A3ES

Agência de Avaliação
e Acreditação
do Ensino Superior

AUDITING INTERNAL QUALITY ASSURANCE
SYSTEMS IN HIGHER EDUCATION INSTITUTIONS

MANUAL FOR THE AUDIT PROCESS

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1. INTRODUCTION

The legal framework for the assessment of higher education in Portugal requires that higher education institutions should develop their own internal quality assurance systems, capable of being certified[1]. This legal provision is in line with, and embodies, the fundamental principle underlying quality assurance systems in the European Higher Education Area, that *quality and quality assurance are primarily the responsibility of the higher education institutions themselves*[2]. Aware of this reality, the Agency A3ES contemplates, in its goals and activity plans, the establishment of audit mechanisms leading to the possibility of certification of internal quality assurance systems in higher education institutions, as one of the essential tools of the national quality assurance system and as a precondition for further simplification of procedures for external assessment and accreditation of institutions and degree programmes.

In order to support the institutions in implementing their internal quality assurance systems and, thereby, contributing to the promotion and dissemination of a quality culture within institutions, the Agency developed a comparative study at European level. The Agency intended to analyse the main trends in the specification and certification of internal systems, identifying and characterising cases of good practices, to gather useful knowledge for the design and development of the institutional audit model to be adopted in Portugal, and collecting elements that could be used as guidelines by the institutions. However these guidelines should not restrain the desirable flexibility for developing innovative approaches that may arise in the context of institutional autonomy [3].

The study included a specific proposal of reference points for internal quality assurance systems in Portuguese higher education institutions, as well as some suggestions of guiding principles for the architecture of the institutional audit model. These proposals were publicly debated during the first half of 2010, through their presentation and discussion in meetings with the representative bodies of the various sectors of higher education and also a significant number of institutions that requested it.

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[1] Preamble of Decree-Law 369/2007, which created the Agency for Assessment and Accreditation of Higher Education (*Agência de Avaliação e Acreditação do Ensino Superior*).

[2] This principle was adopted, in the first place, by the higher education institutions themselves, as expressed in the Graz Declaration (EUA, 2003). This was also the position taken by Ministers in the Berlin Communiqué and the subsequent Bologna Process Communiqués, and is explicitly mentioned in the ENQA's document on the European standards and guidelines for quality assurance (ENQA *et al.*, 2015).

[3] This study was first made available in the Agency's Web page in December 2009, as a working document. After the public auscultation period, it was reviewed and published as part of the A3ES READINGS series (Santos, 2011).

Following this consultation process, and with the intention of providing a framework that can assist institutions in designing and implementing their quality systems and also be used as a reference basis for applying the criteria for their certification, the Agency adopted, in 2012, a set of reference points (standards), formulated in terms of statements that characterise a system of internal quality assurance well established and in line with the European standards and guidelines (ESG) and the legal requirements applicable. In July 2016, after a consultation process, the reference points were adapted to the new version of the ESG adopted at the ministerial meeting in Yerevan, in May 2015.

Building upon those elements and the suggestions collected from the consultation process, this manual specifies the objectives, form of organisation and operation of the institutional audit model adopted by A3ES to assess and certify the internal quality assurance systems developed by the institutions. Upon the completion of the audit process, on an experimental basis, during the academic year 2011/2012, the manual was reviewed in January 2013, and again in 2016 to accommodate the adaptation of the reference framework to the ESG 2015.

2. OBJECTIVES AND GUIDING PRINCIPLES

A basic assumption of the institutional audit process is the respect for the autonomy of the higher education institutions. The incidence of the audit procedures does not focus directly on the institutions' performance, i.e., on their defined mission and objectives, their operational plans and the results achieved. The purpose of the institutional audit has to do with the institutional strategy for quality and how it translates into an effective and well documented system of quality assurance. The audit focuses, therefore, on the processes and procedures for the promotion and assurance of quality within the institution

It is up to each institution to define its quality policy and establish the internal system of quality assurance that best suits their own specific characteristics, needs and phase of development, obeying, however, to common guiding principles, namely the European standards and guidelines and applicable legal requirements.

The audit model was designed taking those principles into account, as well as some other operational aspects, including the Agency's commitment to cooperation and dialogue with the institutions, the pedagogical role of the audit process aiming at the continuous improvement of higher education, the involvement of relevant stakeholders and the concern for making the bureaucratic burden placed on institutions as light as possible. It also took into consideration the concern with the social acceptance of the model, i.e., to seek, from the outset, to ensure its acceptance by society and political powers, as an appropriate approach to external assurance quality.

Within the overall objective of helping the development of quality assurance systems in institutions and to identify and develop best practices in quality assurance, the specific objectives of the institutional audit are:

- Review the institutional policy for quality and assess whether its implementation includes, in a clear and objective way, the definition and documentation of the objectives, functions and actors of the internal quality assurance system, as well as the establishment and organisation of the levels of responsibilities associated with it;
- Assess the processes and procedures used by the institution to maintain and improve the quality of teaching and other activities;
- Assess the extent to which the quality assurance system operates in accordance with the established procedures, produces useful and relevant information for the improvement of the institution, and uses this information to generate effective measures for continuous quality improvement of the activities and results.

3. TARGET AREAS AND CRITERIA

The institutional audit is concerned with the quality assurance systems developed by institutions, based on their own diagnosis, assumptions and interests. The audit focuses on the quality assurance procedures associated with the different dimensions of the institutional mission and with the cross-sector areas that support them, and on the quality assurance system as a whole, as well as on its relationship with the mechanisms of strategic management in the institution.

The institutional audit process includes, therefore, the following *specific areas of analysis*[4]:

1. The institutional policy for quality (objectives, functions, actors and levels of responsibility within the internal quality assurance system) and how it is documented.

2. The scope and effectiveness of the procedures and structures for quality assurance related to each of the core aspects of the institutional mission:

   2.1 teaching and learning;
   2.2 research and development (targeted research and high level professional development in the case of polytechnic institutions);
   2.3 interaction with society;
   2.4 policies for staff management;
   2.5 support services;
   2.6 internationalisation.

3. The relationship between the quality assurance system and the strategic management (governance and management bodies of the institution.

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[4] Adapted from Santos (2011) and FINHEEC (2008).

4. The participation of internal and external stakeholders in the quality assurance processes.

5. The information management (mechanisms for the collection, analysis and internal dissemination of information; scope and relevance of gathered information and its use in decision-making processes).

6. The publication of information relevant to external stakeholders.

7. The monitoring, evaluation and continuous improvement of the internal quality assurance system.

8. The internal quality assurance system, taken as a whole.

The assessment to be done by the Audit Panel will focus on these areas, in terms of assessing its degree of development against the objectives defined by the institution, taking into consideration the reference points for the internal quality assurance systems defined by the Agency[5]. The results of this assessment will be expressed in an objective manner for each area of analysis, using a scale of four developmental stages, as follows:

1 – *Insufficient development*;
2 – *Partial development*;
3 – *Substantial development*;
4 – *Very advanced*.

The assessment will be objectified based on a matrix *"**criteria** versus **areas of analysis"*** presented in Appendix II, which defines, for each of the areas and sub-areas of analysis, the criteria for assigning each of the terms of the scale.

A positive decision, i.e., a decision in favour of certifying the internal quality assurance system, will require, cumulatively, the following conditions:

- an assessment of at least *partial development* in all specific areas of analysis;
- an assessment of at least *substantial development* in relation to items 2.1 (teaching and learning) and 8 (the system as a whole);
- no more than four areas assessed as in *partial development*.

In case of areas assessed as in *partial development*, the decision may be subject to the fulfilment of conditions and a timetable explicitly set out in the Agency's deliberation.

In case of a "non-certification" decision, the institution may only request a new audit process after two years from the previous audit.

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[5] These reference points, included as Appendix I, took into consideration the European Standards and Guidelines, as well as other applicable legal requirements, as referred in section 1.

4. ORGANISATION OF THE INSTITUTIONAL AUDIT PROCESS

The format adopted for the institutional audit follows the usual four stages in external quality assurance processes:

- The preparation of a self-assessment report by the institution;
- On-site visits by the Audit Panel;
- The preparation of an audit report by the Panel;
- Decision-making and publicising the report.

For supporting the institution, particularly for facilitating the preparation of the self-assessment report and to mobilise the internal community, the process will include a preliminary stage for the preparation of the audit. A follow-up mechanism for the audits will also be set up.

The Project Manager – who is a member of the Agency and acts as the Audit Panel's Secretary – will ensure the contacts between the Panel and the institution during the different stages of the audit process.

The main procedures to be developed in each of the phases are next specified.

4.1 Preparation of the audit

The participation of higher education institutions in the process of institutional audit, to certify their internal quality assurance systems, is optional. Annually, A3ES will publicise the periods within which the institutions may submit their intention to apply for certification.

Based on the applications from the institutions and on the Agency's capacity, and taking also into account a preliminary analysis of the stage of development of the quality assurance systems of the applicant institutions, the A3ES will define the list of institutions to be audited each year.

Each of these institutions will be individually contacted by the Agency for establishing possible specificities to be dealt with[6], the costs involved and the schedule for the visits. The institution will also be consulted in relation to the composition foreseen for the Audit Panel, in order to identify possible conflicts of interest.

The Agency will organise a preliminary Workshop with all the institutions to be audited, in which will also participate the Chair of the Audit Panel and a member of the Agency, to clarify aspects related to the self-evaluation phase and the documentation to be

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[6] For instance, in relation to the composition of the Panel (more foreign experts, inclusion or not of a student, etc.) or the autonomous certification of one or more of the institution's basic units.