1	
\$100,000–\$109,999	1			
\$110,000–\$119,999		1		1
\$120,000–\$129,999				1
\$130,000–\$139,999				1
\$140,000–\$149,999	1	1	1	1
\$150,000–\$159,999		2	1	
\$160,000–\$169,999	1			
Total numbers	3	4	3	4
Total amount \$	\$417,750	\$556,443	\$382,992	\$511,107

NOTE 25 Economic dependency

The VCAA is dependent on the State Government, through the Department of Education & Training for a significant volume of its operating revenue and ongoing financial support as reported in Note 2. A letter of comfort is negotiated annually with the Department of Education & Training.

NOTE 26 Segmental reporting

The VCAA operates predominately in the education sector and its primary responsibility is the development of curriculum and assessment for all Victorian schools.

NOTE 27 Reconciliation from operating result to net cash flow from operating activities

	Year ending 30 June 2006 \$	Year ending 30 June 2005 \$
Operating result	(840,842)	5,642,360
Non-cash flows in operating results		
Depreciation of equipment	262,119	514,229
Amortisation of leasehold improvements	0	335,089
Amortisation of motor vehicles	14,904	15,335
Loss/(profit) on sale of assets	0	3,399
Bad debts	(8,216)	9,910
Provision for doubtful debts	20,000	20,000
Decrease/(increase) in assets		
Receivables	(3,021,962)	(2,649,085)
Other current assets	(15,434)	(27,836)
Increase/(decrease) in liabilities		
Accounts payable	(59,615)	991,519
Annual leave provision	202,129	140,268
Long-service leave provision	400,267	440,036
Net cash inflow/(outflow) from operating activities	(3,046,650)	5,435,224

NOTE 28 Reconciliation of cash

For the purposes of the statement of cash flows the VCAA considers cash to include amounts on hand and amounts held in the bank and investment accounts. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	As at 30 June 2006 \$	As at 30 June 2005 \$
Cash on hand	400	600
Cash at bank	781,954	4,166,234
Other financial assets	4,546,178	4,866,813
Total cash at end of period	5,328,532	9,033,647

NOTE 29 Contingent liabilities and contingent assets

As at 30 June 2006 \$	As at 30 June 2005 \$
-	-

The VCAA does not have any contingent liabilities or assets.

NOTE 30 Commitments for expenditure

As at 30 June 2006 \$	As at 30 June 2005 \$
-	-

**ACCOUNTABLE OFFICER'S AND CHIEF FINANCE AND ACCOUNTING OFFICER'S
DECLARATION**

We certify that the attached financial statements for the Victorian Curriculum Assessment Authority have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian accounting standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2006 and financial position of the Victorian Curriculum Assessment Authority as at 30 June 2006.

We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

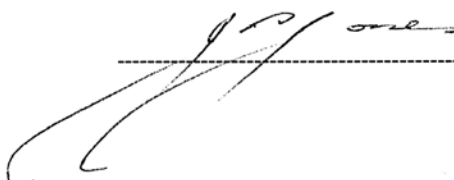
Stuart Hamilton
Chair



John Firth
Chief Executive Officer



Jennifer Jones
Chief Finance Officer



Date: 13 September 2006



AUDITOR GENERAL
VICTORIA

INDEPENDENT AUDIT REPORT

Victorian Curriculum and Assessment Authority

To the Members of the Parliament of Victoria and Members of the Board of the Victorian Curriculum and Assessment Authority

Matters Relating to the Electronic Presentation of the Audited Financial Report

This audit report for the financial year ended 30 June 2006 relates to the financial report of Victorian Curriculum and Assessment Authority included on its web site. The Board of the Victorian Curriculum and Assessment Authority is responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The audit report refers only to the statements named below. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Scope

The Financial Report

The accompanying financial report for the year ended 30 June 2006 of Victorian Curriculum and Assessment Authority consists of operating statement, balance sheet, statement of changes in equity, cash flow statement, notes to and forming part of the financial report, and the Accountable Officer's and Chief Finance and Accounting Officer's Declaration.

Members' Responsibility

The Members of the Board of Victorian Curriculum and Assessment Authority are responsible for:

- the preparation and presentation of the financial report and the information it contains, including accounting policies and accounting estimates
- the maintenance of adequate accounting records and internal controls that are designed to record its transactions and affairs, and prevent and detect fraud and errors.

Audit Approach

As required by the *Audit Act 1994*, an independent audit has been carried out in order to express an opinion on the financial report. The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement.



AUDITOR GENERAL
VICTORIA

Independent Audit Report (continued)

The audit procedures included:

- examining information on a test basis to provide evidence supporting the amounts and disclosures in the financial report
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the members
- obtaining written confirmation regarding the material representations made in conjunction with the audit
- reviewing the overall presentation of information in the financial report.

These procedures have been undertaken to form an opinion as to whether the financial report is presented in all material respects fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act 1994*, so as to present a view which is consistent with my understanding of the Authority's financial position, and its financial performance and cash flows.

The audit opinion expressed in this report has been formed on the above basis.


Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. The Auditor-General and his staff and delegates comply with all applicable independence requirements of the Australian accounting profession.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act 1994*, the financial position of Victorian Curriculum and Assessment Authority as at 30 June 2006 and its financial performance and cash flows for the year then ended.

MELBOURNE
20 September 2006


Edward M. Hay
Acting Auditor-General

Appendices

APPENDIX 1 2005–06 VCE Study Review Committees and Reference Groups

VCE Chinese Language and Culture Reference Group

Ms Sandra Brodine	Carey Baptist Grammar School
Associate Professor Catherine Elder	Monash University
Professor David Holm	The University of Melbourne
Mr Anthony Kyoong	Victorian School of Languages, Box Hill
Ms Kristien Sarwo-Rini	LOTE, ESL and Multicultural Education Unit, Department of Education & Training
Ms Deweng Song	Victorian School of Languages, Distance Education
Mr Ping Sun	Melbourne Girls' College
Ms Joon Tan	Our Lady of Sion College
Ms Roslyn Tsao	Victorian School of Languages, Springvale
Ms Bin Melody Watson	Eastern Chinese Language School
Mr Wei Ha	Camberwell High School
Ms Wei Hongxia	LOTE, ESL and Multicultural Education Unit, Department of Education & Training
Ms Maria Wong	Caulfield Grammar School
Mr James Wu	Penleigh and Essendon Grammar School
Ms Qiao Xiao	Caulfield Grammar School
Mr Jixing Xu	Scotch College
Ms Xufang (Helen) Zhang	St Margaret's School, Berwick
Mr Tong Zhou	Melbourne Grammar School
Ms Julia Zhu	Bendigo Senior Secondary College

VCE Dance Review Committee

Ms Meredith Blackburn	Victorian College of the Arts
Ms Karen Crump	Traralgon Secondary College
Mr Luke Delecca	Haileybury College
Ms Faye Johnson Ross	Private provider
Ms Cheryl Kaloger	Private provider
Ms Adrienne Leitch	Private provider
Ms Michelle Ludecke	Sacred Heart Girls' College
Ms Pauline Ryan	Private provider

VCE Design and Technology Review Committee

Mr Chris Arnold	Kangan Batman TAFE
Ms Linda Brown	Melbourne Girls' College
Ms Carol Buseti	Private provider
Mr David Cowley	Geelong Grammar School
Mr Selby Coxon	Monash University
Ms Debra Doyle	Galen College
Mr Aldo Marotta	University High School
Mr Julian Pratt	RMIT University
Ms Lyn Schroeder	Bendigo Senior Secondary College
Mr Greg Wallis	Western Heights College
Ms Dawn Zillman	Kingswood College

VCE Drama Review Committee

Ms Kate Donelan	The University of Melbourne
Mr Peter Elliott	Pascoe Vale Girls Secondary College
Mr Eli Erez	Bialik College
Mr Claude Ferrarese	Our Lady of Mercy College
Ms Maureen Hartley	La Mama Theatre
Mr Philip Norman	The Arts Centre
Ms Marita Ruda	Vermont Secondary College

VCE English/ESL Review Committee

Dr Catherine Beavis	Deakin University
Mrs Elizabeth Buckley	Taylor's College
Mr Ross Huggard	Cranbourne Secondary College
Mr Paul Martin	Aquinas College
Ms Rosemary McLoughlin	Catholic Education Office
Ms Marion Meiers	Australian Council for Educational Research
Ms Dee Rackham	Box Hill College of TAFE
Ms Lynn Smailes	Gladstone Park Secondary College
Mr Bradley Wells	Scotch College
Ms Annette Whiter	Victorian Qualifications Authority

VCE Philosophy Review Panel

Dr Douglas Adeney	The University of Melbourne
Mr Scott Alterator	Bendigo Senior Secondary College
Mr Peter Bennett	Haileybury College
Professor Andrew Brennan	La Trobe University
Mr Philip Byrt	Royal Melbourne Institute of Technology, TAFE Division
Ms Mary Comer	Siena College
Mr Richard O'Donovan	Frankston High School
Ms Janette Poulton	Rhyme and Reason (Consultant)
Mr Kamahl Russell	Mt Lilydale Mercy College

Ms Anna Symes	St Leonard's College
Ms Kylie Trask	Distance Education Centre Victoria
Dr Daniel Vine	Melbourne High School

VCE Systems and Technology Review Committee

Ms Kate Baulch	Thinking It Over consultancy
Mr Dean Cahill	Werribee Secondary College
Mr Michael Caspar	Mount Erin Secondary College
Mr Bruce Eager	Upwey High School
Mr Kevin Farley	Bendigo Senior Secondary College
Mr Peter Middleton	Wantirna College
Mr Shane Murphy	Kardinia International College
Mr Allan Ross	Nagle College
Mr George Spiridis	St Bede's College
Mr Kevin Van Leeuwen	Chisholm Institute
Mr Arnis Vejins	Holden Limited
Mr Paul Wellington	Monash University

VCE Theatre Studies Review Committee

Mr Mark Bailey	Swinburne Senior Secondary College
Ms Fiona Bennet	Sandringham College
Ms Bronwyn Bye	Caulfield Grammar School
Mr Rob Galbraith	Firbank Grammar School
Ms Robyn Kay	Loreto Mandeville Hall
Mr Richard Sallis	The University of Melbourne
Ms Sue Tweg	Monash University
Ms Meg Upton	Malthouse Theatre

APPENDIX 2

Other statutory reporting requirements

Consultancies and major contracts

Consultancies in excess of \$100,000

Consultant	Particulars	Contract value	Amount paid	Future commitments as at 30 June 2006
ISM Consulting Asia Pacific Pty Ltd	Provision of information technology architectural services to support the proposed Assessment Processing System Redevelopment project	\$159,500	\$16,000 (The balance of this contract, \$143,500, was paid in the financial year 2003–04.)	Nil

Consultancies less than \$100,000

Number engaged	3
Total cost	\$77,521

Major contracts

No contracts were awarded during 2005–06 with a value of \$10 million or above.

Competitive Neutrality

In a report to the Department of Education & Training on the National Competition policy, the VCAA was identified as not subject to the Competition Code. The report found that the VCAA had little, if any, potential to be involved in anti-competitive practices. Although the VCAA's activities are mainly regulatory in nature, the VCAA is empowered to charge fees for the services it provides under section 7(1)(b) of the *Victorian Curriculum and Assessment Authority Act 2000*.

Building Act 1993

The building occupied by the VCAA at 41 St Andrews Place is a government-owned building. A formal occupancy arrangement with the Department of Education & Training is current. The VCAA is committed to providing a safe and secure building for staff and visitors and full compliance with the provisions of the *Building Act 1993*.

The Department of Education & Training extended the lease of the VCAA's Camberwell site to April 2007. The VCAA also has occupation of a single warehouse facility to cater for the organisation's storage needs.

Public accountability and compliance

Under the accrual output-based appropriation, budgeting, performance monitoring and reporting model introduced by the Government in the 1998–99 budget, accountability for departments and government agencies commenced with the publication of budget portfolio financial statements in the annual Budget Paper No. 3 and ended with the publication of actual results in respective annual reports.

The VCAA, in conjunction with the Department of Education & Training, reported its performance against outputs on a quarterly basis and its financial aggregates on a monthly basis to the Department of Treasury and Finance.

Industrial disputes and time lost due to injury

Industrial disputes

There were no staff hours lost due to industrial disputes during the financial year.

Industrial accidents

There were no staff hours lost due to industrial accidents during the reporting period.

APPENDIX 3

Workforce statistics

Staff in the VCAA on pay by gender and classification, June 2005–06

Classification	2005			2006		
	Males	Females	Total	Males	Females	Total
EO2	1.0	–	1.0	1.0	–	1.0
EO3	3.0	1.0	4.0	1.0	1.0	2.0
VPSG6	10.4	9.0	19.4	11.0	9.0	20.0
VPSG5	23.0	36.2	59.2	22.8	36.1	58.9
VPSG4	6.0	13.9	19.9	10.0	16.6	26.6
VPSG3	14.8	28.7	43.5	14.8	27.7	42.5
VPSG2	10.0	19.4	29.4	10.0	19.2	29.2
VPSG1	–	–	–	–	–	–
Graduate	1.0	–	1.0	–	2.0	2.0
Total	69.2	108.2	177.4	70.6	111.6	182.2

Occupational health and safety objectives

The VCAA's occupational health and safety (OHS) objectives can be listed as follows:

- to prevent injury/illness from occurring in the workplace
- to maintain the good health and wellbeing of all staff
- to comply with all statutory requirements with Acts and Regulations, codes of practice and standards.

To fulfil these objectives the VCAA:

- consulted with employees on health, safety and well-being issues directly as well as through their health and safety representatives and employee representatives on issues affecting them
- implemented issues resolution procedures, including the Workplace Consultative Committee processes
- developed and applied OHS policies, procedures and practices in accordance with statutory requirements and accepted health and safety standards

- integrated OHS compliance, awareness and prevention strategies into VCAA workplace policies and procedures
- provided instruction, information and training for two VCAA staff members to enable them to perform their OHS roles and responsibilities
- implemented effective reporting, recording and investigation procedures for workplace injuries, illnesses and incidents
- reduced health, safety and well-being risks through a documented process of hazard identification, risk assessment and control.

Major initiatives in 2005–06 included:

- engagement of Noel Arnold and Associates to perform an OHS gap analysis and develop the OHS Management Systems
- holding regular meetings between OHS representatives and the Workplace Consultative Committee to ensure OHS requirements were provided for all staff
- having three more VCAA staff members attending Victorian Employers' Chamber of Commerce and Industry OHS training courses
- conducting regular OHS inspections of the workplace to identify any potential problems or issues

- posting OHS information on the VCAA's Intranet, including details of OHS representatives on the VCAA Workplace Consultative Committee, dates of meetings and minutes of previous meetings, and links to other useful OHS information
- offering free influenza immunisation shots to all staff
- conducting a review of qualified first aid officers and ensuring adequate support of qualified staff.

OHS performance targets

OHS performance met or exceeded its targets in 2005–06. During the reporting period the VCAA received no standard claims and no Improvement and Prohibition Notices were issued to the VCAA. The target for 2006–07 is to reasonably maintain this standard.

Workplace Consultative Committee

The Workplace Consultative Committee was established in 2004 as a forum to identify and resolve staff-related issues related to accommodation, OHS, professional development and training, planned changes to structures and programs and human resource activities.

The Committee meets monthly to develop and recommend policies and practices to promote a healthy and mutually supportive work culture and environment within the organisation, provide a consultation forum for staff and management and act in an advisory capacity to executive management.

The VCAA participated in the Department of Education & Training survey 'Your Job, Your Say'.

Merit training

No VCAA staff completed the accreditation training during the reporting period. A total of 100 members of staff have trained in merit-based selection procedures. A merit protection-accredited person is required to be included on all selection panels and in many other situations where personnel decisions are made.

APPENDIX 4

Freedom of Information

Publication requirements

The information required to be published pursuant to section 7 of the *Freedom of Information Act 1982* (FOI Act) follows, except for information required by that section, but which is published elsewhere in this report.

Queries about the availability of and charges for other material prepared under Part II of the FOI Act should be directed to the following address:

Manager, Corporate Governance
VCAA
41 St Andrews Place
East Melbourne 3002
Telephone (03) 9651 4311
email <foi.vcaa@edumail.vic.gov.au>

Categories of documents

The following are the general categories of documents maintained by the VCAA:

- correspondence, administrative and policy documents
- paper records are maintained on registered files
- minutes, agendas and papers.

Paper records of agendas, agenda papers and confirmed minutes of meetings are maintained in registered files. An index of outcomes is also maintained.

Personnel documents

Paper records on remuneration and appointments to the VCAA are maintained in registered files.

Accounting records

Accounting records are maintained on a computerised accounting system. The records deal with general ledger entries, accounts payable, payroll and other accounting functions. Paper records are also kept as registered files.

Student records

VCE and VCAL enrolment records, school assessment grades and examination grades for current and past students of Victorian Years 11 and 12 courses are maintained on the VCE Administrative Software System, a web-based system which provides direct communication between the VCAA and VCE and VCAL provider schools.

Other categories of documents maintained internally include records associated with curriculum and examinations. Some records will be protected from public release on the grounds of personal privacy, others by the restrictions placed on examination materials. Previous examination papers are published on the VCAA website.

Information provided by the VCAA about its operations covers VCE and VCAL areas of study, school assessment, examinations, curriculum and standards for P–10, the Standards, the AIM, GAT and other more general information.

Freedom of Information arrangements

Access to records

Access to some records held by the VCAA, such as VCE students wishing to obtain replacement statements and/or certificates, can be organised via established routine procedures. The VCAA's Information Services staff can provide initial information to people regarding such protocols. Applicants seeking access to documents that are not the subject of VCAA access procedures should address their request to the authorised officer.

Requesting access under the FOI Act

Applicants are required under the FOI Act to submit applications requesting access to documents in writing in a way that clearly describes the document(s) sought. The request

should specify that the application is made under the FOI Act and should not form part of a letter on another subject. The applicant should provide the following information:

- name
- address
- telephone number (where applicant can be contacted during business hours)
- details of document(s) requested
- the form of access required, such as copies of documents, inspection of files or other.

Fees

An application fee is required unless evidence of hardship is provided. Applicants are advised that other charges may be made in accordance with the Freedom of Information (Access Charges) Regulations 2004. Details of the fee and access charges can be found at <http://www.foi.vic.gov.au/>.

Appeals

Applicants may appeal against a decision made in response to requests for access to documents, for the amendments of records or against the cost levied for allowing access to documents. Information about the appropriate avenue of appeal will be conveyed to the applicant in the letter advising of the initial decision. Applicants are advised to consult Part VI of the FOI Act for further information about appeal rights.

Correction of personal information

A request for correction or amendment of personal information in a document held by the agency must be made in writing. It should specify particulars of how and why the person making the request believes the information to be incorrect, incomplete, misleading or out of date. It should also specify the amendments they wish to make.

Summary for year ended 30 June 2006

In 2005–06, six requests were made under the FOI Act:

- three requests were granted in full
- two requests were withdrawn by the applicant
- one request was not processed after the applicant failed to clarify the application.

APPENDIX 5

Additional information

Consistent with the requirements of the *Financial Management Act 1994*, the VCAA has prepared material on the following topics, details of which, if not published in the annual report, are available to the public on request.

Information retained by the VCAA includes details, where applicable, of:

- changes in prices, fees, charges, rates and levies
- major research and development activities
- major promotional, public relations and marketing activities
- shares held by senior officers as nominees or held beneficially in a statutory authority or subsidiary
- declaration of pecuniary interests
- OHS assessments and measures

- industrial relations issues
- major committees sponsored by the VCAA
- major external reviews carried out on the VCAA
- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- details of publications produced by the entity about the activities of the entity and where the publications can be obtained.

Enquiries regarding details of this information should be addressed to the following officer:

Manager, Corporate Governance
VCAA
41 St Andrews Place
East Melbourne 3002
Telephone (03) 9651 4311
Email <vcaa@edumail.vic.gov.au>

APPENDIX 6

Whistleblowers Protection Act 2001

The VCAA Board has nominated the Department of Education & Training as its agent to accept and investigate any disclosures made under the *Whistleblowers Protection Act 2001* concerning Board members and/or employees of the VCAA. The *Whistleblowers Protection Act 2001* Department of Education & Training Guidelines have been adopted as the appropriate procedures for managing disclosures made under the Act concerning Board members and/or employees of the VCAA.

The Department had not received any disclosures made under the Act in relation to the VCAA Board or VCAA employees, nor had the Ombudsman referred any disclosures made under the Act to the Department for investigation during 2005–06.

Department of Education & Training Guidelines

1 Objects of the Act

The *Whistleblowers Protection Act 2001* (the Act) commenced operation on 1 January 2002.

The purpose of the Act is to encourage and facilitate the making of disclosures of improper conduct by public officers and public bodies.

The Act provides protection to whistleblowers who make disclosures in accordance with the Act, and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

2 Statement of support to whistleblowers

The Department is committed to the aims and objectives of the Act. It does not tolerate improper conduct by its employees nor the taking of reprisals against those who come forward to disclose such conduct.

The Department recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal

corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Department will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also ensure natural justice to the person who is the subject of the disclosure.

3 Purpose of these procedures

These procedures establish a system for reporting disclosures of improper conduct or detrimental action by Department employees. The system enables such disclosures to be made to one of the protected disclosure officers or the protected disclosure coordinator. Disclosures may be made by employees or by members of the public.

These procedures complement the Department's established procedures for addressing complaints and are for use only where appropriate.

Employees and members of the general public should continue to raise issues in accordance with the consultative and complaint resolution procedures already in place unless the complaint meets the criteria specified in the Act to be considered a protected disclosure.

4 Definitions of key terms

4.1 A protected disclosure

For the purpose of the Act, a protected disclosure is a complaint, report or allegation of improper conduct or detrimental action, concerning matters which come under the Act, and is made in accordance with Part 2 of the Act.

A protected disclosure may also be referred to as a public interest disclosure where the disclosure shows or tends to show that the public officer to whom the disclosure relates:

- has engaged, is engaging or intends to engage in improper conduct in his or her capacity as a public officer

- has taken, is taking, or proposes to take, detrimental action in reprisal for the making of the protected disclosure.

4.2 Improper conduct

A disclosure may be made about improper conduct by a public body or public official. Improper conduct means conduct that is corrupt, a substantial mismanagement of public resources, or conduct involving substantial risk to public health or safety or to the environment. The conduct must be serious enough to constitute, if proved, a criminal offence or reasonable grounds for dismissal.

Examples

- To avoid closure of a town's only industry, an environmental health officer ignores or conceals evidence of illegal dumping of waste.
- An agricultural officer delays or declines imposing quarantine to allow a financially distressed farmer to sell diseased stock.
- A building inspector tolerates poor practices and structural defects in the work of a leading local builder.

4.3 Corrupt conduct

Corrupt conduct means:

- conduct of any person (whether or not a public official) that adversely affects the honest performance of a public officer's or public body's functions
- the performance of a public officer's functions dishonestly or with inappropriate partiality
- conduct of a public officer, former public officer or a public body that amounts to a breach of public trust
- conduct by a public officer, former public officer or a public body that amounts to the misuse of information or material acquired in the course of the performance of their official functions
- a conspiracy or attempt to engage in the above conduct.

Examples

- A public officer takes a bribe or receives a payment other than his or her wages or salary in exchange for the discharge of a public duty.
- A public officer favours unmeritorious applications for jobs or permits by friends and relatives.

- A public officer sells confidential information.

4.4 Detrimental action

The Act makes it an offence for a person to take detrimental action against a person in reprisal for a protected disclosure. Detrimental action includes:

- action causing injury, loss or damage
- intimidation or harassment
- discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business, including the taking of disciplinary action.

Examples

- A public body refuses a deserved promotion of a person who makes a disclosure.
- A public body demotes, transfers, isolates in the workplace or changes the duties of a whistleblower due to the making of a disclosure.
- A person threatens, abuses or carries out other forms of harassment directly or indirectly against the whistleblower, his or her family or friends.
- A public body discriminates against the whistleblower or his or her family and associates in subsequent applications for jobs, permits or tenders.

5 The reporting system

5.1 Contact persons within the Department

Disclosures of improper conduct or detrimental action by Department employees may be made in the first instance to a protected disclosure officer.

All correspondence, telephone calls and emails from internal or external whistleblowers will be referred to the protected disclosure coordinator.

Contact details are provided on page 77.

5.2 Alternative contact persons

Disclosures about improper conduct or detrimental action by Department employees may also be made directly to the Ombudsman.

Disclosures about improper conduct or detrimental action by persons who are not Department employees should be made as follows:

Person who is the subject of the disclosure	Person/body to whom the disclosure must be made
Employee of a public body other than the Department of Education & Training	That public body or the Ombudsman
Member of Parliament (Legislative Assembly)	Speaker of the Legislative Assembly
Member of Parliament (Legislative Council)	President of the Legislative Council
Councillor (local government)	The Ombudsman
Chief Commissioner of Police	The Ombudsman or Deputy Ombudsman
Member of the police force	The Ombudsman, Deputy Ombudsman or Chief Commissioner of Police

6 Roles and responsibilities

6.1 Employees

Employees are encouraged to report known or suspected incidences of improper conduct, or detrimental action in accordance with these procedures.

All employees of the Department have an important role to play in supporting those who have made a legitimate disclosure. They must refrain from any activity that is, or could be perceived to be, victimisation or harassment of a person who makes a disclosure. Furthermore, they should protect and maintain the confidentiality of a person they know or suspect to have made a disclosure.

6.2 Protected disclosure officers

Protected disclosure officers will:

- be a contact point for general advice about the operation of the Act for any person wishing to make a disclosure about improper conduct or detrimental action
- make arrangements for a disclosure to be made privately and discreetly and, if necessary, away from the workplace
- receive any disclosure made orally or in writing (from internal and external whistleblowers)
- commit to writing any disclosure made orally
- impartially assess the allegation and determine whether it is a disclosure made in accordance with Part 2 of the Act (that is, a protected disclosure)

- take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential
- forward all disclosures and supporting evidence to the protected disclosure coordinator.

6.3 Protected disclosure coordinator

The protected disclosure coordinator has a central clearing-house role in the internal reporting system. He or she will:

- receive all disclosures forwarded from the protected disclosure officers
- impartially assess each disclosure to determine whether it is a protected disclosure
- refer all protected disclosures to the Ombudsman
- be responsible for carrying out, or appointing an investigator to carry out, an investigation referred to the Department by the Ombudsman
- be responsible for overseeing and coordinating an investigation where an investigator has been appointed
- appoint a welfare manager to support the whistleblower and to protect him or her from any reprisals
- advise the whistleblower of the progress of an investigation into the disclosed matter
- establish and manage a confidential filing system
- collate and publish statistics on disclosures made
- take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential
- liaise with the Secretary of the Department.

6.4 Investigator

The investigator will be responsible for carrying out an internal investigation into a disclosure where the Ombudsman has referred a matter to the Department. An investigator may be a person from within the Department or a consultant engaged for that purpose.

6.5 Welfare manager

The welfare manager is responsible for looking after the general welfare of the whistleblower.

A welfare manager may be a person from within the Department or a consultant engaged for that purpose.

The welfare manager will:

- examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and seek to foster a supportive work environment
- advise the whistleblower of the legislative and administrative protections available to him or her
- listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure
- ensure the expectations of the whistleblower are realistic.

7 Confidentiality

The Department will take all reasonable steps to protect the identity of the whistleblower. Maintaining confidentiality is crucial in ensuring reprisals are not made against a whistleblower.

The Act requires any person who receives information due to the handling or investigation of a protected disclosure, not to disclose that information except in certain limited circumstances. Disclosure of information in the Act constitutes an offence that is punishable by a maximum fine of 60 penalty units (\$6000) or six months imprisonment or both.

The circumstances in which a person may disclose information obtained about a protected disclosure include:

- where exercising the functions of the public body under the Act
- when making a report or recommendation under the Act
- when publishing statistics in the annual report of a public body
- in criminal proceedings for certain offences in the Act.

However, the Act prohibits the inclusion of particulars in any report or recommendation that are likely to lead to the identification of the whistleblower. The Act also prohibits the identification of the person who is the subject of the disclosure in any particulars included in an annual report.

The Department will ensure all files, whether paper or electronic, are kept in a secure room and can only be accessed by the protected disclosure coordinator, protected disclosure officer, the investigator or welfare manager (in relation to welfare matters). All printed material will be kept in files that are clearly marked as a Whistleblower Protection Act matter, and warn of the criminal penalties that apply to any unauthorised divulging of information concerning a protected disclosure. All electronic files will be produced and stored on a stand-alone computer and be given password protection. Backup files will be kept on disk. All materials relevant to an investigation, such as tapes from interviews, will also be stored securely with the whistleblower files.

The Department will not email documents relevant to a whistleblower matter and will ensure all telephone calls and meetings are conducted in private.

8 Collating and publishing statistics

The protected disclosure coordinator will establish a secure register to record the information required to be published in the Department's annual report, and to generally keep account of the status of whistleblower disclosures. The register will be confidential and will not record any information that may identify the whistleblower.

9 Receiving and assessing disclosures

The Department may receive a range of complaints and grievances from staff and members of the public. Only some of these matters will be considered to be protected disclosures and therefore qualify for protection and investigation under the Act.

9.1 Has the disclosure been made in accordance with Part 2 of the Act?

Where a disclosure has been received by the protected disclosure officer he or she will assess whether the disclosure has been made in accordance with Part 2 of the Act and is, therefore, a protected disclosure.

9.1.1 Has the disclosure been made to the appropriate person?

For the disclosure to be responded to by the Department it must concern an employee of the Department. If the disclosure concerns an employee, officer or member of another public body, the person who has made the disclosure must be advised of the correct person or body to whom the disclosure should be directed. (See the table in 5.2.) If the disclosure has been made anonymously, it should be referred to the Ombudsman.

9.1.2 Does the disclosure contain the essential elements of a protected disclosure?

To be a protected disclosure, a disclosure must satisfy the following criteria:

- the disclosure was made by a natural person (that is, an individual person rather than a corporation)

- the disclosure relates to conduct of a public body or public officer acting in their official capacity
- the alleged conduct is improper conduct or detrimental action taken against a person in reprisal for making a protected disclosure
- the person making a disclosure has reasonable grounds for believing the alleged conduct has occurred.

Where a disclosure is assessed to be a protected disclosure, it is referred to the protected disclosure coordinator.

Where a disclosure is assessed not to be a protected disclosure, the matter does not need to be dealt with under the Act. The protected disclosure officer will decide how the matter should be resolved, in consultation with the protected disclosure coordinator. The following table indicates the alternative processes available within the Department for dealing with complaints.

Problem	Initial contact	Other options	Workplace policy
Parent's concern or complaint of a general nature (may concern students, teachers, educational matters or an action taken by the school or school council)	Principal	<ul style="list-style-type: none"> • Regional Director 	Complaints, Unsatisfactory Performance and Serious Misconduct <ul style="list-style-type: none"> • Principal Class Handbook • Teacher Class Handbook • SSO Handbook
Workplace conflict or grievance	Principal or Manager	<ul style="list-style-type: none"> • the Department of Education & Training's Complaints and Investigations Unit • Merit Protection Boards 	Complaints, Unsatisfactory Performance and Serious Misconduct <ul style="list-style-type: none"> • Principal Class Handbook • Teacher Class Handbook • SSO Handbook Personal Grievances • Employment Conditions Guidelines for VPS Staff
Equal Opportunity concern	Principal or Manager	<ul style="list-style-type: none"> • the Department of Education & Training's Complaints and Investigations Unit • the Department of Education & Training's Diversity and Equity Unit • Merit Protection Boards • Equal Opportunity Commission 	Merit and Equity Policy
Occupational Health and Safety issue	Principal or Manager	<ul style="list-style-type: none"> • Workplace OHS representative 	OHS Guidelines
Ethical or other misconduct concern	Principal or Manager	<ul style="list-style-type: none"> • the Department of Education & Training's Complaints and Investigations Unit • Office of Public Employment 	VPS Code of Conduct
Complaints regarding administrative action by government bodies	The public body concerned	<ul style="list-style-type: none"> • the Ombudsman 	<i>Ombudsman Act 1973</i>
Improper conduct or detrimental conduct	DE&T protected disclosure officer	<ul style="list-style-type: none"> • the Department of Education & Training's protected disclosure coordinator • The Ombudsman 	Whistleblower Protection Act Guidelines

9.2 Is the disclosure a protected disclosure?

Where a disclosure has been assessed as a protected disclosure by the protected disclosure officer and consequently referred to the protected disclosure coordinator, the coordinator will confirm whether the disclosure amounts to a protected disclosure. This assessment will be made within 45 days of the initial receipt of the disclosure by the protected disclosure officer.

Where the protected disclosure coordinator concludes that the disclosure amounts to a protected disclosure, he or she will:

- notify the person who made the disclosure of that conclusion
- refer the disclosure to the Ombudsman for formal determination as to whether it is indeed a protected disclosure.

Where the protected disclosure coordinator concludes that the disclosure is not a protected disclosure, he or she will:

- notify the person who made the disclosure of that conclusion
- advise that person that he or she may request the Department to refer the disclosure to the Ombudsman for a formal determination as to whether the disclosure is a protected disclosure, and that this request must be made within 28 days of the notification.

In either case, the protected disclosure coordinator will ensure that the notification and the referral are made within 14 days of the conclusion being reached.

10 Investigations

10.1 Introduction

Where the Ombudsman refers a protected disclosure to the Department for investigation, the protected disclosure coordinator will appoint an investigator to carry out the investigation.

The objectives of an investigation will be:

- to collate information relating to the allegation as quickly as possible. This may involve taking steps to protect or preserve documents, materials and equipment
- to consider the information collected and to draw conclusions objectively and impartially

- to maintain procedural fairness in the treatment of witnesses and the person who is the subject of the disclosure
- to make recommendations arising from the conclusions drawn concerning remedial or other appropriate action.

10.2 Terms of reference

Before commencing an investigation, the protected disclosure coordinator will draw up terms of reference and obtain authorisation for those terms from the Secretary of the Department. The terms of reference will set a date by which the investigation report is to be concluded, and will describe the resources available to the investigator to complete the investigation within the time set. The protected disclosure coordinator may approve, if reasonable, an extension of time requested by the investigator. The terms of reference will require the investigator to make regular reports to the protected disclosure coordinator who, in turn, is to keep the Ombudsman informed of general progress.

10.3 Investigation plan

The investigator will prepare an investigation plan for approval by the protected disclosure coordinator. The plan will list the issues to be substantiated and describe the avenue of inquiry. It will address the following issues:

- What is being alleged?
- What are the possible findings or offences?
- What are the facts in issue?
- How is the inquiry to be conducted?
- What resources are required?

At the commencement of the investigation, the whistleblower should be:

- notified by the investigator that he or she has been appointed to conduct the investigation
- asked to clarify any matters and provide any additional material he or she might have.

The investigator will be sensitive to the whistleblower's possible fear of reprisals and will be aware of the statutory protections provided to the whistleblower.

10.4 Natural justice

The principles of natural justice will be followed in any investigation of a protected disclosure.

The principles of natural justice concern procedural fairness and ensure a fair decision is reached by an objective decision maker. Maintaining procedural fairness protects the rights of individuals and enhances public confidence in the process.

DE&T will have regard to the following issues in ensuring procedural fairness:

- the person who is the subject of the disclosure is entitled to know the allegations made against him or her and must be given the right to respond (this does not mean the person must be advised of the allegation as soon as the disclosure is received or the investigation has commenced)
- if the investigator is contemplating making a report adverse to the interests of any person, that person should be given the opportunity to put forward further material that may influence the outcome of the report and that person's defence should be fairly set out in the report
- all relevant parties to a matter should be heard and all submissions should be considered
- a decision should not be made until all reasonable inquiries have been made
- the investigator or any decision maker should not have a personal or direct interest in the matter being investigated
- all proceedings must be carried out fairly and without bias and care taken to exclude perceived bias from the process
- the investigator must be impartial in assessing the credibility of the whistleblower and any witnesses and, where appropriate, conclusions as to credibility should be included in the investigation report.

10.5 Conduct of the investigation

The investigator will make contemporaneous notes of all discussions and telephone calls, and all interviews with witnesses will be taped. All information gathered in an investigation will be stored securely. Interviews will be conducted in private and the investigator will take all reasonable steps to protect the identity of the whistleblower.

Where disclosure of the identity of the whistleblower cannot be avoided, due to the nature of the allegations, the investigator will warn the whistleblower and his or her welfare manager of this probability.

It is in the discretion of the investigator to allow any witness to have legal or other representation or support during an interview. If a witness has a special need for legal representation or support, permission should be granted.

10.6 Referral of an investigation to the Ombudsman

The protected disclosure coordinator will make a decision regarding the referral of an investigation to the Ombudsman where, on the advice of the investigator:

- the investigation is being obstructed by, for example, the non-cooperation of key witnesses
- the investigation has revealed conduct that may constitute a criminal offence.

10.7 Reporting requirements

The protected disclosure coordinator will ensure the whistleblower is kept regularly informed concerning the handling of a protected disclosure and an investigation.

The protected disclosure coordinator will report to the Ombudsman about the progress of an investigation.

Where the Ombudsman or the whistleblower requests information about the progress of an investigation, that information will be provided within 28 days of the date of the request.

11 Action taken after an investigation

11.1 Investigator's final report

At the conclusion of the investigation, the investigator will submit a written report of his or her findings to the protected disclosure coordinator. The report will contain:

- the allegation/s
- an account of all relevant information received and, if the investigator has rejected evidence as being unreliable, the reasons for this opinion being formed
- the conclusions reached and the basis for them
- any recommendations arising from the conclusions.

Where the investigator has found that the conduct disclosed by the whistleblower has occurred, recommendations made by the investigator will include:

- the steps that need to be taken by the Department to prevent the conduct from continuing or occurring in the future
- any action that should be taken by the Department to remedy any harm or loss arising from the conduct. This action may include bringing disciplinary proceedings against the person responsible for the conduct, and referring the matter to an appropriate authority for further consideration.

The report will be accompanied by:

- the transcript or other record of any oral evidence taken, including tape recordings
- all documents, statements or other exhibits received by the investigator and accepted as evidence during the course of the investigation.

11.2 Action to be taken

If the protected disclosure coordinator is satisfied that the investigation has found that the disclosed conduct has occurred, he or she will recommend to the Secretary the action that must be taken to prevent the conduct from continuing or occurring in the future. The protected disclosure coordinator may also recommend that action be taken to remedy any harm or loss arising from the conduct.

The protected disclosure coordinator will provide a written report to the relevant Minister, the Ombudsman and the whistleblower setting out the findings of the investigation and any remedial steps taken.

Where the investigation concludes that the disclosed conduct did not occur, the protected disclosure coordinator will report these findings to the Ombudsman and to the whistleblower.

12 Managing the welfare of the whistleblower

12.1 Commitment to protecting whistleblowers

The Department is committed to the protection of genuine whistleblowers against detrimental action taken in reprisal for the making of protected disclosures.

The protected disclosure coordinator is responsible for ensuring whistleblowers are protected from direct and indirect detrimental action, and that the culture of the workplace is supportive of protected disclosures being made.

The protected disclosure coordinator will appoint a welfare manager to all whistleblowers who have made a protected disclosure. The welfare manager will:

- examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and, where the whistleblower is an employee, seek to foster a supportive work environment
- advise the whistleblower of the legislative and administrative protections available to him or her
- listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure
- keep a contemporaneous record of all aspects of the case management of the whistleblower including all contact and follow-up action
- ensure the expectations of the whistleblower are realistic.

All employees are advised that it is an offence for a person to take detrimental action in reprisal for a protected disclosure. The maximum penalty is a fine of 240 penalty units (\$24,000) or two years imprisonment or both. The taking of detrimental action in breach of this provision can also be grounds for making a disclosure under the Act and can result in an investigation.

12.2 Keeping the whistleblower informed

The protected disclosure coordinator will ensure that the whistleblower is kept informed of action taken in relation to his or her disclosure, and the timeframes that apply.

The whistleblower will be informed of the objectives of an investigation, the findings of an investigation, and the steps taken by the Department to address any improper conduct that has been found to have occurred. The whistleblower will be given reasons for decisions made by the Department in relation to a protected disclosure.

12.3 Occurrence of detrimental action

If a whistleblower reports an incident of harassment, discrimination or adverse treatment that would amount to detrimental action taken in reprisal for the making of the disclosure, the welfare manager will:

- record details of the incident
- advise the whistleblower of his or her rights under the Act
- advise the protected disclosure coordinator or Secretary of the detrimental action.

The taking of detrimental action in reprisal for the making of a disclosure can be an offence against the Act as well as grounds for making a further disclosure. Where such detrimental action is reported, the protected disclosure coordinator will assess the report as a new disclosure under the Act. Where the protected disclosure coordinator is satisfied that the disclosure is a protected disclosure, he or she will refer it to the Ombudsman. If the Ombudsman subsequently determines the matter to be a protected disclosure, the Ombudsman may investigate the matter or refer it to another body for investigation as outlined in the Act.

12.4 Whistleblowers implicated in improper conduct

Where a person who makes a disclosure is implicated in misconduct, the Department will handle the disclosure and protect the whistleblower from reprisals in accordance with the Act, the Ombudsman's guidelines and these procedures.

The Department acknowledges that the act of whistleblowing should not shield whistleblowers from the reasonable consequences flowing from any involvement in improper conduct. Section 17 of the Act specifically provides that a person's liability for his or her own conduct is not affected by the person's disclosure of that conduct under the Act. However, in some circumstances, an admission may be a mitigating factor when considering disciplinary or other action.

The Secretary will make the final decision on the advice of the protected disclosure coordinator as to whether disciplinary or other action will be taken against a whistleblower. Where disciplinary or other action relates to conduct that is the subject of the whistleblower's disclosure, the disciplinary or other action will only be taken after the disclosed matter has been appropriately dealt with.

In all cases where disciplinary or other action is being contemplated, the Secretary must be satisfied that it has been clearly demonstrated that:

- the intention to proceed with disciplinary action is not causally connected to the making of the disclosure (as opposed to the content of the disclosure or other available information)
- there are good and sufficient grounds that would fully justify action against any non-whistleblower in the same circumstances
- there are good and sufficient grounds that justify exercising any discretion to institute disciplinary or other action.

The protected disclosure coordinator will thoroughly document the process including recording the reasons why the disciplinary or other action is being taken, and the reasons why the action is not in retribution for the making of the disclosure. The protected disclosure coordinator will clearly advise the whistleblower of the proposed action to be taken, and of any mitigating factors that have been taken into account.

13 Management of the person against whom a disclosure has been made

The Department recognises that employees against whom disclosures are made must also be supported during the handling and investigation of disclosures.

The Department will take all reasonable steps to ensure the confidentiality of the person who is the subject of the disclosure during the assessment and investigation process. Where investigations do not substantiate disclosures, the fact that the investigation has been carried out, the results of the investigation, and the identity of the person who is the subject of the disclosure will remain confidential.

The protected disclosure coordinator will ensure the person who is the subject of any disclosure investigated by or on behalf of a public body is:

- informed as to the substance of the allegations
- given the opportunity to answer the allegations before a final decision is made
- informed as to the substance of any adverse comment that may be included in any report arising from the investigation
- has his or her defence set out fairly in any report.

Where the allegations in a disclosure have been investigated, and the person who is the subject of the disclosure is aware of the allegations or the fact of the investigation, the protected disclosure coordinator will formally advise the person who is the subject of the disclosure of the outcome of the investigation.

The Department will give its full support to a person who is the subject of a disclosure where the allegations contained in a disclosure are clearly wrong or unsubstantiated. If the matter has been publicly disclosed, the Secretary of the Department will consider any request by that person to issue a statement of support setting out that the allegations were clearly wrong or unsubstantiated.

14 Criminal offences

The Department will ensure officers appointed to handle protected disclosures and all other employees are aware of the following offences created by the Act.

- It is an offence for a person to take detrimental action against a person in reprisal for a protected disclosure being made. The Act provides a maximum penalty of a fine of 240 penalty units (\$24,000) or two years imprisonment or both.
- It is an offence for a person to divulge information obtained as a result of the handling or investigation of a protected disclosure without legislative authority. The Act provides a maximum penalty of 60 penalty units (\$6000) or six months imprisonment or both.
- It is an offence for a person to obstruct the Ombudsman in performing his or her responsibilities under the Act. The Act provides a maximum penalty of 240 penalty units (\$24,000) or two years imprisonment or both.
- It is an offence for a person to knowingly provide false information under the Act with the intention that it be acted on as a disclosed matter. The Act provides a maximum penalty of 240 penalty units (\$24,000) or two years imprisonment or both.

15 Review

These procedures will be reviewed annually to ensure they meet the objectives of the Act and accord with the Ombudsman's guidelines.

Contact details

Written disclosures should be marked confidential and addressed to the Protected Disclosure Officer at the appropriate regional or central Department office.

If making disclosures personally or by telephone individuals need to contact the appropriate central or regional Department office and request to speak to the Protected Disclosure Officer.

Conduct and Ethics Branch

GPO Box 4367
Melbourne Victoria 3001
Telephone: (03) 9637 2591

Protected Disclosure Coordinator

Manager, Conduct and Ethics Branch
Ground Floor, 33 St Andrews Place
GPO Box 4367
Melbourne Victoria 3001
Telephone: (03) 9637 2591

The Ombudsman Victoria

Level 22, 459 Collins Street
Melbourne Victoria 3000
Website: www.ombudsman.vic.gov.au
Email: ombudvic@ombudsman.vic.gov.au
Telephone: (03) 9613 6222
Freecall: 1800 806 314

APPENDIX 7

Privacy policy

The VCAA is committed to the privacy principles in all its data-gathering procedures.

Complaints-handling procedures

Contacting the VCAA

The VCAA makes every attempt to settle queries or complaints about privacy through direct communication with the party involved.

First contact is made through the Manager, Executive Services or via email <privacy.vcaa@edumail.vic.gov.au>.

If, through informal discussion, a complaint is not resolved to the satisfaction of the complainant, then a written complaint is lodged with the VCAA.

Lodging a complaint in writing

Written complaints are lodged with:

Manager, Corporate Governance
VCAA

41 St Andrews Place
East Melbourne 3002

Details provided in the complaint include:

- name and address of person lodging the complaint
- privacy concern(s)
- if applicable, how concern(s) could be remedied.

Confirmation from the VCAA

Within 14 days of receipt of a complaint, the Manager, Corporate Governance:

- confirms receipt of the complaint in writing
- informs the complainant that an investigation will be conducted and a response provided as soon as practicable, but in no more than 45 days from the day the complaint is received at the VCAA
- commences an investigation into the complaint.

Summary for the year

For the year ending 30 June 2006, one written complaint was lodged with the VCAA. The issue was resolved after negotiation between the parties and various actions being taken by the VCAA.

For further information regarding privacy legislation, refer to the Victorian Privacy Commissioner's website at <www.privacy.vic.gov.au>.

APPENDIX 8

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Acronyms and abbreviations

AIM	Achievement Improvement Monitor
CSF	Curriculum Standards Framework
ENTER	Equivalent National Tertiary Entrance Rank
ESL	English as a second language
FOI	Freedom of Information
FTE	Full-time equivalent
GAT	General Achievement Test
ICT	Information and communications technology
LOTE	Languages other than English
MCEETYA	Ministerial Council on Education, Employment, Training and Youth Affairs
OHS	Occupational health and safety
VCAA	Victorian Curriculum and Assessment Authority
VCAL	Victorian Certificate of Applied Learning
VCE	Victorian Certificate of Education
VELS	Victorian Essential Learning Standards
VET	Vocational education and training
VPS	Victorian Public Service
VTAC	Victorian Tertiary Admissions Centre



Victorian Curriculum and Assessment Authority

41 St Andrews Place

East Melbourne Victoria 3002

Telephone (03) 9651 4300

Facsimile (03) 9651 4324

Email vcaa@edumail.vic.gov.au

Website www.vcaa.vic.edu.au

Information Services

Melbourne callers (03) 9651 4544

Country callers Freecall 1800 134 197