

Auditor-General's Report: International Students: risks and responsibilities of universities

Introduction

International students are major purchasers of Australian education services and consequently are a significant source of revenue. As the significant and growing revenue from international students is not guaranteed, business and financial risks for universities have increased. Universities are also required to comply with the *Education Services for Overseas Students Act 2000* and the National Code 2007.

This audit assessed whether three universities, which account for approximately 50 per cent of international students enrolled in Victorian universities, were achieving their strategic and operational goals for international students, the associated business and financial risks were being managed efficiently and effectively and services provided were in accordance with relevant legislation.

Overall conclusion

Universities are achieving their goals for international students, and are aware of the importance of, and risks associated with, international students. Universities had a good understanding of, and generally complied with their service obligations.

Findings

All universities achieved their goal of increasing student enrolments and revenue over the five years to December 2007. Although students were generally satisfied with course content, they were less satisfied with feedback from teaching staff on work and sense of belonging to the university community.

University-level risks are linked to the strategic plans, and management, monitoring and reporting of these risks is generally well done. Management of operational risks is of variable quality within and across universities, and one does not do systematic risk management at the operational level.

Apart from some minor exceptions such as the lack of clarity around policies for deferring, suspending and cancelling a student's enrolment, all were complying with the National Code 2007 service requirements.

Recommendations

The report makes four recommendations aimed at addressing the collection of student satisfaction data, risk management practices and compliance with legislative service obligations.

This report was tabled in the Victorian Parliament on 24 June 2009.

The full text of the report is available on the office's website: <www.audit.vic.gov.au>

Further information:

Steve Williams, Manager, Reports and Communications
Victorian Auditor-General's Office, Level 24, 35 Collins Street, Melbourne Vic. 3000 AUSTRALIA
[p] 61 3 8601 7050 [m] 0423 134 202
[e] steve.williams@audit.vic.gov.au Website: www.audit.vic.gov.au