



Australian Government

National Indigenous Australians Agency

Indigenous Student Success Program

HANDBOOK

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1 Supporting Indigenous Higher Education Students

1.1 Introduction

This is the first edition of the Indigenous Student Success Program (ISSP) Handbook. It provides practical advice about how ISSP works and the flexibilities available to universities to support Aboriginal and Torres Strait Islander students succeed in higher education.

The Handbook includes useful tools and examples for universities to use in conjunction with the *Higher Education Support Act 2003* (HESA) and the *Indigenous Student Assistance Grants Guidelines 2017* (the Guidelines). The Handbook was developed in consultation with a small working group of five universities in 2019.

The National Indigenous Australians Agency (NIAA) anticipates the Handbook will be updated each year (as needed) with additional updates to coincide with updates to HESA or the Guidelines. NIAA welcomes feedback on the Handbook, any comments or questions should be sent to issp@niaa.gov.au.

1.2 Aboriginal and Torres Strait Islander People in Higher Education

The Commonwealth Government wants Aboriginal and Torres Strait Islander people to have the same opportunities in higher education that non Indigenous people have. That is, they are enrolling, progressing and completing their higher education studies at the same rate or better than other Australians. This is consistent with the Commonwealth's commitment to the goals of the National Aboriginal and Torres Strait Islander Education Strategy (see Section 1.2.1) and Closing the Gap framework.

The Commonwealth provides a range of assistance to ensure students can access and succeed in higher education. The major source of funding comes from the Department of Education, Skills and Employment through Commonwealth Supported Places which contributes funding for most domestic students. In addition to this, the Commonwealth recognises that many Aboriginal and Torres Strait Islander people continue to experience social and economic disadvantage which requires extra effort to overcome.

1.3 The role of the Indigenous Student Success Program

ISSP builds on other Commonwealth assistance so universities can prioritise and accelerate improvements in academic achievements by Aboriginal and Torres Strait Islander people.

ISSP is administered by the National Indigenous Australians Agency (NIAA) and consolidates funding previously provided under the Commonwealth Scholarships Program (CSP), the Indigenous Support Program (ISP) and tutorial assistance under the Indigenous Advancement Strategy (formerly ITAS). ISSP is a single program with a single set of Guidelines.

1.3.1 The National Aboriginal and Torres Strait Islander Education Policy

ISSP arrangements progress the objectives of the National Aboriginal and Torres Strait Islander Education Policy:

- a) Ensure equitable access of Indigenous students to higher education;
- b) Increase participation of Indigenous students in higher education to rates commensurate with those of all other Australians;
- c) Increase the graduation attainment rates of Indigenous students from AQF award courses to the same level as for other Australians;

- d) Improve arrangements for the participation of Indigenous peoples in decision-making processes with providers;
- e) Increase the number of Indigenous peoples employed as academic and non-academic staff with providers, with a focus on increasing the levels of senior Indigenous staff; and
- f) Increase the understanding and respect of all students and staff for traditional and contemporary Indigenous cultures.

1.3.2 Supporting disadvantaged students

ISSP funding supports Indigenous students to take on the demands of university and succeed. Funding is prioritised towards support of Indigenous students who are financially disadvantaged and/or from remote and regional areas:

- Financially disadvantaged students may not have the means to support themselves with the costs of accommodation and education and this could act as a barrier to pursuing higher education. With targeted support, students can be assisted to complete a degree which ultimately improves their own financial wellbeing and that of their families and communities.
- Students from remote or regional Australia often have a range of needs that require additional assistance such as separation from support networks, unfamiliarity with urban academic environments and relocation requirements.

1.3.3 Legislation

ISSP is administered in accordance with the *Higher Education Support Act 2003* (the Act) and the *Indigenous Student Assistance Grants Guidelines 2017* (the Guidelines). Universities should also refer to the Act and the Guidelines to understand their obligations in relation to ISSP funding. A detailed explanation of the policy underpinning the Guidelines is set out in the Explanatory Statement accompanying the Guidelines.

The Indigenous Student Assistance Grants Guidelines 2017 and its revisions can be accessed at:
<https://www.legislation.gov.au/Details/F2017L00036>.

The *Higher Education Support Act (2003)* is available on the Federal Register of Legislative Instruments at:
<https://www.legislation.gov.au/Series/C2004A01234>.

This handbook is designed to provide a practical, easy to use guide for universities and their students in the administration of ISSP. The Act, *Guidelines* and associated Explanatory Statement take precedence if there is any conflict or doubt in the application of this handbook.

2 Indigenous Student Success Program

2.1 ISSP Funding

ISSP funding supplements the normal efforts of universities to improve the:

- a) enrolment;
- b) progression; and
- c) award course completions

of Aboriginal and Torres Strait Islander students in higher education.

Strategies to achieve these objectives include learning and support appropriate to the cultural needs of Indigenous students. As part of this, ISSP also seeks to:

- a) involve Indigenous Australians in university decision-making; and
- b) increase the number of Indigenous Australians working in the higher education sector.

2.2 Eligible activities

Activities that ISSP funding may be used for (but are not limited to) include:

- a) scholarships and other support to assist Indigenous students to participate and complete a course of study;
- b) academic support (including supplementary tutorial support for Indigenous students in addition to mainstream tutorial support);
- c) pastoral care to provide emotional and cultural support for Indigenous students;
- d) strategies to accelerate improvements to Indigenous student outcomes;
- e) strategies to foster culturally safe learning environments for Indigenous students and staff, including prioritising cultural competency across all staff of the universities; and
- f) measures that engage and prepare Indigenous students for higher education or re-engage Indigenous students who have withdrawn from study.

Where a university has offered scholarships and tutorial assistance in preceding years, they must continue to offer these services unless agreed otherwise in writing by the Minister or their delegate.

For further details on eligible activities, see sections 14, 19, 29, 30, 31, 32 and 34 of the Guidelines.

2.3 Ineligible activities

The ISSP grant is supplementary to other forms of the university's funding and should not be used if the activity can be delivered using funding obtained from other sources. This ensures ISSP is targeted towards helping Aboriginal and Torres Strait Islander students participate and complete their qualification.

Universities must not use an ISSP grant for any of the following purposes:

- a) administering any aspect of the university's usual business (for example, coursework or contributing to corporate overheads not directly attributable to ISSP activities);
- b) duplicating an amount obtained by the university or paid to an Indigenous student from other Commonwealth sources provided for the same purpose (for example, providing an

accommodation costs scholarship when the student is already in receipt of an ABSTUDY residential costs option scholarship);

- c) discharging any financial or other obligation of an Indigenous student, unless the student is in receipt of an Indigenous Commonwealth Education Costs Scholarship and the student makes a request in writing for an amount of the scholarship to be used to pay a loan, owed by the student, that has an education purpose;
- d) providing incentives to an employee, such as a wage subsidy or performance bonus, unless allowed under the Guidelines (such as offering a reward scholarship to assist a staff member undertake post-graduate studies at the university as part of an Indigenous workforce strategy);
- e) funding corporate or administrative savings or dividends, including redundancy payments;
- f) providing assistance to an Indigenous student enrolled in a VET course of study, unless:
 - o the VET course of study is an enabling course; or
 - o the assistance is providing information on undertaking a higher education or enabling course of study with the provider.
- g) purchasing or leasing of assets with an individual value of \$5,000 (excluding GST) or more (unless approved under section 2.4 below);
- h) business or first class travel for an employee involved in delivering ISSP activities or an Indigenous student, unless the employee or the student provides evidence to the university that he or she has a medical condition that necessitates business or first class travel; or
- i) international travel (airfares) for an employee or an Indigenous student, unless, in the case of an Indigenous student, the travel is a requirement of the student's course of study and the student is unable to cover, or otherwise obtain financial assistance to cover, the costs of the travel.

What assistance can be provided to VET students with ISSP funding?

A student undertaking a VET award at a dual sector education provider is not eligible for ISSP assistance. Only students undertaking an enabling course designed to lead into a higher education award or students undertaking a higher education award are eligible to receive ISSP assistance as detailed in the Guidelines.

Why is ISSP funding not able to be used to deliver Indigenous studies coursework?

ISSP funding is not intended to replace mainstream coursework or curriculum development funding.

Can ISSP funding be used to assist an Indigenous person complete their enrolment application?

Yes. ISSP funding can be used to support prospective students to enrol in higher education.

Can ISSP funding be used to support a student who has deferred their enrolment?

ISSP funding can be used to provide support services that may assist a student to continuing their studies at a later date. For example, mentoring or counselling may be provided to encourage their study aspirations and maintain the student's relationship with the university. Tutorial support may be provided to assist a student to academically prepare for their future studies. However, ISSP accommodation scholarships should be suspended during any period of deferment.

Can ISSP funding be used to supplement other funding sources?

ISSP is designed to address the additional barriers Indigenous students face to succeed in higher education by providing universities with increased flexibility to tailor their support to meet the specific needs of Indigenous

students. The program builds on other Commonwealth assistance so that universities can prioritise and accelerate improvements in academic achievement by Indigenous persons.

ISSP funding should not be used as a substitute for other Commonwealth funding sources. For example:

- a student who is studying by distance education should use Away From Base program funding for travel expenses to attend face-to-face education delivery;
- a research student should access Research Training Program stipend to assist with living costs whilst studying.

ISSP funding should not be used as the sole source of funding for these purposes for these students. However, ISSP funding may be used to supplement this funding if the student is facing significant financial difficulty and the funding amount received under the other programs is considered insufficient. A rationale for providing the additional ISSP funding for this purpose should be included on the university's file (e.g. rental prices).

If there is a delay in receiving a payment from another Commonwealth source, ISSP funding can be offered as an advance, but the ISSP funding would need to be recovered when the other Commonwealth payment is received by the student or university. Funding recovery is important because section 15(b) of the Guidelines prevents universities from duplicating an amount received from other Commonwealth sources.

For **travel that is a course requirement**, it is expected that Indigenous students receive at least the same level of financial contribution from the university out of the same source of funds as non-Indigenous students (i.e. mainstream funds). ISSP funding can be used to supplement the funding provided by the university to Indigenous students, if required.

For an Indigenous student travelling overseas for **non-course related travel**, ISSP can be used to cover overseas accommodation and meal costs, but cannot be used to cover international airfares. Sharing of these costs demonstrates the travel is a shared priority for the student by both the university and the Commonwealth.

Case Study – course related international travel

Two postgraduate students are travelling to New York University to present a PhD paper. One of the students is an Aboriginal and Torres Strait Islander. The university normally supports postgraduate students with \$5,000 per annum to attend these types of events. This funding is provided to both students from mainstream sources. The Aboriginal student is suffering financial hardship and would not be able to participate in the event without additional assistance. The Aboriginal student is provided with \$1,000 from ISSP funding as supplementary financial support to enable their attendance.

Case Study – non course related international travel

A university would like to send a student to the World Indigenous Nations Higher Education Consortium conference overseas. Attendance at the conference is not a compulsory part of the student's studies, however the university considers it would be a valuable learning opportunity. The university is not able to use ISSP funding for airfares (as per Section 2.3i). The university uses another mainstream funding source to pay \$2,500 for the international airfares and \$1,000 of ISSP funding is used as a contribution towards the accommodation and meal expenses.

For further details on ineligible activities see section 15 of the Guidelines.

2.4 Assets

2.4.1 Definition

An Asset is defined in the *Indigenous Student Assistance Grants Guidelines 2017* as:

“Any item of real or personal property that has a value or acquisition cost of \$5,000 (excluding GST) or more, and is either:

- a) leased, purchased or created (all or part) using an ISSP Grant; or
- b) transferred to the higher education provider for the purpose of delivering an activity specified in these Guidelines.”

The \$5,000 asset value refers to cost of each individual item. For example, 5 computers valued at \$2,000 each (total of \$10,000) is not considered an asset because the value of each item is less than \$5,000. However, a \$6,000 projector would be considered an asset.

2.4.2 Purchasing an Asset

ISSP funding must not be used to purchase an asset unless an NIAA administering officer approves the purchase in writing. If approved, the university must:

- a) use the asset for the activities specified in these Guidelines; and
- b) protect and maintain the asset; and
- c) maintain insurance for the asset for the full value of the asset.

Universities must record the purchase of the item on the ISSP asset register (see 2.4.3 below).

When is approval needed to purchase an asset using ISSP funding?

The university must seek approval from an NIAA administering officer to purchase an asset. Universities do not need to seek approval to purchase individual items that cost less than \$5,000. Approval must be sought for the purchase of assets that have an individual purchase cost exceeding \$5,000 (for example, a vehicle). Universities must contact NIAA providing details of the prospective purchase and NIAA will consider the request in line with ISSP funding priorities and provide a written response.

Can laptops or tablets to gift to students be purchased using ISSP funds?

These items may be purchased by the student, or by the university on behalf of the student, using the student’s Indigenous Commonwealth Education Costs Scholarship (see section 4.1).

Alternatively, these items may be purchased by the university using ISSP funding and loaned to students. This enables the university to reallocate the item to another student if circumstances allow (such as if the original recipient discontinues studies after only a short period of time). The university may allow the student to keep the item after they have used it for a significant duration - with consideration given to the useful lifespan of the item (the duration should be determined the university).

If the laptop or tablet is valued at less than \$5,000, it does not need to be recorded on the asset register or approved by NIAA.

2.4.3 Maintaining a register of Assets purchased through ISSP

Universities must maintain the following registers relating to assets purchased with ISSP funding:

- a detailed asset register of all active assets purchased using an ISSP grant in the current and previous grant years, which is required to be supplied to NIAA *only on request* (this can be part of the organisation's broader asset register if the ISSP source of funds can be identified); and
- a summary of assets to be reported annually in the ISSP financial acquittal. If it is simpler for the university, NIAA will accept an extract of the university's broader asset register as long as it only shows those assets relating to ISSP and can demonstrate the share of the asset that relates to ISSP.

2.4.3.1 The detailed assets register

The register must include for each asset:

- a) a description of the asset, including the serial number and the location of the asset;
- b) the purchase, lease, or acquisition price of the asset;
- c) the amount of the ISSP grant used to purchase, lease or otherwise acquire the asset;
- d) whether the asset is owned, leased or acquired; and
- e) the adjustable value of the asset.

An active asset is one that has not yet been properly disposed of in accordance with section 2.4.4 below.

The asset register must remain current over the course of each grant year. If NIAA requests evidence that a university has complied with the asset clause of the Guidelines, the university must provide the information within 10 business days (for example, an extract of the asset register).

In this section "adjustable value" means the cost of an asset less its decline in value determined in accordance with the Australian Taxation Office Guide to Depreciating Assets 2014.

2.4.3.2 Reporting on assets in the financial acquittal

The financial acquittal requires universities to submit a summary of their asset register including:

- a) active assets (including a description, adjustable value and contribution of ISSP funds towards the purchase); and
- b) acquisitions and disposals during the grant year (including description, purchase value (total purchase price), sale price and average age of the item at disposal).

Where items have been stolen or destroyed, the words 'stolen' or 'destroyed' should be listed under the 'disposals/sale price' column. Any insurance amount received with respect to a stolen or damaged good should be recorded in the disposals/sale price column.

2.4.4 Sale/disposal of assets purchased with ISSP funding

If a university uses an ISSP grant to purchase an asset, the university must not sell or dispose of the asset without the prior written consent of an NIAA administering officer unless the asset has an adjustable value of less than \$5,000 (section 16(3) of the Guidelines). The proceeds of the sale (whether above or below \$5,000) need to be utilised for ISSP purposes (see section 16(2) of the Guidelines).

When universities are completing the financial reports required under section 17(1) of the Guidelines, the proceeds of the sale or disposal should be included. This will satisfy the requirement under section 16(4)(b) of the Guidelines to notify the Minister of the amount or value of the proceeds of any sale or disposal of the

asset in a statement accompanying the reports. NIAA will reconcile the prior approvals for the sale/ disposal of an asset with the sales/ disposals recorded in the provider's financial reports each year.

Where an asset is jointly contributed to by ISSP and another source of funding, the return to ISSP from any sale or disposal should be in the same proportion to the ISSP share of the purchase price.

At the end of a grant year, a NIAA administering officer may direct a higher education provider that used an ISSP grant to purchase an asset in the grant year to deal with the asset in a particular way, including but not limited to, directing the university to:

- a) sell the asset and returning the full sale amount to the Commonwealth; or
- b) transfer the asset to the Commonwealth or its nominee.

This is designed as a safe guard to allow the Commonwealth some control over the treatment of an asset should the university become ineligible for ISSP, should requirements of the Act or Guidelines have not been followed, or should the Commonwealth cease or change program arrangements.

Case study – The University was approved to purchase a communication system for the Indigenous Centre at a cost of \$6,000. Two years later the communications system is sold. The university received \$4,000 for the sale. The \$4,000 is re-invested on ISSP activities for example on an additional ISSP scholarships that year.

For further details on Assets, see section 16 of the Guidelines.

2.5 Employing/engaging staff and organisations using ISSP funding

Where Universities employ staff or engage organisations to deliver any element of the ISSP program, they must be satisfied that the person being paid to provide activities (either directly by the university or through an organisation) is an appropriate person. Factors that a university may consider in determining whether a person is appropriate include whether the person:

- is qualified to deliver, or is otherwise capable of delivering, the required support; and
- complies with all applicable state or territory legislation in relation to, but not limited to, dealing with children and vulnerable people.

Universities are encouraged to consider any cultural sensitivities when assigning staff to assist students. Other sensitivities to be considered include whether the person commissioned to provide a student with support is a family (or defacto family) member, a student in the same unit of study or in a teaching position that would be responsible for assessing the student's outcomes. Universities should seek to mitigate any risks with these relationships, for example, by ensuring staff do not provide direct support to the student or have access to confidential records. Conversely, in some remote communities, it is possible a student learning by distance will be related to the only "appropriate" tutor in the community. Universities should seek to minimise risks, but apply common sense.

A person being paid to provide supplementary academic support under clause 29 of the Guidelines may be an appropriate person to provide the activities if he or she has achieved a level of education attainment higher than the level of the unit of study or course of study for which he or she is engaged to provide support. A person may also be an appropriate person to provide support under Part 6 of the Guidelines if he or she has relevant industry experience.

For further details on Employing/Engaging staff, see section 33 of the Guidelines.

2.5.1 Prioritising Aboriginal and Torres Strait Islander people and companies

A university must give priority to employing Indigenous persons and to organisations that employ, or provide training opportunities for, Indigenous persons. Promoting an Indigenous presence at universities will promote better engagement with Aboriginal and Torres Strait Islander students. This is also expected to complement workforce measures set out in section 10 of the Guidelines.

In addition, universities must include Indigenous-specific selection criteria when undertaking recruitment for ISSP-funded employees or contractors. This criteria should assess applicants' knowledge and understanding of, and ability to communicate with, Aboriginal and Torres Strait Islander peoples and culture. The following is suggested as an appropriate form of words:

- a) Demonstrated knowledge and understanding of Aboriginal and Torres Strait Islander societies and cultures, including an understanding of the issues affecting people in contemporary Australian society and the diversity of circumstances of Aboriginal and Torres Strait Islander people; and
- b) Demonstrated communication and negotiation skills to considerately and effectively work with Aboriginal and Torres Strait Islander people on matters relevant to the delivery of quality higher education to Aboriginal and Torres Strait Islander people.

These requirements apply to the recruitment of permanent and casual staff arrangements as well as the contracting of service organisations or consultancies that help the university achieve the objectives of ISSP. In relation to companies, the Commonwealth Indigenous Procurement Policy (which is publicly available at <https://www.niaa.gov.au/indigenous-affairs/economic-development/indigenous-procurement-policy-ipp>) can provide further information on opportunities to identify organisations that may meet this requirement.

2.5.2 Skills of staff or organisations providing services

A person or organisation engaged to deliver tutorial assistance or Indigenous support activities must:

- a) have skills and knowledge in relation to matters of relevance to Indigenous persons;
- b) have skills necessary to work with Indigenous persons to deliver quality higher education to Indigenous students;
- c) be an appropriate person to provide the activities; and
- d) in relation to providing tutorial assistance support to Indigenous students under section 5, not be undertaking a unit of study that the student is also undertaking.

The university is responsible for ensuring all these requirements are met.

2.5.3 Working with Vulnerable People Requirements

A University must be proactive in ensuring a student is not put into a potentially harmful situation, but also act quickly to protect students if a potential risk or actual incident is identified. In the Guidelines, a Vulnerable Person means:

- a) a child, being an individual under the age of 18; or
- b) an individual aged 18 years and above who is, or may be, unable to take care of himself or herself against harm or exploitation by reason of age, illness, trauma or disability, or any other reason.

Universities should undertake a risk assessment and ensure staff involved in ISSP activities have received Working with Vulnerable People (WWVP) training. Universities have to report on WWVP compliance in the annual ISSP Performance Report.

Universities must screen a person before engaging the person in relation to any part of administering or using an ISSP grant, if the person may have contact with a vulnerable person in that role. If the university becomes

aware that a person engaged by the provider is prohibited from having contact with vulnerable persons, the Guidelines require the university to:

- a) take action to protect the vulnerable person/s; and
- b) immediately notify an administering officer by email or telephone.

Where a university discovers that a vulnerable person is or may be at risk, in addition to legislative requirements, NIAA and the university may agree to develop further protections for vulnerable people at the university, for example, assigning a buddy or case worker or rearranging university-based accommodation arrangements.

2.5.4 Payment of Salaries

ISSP funds can contribute to the administration costs of ISSP. This can include normal salary and administration costs (such as superannuation and leave provisions) for employees delivering or administering ISSP activities. ISSP funding may only be used for these items in the same proportion for which the employee's salary is funded by ISSP (see below).

Staff cannot receive an ISSP salary payment for the same period of time (e.g. same hour) that they also receive a salary payment for another activity they are undertaking as part of the university's other business. For example, a tutor who conducts a tutorial session which is part of the course requirements for a subject cannot also receive an ISSP salary payment for that same tutorial session. The staff member may be paid a proportion of their salary using ISSP funding based on the proportion of their working hours that are spent on ISSP activities.

Universities are required to report the use of ISSP funding for salaries in the University's financial acquittal.

These requirements apply to new and existing staff/contractors/organisations which receive payments from ISSP funding. Consistent with this section, ISSP funds are not to be used to pay staff or contractors delivering the provider's courses or engaged in the provider's normal administration. ISSP can be used to contribute to the administration of ISSP activities. A simple test is, would the administration still need to be paid for if ISSP did not exist? – if Yes, then it shouldn't be paid for by ISSP – if No, then ISSP funds can be used.

Case study - A staff member will be taking maternity leave shortly. The staff member's workload involves delivering mainstream tutorial sessions offered to all students (60% of her workload) and also one-to-one tutorial assistance provided as supplementary support only to Indigenous students (40% of her workload). Therefore staff member's usual salary is funded 40% from ISSP funds. In line with this, the staff member's maternity leave payments are funded 60% out of mainstream funding and 40% out of ISSP funding.

For more information on payment of salaries, see sections 14 and 15 of Guidelines.

2.5.5 Ineligible staff costs

ISSP is supplementary funding intended to accelerate improvements in Indigenous student outcomes.

ISSP cannot be used to fund mainstream (e.g. student or general university administration) or faculty-based staffing costs or the costs of delivering courses leading to higher education awards. It is important to note that this rule treats courses relating to Aboriginal and Torres Strait Islander studies in the same manner as any other course delivered by the university. The Commonwealth contribution to these costs is normally sourced through the Commonwealth Grants Scheme under the Act.

However, where the university takes a whole-of-university approach and for example, locates identified positions in faculties to administer supplementary tutorial assistance targeted to Indigenous students, then the proportion of the staff cost that relates to delivering the ISSP activity can be attributed to ISSP funding.

ISSP could also be used to offer a scholarship to an eligible Indigenous student (including post-graduate students), who might also work at a faculty of the University or as part of the student/ university administration. This is because the scholarship is in relation to the student's learning and not their employment. Scholarships would need to follow the requirements set out in the Guidelines.

ISSP cannot be used as a wage subsidy to increase the number of Indigenous employees working in the university's normal administration or faculties. ISSP funds are principally for improving Indigenous student outcomes, not improving Indigenous employment outcomes for the university. ISSP requirements for an Indigenous Employment Strategy is to encourage the university to plan for and take responsibility for improving Indigenous employment outcomes at the university.

ISSP cannot be used to fund extraordinary costs like legal settlements or cost orders, the cost of compensation or severance or voluntary redundancy packages, noting accumulated entitlements will have been provided for as they occur. These extraordinary costs are the responsibility of the University.

ISSP cannot be used to fund efficiency dividends or other savings schemes. This is contrary to the objectives set out at Part 2-2A of the Act.

For more information on ineligible staff costs, see section 15 of the Guidelines.

3 Eligibility for ISSP funding

3.1 Higher Education Provider eligibility

To receive ISSP funding, a university must meet both the requirement of the Act and the eligibility criteria outlined in the Guidelines.

To be eligible to receive ISSP funding according to the Act and Guidelines, a university must:

- a) be listed as a Table A or Table B provider under Part 2.1 of the Act; and
- b) have a full-time or equivalent student load of at least five Indigenous students; and
- c) contribute funding sources other than ISSP funding towards:
 - assisting Indigenous students to undertake higher education; and
 - increasing the number of Indigenous students enrolling in, progressing in and completing courses leading to a higher education award; and
 - increasing the number of Indigenous students participation in a higher education environment; and
- d) Have an Indigenous Governance Mechanism, Indigenous Workforce Strategy and Indigenous Education Strategy (outlined in further detail below).

A university must remain eligible over the grant year. A university must notify NIAA within 30 days of failing to meet the requirements above and agree a process for reinstating these requirements. NIAA may, at any time, request that a university provide evidence that it complies with the eligibility conditions above. The university must respond within 10 business days of a request.

If a university fails to meet the eligibility requirements the Minister for Indigenous Australians may suspend, make partial payment or cease further ISSP payments to the university. In making the decision, the Minister will take into consideration the requirement that was not met, the reasons presented to the Minister as to why the university failed to meet that requirement and the actions taken by the university to remedy the situation.

In November each year, NIAA provides advice to the Minister on the eligibility of universities to be part of ISSP in the following year.

3.1.1 Basic criteria

3.1.1.1 Provider status

Only Table A and B providers may be eligible for participation in the ISSP. Table A or B status can be determined by reading the Higher Education Support Act 2003. Table C and Non-University Higher Education Institutions (also known as Other Universities) are not eligible.

3.1.1.2 Equivalent full-time student load for Indigenous students

To be eligible to participate in ISSP, a university must have an equivalent full-time Indigenous student load of at least five (to ensure financial viability). NIAA collects information on student load from university statistics reported through the Higher Education Information Management System (HEIMS). However, this information typically has a 12 month lag. If a university believes it is at risk of not meeting this criteria, it should contact NIAA as soon as possible to discuss this situation. NIAA may recover funding if the university is not eligible to receive this funding.

3.1.1.3 Other financial resources for Indigenous students

ISSP is a supplementary program designed to offer flexible assistance to respond to the additional barriers experienced by Indigenous students. Universities must demonstrate that other resources are available to assisting Aboriginal and Torres Strait Islander students to access higher education and progress through university and graduate. NIAA collects information on this in annual reporting consistent with section 17 of the Guidelines. The alternative source of funding could be derived from other Commonwealth sources (like the Higher Education Participation and Partnerships Program or the Commonwealth Grants Scheme) as well as other revenue sources generated by the university (e.g. philanthropic donations).

3.1.2 Indigenous Governance Mechanism eligibility requirement

The Commonwealth wants Aboriginal and Torres Strait Islander people to be involved in the university's decision-making, particularly in relation to the use of ISSP funding. The Guidelines provide flexibility to manage how a university can involve Indigenous Australians in decision-making (e.g. small universities with few Indigenous students and staff may operate differently from large multi-campus universities with significant numbers of Indigenous staff and students).

Universities must have an **Indigenous Governance Mechanism** in place that:

- a) consists of:
 - at least 2 Indigenous persons, at least one of whom is an appropriately qualified senior academic employee, or appropriately qualified senior executive employee, of the university ; **or**
 - a committee constituted by a majority of Indigenous persons, each of whom has skills and experience relevant to the role; and
- b) have responsibility for advising on, reviewing, making recommendations about, and monitoring the use of ISSP grants; and
- c) have authority within the governance structure of the university; and
- d) have a charter that outlines:
 - criteria for appointment; and
 - roles and responsibilities; and
 - decision-making processes.

Consistent with the Indigenous Student Assistance Grants Guidelines Amendment 2018, from 2020, the Indigenous Governance Mechanism must comprise at least 2 Indigenous persons, at least one of whom is an appropriately qualified senior academic employee, or appropriately qualified senior executive employee, of the university. The other person/s must either meet the same criteria or can be a student, another employee or a person in the local community (such as an Indigenous CEO of a local Indigenous community organisation or a community elder). This arrangement was established to ensure that a sole Indigenous academic or professional staff member under previous arrangements, could, from 2020, be supported in decision-making processes. The 2018 ISSP post-implementation review found that these staff members were often taking on significant work in addition to their academic, teaching or administrative workload for the university.

While a university may satisfy multiple models of the Indigenous Governance Mechanism, a university must demonstrate that they meet at least one of these models.

Universities have discretion to determine what constitutes appropriate qualifications or relevant skills and experience. Management skills, experience at university and cultural leadership could be some of the considerations in this context.

Ideally, the Indigenous Governance Mechanism will be involved in the development of the Indigenous Education and Workforce strategies required under sections 12 and 13 of the Guidelines. In addition, the Indigenous Governance Mechanism should be involved in planning for the use of ISSP funding and are required to consider the finance and performance reports required under section 17 of the Guidelines. Ideally, the Mechanism will receive regular reports on progress of ISSP activity and finances and will be involved, for example, in prioritising any additional funding that may flow from the mid-year reallocation process. Ideally, the Mechanism will also have opportunities to participate in relevant mainstream committees to ensure Indigenous student and staff issues are appropriately considered in university decisions and planning.

For universities that do operate multiple models, it will be useful to clarify how the university intends to manage the approval and signing of reports under section 17 of the Guidelines, as the Indigenous Governance Mechanism is required to endorse the annual reporting and offer comments. While the 2019 reporting template is set up for a single Indigenous Governance Mechanism signature, universities may add additional signature spaces to the template and have multiple Indigenous Governance Mechanism signatures and comments. From 2020, there will be two spaces set up for Indigenous Governance Mechanism reporting. Universities are free to add additional signature spaces.

3.1.2.1 Public presentation

The Indigenous Governance Mechanism and the charter that supports it are considered policies or processes for using an ISSP grant consistent with section 37 of the Guidelines. The university should make information about the Indigenous Governance Mechanism (e.g. the membership) and the charter publicly available, through the university's website. Keeping this information up to date ensures staff and students are aware of Indigenous decision-making at the university, it also reduces the need for NIAA to request this information.

3.1.3 Indigenous Workforce Strategy eligibility requirement

Universities must have a publicly available **Indigenous Workforce Strategy** in place covering the whole of the grant year that:

- a) Include the following Key Performance Indicators (KPIs):
 - at least 3 per cent of the total university workforce be Aboriginal and Torres Strait Islander People (or other higher percentage determined by the Minister in writing before 24 November of the year before the grant year);
 - one or more additional key performance indicators relating to the employment of Indigenous persons by the Provider (such as, interim targets towards the 3 per cent employment target or proportions of Indigenous academic staff and/or professional staff).
- b) prioritise the following matters:
 - increasing the number of academic employees engaged by the university who are Indigenous persons; and
 - the professional development and career advancement of academic employees engaged by the university who are Indigenous persons; and
 - provides for the employment of at least one Indigenous person as a senior executive employee at the level of Vice-Chancellor, Deputy Vice-Chancellor or Pro Vice-Chancellor or equivalent level.

Universities may be set stretch targets agreed by the Minister and a university in cases where:

- the 3 per cent employment targets have already been achieved (or might be achieved in the near future); or

- the 3 per cent employment target does not adequately reflect Indigenous population parity in the region.

In setting the higher employment targets, the Minister may take into account regional population shares and/or Indigenous student population shares within the university.

Why is a minimum 3% target needed for Aboriginal and Torres Strait Islander employment?

The Review of Higher Education Access and Outcomes for Aboriginal and Torres Strait Islander People recommended that universities develop strategies to meet parity targets with the wider Australian population. In 2015, Aboriginal and Torres Strait Islander people made up just 1 per cent of staff at Table A University` while making up around 3 per cent of the Australian population. Closing this gap requires universities to make specific commitments to enhance employment opportunities for Indigenous Australians within the sector.

The Review noted that building a group of Aboriginal and Torres Strait Islander professionals who can respond to the needs of their own communities will be vital to meeting Closing the Gap targets. The presence of Indigenous staff academic and professional employed in the university creates a more welcoming and representative environment for Indigenous students and enables all Australians to benefit from access to more diverse expertise, knowledge and skills.

This requirement is similar to the expectation that Government places on companies receiving significant Commonwealth contracts under the Indigenous Procurement Policy.

Best Practice Case Study – Building the Academic Workforce

One university has implemented strategies to actively develop their Higher Degree by Research (HDR) pipeline and has more than doubled their Indigenous HDR cohort since the introduction of ISSP. Strategies implemented include:

- Identifying high achieving second year undergraduate students and running programs to educate and encourage them to consider post-graduate research options;
- Running Indigenous HDR workshops to bring all of the university’s Indigenous HDR students together and supporting students to attend national Indigenous HDR events and conferences; and
- Providing culturally responsible training.

3.1.3.1 Public presentation

NIAA does not require a separate Indigenous Workforce Strategy, but does require each of the elements of the Indigenous Workforce Strategy (set out at section 12 of the Guidelines) to appear in at least one of the university’s strategic documents. It will be important that efforts to lift the Indigenous workforce at the university are a whole-of-university endeavour. While a separate Indigenous Workforce Strategy is an effective way to articulate the university’s strategy, it is equally acceptable to see required elements appear as part of the university’s broader employment, career development or workforce strategies. Some universities have also included Indigenous workforce strategies in Reconciliation Action Plans, Corporate Plans and Enterprise Agreements or as part of a more holistic Aboriginal and Torres Strait Islander Strategy.

The Indigenous Workforce Strategy should be forward looking and outline the university’s short, medium and long term goals and their plan of action to achieve them. It should specify the timeframe that it covers. Universities should regularly review the strategy to ensure it remains current. It is a requirement to report on progress on the strategy in the annual ISSP performance report. Universities should plan ahead to ensure that where an Indigenous Workforce Strategy is due to expire during a year, arrangements are in place to have new strategy established.

The Strategy should be available in a publicly accessible and downloadable format on the university's website. Keeping this information up to date on your website not only ensures staff and students are aware of the university's Indigenous workforce policies, it also reduces the need for NIAA to request this information.

3.1.4 Indigenous Education Strategy eligibility requirement

Universities must have a publicly available **Indigenous Education Strategy** in place covering the whole of the grant year, that:

- a) includes key performance indicators; and
- b) prioritises increasing the number of Indigenous students enrolling in, progressing in and completing courses leading to higher education awards; and
- c) facilitates, monitors and improves upon the inclusion of Indigenous knowledge in curricula, graduate attributes, and teaching practices; and
- d) includes activities for students and employees of the provider that promote cultural competency in Indigenous cultures, traditions and histories and the diversity of circumstances of Indigenous people in Australia.

3.1.4.1 Public presentation

NIAA does not require a separate Indigenous Education Strategy, but does require each of the elements of the Indigenous Education Strategy (set out at section 13 of the Guidelines) to appear in at least one of the university's strategic documents. It will be important that efforts to lift the Indigenous education outcomes at the university are a whole-of-university endeavour. While a separate Indigenous Education Strategy is an effective way to articulate the university's plans, it is equally acceptable to see required elements appear as part of the provider's broader student support strategies. Some universities have also included Indigenous education strategies in Reconciliation Action Plans and Corporate Plans or as part of a more holistic Aboriginal and Torres Strait Islander Strategy.

The Indigenous Education Strategy should be forward looking and outline the university's short, medium and long term goals and their plan of action to achieve them. It should clearly specify the timeframe that it covers. Providers are encouraged to regularly review the strategy to ensure it remains current and it is a requirement to report on progress in the annual ISSP performance report. Universities should plan ahead to ensure that where an Indigenous Education Strategy is due to expire during a year, arrangements are in place to have new approved strategy in place.

The Strategy should be available in a publicly accessible and downloadable format on the university's website. Keeping this information up to date not only ensures staff and students are aware of the university's Indigenous education policies, it also reduces the need for the NIAA to request this information.

For information on Provider Eligibility see Part 2.1 and Part 2-2A, section 38-10 of the Act and sections 10-13 of the Guidelines.

3.2 Student eligibility requirements

To be eligible for support under ISSP, a student must:

- a) be an Australian citizen; and
- b) be an Australian Aboriginal and/or Torres Strait Islander person; and
- c) be enrolled in a course of study or considering enrolment in such a course of study.

Each university is responsible for monitoring the ongoing eligibility of its students to ensure that each student in receipt of ISSP support continues to meet eligibility requirements.

Students do not need to be in receipt of an income support payment to be eligible for ISSP funded support. Except in cases where ISSP funding duplicates the purpose of other Commonwealth support, support provided to students under ISSP will not impact income-testing for ABSTUDY, Austudy and Youth Allowance eligibility.

3.2.1 Confirmation of Aboriginal or Torres Strait Islander status

Universities are responsible for determining the Indigenous status of a student for the purpose of providing assistance to those students.

Receipt of an Indigenous-specific payment from Services Australia is sufficient confirmation of Aboriginal and/or Torres Strait Islander heritage. Universities may also implement the ABSTUDY policy manual process for evidence of Indigeneity which comprises the following elements:

- a) Evidence of Aboriginal or Torres Strait Islander descent. Aboriginal or Torres Strait Islander descent may be proved by:
 - birth records or genealogies verified by a suitable authority as applicable to the student; or
 - a letter signed by the Chairperson of an Aboriginal and/or Torres Strait Islander incorporated organisation (where records are not available).
- b) Evidence of self-identification as an Aboriginal or Torres Strait Islander by signing an affirmation that he/she identifies as an Australian Aboriginal or Torres Strait Islander.
- c) Evidence of acceptance as an Aboriginal or Torres Strait Islander by the community confirmed in writing from the Chairperson of an Aboriginal or Torres Strait Islander incorporated organisation in a community in which the applicant lives or has previously lived.

If a university intends to provide support to an Indigenous student who has not confirmed their Indigenous status through other sources, then the university will need to have processes in place to confirm the student's Aboriginal or Torres Strait Islander heritage.

3.3 Policies and processes for using ISSP funding to support students

3.3.1 Student applications for ISSP funded assistance

A university must include the following statement in their application form, immediately prior to the applicant's signature block: "Giving false or misleading information is a serious offence under the Criminal Code Act 1995 (Commonwealth)". A university must include information on their application form advising students that they may incur a debt to the Commonwealth and/or university if they make a claim and receive payments for support to which they are not entitled.

To confirm eligibility for scholarships offered under ISSP, a university must request previous and current scholarship information from the student, including scholarships offered by an organisation other than the university. A university must also ensure the student is aware this information can be shared with NIAA.

Students cannot receive the Indigenous Commonwealth Accommodation Cost Scholarship under ISSP if they are in receipt of or intend to apply for the Residential Cost Option under ABSTUDY. A university must provide this advice to Indigenous students and request whether a student is in receipt of or applying for the Residential Cost Option under ABSTUDY. A university must also ensure the student is aware this information can be shared with NIAA

3.3.2 Selection process

Subject to the Guidelines and the Act, universities are responsible for the application, selection and offer processes when approving support through ISSP. Universities must make information regarding available

support, application processes and conditions of support easily and publicly accessible, including to Indigenous students in remote/regional Australia.

Universities must maintain clear records of any funding provided to individuals, groups or organisations through the ISSP and the selection processes followed.

3.4 Dual Sector Providers

Universities that provide teaching and learning activities to students at University, Vocational Education and Training (VET) students and Secondary School students need to take special care to ensure that ISSP funding is used for its intended purpose.

ISSP funding is designed to support students to enrol in, progress through and complete a university award.

ISSP funding can be used by the university to undertake activities to encourage Indigenous Australians to make study choices because this is being used to ensure prospective students are making informed choices around higher education. At this point, a person may not have made a choice to pursue any form of higher education or VET study.

Whilst students undertaking Secondary Education and Vocational Education and Training courses may subsequently undertake a university degree, higher education is not the primary purpose of the VET studies and therefore these students not eligible for ISSP support funding. The only exceptions to this may be to provide university outreach programs (see section 6.4) or support some students undertaking university preparatory programs (see section 6.5).

The Commonwealth Government has oversight of the higher education sector. State and Territory Governments are responsible for the Vocational Education and Training and Schooling sectors.

4 Scholarships

Two scholarship types are provided to students through ISSP:

- a) **New ISSP scholarships** offered for study commencing from 2017 onwards with conditions to be determined by the university in accordance with the Guidelines; and
- b) **Preserved scholarships** for students who accepted Indigenous Commonwealth Scholarships Program (CSP) scholarships for study in the 2010, 2011, 2012, 2013, 2014, 2015 or 2016 calendar years and have an expectation of up to eight study periods of support which has not yet been fully utilised. These scholarships will continue with the same conditions under which they were offered.

Each of these scholarships types has a number of sub-categories of scholarships, which are detailed below.

While conditions may vary for scholarships awarded before and after 1 January 2017, some scholarship categories carry the same names to assist the Department of Human Services in cross-matching scholarship eligibility. As such, providers will need to account for new ISSP scholarships awarded for study on or after 1 January 2017 separately from preserved scholarships awarded for study prior to 2017.

Awarding scholarships to Indigenous students should not prevent or discourage universities from offering other forms of support to Indigenous students.

Persons awarded a Commonwealth Scholarship for study prior to 2010 and who hold an expectation of continuing support should contact the Commonwealth Department of Education, Skills and Employment for advice on these scholarships. These arrangements are not covered by the ISSP because they are not specifically targeted towards Indigenous students and predate the Indigenous Commonwealth Scholarships Program. Students who are currently receiving a Commonwealth Scholarships awarded for study prior to 2010 are not eligible for comparable and concurrent scholarships under the ISSP.

Can a student receive a new ISSP scholarship if they have consumed a pre-2010 or post-2010 CSP Scholarship?

Yes, they can receive a scholarship under the ISSP if they meet the eligibility requirements. The Department of Education, Skills and Employment Higher Education Information Management System (HEIMS) would need to be updated to reflect the closure of the previous scholarship.

4.1 New ISSP Scholarships

New ISSP scholarships are Indigenous Commonwealth Scholarships that are awarded to a student to assist with costs associated with higher education provider education, such as general living expenses, education costs, or relocation expenses or to reward a student's performance.

Subject to the Guidelines and the Act, a university will determine the value, specific purpose, duration and any terminations or suspensions of scholarships awarded for study commenced on or after 1 January 2017 for eligible recipients.

4.1.1 New ISSP scholarship types

New ISSP scholarships are standard scholarships for the purposes of paragraph 46-10 (aa) of the Act, are classified into three broad types:

- a) **Indigenous Commonwealth Education Costs Scholarships** (Indigenous-CECS) which assist with education costs for students enrolled and studying in enabling, undergraduate, honours or post-graduate awards (for example, compulsory text books, study equipment or laptops);

- b) **Indigenous Commonwealth Accommodation Costs Scholarships** (Indigenous-CAS) which assist with relocation and accommodation costs for students enrolled and studying in enabling, undergraduate, honours or post-graduate awards (for example removalists hire or bond payment, rent assistance); and
- c) **Indigenous Commonwealth Reward Scholarships** (Indigenous-CRS) acts like a prize for a person who has achieved exceptionally high standards (as determined by the university), which are defined by the following characteristics:
- the payment of a lump sum unlikely to be repeated;
 - the scholarship/reward/prize could not reasonably have been expected to be received or necessarily anticipated by the recipient;
 - the payment of the lump sum does not represent receipt of money for services rendered directly or indirectly;
 - the payment is not intended to duplicate or supplement the purpose for which an Indigenous-CECS or Indigenous-CAS is provided; and
 - it is not to be provided in anticipation of a person's future performance.

Reward Scholarships that meet the above definition do not have a disqualifying status with Services Australia funding and are not assessed for income purposes (the maximum exempt scholarship amount is available on the Services Australia website: <https://www.servicesaustralia.gov.au/individuals/topics/income/30376> .

HEIMS does not require new ISSP scholarships to be classified separately into enabling, bachelor or postgraduate levels

Have the old CSP Access Scholarships been discontinued?

The CSP Access Scholarships provided one-off funding for student relocation costs. These scholarships are now being provided under Indigenous-CAS (which also includes ongoing accommodation cost assistance).

4.1.1.1 Further information on Reward Scholarships

'Reward Scholarships' act more like a prize or bonus payment than a scholarship. They are called Reward Scholarships through ISSP in order to correspond with the terminology of the ABSTUDY Policy Manual available at: <http://guides.dss.gov.au/abstudy-policy-manual> and in the *Indigenous Student Assistance Grants Guidelines 2017*.

Good practice would be to ensure the Reward Scholarship payments are endorsed by the Indigenous Governance Mechanism.

Key differences between the other ISSP scholarship types and the Reward Scholarship include:

- a) there is no application process;
- b) it is not specifically provided for student expenses (i.e. there is no expectation that the payment will be used for a specific purpose);
- c) it is not an ongoing payment;
- d) there is no disqualifying relationship to other scholarships (e.g. Services Australia and Veteran's Affairs scholarships);
- e) a student's financial status does not impact on their eligibility to receive the reward; and
- f) there are no requirements to report the Reward Scholarship in HEIMS.

Universities are not *required* to provide any Reward Scholarships to students. It is up to universities to determine whether they wish to offer these payments, how many payments to offer and the value and timing of the payments.

The ISSP end of year Performance Report requires universities to report on the number and value of Reward Scholarships awarded to assist NIAA in tracking how many students are being assisted with ISSP funding.

What is an example of a Reward Scholarship?

A Reward Scholarship might recognise an Indigenous student or Indigenous staff member's exceptional performance. Some examples include:

- A student receives a bookshop gift voucher to the value of \$200 for achieving the highest results of all Indigenous students in their faculty for that semester;
- A student receives four High Distinctions in a year and receives a \$500 cash prize;
- A student acts as a "buddy" to other students over the year and receives an iPad;
- A student receives High Distinctions each semester while undertaking a Bachelor Degree and receives a \$10,000 Reward Scholarship to complete honours;
- A staff member has demonstrated exemplary service and receives a sum to undertake a 12 month course of study at the university. (NB. If this payment is provided in place of salary, the payment may be subject to income tax. Providers are encouraged to advise recipients to obtain tax advice).

These examples are subject to the purpose of the Reward Scholarship as outlined in section 4.1.1 c) above. The examples are also subject to the Conflict of Interest criteria outlined in section 7.2.

4.1.2 Creating new ISSP scholarships

Universities have the flexibility to develop new scholarships that will best fit the needs of their students.

Universities can choose their own name for new ISSP scholarships but need to classify the scholarship as Indigenous-CECS or Indigenous-CAS when entering the data into HEIMS. This enables Services Australia to crosscheck against the disqualifying scholarships that they offer for the same purposes. HEIMS enables the recording of a student's scholarship entitlement up to a maximum duration of 20 scholarship periods to ensure that students who have previously received a CSP scholarship are not precluded from receiving a new ISSP scholarship.

The total value and number of Indigenous-CECS, Indigenous-CAS and Indigenous-CRS Scholarships must be reported in the end of year Performance Report to NIAA (see section 10.2)

Universities are encouraged to place a timeframe on a student's eligibility for an ISSP scholarship, for example, by limiting the scholarship entitlement to the completion of the course or limiting it to a set duration. This will ensure that universities are not committing to funding a student for an indefinite period of time.

Case Studies

Increased flexibilities are enabling universities to develop ISSP scholarships that suit the needs of their students. Universities have advised that they are implementing new scholarship practices, including:

- offering fewer scholarships of higher value and more scholarships with a lower value (or a mix of scholarship values depending on student numbers and student need);
- offering part-time scholarships to assist students to better manage study, family and life commitments;
- offering mid-year scholarships to encourage mid-year enrolment;
- providing scholarships for people with a disability;
- developing a scholarship package that supports costs such as relocation, accommodation, commuting, education, technology/text books;
- combining in-kind contributions from the philanthropic and/or the private sector;
- changing payment dates and methods to better suit student finances.

4.1.3 Application processes for a new ISSP scholarships

Universities are responsible for establishing application processes for new ISSP Scholarships. A student making an application for a new scholarship is expected to include information on any other scholarship or financial assistance he or she has potentially or already received.

Applications for new scholarships for courses of study commencing on or after 1 January 2017 should be directed to the Scholarships Office or Indigenous Centre at the university where the student intends to study. Scholarships Offices can be contacted directly or through each university's Indigenous Higher Education Unit. Section 37 of the Guidelines also sets out what a provider must do when determining application processes for scholarships.

Late or incomplete student applications may lead to delays in scholarship advice or payment.

A broad range of scholarship options are also available at: <https://indigenousscholarships.com.au>.

4.1.4 Offering new ISSP scholarships

New ISSP scholarships must be awarded to students from remote and regional Australia and/or from financially disadvantaged backgrounds as a priority. The awarding of these scholarships outside of these groups, including to staff members, must only be made in exceptional circumstances which must be documented on the student's file and, if requested, reasons must be provided to NIAA within 10 business days of the request.

In accordance with Section 24(2) of the Guidelines, the university must take all reasonable steps to avoid awarding an Indigenous Commonwealth Scholarship to an Indigenous student where the award of the scholarship would result in the student receiving assistance concurrently from two or more Commonwealth sources for the same purpose.

4.1.4.1 Determining Financial disadvantage

Universities have the discretion to determine whether an Indigenous student is financially disadvantaged. Possible means of making this determination include:

- Applying income tests to the Indigenous student;
- A statutory declaration signed by the Indigenous student attesting to their financial situation;

- Whether an Indigenous student is in receipt of Commonwealth income support payments; or
- Using a definition consistent with the low socio-economic status indicator used in the Higher Education Information Management System.

Universities are encouraged to have systems in place to respond to possible changes in a student's financial position.

4.1.4.2 *Determining Remote and Regional Status*

HEIMS uses the first residential address that a university reports for a student to map each student to the appropriate Australian Statistical Geography Standard Remoteness Area classification:

- A regional student includes those students from either an Inner Regional or Outer Regional area as defined under the ASGS.
- A remote student includes those students from either a Remote or Very Remote area as defined under the ASGS.

The residential address reported to HEIMS is the student's permanent home address and not a temporary semester/term address. Universities update a student's residential address details if a student advises that they have changed their residential address. However, because it is the first reported residential address that is used to for the ASGS mapping, the mapping is based on where the student came from, that is, the student's address prior to enrolment.

Each student's first reported residential address is mapped to metropolitan, remote and regional categories. Addresses can be mapped to multiple categories meaning fractions can occur. For example, an address may be classified as 75% regional (0.75 regional) and 25% remote (0.25 remote). An address in the middle of Sydney however would be classified as 100% metropolitan and students in this postcode would receive a score of '1' for the metropolitan category (and '0' for the remote and regional categories). Integers and fractions are then summed across the data set to calculate an estimate of the number of students from a metropolitan, regional or remote area.

The first reported residential address will be used to determine the geographical classification for the student for the duration of their studies. An address may be re-classified to a different geographical area due to updated census data.

HEIMS uses the Australian Bureau of Statistics' Australian Statistical Geography Standard to measure remoteness.

Universities must enter the award of ISSP scholarships into HEIMS. This data is used by the NIAA to administer ISSP.

Universities must ensure that all students who are commencing, continuing or being offered a Commonwealth Scholarship are reported to HEIMS in the timeframe and in line with the reporting requirements specified on HEIMSHelp. Both new and Preserved ISSP Scholarships in HEIMS data is used to determine ISSP funding allocations.

Can a student be classified as regional or remote if they previously lived in a regional or remote area?

From 2020, when deriving a student's regional status for any year, HEIMS uses the first residential address that was reported by the university for the student, as the initial value more closely represents the student's background.

4.1.4.3 Remote and regional students scholarship offer requirement

In a grant year, universities are required to offer scholarships to Indigenous students from remote or regional backgrounds at a value equivalent to or greater than 95 per cent of the Indigenous scholarship expenditure on remote and regional students in the previous grant year.

The calculation that must be satisfied is:

Value of ISSP scholarships (new and preserved scholarships) <i>offered</i> or paid to Indigenous students <u>from remote or regional backgrounds (record the amount that would be expended in that grant year only and include offers that were not accepted)</u>	≥ 0.95
Indigenous scholarship expenditure (new and preserved ISSP scholarships) on remote and regional students in the previous grant year (expended in that grant year only)	

In considering this calculation:

- The duration of a scholarship does not impact on the 95 per cent calculation;
- The numerator only includes the amount that is offered or paid for in the current grant year (not the amount that would also be expended in future years over the scholarships' duration);
- An offer is where the university writes, e-mails or makes a verbal commitment to provide a scholarship (with an implied or specified value) to a person the university reasonably believes to be an Indigenous person to enrol or access the university in the grant year, noting the student can either accept or reject that offer (the university should record rejected offers to substantiate that the offer occurred);
- Regional and remote areas are defined in the definitions section of the Guidelines and is consistent with HEIMS definitions, noting section 21(3)(a) offers a wider interpretation of remote and regional students in 2017 to pick up the transition from the Commonwealth Scholarships Program;
- The denominator comparison point only uses the value of the scholarships that was expended in the previous year. It is not the amount that would be expended over the entire course of the scholarship (i.e. if you have committed to support a student over four years, you only count what you paid them in the previous year, not the entire four years).

NIAA acknowledges that student numbers from remote and regional areas will fluctuate from year to year which makes creating a fluid merit list based on applications challenging. If the university is unable to meet these criteria, they should notify NIAA as soon as possible through the ISSP email issp@niaa.gov.au.

Does the remote and regional scholarship requirement mean universities need to limit scholarships for metropolitan students?

No. The remote and regional requirement only compares remote and regional scholarships awarded one year with scholarships offered to remote and regional students the following year. It does not take into account scholarships offered to metro students. Universities are free to determine how much funding should be used to offer scholarships to metropolitan students.

4.1.4.4 Providing offer details to students

When offering scholarships, universities should advise eligible students of their scholarship value, duration and method of payment prior to the start of semester.

The university must inform the student that if the student accepts the offer the student may:

- a) be required to inform any of the following persons of the receipt of the scholarship, depending on his or her personal circumstances:
 - an employee of Services Australia;
 - an employee of the Department administered by the Minister administering the Veterans' Entitlements Act 1986;
 - an employee of the Department administered by the Minister administering section 258 of the Military Rehabilitation and Compensation Act 2004; and
- b) not qualify for certain other forms of Commonwealth assistance for example, they may be ineligible for certain Services Australia assistance (see 'concurrent scholarship exclusions' section 4.3.1).

4.1.5 Awarding of new ISSP scholarships

Before awarding a new ISSP scholarship, a university must ensure the future scholarship recipient:

- a) accepts the conditions of the scholarship in writing;
- b) is aware of any obligations to inform Services Australia and the Department of Veterans' Affairs of this assistance; and
- c) agrees that the university will collect personal information in order to assess the recipient's eligibility, relevant level and period of support; and
- d) accepts that the university is required to share certain personal information about the recipient with the Commonwealth.

If the scholarship application/acceptance form is an online form, is selection of a checkbox sufficient for the student to accept the conditions in writing?

Yes. The text accompanying the checkbox should make it clear that by selecting the checkbox, the student is accepting the conditions of the scholarship.

4.1.6 Payment of new ISSP scholarships to students

Indigenous-CECS and Indigenous-CAS are awarded to assist students with meeting the expenses they incur in the process of completing their studies. They can be paid in the following forms:

- a) Direct payment - payment to the scholarship recipient directly, in the form of money, or valuable consideration (for example, a gift certificate to the universities' bookshop); and/or
- b) Indirect payment - payment on behalf of the scholarship recipient and with the scholarship recipient's approval of financial obligations which the recipient would otherwise be liable to pay in order to participate in or complete their university studies (for example the university pays a student's bond directly to the real estate agent on behalf of the student); or
- c) A combination of direct and indirect payment.

It is up to the university to determine payment frequency to scholarship recipients. For example, universities may choose to pay the scholarships in one lump sum each semester or in fortnightly payments. Universities should take into consideration student's needs and balance this with potential difficulties in recovering

scholarship funding where necessary (see section 4.3.7.1). The census date must be determined in accordance with section 169-25 of the Act.

4.1.7 Unawarded new ISSP Scholarship funds

If a new ISSP scholarship recipient decides not to continue with their studies, the university should reallocate the unspent portion of that student's scholarship to another eligible scholarship recipient or to other ISSP activities. This will ensure that the university's ISSP allocation is fully expended in the grant year and will avoid the need to make any repayments to the NIAA.

4.1.8 Reporting on new ISSP scholarships

The university's end of year Performance Report requires providers to report on the value and number of new ISSP Scholarships (encompassing Indigenous-CECS, Indigenous-CAS and Indigenous-CRS) provided to students each grant year. Universities are requested to split this reporting into the number of remote and regional students, Undergraduate, Postgraduate and Other students supported by each type of scholarship and the total value of the scholarships.

Universities are also required to report the value of scholarships *offered* to remote and regional students for that grant year as well as the amount of scholarships awarded to remote and regional students in the previous calendar year. This enables the NIAA to determine whether the university has met the 95 per cent requirement outlined in section 4.1.4.3.

4.2 Preserved scholarships

To ensure students who were in receipt of existing Indigenous Commonwealth Scholarship Program (CSP) scholarships prior to 2017 are not disadvantaged by the ISSP arrangements that commenced in 2017, these scholarship holders are eligible for a preserved Indigenous Commonwealth scholarship (preserved scholarship). The preserved scholarship is for the same general purpose, and equivalent value to, the earlier scholarship.

Preserved scholarships are not the same as the former Continuing Scholarships under the Commonwealth Scholarships Program (CSP):

- a) Preserved scholarships only relate to scholarships awarded for the first time for study in a semester between the years 2010 and 2016, and for which eight scholarship periods have not already been consumed.
- b) Grandfathered scholarships under the CSP relate to scholarships awarded by the Department of Education, Skills and Employment for study that commenced prior to 2010.

New ISSP scholarships awarded for the first time on or after 1 January 2017 (including those provided to former CSP scholarship holders that have exceeded eight scholarship periods of study) must be managed by the university within their flexible ISSP allocation amount. The preserved scholarship component is identified in the flexible ISSP allocations amount in the entitlement letters sent to Vice Chancellors each December for the upcoming grant year.

4.2.1 Preserved scholarship types

Preserved scholarships, which are standard scholarships, for the purposes of paragraph 46-10 (aa) of the Act are of two main types:

- a) Indigenous **Commonwealth Education Costs Scholarships** (Indigenous-CECS) which are generally to assist with education costs; and

- b) Indigenous **Commonwealth Accommodation Scholarships** (Indigenous-CAS) which are generally to assist with accommodation costs.

Indigenous-CECS and Indigenous-CAS are funded for up to eight study periods (with up to a maximum of 2 semesters break during the scholarship period). The scholarships assist Indigenous students enrolled in undergraduate courses or a graduate diploma (or equivalent post graduate course of study).

4.2.2 Preserved scholarship conditions

4.2.2.1 *Maximum duration of preserved scholarships and suspension of scholarship*

An eligible student can access a preserved Indigenous-CECS or a preserved Indigenous-CAS for up to eight study periods in total within a ten study period duration but must completely utilise the remaining unutilised study periods of support by no later than 30 June 2021.

Any support not utilised by the cut-off date will be forfeited. Preserved scholarship holders are to be notified of this condition by the university. It is at the university's discretion whether preserved scholarship holders with unutilised study periods are offered new ISSP scholarships after 30 June 2021, but such scholarships will not be separately preserved by the Commonwealth.

A university may approve requests for periods of suspension of a preserved scholarship in accordance with the university's own policies. Universities should keep a record of reasons for approving any suspensions of preserved scholarship payments longer than a 2 semester absence. If a student requests a suspension that may result in them not completing their studies by 30 June 2021, the university should notify the student that they will forfeit any unused preserved scholarships payments after 30 June 2021.

A student who requires a postgraduate degree to meet the industry standards to practice in a particular field may use any unconsumed portion of their preserved undergraduate scholarship during the first year of their related postgraduate degree. The scholarship must still be consumed within the 10 study period limit.

4.2.2.2 *Student eligibility for preserved scholarships*

A student is eligible for a preserved scholarship if, by the first census date (as determined in accordance with section 169-25 of the Act) of the study period, a student:

- a) is in receipt of an Indigenous-CECS or Indigenous-CAS awarded for study commenced after 31 December 2009 and prior to 1 January 2017; and
- b) is enrolled in (or on approved leave) and has completed a minimum of one semester of the course of study for which they have accepted and received the Indigenous-CECS or Indigenous-CAS;
- c) has not exhausted the maximum duration of their Indigenous-CECS or Indigenous-CAS (e.g. has been enrolled for no more than seven study periods in the course for which they received the scholarship); and
- d) the person has neither:
 - deferred his or her course of study for more than two study periods; nor
 - discontinued his or her enrolment in the course since that commencement (except on receipt of an official leave of absence from the scholarship university); nor
 - completed the requirements of the course for which the Indigenous-CECS or Indigenous-CAS was awarded; nor
 - changed their course or university.

A person who meets the above criteria is taken for the purposes of these Guidelines to remain eligible for the preserved Indigenous-CECS or Indigenous-CAS until the scholarship is terminated.

Under paragraph 46-20(2)(c) of the Act, eligibility requirements may be specified for indirectly-paid preserved scholarships.

Each university is responsible for ensuring that each student continues to meet the eligibility requirements for preserved scholarship as set out in the Guidelines. A university must confirm a student's eligibility for a preserved scholarship prior to making a preserved scholarship payment.

Universities are requested to write to preserved scholarship recipients who have had more than 2 semesters absence from a course of study to determine whether the student intends to return to study. If the student advises that they do not intend to return, the university should terminate the scholarship (in accordance with section 4.3.7) and update HEIMS accordingly. This will help estimate the level of funding each university will need for preserved scholarships in the following year.

4.2.3 Offering a preserved scholarship

When offering a preserved scholarship, the university should advise the student of the conditions of the scholarship, duration and eligibility requirements, including any processes that should be followed if students become ineligible.

4.2.4 Awarding a preserved scholarship

A university that offers a preserved scholarship to an Indigenous student must award the scholarship to the student if the student accepts the offer in writing.

4.2.5 Payment of preserved scholarships grants to providers

4.2.5.1 Payment amount

Universities will report the value of preserved scholarships each semester in the payment year until such time as these scholarships have been exhausted or the student's eligibility changes. This will be used to estimate the university's preserved scholarships funding requirements.

The maximum amount of preserved scholarships funding to be paid to a university under section 46-15 of the Act for a year will equal the sum of:

- a) Preserved **Commonwealth Education Costs Scholarships** (CECS); plus
- b) Preserved **Commonwealth Accommodation Costs Scholarships** (CAS).

Unless otherwise notified, NIAA will provide a report to the Vice Chancellor of a university on or before 24 December that includes funding advice for the next year's preserved scholarships. This funding advice will separately identify the preserved scholarships funding amount.

NIAA will pay the university 50 per cent of the estimated annual value of a university's total preserved scholarships obligations at the beginning of the year and the remaining 50 per cent in the middle of the year (subject to adjustments in preserved scholarships numbers).

4.2.5.2 Provider responsibilities

A university must spend:

- a) preserved Indigenous-CECS grant amounts only on the making of preserved Indigenous-CECS payments; and
- b) preserved Indigenous-CAS grant amounts only on the making of preserved Indigenous-CAS payments.

The university is responsible for managing and funding any liabilities above their allocation when that liability is created by the university awarding preserved scholarships beyond its allocated preserved scholarships funding.

Where a student is undertaking an approved cross-institutional course of study, the home university and not the host university is responsible for the awarding and payment of the preserved scholarship.

Universities must make information about the processes, policies and conditions of preserved scholarships readily and publicly available to all eligible preserved scholarship recipients.

Preserved scholarships funding can only be spent on preserved scholarships. Universities may be required to return unspent preserved scholarships funding to NIAA.

4.2.6 Payment of preserved scholarships to students

Universities determine the frequency of payments to students, for example, the university may choose to pay the scholarships in one lump sum each semester or in fortnightly payments and/or they may decide that no scholarships funding is released until the census date. The census date must be determined in accordance with section 169-25 of the Act.

Students must state if they have consumed any entitlement of a preserved scholarship with the university, or any other university upon enrolment.

Prior to payment of a preserved Indigenous-CECS the student must sign a declaration stating that they have not accepted a Services Australia Student Start-up loan. Alternatively, the student must notify Services Australia that they wish to rescind that acceptance, and where applicable, repay any funds that may have been paid to them under that scholarship.

Prior to payment of a preserved Indigenous-CAS the student must sign a declaration stating either that they have not accepted a Services Australia Relocation scholarship or accommodation scholarship. Alternatively, the student must notify Services Australia that they wish to rescind that acceptance, and where applicable, repay any funds that may have been paid to them under that scholarship.

In 2020, the preserved scholarship rates are as follows:

- Indigenous Commonwealth Education Costs Scholarship (ICECS) \$2,755
- Indigenous Commonwealth Accommodation Scholarship (ICAS) \$5,512

4.2.7 Unawarded preserved scholarships funds

A university must notify NIAA in writing of the amount of unspent preserved scholarship funds by the last business day of April of each grant year.

NIAA may offset any unspent preserved scholarships funds against future payments or may require the university to return unspent preserved scholarships funds once the financial acquittal for the year is finalised.

The Minister or a delegate of the Minister may reallocate any preserved scholarships funding returned by universities. Unused preserved scholarships funding may be reallocated to the ISSP funding pool. University entitlements will be recalculated using the ISSP funding formula and re-distributed to universities.

4.2.8 Reporting on preserved scholarships

Eligible scholarship providers are responsible for:

- a) the ongoing reporting of preserved scholarships in HEIMS and to NIAA; and
- b) payment of preserved scholarships until the entitlement is consumed.

The university must notify NIAA by the last business day of October each year of the amount of preserved scholarships the provider expects to offer in the next grant year.

Universities must report preserved scholarship expenditure in their annual financial acquittal and performance report.

Personal information pertaining to all scholarship holders must be submitted to NIAA no later than required and in the standard reporting requirements provided by HEIMS.

4.3 New and Preserved ISSP scholarship conditions

4.3.1 Concurrent Scholarship exclusions (disqualifying scholarships)

This Handbook does not address matters relating to the administration and qualification requirements for Services Australia, Student Start-Up Loan or Relocation Scholarship. Universities and students should contact Services Australia for information on those forms of financial assistance. Students in receipt of the, Student Start-up Loan and/or Relocation Scholarship are not eligible for comparable scholarships under ISSP.

Students are able to receive a (new or preserved) accommodation costs scholarship and a (new or preserved) education costs scholarship at the same time, however they are not allowed to receive two scholarships provided for the same purpose at the same time. For example, a student cannot receive both:

- a) a new ISSP Indigenous-CAS and a preserved Indigenous-CAS at the same time;
- b) a new ISSP Indigenous-CECS and a preserved Indigenous-CECS at the same time;
- c) any Indigenous-CAS if they are in receipt of any of the following payments:
 - Residential Costs Option (RCO) under the ABSTUDY Scheme (Services Australia); or
 - A Services Australia Relocation scholarship; or
 - Commonwealth Accommodation Scholarships, under grandfathered CSP scholarships, pre 2010 (administered by the Department of Education, Skills and Employment); or
 - a 'relocation scholarship payment' under the Veterans' Children Education Scheme (administered by the Department of Veterans' Affairs); or
 - a 'relocation scholarship payment' under the Military Rehabilitation and Compensation Act Education and Training Scheme (administered by the Department of Veterans' Affairs).
- d) any Indigenous-CECS if they are in receipt of any of the following payments:
 - a Services Australia Student Start-Up scholarship; or
 - Commonwealth Education Costs Scholarships, under grandfathered CSP scholarships, pre 2010 (administered by the Department of Education, Skills and Employment); or
 - a 'student start-up scholarship payment' under the Veterans' Children Education Scheme (administered by the Department of Veterans' Affairs); or
 - a 'student start-up scholarship payment' under the Military Rehabilitation and Compensation Act Education and Training Scheme (administered by the Department of Veteran's Affairs).
- e) any ISSP scholarships from different providers for the same purpose.

4.3.2 Notification of award of an ISSP scholarship to other Commonwealth Departments

The Department of Education, Skills and Employment, Services Australia and the Department of Veterans' Affairs need to be aware of the award of a new ISSP or preserved ISSP Indigenous-CECs or Indigenous-CAS.

The new ISSP Indigenous Commonwealth *Reward* Scholarship does not have a disqualifying relationship with any other Commonwealth payments and therefore providers are not required to report the awarding of this type of scholarship to other Departments at the time of the award.

4.3.2.1 Notifying the Department of Education, Skills and Employment

Universities must enter the award of ISSP scholarships into HEIMS. This data is used by the National Indigenous Australian Agency to administer ISSP.

Universities must ensure that all students who are commencing, continuing or being offered a Commonwealth Scholarship are reported to HEIMS in the timeframe and in line with the reporting requirements specified on HEIMSHelp. Both new and Preserved ISSP Scholarships in HEIMS this data is also used to determine ISSP funding allocations.

The HEIMS Helpdesk can be contacted on (02) 6240 7487 or via email at: heims.datacollections@dese.gov.au

4.3.2.2 Notifying Services Australia:

Services Australia must be notified to ensure they have the information necessary to determine a scholarship recipient's eligibility for various other Commonwealth payments. To notify Services Australia:

- a) If the award of the Indigenous-CECS or Indigenous-CAS is reported by the provider in HEIMS by the reporting deadlines, HEIMS will automatically notify Centrelink; otherwise
- b) the university must notify Services Australia directly about the award of the scholarship by either:
 - o Calling Services Australia on 13 24 90 with the student present to give the attending officer permission to obtain a verbal confirmation that a Services Australia scholarship has not been received; or
 - o Faxing Services Australia on 1300 074 608.

Where a student who has received a scholarship transfers from one university to another, the gaining university should report this information to NIAA and contact Services Australia to report any required information as soon as possible.

4.3.2.3 Notifying the Department of Veterans' Affairs:

The Department of Veterans' Affairs can be notified by phone or by email through the following sources:

- Phoning DVA on **1800 555 254** and requesting to speak to the area responsible for student scholarships under the Veterans' Children Education Scheme and the Military Rehabilitation and Compensation Act Education and Training Scheme.
- Or by emailing **EducationSchemes@dva.gov.au**

4.3.3 Monitoring the use of an ISSP scholarship

A university must take all reasonable steps to ensure that the recipient of an ISSP Scholarship continues to comply with the conditions of the scholarship, including using the scholarship for its intended purpose.

4.3.4 Transferring a preserved scholarship student to a new ISSP scholarship

A student in receipt of a preserved scholarship may choose to transfer to a new ISSP scholarship for the same purpose providing:

- a) The student chooses to transfer the scholarship and notifies the university in writing;
- b) The student has been advised of and agreed to the differing conditions and value of the new ISSP scholarship compared to that of the preserved scholarship;
- c) The student meets the eligibility requirements for a new ISSP scholarship;
- d) The student agrees to forgo any remaining funding for the preserved scholarship;

- e) The university updates HEIMS to reflect that the student has forfeited their remaining preserved scholarship.

4.3.5 Overseas study while receiving an ISSP scholarship

A student may continue to be eligible to receive an ISSP scholarship whilst living overseas if their study is:

- a) through an ISSP eligible Australian university (e.g. through online or distance learning mode); or
- b) at an overseas campus of an ISSP eligible Australian university; or
- c) through a cross institutional exchange arrangement approved by their ISSP eligible university and the student is a Commonwealth supported student.

The overseas course of study must be approved by their scholarship university and must count toward the requirements for the course of study in which the student is enrolled.

All ISSP student eligibility criteria and ABSTUDY eligibility (if applicable) must be maintained by the ISSP scholarship recipient during this period.

It is expected that students will complete at least part of their course whilst residing in Australia.

If a student defers their enrolment whilst overseas, they will not be eligible to receive any ISSP payments until they recommence their studies.

4.3.6 Taxation treatment of ISSP scholarships

Full-time ISSP scholarships are not counted as income for ABSTUDY, Austudy or Youth Allowance entitlements. Part-time scholarships are counted as taxable income by the Australian Taxation Office.

4.3.7 Terminating an ISSP Scholarship

A university must terminate an ISSP scholarship (both new ISSP scholarships and preserved scholarships) if the student ceases to be enrolled in a course of study with the provider.

A university may terminate an ISSP scholarship (both new ISSP scholarships and preserved scholarships) if the scholarship recipient fails to comply with a condition of the scholarship, for example the student:

- a) ceases to meet the eligibility criteria specified in the Guidelines or by the university; or
- b) has reached their maximum scholarship entitlement period for a preserved scholarship; or
- c) in the view of the university:
 - has failed to maintain satisfactory academic progress and there are no extenuating circumstances for such failure; or
 - has, after investigation by the provider, committed serious misconduct during a course of study whilst doing a course at an eligible scholarship provider including, but not limited to, the provision of false or misleading information.
- d) Has advised that they no longer wish to continue their studies and agree to forfeit their preserved scholarship.

The Higher Education Standards Framework (Threshold Standards) requires universities to maintain a review process and to engage a third party if the internal review process is unsuccessful. It is recommended that universities have a transparent review process for termination of ISSP scholarships. Decisions to terminate scholarships are subject to the Threshold Standards.

If a preserved scholarship is terminated in HEIMS, will HEIMS prevent the recording of that same student receiving a new ISSP scholarship?

No. HEIMS does not block students who received a preserved scholarship from receiving a new ISSP scholarship.

4.3.7.1 Recovery of terminated ISSP Scholarships funding

A university must take steps to recover an amount of an ISSP Scholarship that has not been exhausted if:

- a) the scholarship has been terminated by the university under section 4.3.7 above; or
- b) if the scholarship recipient transfers his or her course of study from the university to a different university; or
- c) the scholarship is an Indigenous Commonwealth Accommodation Scholarship and the scholarship recipient has deferred his or her course of study.

A university may determine that the student has legitimate and genuine reason/s as to why they are no longer eligible for an ISSP scholarship (for example, they cancel their enrolment due to family responsibilities, illness or bereavement). Under such circumstances, the university may waive or reduce the amount to be repaid by the student. For example, the university may not choose to recover funds where doing so would result in significant financial hardship to the student. The university must document on the student's file the reasons why the whole amount was not recovered and must provide a copy of the reasons to an officer in the NIAA within 10 days of receiving such a request. If the university is unsure about whether to waive funds recovery, it should contact the NIAA for advice. The university should also update HEIMS to reflect the termination of the scholarship.

Where an Indigenous student who is in receipt of a scholarship chooses to transfer to another university, the student must return all outstanding funding to the original university. It will be at the discretion of the gaining university as to whether a scholarship is provided and the terms.

The university can reallocate any recovered new ISSP scholarship funds to another eligible scholarship recipient or to other ISSP activities.

The university must return recovered preserved scholarships funding to NIAA. Any funds returned prior to the second payment, the funds may be reallocated to eligible universities according to the funding formula (see section 9). Funds returned to NIAA after July will be processed as part of the end of financial year acquittal and are not able to be reallocated.

4.3.8 False or misleading information

If a university or NIAA believes an ISSP Scholarship recipient (new or preserved) has provided false or misleading information to the university, the university needs to:

- a) re-assess the student's entitlement to the scholarship; and
- b) notify NIAA of the suspected offence and if requested provide the student's Scholarship application and, where possible, original copies of any other relevant information requested by NIAA.

If the student has provided false information with the intention of obtaining a scholarship they would otherwise be ineligible for or in order to receive two scholarships, then this is considered to be a serious offence and must be reported to NIAA and, if appropriate, to Services Australia and the Department of Veterans' Affairs.

If the false information provided is minor in nature and/or does not affect the student's eligibility for an ISSP Scholarship, then this can be handled by the university.

5 Tutorial Assistance

Tutorial assistance provides supplementary, tailored support to Aboriginal and Torres Strait Islander students to assist them to progress through their course. It's not designed to fund mainstream tutorial sessions required as part of the university's course delivery for all students.

5.1 Prioritising Tutorial Assistance to students

Tutorial assistance funded under ISSP must only be provided to students eligible for ISSP funding (see section 3.2).

ISSP tutorial assistance is designed to prioritise support to students that may be in danger of failing a course or course element or not achieving at the level required to continue in their course.

Universities are encouraged to develop a clear tutorial assistance policy outlining assistance to be provided as part of ISSP. The policy should be available to students and should outline key aspects of the assistance, for example, the method of tutoring offered (e.g. group, single tutoring), hours of tutoring provided to students and prioritisation of tutoring services to students.

5.2 Study Assistants

The university may employ Study Assistants using ISSP funding to act as tutors for students who are eligible for ISSP support. Employment must be consistent with Section 2.5 on engaging and employing staff using ISSP funding.

Universities should have a policy in place for the employment conditions of the Study Assistant position. This should include information on selection, role and responsibilities, payment, retention and termination of contracts.

5.2.1 Recruiting a Study Assistant

The university is responsible for the recruitment and payment of Study Assistants to assist Indigenous students with their required coursework, and must ensure that the Study Assistant:

- a) is qualified or is otherwise capable of delivering the required tuition (for example, they have achieved a level of educational attainment higher than the level of the course for which they are tutoring or they have relevant industry experience);
- b) is an appropriate person to conduct the tutorial services, including compliance with all applicable State or Territory legislation in relation to, but not limited to dealing with children and vulnerable people;
- c) is not a member of the student's immediate or de facto family, except in remote and regional locations where there is no other option; and
- d) is not a classmate of the student.

The Study Assistant may be the student's usual class or subject teacher, lecturer, tutor or a postgraduate student, provided that the tutorial assistance work funded through ISSP is in addition to their core work (i.e. they do not receive two salary payments for the same work and ISSP payments do not replace salary payments being provided for core work).

The university must take steps to avoid a conflict of interest in using a Study Assistant, for example, by ensuring that the Study Assistant is not responsible for grading the student's work. Section 7.2 provides additional information on Conflicts of Interest.

NIAA is not responsible for the hiring or payment of Study Assistants. Prospective or existing Study Assistants must consult the university's policy for the selection of Study Assistants.

5.2.2 Payment of Study Assistants

ISSP funding can be used to meet the costs of engaging Study Assistants to deliver individual or group tuition, such as contractor payments, Pay as You Earn taxation deductions and superannuation contributions of engaged tutors.

Universities must pay Study Assistants at an agreed rate determined by the institution and according to agreed employment arrangements, including relevant State or Territory awards and conditions.

Can the 'Study Assistant' position be called another name by the provider?

The title 'Study Assistant' is used in this handbook to differentiate their role from that of mainstream coursework tutors that support all students. The university may internally call the 'Study Assistant' position any name of their choosing.

6 Indigenous support activities

Universities may use ISSP funding for a range of activities designed to support Indigenous people to enter into higher education, transition into a higher education environment and to provide additional cultural and personal support to assist in retaining these students. Universities must report on these activities as part of the Performance Report.

If the university used Indigenous Support Program funding for pastoral care and other support activities for Indigenous students in 2016, they must use ISSP funding to continue to offer this support from 2017.

6.1 Indigenous Higher Education Support Units

A university may use ISSP funding to establish and/or maintain a safe cultural space on their campus for Indigenous students to learn and study. This may include Indigenous-specific computer rooms, facilities, meeting areas as well as Indigenous Unit support staff. Hiring of Indigenous Unit support staff should be consistent with section 2.5.

Indigenous Unit support staff must only be paid ISSP funds for the time spent assisting Indigenous students as part of ISSP. They must not be paid ISSP funds for work undertaken as part of the university's mainstream activities. If support staff are employed in multiple positions across the university, universities should pro-rata their salary costs to ISSP activities as part of the ISSP reporting process.

6.2 Advocacy, support and advice services

A university may use an ISSP grant to:

- a) provide counselling, pastoral care and mentoring services;
- b) provide advocacy and advice services supplementary to the student support services that are available to other students;
- c) assist Indigenous students to access and benefit from support services available to the general student body; and
- d) provide students with career guidance and advice for employment following graduation.

6.3 Cultural competency activities

Universities may use ISSP funding to implement strategies to foster a culturally-safe learning environment for Indigenous students and employees of the provider who are Indigenous persons. This may include the provision of professional development and other activities encouraging other staff and students to improve their knowledge and understanding of Indigenous cultures, traditions and histories and the diversity of circumstances of Aboriginal and Torres Strait Islander people in Australia.

ISSP funds can be used to provide supplementary cultural awareness and cultural competency skills training, however this does not include the provision of university coursework or research that contributes towards a student's qualification.

6.4 Engagement activities

A university may use an ISSP grant for the following engagement strategies:

- a) activities to engage and prepare Indigenous students to enrol in a course of study, including providing orientation activities, strategies for transition to higher education, and ancillary support for the following persons:

- school students;
 - persons undertaking training activities;
 - persons proposing mature-aged or other enrolment in a course of study;
- b) activities to re-engage an Indigenous student who has withdrawn his or her enrolment in a course of study.
- c) Activities that assist students to maintain their cultural and community connections whilst they are on campus.

Case study – Toorong Marnong Accord

Universities in Victoria have signed the Toorong Marnong Accord with the Victorian Aboriginal Association to improve Indigenous participation and success in tertiary education. Under the model, the universities work cooperatively to ensure as many Indigenous students can study at university as possible. This includes collaboration on marketing and student recruitment, developing a pool of staff to supervise Indigenous postgraduate research students and state-wide staff and student networks.

Under the accord, universities also collaborate on outreach programs to engage and support Indigenous high school students. For example, Indigenous Tertiary Information Service Sessions are held in various locations across the State to assist Indigenous Year 12 students working to finalise their post-secondary options. Student’s families can also attend. The sessions provide information on planning for university, pathways and entry points to university as well as scholarships and study support available to university students. All Victoria’s universities participate in the sessions.

6.5 Preparatory programs

ISSP funding cannot be used for the teaching and learning costs associated with the provision of university preparatory programs (including enabling courses), however supplementary support services can be provided to Indigenous students whilst undertaking these courses. For example, support provided could include assisting Indigenous students to access culturally appropriate accommodation whilst studying, mentoring, tutorial assistance and maintaining contact with the families of Indigenous students. Note that if non-Indigenous students have access to these support services, then mainstream funding would normally be used to provide these services to Indigenous students.

Vocational Education and Training programs that lead to their own award are not considered to be ‘preparatory programs’ unless a significant portion of the course is specifically dedicated to preparing students for university study (for example teaching university study skills).

A course that is being fully-funded or part-funded through enabling funding under the Higher Education Support Act would not normally be eligible for ISSP funding. However, where students are responsible for making a contribution, and the student contribution may become a barrier to accessing the course for Indigenous students, ISSP funding can be used to remove this financial barrier (for example, a scholarship for course fees could be provided to the enabling student). Note if non-Indigenous students are not required to pay a course fee, then ISSP should not be used to supplement participation for Indigenous students.

7 General conditions

7.1 Policies and procedures for using an ISSP Grant

Subject to the Guidelines and the Act, a university that receives an ISSP grant must:

- a) establish and maintain policies and processes for using the grant; and
- b) make information about those policies and processes publicly available, including to Indigenous persons in remote areas and regional areas.

Where a university requires a person to apply for assistance or enter into a written agreement with the university to receive ISSP funding or support, the person must sign a form prepared by the university in which the person acknowledges the following matters:

- a) giving false or misleading information is a serious offence; and
- b) the person may incur a debt to the Commonwealth or the university or both if the person receives assistance or payment that the person should not have received; and
- c) the university may collect personal information of the person and share that information with the Commonwealth for the purposes of the Commonwealth administering the Guidelines.

7.1.1 Maintaining records

A higher education provider must maintain full and accurate records of the use of an ISSP grant, including the selection processes followed to provide assistance to an Indigenous student. These records are in addition to records required by the Department of Education, Skills and Employment.

7.2 Conflicts of Interest and Fraud

Universities must ensure ISSP staff are not involved in processes where there is a potential conflict of interest. When in doubt, advice should be sought from NIAA.

A higher education provider that receives an ISSP grant must:

- a) maintain a framework for identifying all potential and actual conflicts of interest arising from the provider's use of the grant; and
- b) take all reasonably practicable actions to ensure that all potential and actual conflicts of interest are avoided or prudently managed; and
- c) keep a conflict of interest register that includes the action taken to manage a conflict and the outcome of that action; and
- d) if requested by an NIAA administering officer, provide a copy of the register to the officer within 10 business days of the receipt of the request.

NIAA employees (including those on approved leave) cannot be offered funding, either as a tutor or an administrative officer. Employees of NIAA may receive support as an eligible student under ISSP.

Under the Criminal Code, the provision of false or misleading information is a serious offence and may be applicable to some conflict of interest matters.

7.3 Underperformance and non-compliance

NIAA actively responds to performance issues and non-compliance with guideline requirements.

NIAA applies graduated additional controls in proportion to the seriousness of underperformance and/or non-compliance. In response to minor or one-off issues, this may involve reminding and educating the university about requirements, whereas significant or repeated issues may result in formal breach notices.

7.4 Grievances or disputes

Under the Higher Education Threshold Standards Framework, all universities must have grievance/complaints policies/procedures in place to help students with any aspect of a provider's higher education operations. These policies/procedures must be publicly available.

If a student or staff member has an issue with how a university is administering ISSP funding, they should seek resolution through the university's official grievance or dispute resolution policy.

Students should contact their higher education provider for further details if they are considering lodging a formal complaint.

Students may also refer their grievance to an external agency, outside the higher education provider, such as the Ombudsman and/or the Anti-Discrimination Commission in their state or territory, and/or the Australian Human Rights Commission. Further information is available from the websites for each of these organisations. This approach may be particularly relevant where students or staff have concern raising the issue with the provider in the first instance.

7.5 Access to premises and records

NIAA may, in writing, request access to the premises or records of a university for the purpose of determining whether the university is using an ISSP grant in accordance with the Act and the Guidelines. A university must not unreasonably withhold consent to this request.

A university that receives this request must provide the NIAA administering officer with such assistance as is necessary and reasonable for determining whether the university is using an ISSP grant in accordance with the Act and the Guidelines.

7.6 Privacy

NIAA is bound by the Privacy Act 1988. Universities must ensure that they and any other person acting for and on their behalf comply with the Information Privacy Principles under section 14 of the Privacy Act 1988 when handling students' personal information.

8 ISSP funding overview

8.1 Frequency of payment

A university's annual ISSP funding allocation is usually be paid in two instalments, one in February and the balance of funding paid in mid-year (July/August) each year. The first payment will be 50 per cent of the university's estimated full year allocation. Adjustments to a university's final allocation for the year will be incorporated in the mid-year payment.

There is a mid-year reallocation process for unused preserved scholarships (see section 4.2.7). Returned funding may be recalculated using the ISSP funding formula and then distributed to universities. If a university has already reached their funding cap (see section 9) they will not be eligible to receive any additional funding in that calendar year.

ISSP payments are made twice a year for the entire calendar year. This is regardless of whether the university operates a 2 semester or more model each year. Universities are expected to manage their ISSP allocation to best fit their teaching model.

8.2 ISSP funding allocation

A university's ISSP payment will be comprised of two elements:

- a) A component for preserved scholarships to ensure that students who received scholarships for study commencing prior to 1 January 2017 continue to receive their scholarship on the same conditions under which it was awarded; and
- b) The balance of funding will be based on the funding formula which measures university performance on enrolments, progression and completion as well as a special loading for remote and regional students which recognises that universities that deliver coursework to students living in remote or regional Australia often incur additional costs, such as through the installation and provision of specialised ICT technology or travel costs to provide face-to-face academic support.

Indexation will be applied to both the preserved scholarships funding and the balance of ISSP funding according to the method described in Part 5-6 of the Act. The Minister may use the indexation amount in the payment year to apply to special grants (see section 8.6).

8.2.1 Preserved scholarships component overview

The value of the preserved scholarships component will be based on each university's estimate of the number of preserved scholarships they require for the upcoming grant year. This initial estimate is provided to NIAA in October each year.

NIAA will seek an update on the university's requirements for preserved scholarships for the current calendar year in April. If a provider is unlikely to use all of the preserved scholarships funding for that year (for example, because students have deferred or withdrawn from their studies) then:

- a) the university's mid-year preserved scholarships allocation will be adjusted to reflect this reduction.
- b) the excess preserved scholarships funding will be redistributed as part of the second ISSP funding payment according to the funding formula component to all universities who have not yet reached their 15% funding cap (see 8.2.2).

Unused ISSP preserved scholarship funds in the second half of the year will be required to be returned to NIAA through an invoicing process the following calendar year.

The scholarship values will be indexed annually in accordance with Part 5-6 of the Act.

Further details on preserved scholarships are outlined in section 4.2.

A flowchart demonstrating this process is provided at Appendix A.

If universities do not provide accurate estimates of the number of requested preserved scholarships that they are unlikely to use during the calendar year in April, funds cannot be reallocated amongst all eligible universities in the second ISSP payment. The funding will be returned to the Commonwealth and will not be available to support Indigenous students.

8.2.2 Funding formula component overview

The formula allocation equally rewards university's performance on enrolment, progression and completion results (30 per cent each). This increases the focus on improving progression and completion rates for Aboriginal and Torres Strait Islander students. There is also 10 per cent of funding for the university's remote and regional students in recognition of the additional costs associated with supporting these students.

A safety net is applied to the funding formula component to ensure that a university's ISSP funding allocation will not vary by more or less than 15 per cent year to year. This protects against excessive annual funding fluctuations to provide greater certainty for universities. The safety net only applies to the funding formula component - any preserved scholarship funding or special grants funding (see sections 4.2 and 8.6) are not included in a university's safety net calculation.

Detailed information on the application of the funding formula is provided in section 9.

A flowchart demonstrating the calculations is provided at Appendix B.

8.3 Payments to Providers

8.3.1 Notification of funding allocations

NIAA will provide a report to the Vice Chancellor regarding the university's Indigenous student outcomes and funding advice for the following year in December each year.

Outcomes data will be generated using the most recently published data available on the Higher Education Information Managements System (HEIMS) managed by the Department of Education, Skills and Employment. Data may include, but not be limited to, comparisons to data from previous years, comparisons to national data or against other providers, as well as against all Australian domestic student outcomes.

Funding advice will detail the university's total estimated ISSP funding allocation for the upcoming calendar year as well as identify the university's preserved scholarships amount.

8.3.2 Under and over expenditure

Funding provided in the calendar year must be spent during the calendar year. Funding in the payment year may not be used to reimburse expenditure in a prior or future funding year. Universities must meet the costs of any over expenditure from their own sources.

If a university has not spent its full allocation of ISSP funds in the funding year, these unspent funds must be returned to NIAA. NIAA will invoice the university as part of the financial acquittal requirements in April of the next grant year.

Universities are encouraged to use all ISSP funds during the calendar year. They may need to rebalance funding between ISSP activities to ensure that their entire ISSP grant is spent for the benefit of Indigenous students (noting that preserved scholarships funding can only be spent on the award of preserved scholarships).

8.3.3 Taxes

A university that receives an ISSP grant must pay all taxes, duties and government charges levied in Australia or overseas in connection with the ISSP grant.

The University of Notre Dame, Bond University, the Batchelor Institute of Indigenous Tertiary Education and the Australian Catholic University must pay GST to the Australian Taxation Office. The ISSP grant made to these institutions is inclusive of a GST amount.

A university that is registered for GST when it receives an ISSP grant must notify an NIAA administering officer if it ceases to be registered for GST in the grant year.

Staff and research student scholarships are not subject to Fringe Benefits Tax. Their stipend is treated the same as a CSP scholarship for taxation and Centrelink purposes.

8.4 Provider Management of Funding and Financial Records

8.4.1 Storing funding

ISSP funding must be expended in the grant year.

A university must hold ISSP grant money in an account that meets the following criteria:

- a) the account is with a deposit-taking institution authorised under the *Banking Act 1959* to carry on business in Australia; and
- b) the account is in the name of the university; and
- c) the account is wholly controlled by the university.

8.4.2 Financial records

A university must manage its account and financial records so that all receipts and expenditure of an ISSP grant are clearly identifiable and ascertainable at all times.

Universities must keep full and accurate financial records relating to the use of the funding on a calendar year basis to enable:

- a) all income and expenditure related to the funding to be identified in a provider's bank account;
- b) the preparation of financial statements in accordance with Australian Accounting Standards and as specified the Guidelines; and
- c) auditing in accordance with Australian Auditing Standards and as specified in the Guidelines.

The accounts and records relating to the university must be identifiably separate from the accounts and records of the other institutions or undertakings (e.g. business enterprises) conducted by the university. A purpose built cost centre structure or a separate bank account are acceptable methods of separately identifying ISSP funding.

Any interest earned on ISSP funding is to be used for the purposes of ISSP activity and is to be itemised in financial statements. Interest earned will not be counted for the purposes of the funding formula.

Section 10 provides further information on reporting processes.

8.5 Rollover of funds

All ISSP funding will be exhausted each grant year. NIAA may rollover unspent grants to the next year under section 38-40 of the Act. However, the rollover of ISSP funding will only be made in exceptional circumstances and only when expenditure for the future year is specified.

8.5.1 What kind of rollover requests can be submitted?

Universities can reallocate ISSP funds between various activities during the year to ensure all funding is expended during the calendar year. Universities should only request rollovers for activities:

- a) That have been budgeted for and/or contracted; and
- b) Unforeseen and unavoidable circumstances have delayed completion of the project; and
- c) The funding is necessary in order to complete the project.

8.5.2 Submitting a rollover request

Universities should contact NIAA at issp@niaa.gov.au to discuss their roll over request.

Universities should apply by 24 November of the funding year for a rollover into the next calendar year.

Rollover requests should provide information such as:

- what project(s) the university is seeking to roll over and how it will benefit Indigenous students;
- whether the project(s) fit within the ISSP Guidelines;
- how much funding needs to be included in the rollover;
- whether the project(s) was committed or planned to be undertaken in the grant year (noting whether the project has commenced or whether any agreements had been entered into);
- why the project could not be completed within the grant year;
- when the project is likely to be completed.

Unspent funding for preserved scholarships cannot be included in rollover requests.

What are some examples of acceptable rollover requests?

Example A: A university is building a tutorial space for Indigenous students. Funding was committed for the activity at the beginning of the grant year. From January – April, the university undertook planning and consultation processes. From May – June a tender process was conducted. In July the contract was signed. Building work commenced in August and was expected to be completed by December. However a cyclone created significant wet weather that forced the contractor to delay construction until completion in February of the following grant year. The funding is still required for the final payment to the contractor upon project completion.

Example B: A university set aside funding for an Indigenous committee to plan and consult on the development of a cultural awareness and appreciation program. The committee commenced monthly meetings in June and was expected to complete the plan by November of the grant year. However, the committee was unable to meet on two occasions due to committee members needing to attend Sorry Business. Due to the delay and the Christmas break, the plan is not expected to be completed until March the following year.

8.6 ISSP Special Grants

The Minister may use a portion of ISSP funding each year as a grant for universities to undertake innovative projects designed to meet the objectives of the ISSP (section 38-20 of the Act). The amount used for these ‘special’ grants may be up to the value of indexation on the previous year’s funding and, if provided directly to the education provider, will not contribute towards the provider’s funding ceiling. Universities considering applying for a special grant should contact NIAA at issp@niaa.gov.au

9 The Funding Formula

This section provides an overview on how the funding formula component calculation is applied by the NIAA. For detailed information, consult the *Indigenous Student Assistance Grants Guidelines 2017*. Appendix B provides a visual representation of how the funding formula is applied.

9.1 Inputs to the funding formula

The funding formula uses four data inputs based on the most recently published data from Department of Education, Skills and Employment's annual Higher Education Student Statistical Collection prior to 1 January of the relevant funding year:

- a) thirty per cent (30%) of total available funding, divided between universities in proportion to EFTSL for Indigenous students enrolled with a university;
- b) ten per cent (10%) of total available funding, divided between universities in proportion to EFTSL for Indigenous students from remote and regional areas enrolled with a university;
- c) thirty per cent (30%) of total funding available, divided between universities based on progression rate of EFTSL for Indigenous students enrolled with a university; and
- d) thirty per cent (30%) of total funding available, divided between providers based on completion of higher education award courses by Indigenous students enrolled with a university.

For the purposes of calculating a university's regional/remote EFTSL a:

- a) regional student includes those students whose usual home location is in either an Inner Regional or Outer Regional area as defined under the ASGS.
- b) remote student includes those students whose usual home location is in either a Remote or Very Remote area as defined under the ASGS.

9.2 Overview of the funding formula calculation

9.2.1 Determine raw entitlement

Element	First Calculation	Second calculation
Enrolment element	Divide the university's <i>EFTSL</i> of Indigenous students by the sum of <i>EFTSL</i> of Indigenous students for all eligible universities	The university's Enrolment Factor is multiplied by the amount of the Enrolment Component
Regional and Remote element	Divide the university's <i>EFTSL</i> of Indigenous students by the sum of <i>EFTSL</i> of Indigenous students from remote areas and regional areas for all eligible universities	The university's Regional and Remote Factor is multiplied by the amount of the Regional and Remote Component
Success Rate element	Divide the university's success rate for Indigenous students by the sum of the success rates for Indigenous students at all eligible universities	The university's Success Rate Factor is multiplied by the amount of the Success Rate Component
Completion element	Divide the university's course completions of Indigenous students by the sum of course completions of Indigenous students for all eligible universities	The university's Completion Factor is multiplied by the amount of the Completion Component

These amounts allow a total raw entitlement to be calculated for each provider.

9.2.2 Establish an interim allocation (15% safety net)

The raw entitlement is subject to the 15% safety net to establish an interim allocation:

- a) If the university's raw entitlement is more than 115% of the previous year's allocation, then the university's interim allocation will be set at 115% of their previous year's allocation.
- b) If the university's raw entitlement is less than the 85% of the previous year's allocation, then the university's interim allocation will be set at 85% of the previous year's allocation.
- c) If the university's raw entitlement is within 15% of the previous year's allocation then the university's interim allocation will be set at the level of the raw entitlement.

The sum of the interim allocations (for all universities) is then compared against the amount of funding available for distribution under the funding formula component of ISSP. Either the sum of the interim allocations will:

- a) Be lower than the funding available, meaning there will be an excess of funds available for redistribution (i.e. residual funds); or
- b) Exceed the funding available for distribution (i.e. negative residual) and the interim allocations will need to be adjusted to ensure the provider allocations match the funding available.

If all universities have reached their 15 per cent cap and the funding has not been fully allocated, the Minister may determine a maximum cap higher than 15 per cent on the remaining providers in a grant year to ensure all funding has been allocated.

9.2.2.1 Safety net for new or re-joining providers

A university that received a special grant in the previous grant year as their ISSP payment (after joining ISSP for the first time, or re-joining ISSP after a break), all or a portion of the special grant may be considered to be the previous year's ISSP payment and will be subject to the floor and ceiling under the funding formula.

9.2.3 Determine the final allocation

9.2.3.1 Redistribute Residual Funding

If there is residual funding formula component available for redistribution then this will be redistributed to universities whose interim allocations that have not yet exceeded 115 per cent of their previous year's allocation.

For non-ceiling capped universities, their proportional share of the interim allocation will be determined (i.e. the university's interim allocation divided by the sum of the interim allocations for all non-ceiling capped universities).

The residual funding will then be redistributed according to each university's proportion calculated above.

If any university reach their ceiling as a result of this calculation, this excess funding will then go back into the residual pool and the calculations will be repeated until all of the residual funding is exhausted.

9.2.3.2 Recalculate for Negative Residual

If the sum of the interim allocations for all universities exceeds the funding available for distribution under the funding formula, then there is a 'negative residual'.

In this instance, universities whose interim allocation is at the level of their floor will have their final funding formula component set at their floor and will not be subject to any further calculations.

For all other providers, their proportional share of the interim allocation will be determined (i.e. universities interim allocation divided by the sum of the interim allocations for all non-floor capped providers).

The negative residual will then be subtracted from each university's interim allocation according to the proportion established above.

If any university reach their floor as a result of the calculation, this excess funding will then go back into the negative residual and the calculations will be repeated until the total funding formula amount is equal to the funding available.

9.2.4 Including the predicted unspent preserved scholarships funding into the formula

For the second payment of the year, the funding allocations will be recalculated to include any amount of unspent preserved scholarships funding (see section 8.2.1).

Universities will update NIAA in April on the number of preserved scholarships that have been requested, but are unlikely to be used, in the calendar year. NIAA will calculate how much funding this equates to. This 'spare' funding will then be added into the funding formula to ensure all available remaining ISSP funding is distributed in the second ISSP payment.

A flowchart demonstrating this process is provided at Appendix A.

9.2.5 Funding for Providers who become ineligible the ISSP

If a university becomes ineligible for ISSP in any given year, the Minister may determine that all or part of the funding that would have been allocated to that university be:

- a) made as a special grant under subsection 38-20 of the Act; or
- b) returned to the funding pool and reallocated via the funding formula:

10 Reporting on ISSP

There are two types of reporting required under ISSP:

- a) Financial reporting
- b) Performance reporting

These two reports should be submitted by the last business day of April of the next grant year. The reports should be provided in accordance with the reporting templates provided by NIAA and include a statement authorised by the university's Indigenous Governance Mechanism. This can be scanned and sent electronically to issp@niaa.gov.au.

The NIAA may request additional information about the use of ISSP funding or a revised report if the NIAA considers that the form or content of a report is unsatisfactory. A university must comply with a reasonable request within 10 business days of the request, or a longer period specified by a NIAA.

Reports must be received and accepted by the NIAA before the university can receive further ISSP payments.

Final copies of the ISSP performance and acquittal reports for the previous two grant years should be published on the university's website along with NIAA's most recent funding advice. Up-to-date copies of the university's Indigenous Governance Mechanism membership and charter; Indigenous Education Strategy; and Indigenous Workforce Strategy; and other relevant policies should also be publicly available on the university's website and to through other means (consistent with Section 37(1) of the Guidelines). Links to all of these documents should be emailed to issp@niaa.gov.au.

10.1 Financial Reporting

10.1.1 Purpose

The Financial Acquittal is:

- a) To demonstrate that ISSP funding has been used according to the Guidelines and the Act; and
- b) To estimate other financial support university uses to improve Aboriginal and Torres Strait Islander student and staff outcomes, given the supplementary nature of ISSP.

10.1.2 Information to be included in the financial reports

The audited financial statements and an acquittal should cover ISSP related activity over the preceding calendar year.

Audited financial statements are to be prepared in accordance with the [Australian Higher Education] Financial Statement Guidelines 2014 which includes Note 53 covering ISSP. These financial statements need only be a copy of those provided to DESE in line with the [Australian Higher Education] Financial Statement Guidelines 2014 and should be provided at a time specified in those Guidelines.

The acquittal will include an itemised statement of income and expenditure relating to ISSP and of relevant assets and liabilities including the balance of the university's account.

10.1.2.1 Income categories

The financial acquittal seeks information on the income available to support Indigenous students. Information is sought on three income categories:

- a) ISSP Grant (includes both the funding from the flexible pool and preserved scholarships funding);
and

- b) ISSP related income (includes ISSP rollovers, interest/royalties earned from ISSP funds and sale of ISSP assets); and
- c) Other non-ISSP funds that the university has allocated to support Indigenous students (includes HESA funding, other Commonwealth Government funding and funds derived from external sources such as philanthropic donations, other student payments, business income etc).

10.1.2.2 Expenditure categories

The financial report also seeks information on the use of ISSP funding and funding from other sources that has been expended during the grant year to support Indigenous students. This includes:

- a) ISSP Scholarships payments (new and preserved);
- b) Teaching and Learning (this is an estimate of the expenditure on teaching and learning activities for Indigenous students – providers may choose to pro-rata CGS funding for this purpose);
- c) Salaries for staff working on ISSP activities;
- d) Administration;
- e) Travel (domestic and international);
- f) Asset purchases; and
- g) Conference fees and related costs.

Note that payments for teaching and learning payments and international travel is not allowed using ISSP, so the information sought here relates only to other funding spent on these purposes.

10.1.2.3 Other categories

The Financial Acquittal also seeks information on the Provider's Goods and Services Tax, agreed rollovers and an ISSP Asset inventory.

10.1.3 Certification

The acquittal will require providers to certify that all ISSP funding was expended or committed for the purposes of the program consistent with the Guidelines and the Act. This certification is to be signed by the provider's Vice Chancellor, or their delegate as the authorising officer; with supporting recommendations from:

- a) The university's Indigenous Governance Mechanism, as specified in section 3.1.2; and
- b) The Vice-Chancellor or equivalent delegate and;
- c) Either:
 - i. the senior executive officer with primary responsibility for internal audit functions for the provider if the provider is subject to audit by an Auditor-General of the Commonwealth or State or Territory government; or
 - ii. the university's independent auditor, if the university is not normally subject to audit by an Auditor-General.

10.2 Performance Reporting

10.2.1 Purpose

The Performance Report should detail how the university's activities have contributed towards improving higher education outcomes for Aboriginal and Torres Strait Islander students.

10.2.2 Information to be included in the performance reports

The performance report will cover activity under ISSP for the preceding calendar year. The performance report will require the university to:

- a) Comment on the university's enrolment, progression and completion data provided to the Vice Chancellor by NIAA in December of the preceding year and any strategies in place to improve performance in these areas; and
- b) Provide key statistics on:
 - i. the number and type of scholarship provided and the number of scholarship recipients;
 - ii. the total number of students assisted through tutorial assistance under ISSP and the total number of hours of tutorial assistance provided over the year And
 - iii. Indigenous support activities provided throughout the grant year.
- c) Detail the assistance provided to remote and regional students, including strategies implemented and scholarship data (to assess the university's compliance against the 95 per cent offer requirement detailed in section 4.1.4.3 above); and
- d) Confirm that the university has complied with the Working with Vulnerable People Requirement of the Guidelines; and
- e) Confirm that the university meets the eligibility requirements for participating in ISSP, including providing details of the university's activity on the requirements:
 - i. a current Indigenous Education Strategy (and indicate how this can be accessed by the public); and
 - ii. the Indigenous Workforce Strategy and indicate how this can be accessed by the public (and provide data on the Indigenous workforce composition of the Provider); and
 - iii. the Indigenous Governance Mechanism (and details of its membership and terms of reference and activities during the grant year).

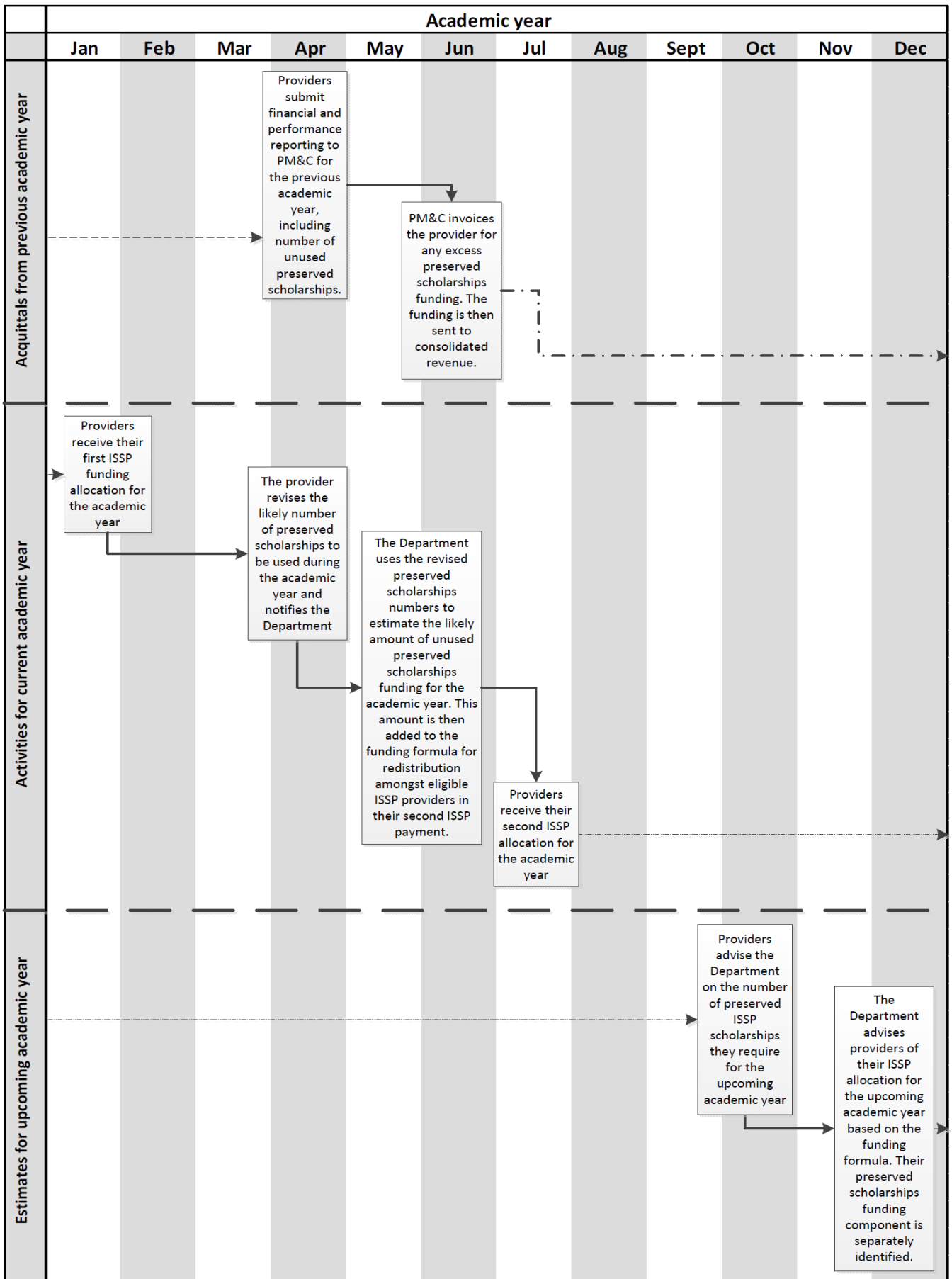
The Performance Report template requests information on the number of ISSP scholarships provided to a range of student categories. There will be some double-counting of some scholarships (for example, a scholarship recipient may be counted as being from a remote and regional background as well as being counted as an undergraduate student).

10.2.3 Monitoring and evaluation

Universities must monitor performance data to ensure effective strategies are implemented to accelerate Indigenous student outcomes. This may include conducting regular evaluation exercises on how ISSP is providing quality support and outcomes for Indigenous students. A summary of any evaluation or review into ISSP activities should be included as part of the university's performance report.

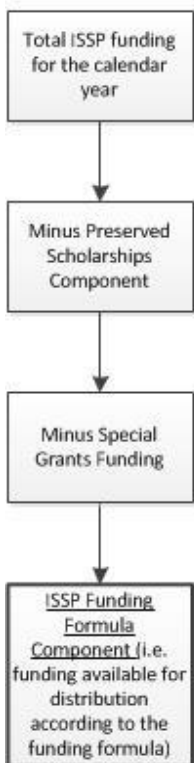
Performance outcomes for ISSP may be discussed with universities from time to time. NIAA may intervene in cases of under-performance or omission, including giving reasonable directions to a university if there are issues or a perception that the university is not making its best endeavours to meet the objectives of ISSP.

Process for Preserved Scholarships Funding

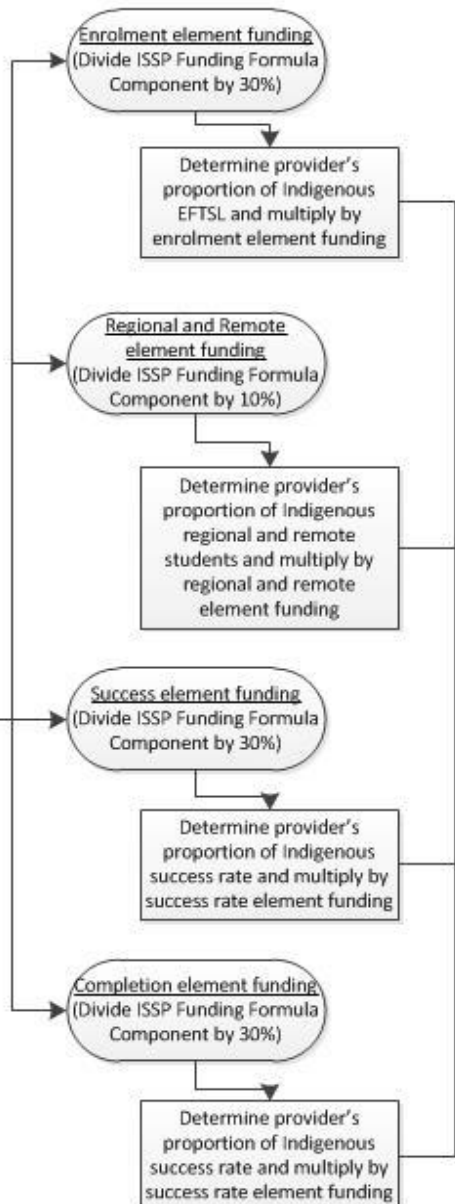


Process for determining ISSP allocations for universities

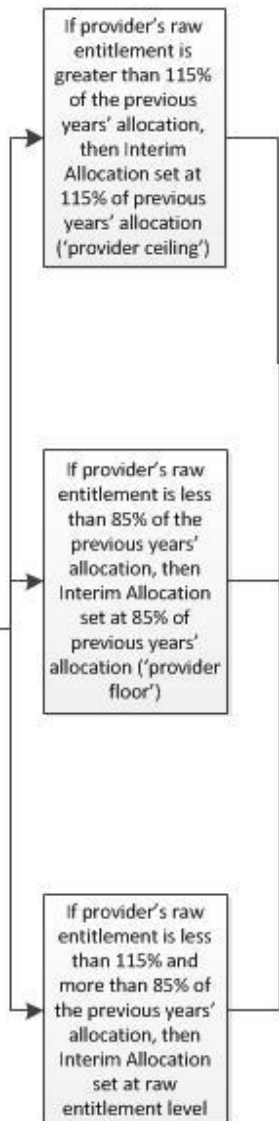
STEP ONE & TWO: Determine Funding Formula Component



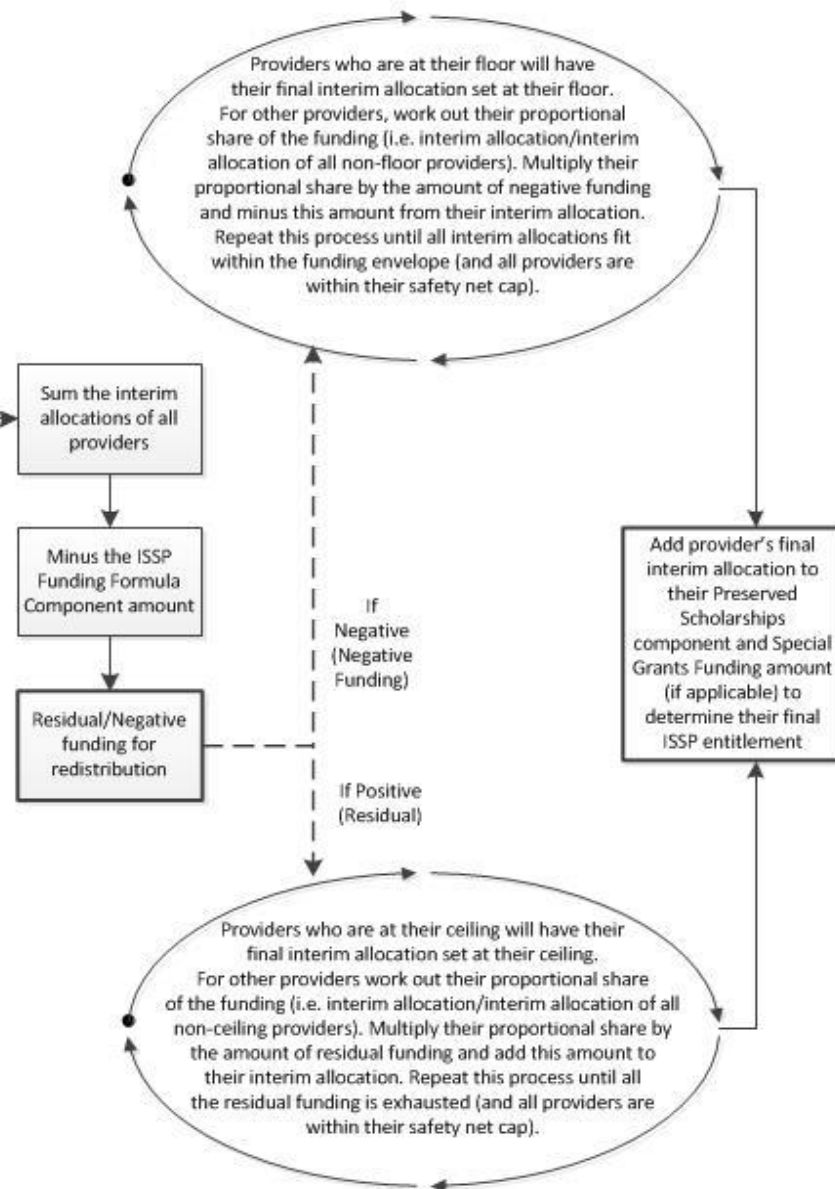
STEP THREE: Determine Raw Entitlement



STEP FOUR & FIVE: Determine Interim Allocations (test against 15% safety net 'cap' and 'floor')



STEP SIX: Determine amount of residual funding



STEP SEVEN: Determine Final ISSP Grant Amount