

DETERMINATION OF DESIGN OF FUNDING MECHANISM: STUDENT ACHIEVEMENT COMPONENT

PURPOSE OF STUDENT ACHIEVEMENT COMPONENT FUNDING

1. The purpose of student achievement component (SAC) funding is to contribute towards the provision of teaching and learning services for enrolled students at tertiary education organisations (TEOs).

STATUTORY AUTHORITY

2. This funding mechanism is made under section 159L of the Education Act 1989 (the Act).
3. For TEOs funded via an investment plan, SAC funding is to be paid under section 159YA of the Act.
4. For TEOs exempted under section 159U of the Act from submitting a proposed investment plan, SAC funding is to be paid under section 159ZC of the Act.

PART ONE: THE FUNDING MECHANISM

A. GENERAL PARAMETERS

Effective period

5. This funding mechanism is to fund SAC provision delivered between 1 January 2013 and 31 December 2014 only.
6. The Tertiary Education Commission (TEC) may exercise any of its administrative functions as required to give effect to this funding mechanism outside those dates.

Setting of total funding

7. The total funding for allocation under this funding mechanism will be set through the Government's annual budget processes.

Funding minimums for SAC provision

8. The funding minimums for SAC provision relating to qualifications at levels 3 and above on the New Zealand Qualifications Framework (NZQF), to be allocated by sub-sector, are set out in Appendix 1.
9. The TEC may allocate the remainder of the funding available for SAC provision relating to qualifications at levels 3 and above on the NZQF, without reference to sub-sector.

Eligible TEOs

10. The TEC may provide funding for SAC provision to tertiary education institutions (universities, institutes of technology and polytechnics [ITPs], and wānanga), private training establishments (PTEs), and rural education activities programmes (REAPs).

Eligible study and training

General

11. To be eligible for SAC funding, a course must be:
 - a. part of a programme that:
 - (i) leads to the award of a qualification at levels 1 to 10 on the NZQF; and
 - (ii) where offered by a PTE, comprises 40 or more credits; or
 - b. part of a training scheme that leads to an award that is not a qualification listed on the NZQF.
12. The TEC must restrict the availability of short awards, certificates of personal interest, and certificates of proficiency, by developing criteria limiting the eligibility of related courses for SAC funding.
13. For the avoidance of doubt, to be eligible for SAC funding, a course must be part of a programme or training scheme that has been quality assured by either the New Zealand Qualifications Authority or the New Zealand Vice-Chancellors Committee (where appropriate).

Specific Matters

Health-related professional qualifications

14. The TEC may provide SAC funding to TEOs for courses that are parts of programmes leading to the award of a post-entry health-related professional qualification that:
 - a. is of an academic or research nature; and
 - b. has a clinical component of 30% or less within the total qualification.
15. The TEC must not provide SAC funding to TEOs for courses that are parts of programmes leading to a post-entry health-related professional qualification that has:
 - a. a clinical component of more than 30% within the total qualification; and
 - b. a requirement for clinical education and training; and, or
 - c. an emphasis on specialist clinical professional skills.

Pre-service teacher training

16. The TEC must not provide SAC funding to:
 - a. a new TEO for pre-service teacher training; or
 - b. an established TEO for new pre-service teacher training that is significantly different in scope or level from existing training.
17. The TEC may provide SAC funding to new or established TEOs for pre-service teacher training, where the Ministry of Education advises that an exemption has been granted to the moratorium on pre-service teacher training.

Health and safety and regulatory compliance learning

18. The TEC must not provide SAC funding for health and safety and, or regulatory compliance learning, where this comprises:
 - a. discrete, short training schemes or workplace training (usually, but not exclusively, fewer than 20 credits); or
 - b. training schemes or workplace training designed primarily to equip participants with the skills and knowledge they need to carry out a given task or function in a manner that complies with a specific health and safety and, or regulatory compliance, requirement; or
 - c. learning that displaces the responsibility of employers to provide the necessary training for the mitigation of health and safety, and regulatory compliance, risks.
19. The TEC must not provide SAC funding to TEOs for qualifications containing health and safety and, or regulatory compliance, learning, where the TEC considers on reasonable grounds that there is a likelihood that most enrolments will lead only to completion of the health and safety and, or regulatory compliance, learning, rather than the whole qualification.

B. CALCULATION OF SAC FUNDING

20. The TEC is to base a TEO's entitlement to SAC funding on:
 - a. the number of valid domestic student enrolments, as measured by equivalent full-time students (EFTS); and
 - b. the qualifications, and their component courses, in which students are to be enrolled.
21. The core elements of the calculation of a TEO's entitlement to SAC funding are: the metric (EFTS value); course classifications; funding categories; and funding rates.

Valid domestic enrolments

22. For the purpose of calculating a TEO's entitlement to SAC funding, the term "valid domestic enrolment" refers to the enrolment of a student aged 16 years and over, who is:
 - a. a domestic student¹; or
 - b. an Australian citizen or Australian permanent resident currently residing in New Zealand; or
 - c. an international student involved in postgraduate research.
23. The TEC must establish criteria for determining under which circumstances a student can be considered to be a valid domestic enrolment, where he or she is:
 - a. studying overseas; or
 - b. aged under 16 years.

Invalid domestic enrolments

24. A valid domestic enrolment becomes invalid where it has been secured by way of an inducement(s).
25. The TEC must establish criteria for determining what constitutes an inducement(s).

Example: an enrolment may have been secured by way of an inducement where, as a result of enrolling at a TEO, a student obtains ongoing personal possession of a material item worth over a specified value, such as a lap-top.

Example: an enrolment may have been secured by way of an inducement where the prospect of financial gain or personal advantage (extrinsic to the value of the education or qualification), whether offered or promoted by the TEO or a third party, has been the motivation for a student's enrolment in a particular course or with the particular TEO.

The metric

26. The TEC must measure valid domestic enrolments in units of EFTS. One (1.0) EFTS unit is defined as the student workload that would normally be carried out in either a single academic year or a single calendar year by a student enrolled full-time.
27. The EFTS value of a qualification represents the TEC's assessment of the normal minimum time for a successful full-time student to complete the qualification.
28. Qualifications are to be disaggregated into component courses. The TEC must assign each course an EFTS factor that represents the proportion of the whole qualification that the course constitutes. In addition, the credit value assigned to

¹ For the definition of domestic student, refer to section 159 of the Education Act 1989.

the course by either the New Zealand Qualifications Authority or the New Zealand Vice-Chancellors Committee is to be a part of the EFTS metric.

Course classification: "1-39 Classification Prescription"

29. A TEO must assign each of its courses to a course classification listed in Table 1, "Course Classification Prescription", of Appendix 2. The content of the course (rather than its name) must determine the assignment.
30. The TEC must validate each TEO's assignment of its courses to the appropriate course classification.

Funding categories

31. The TEC must assign each course classification to a funding category. Each category must have:
 - a. an alphabetic code, which applies to groups of courses according to their course classifications; and
 - b. a numeric code, which reflects the level of study.
32. In relation to course classification #22.1, "Vocational Training for Industry", the TEC must categorise courses according to their subject content.
33. The funding category codes are set out in Table 2, "Funding categories: alphabetic code", and Table 3, "Funding categories: numeric code", of Appendix 2.

Funding rates

34. The per EFTS funding rates for TEIs are set out in Table 4, "Funding rates - Tertiary Education Institutions", of Appendix 2. The per EFTS funding rates for PTEs are set out in Table 5, "Funding rates - PTEs" of Appendix 2.
35. The funding rates include the 5% of reserved funding that will be allocated on the basis of a TEO's educational performance the previous year (see clauses 38 to 43 below).

C. MISCELLANEOUS

Cap on high cost SAC provision

36. The TEC must manage caps on specified high cost SAC provision through TEO investment plans.
37. The capped provision is as follows:
 - a. aviation: for qualifications that include an in-flight training component, 450 EFTS; and
 - b. dentistry (intermediate): year 1 intake of 54 EFTS; and
 - c. medical undergraduate: year 1 intake of 485 EFTS; and

- d. specialist large animal science: total enrolment over all years of 70 EFTS; and
- e. veterinary science: year 1 intake of 84 EFTS.

Performance-linked funding

- 38. The TEC must reserve 5% of a TEO's SAC funding for allocation on the basis of the TEO's educational performance the previous year at each of four groups of qualification levels on the NZQF.
- 39. The groups of qualification levels are:
 - a. levels 1 and 2; and
 - b. levels 3 and 4; and
 - c. levels 5 and 6; and
 - d. levels 7 and 8².
- 40. The TEC must determine a performance score for each group of qualification levels, using the following weightings of performance indicators:

Qualification level	Qualification completion	Course Completion	Retention	Progression
1-2	35%	45%	-	20%
3-4	45%	55%	-	-
5-6	35%	45%	20%	-
7-8	35%	45%	20%	-

- 41. The TEC must set and publish annually the upper and lower benchmarks for each group of qualification levels. The benchmarks must be based on the following criteria:
 - a. for the upper benchmark, the 50th percentile of performance at each group of qualifications levels; and
 - b. for the lower benchmark, the 10th percentile of performance at each group of qualifications levels.
- 42. The TEC must then apply an adjustment of 50%, in proportion to the amount of part-time study that takes place at a TEO, to the qualification completions performance indicator to give the final performance score.
- 43. Where the TEO's performance score is:
 - a. above the upper benchmark, the TEC will allocate the full amount of reserved funding; or
 - b. below the lower benchmark, the TEC will not allocate any of the reserved funding; or

² Performance-linked funding does not apply to qualifications above level 8 on the NZQF.

- c. between the two benchmarks, the TEC will allocate a portion of reserved funding to the TEO according to a formula which the TEC is to develop. The proportion of this funding allocated to a TEO depends on how close its performance score is to each benchmark.

Skills for Canterbury funding

44. The TEC may provide funding for additional priority trades training, as measured by EFTS, for the purpose of developing the skills needed for the Canterbury earthquake recovery.
45. The TEC must establish an allocation process for the provision of Skills for Canterbury (SFC) funding.

Funding for SAC provision relating to qualifications at levels 1 and 2 on the NZQF

For the avoidance of doubt, clauses 46 to 51 apply to funding for SAC provision relating to qualifications at levels 1 and 2 on the NZQF that is not allocated through the competitive allocation process³.

TEO eligibility

46. The TEC may provide funding for SAC provision relating to qualifications at levels 1 and 2 on the NZQF only to universities, ITPs, wānanga, and PTEs.

Eligible study and training

47. To be eligible for funding, courses that are part of programmes leading to qualifications at levels 1 and 2 on the NZQF must:
 - a. meet the objectives of entry-level tertiary education (as set out in clause 48 below); and
 - b. include literacy and numeracy provision (except for qualifications in English for Speakers of Other Languages [ESOL] or Te Reo Māori); and
 - c. have measurable literacy and numeracy outcomes.

Objectives of entry-level tertiary education

48. The objectives of entry-level tertiary education are to:
 - a. provide people who do not already have essential foundation skills with access to a low cost way to gain those skills; and
 - b. provide progression to higher level study and skilled employment; and
 - c. build the literacy and numeracy skills of eligible students; and
 - d. enable beginning students to learn English or Te Reo Māori; and

³ For the requirements regarding the funding of provision relating to qualifications at levels 1 and 2 on the NZQF which is subject to the competitive allocation process, refer to the "Determination of design of funding mechanism: competitive allocation process for provision at levels 1 and 2 of the New Zealand Qualifications Framework".

- e. encourage those TEOs that are best able to meet the needs of foundation education students.

Student Eligibility

- 49. To be eligible for participation in courses that are part of programmes leading to qualifications at levels 1 and 2 on the NZQF (except for qualifications in ESOL or Te Reo Māori), prospective students should not already hold any qualifications at level 2. However, TEOs are expected to manage a transition regime that will shift most enrolments in levels 1 and 2 qualifications over time to those students who do not have a prior qualification at level 2.
- 50. For the first year of the transition regime:
 - a. for all enrolments at all TEOs, except for enrolments in mātauranga Māori qualifications at wānanga, students who already hold a qualification at level 2 on the NZQF may comprise up to 30% of enrolments at each TEO; and
 - b. for enrolments in mātauranga Māori qualifications at wānanga, students who already hold a qualification at level 2 on the NZQF may comprise up to 50% of enrolments at each wānanga.
- 51. For the second year of the transition regime:
 - a. for all enrolments at all TEOs, except for enrolments in mātauranga Māori qualifications at wānanga, students who already hold a qualification at level 2 on the NZQF may comprise up to 20% of enrolments at each TEO; and
 - b. for enrolments in mātauranga Māori qualifications at wānanga, students who already hold a qualification at level 2 on the NZQF may comprise up to 30% of enrolments at each wānanga.

PART TWO: FUNDING CONDITIONS

A. GENERAL CONDITIONS THAT THE TEC MAY ATTACH TO FUNDING PROVIDED UNDER SECTION 159ZC

54. In providing a TEO with funding under section 159ZC of the Act, the TEC may impose any conditions that it considers necessary, including, without limitation, conditions for ensuring that the funding will achieve the purpose for which it has been provided.

B. STANDARD CONDITIONS THAT THE TEC MUST ATTACH TO ALL FUNDING PROVIDED UNDER SECTIONS 159YA AND 159ZC

The following standard conditions must be attached to funding provided under this funding mechanism.

No other funding

55. A condition that a TEO must:
- a. not (without the TEC's prior written consent) seek or obtain any funding from any Crown source other than the TEC to fund a programme or training scheme which is funded under this funding mechanism; and
 - b. notify the TEC immediately if it becomes aware of any circumstances that might result in a breach of this condition.

Use of funding

56. A condition that a TEO must use funding provided under this funding mechanism:
- a. for the purposes for which the funding is provided; and
 - b. in a manner consistent with the appropriate use of public funds.

Recovery of funding for under-delivery⁴

57. A condition that if the total value of SAC provision delivered by a TEO within a funding year (measured in dollar terms) is less than 99% of the total value of the volume and mix of provision approved for funding under the TEO's investment plan, the TEO must repay a percentage of the funding received. The percentage to be repaid must be equal to the difference (as a percentage) between the bottom of the tolerance band (99%) and the percentage value of the SAC provision which was delivered.
58. The percentage of funding which the TEO is to repay is treated as a debt due to the Crown and is:
- a. repayable on demand by the TEC; and

⁴ For the applicable conditions regarding recovery of funding in cases of under-delivery where TEOs are also receiving Skills for Canterbury funding, please refer to clause 72 below.

- b. subject to the TEC's set-off rights under any funding condition.

Administrative responsibility of TEC in relation to Clause 57

- (i) In the case of a TEO located in Canterbury, the TEC may fund 100% of the TEO's approved EFTS where the TEO has achieved less than 99% of its delivery because its provision was directly affected by the earthquake of 22 February 2011 or subsequent aftershocks.

Recovery of over-funding

59. A condition that if the results of an audit, reporting or statistical returns, or a performance-linked funding assessment, show that the amount of a payment of funding provided to a TEO under this funding mechanism was greater than it should have been, then the amount of the over-funding is treated as a debt due to the Crown and is:

- a. repayable on demand by the TEC; and
- b. subject to the TEC's set-off rights under any funding condition.

Administrative responsibilities of TEC in relation to Clause 59

- (i) Before making demand for repayment, the TEC must first consult with the TEO on the audit, reporting or statistical returns, or performance-linked funding assessment, which disclosed the overfunding.
- (ii) In the case of a TEO located in Canterbury whose capacity as a provider has been affected by the earthquake of 22 February 2011 or subsequent aftershocks, the TEC may waive the debt repayable by the TEO in full or in part.
- (iii) If the results of an audit, reporting or statistical returns, or a performance-linked funding assessment, indicate that amount of a payment of funding provided under this funding mechanism was less than it should have been, the TEC must credit the amount of the under-funding to an account nominated by the TEO as soon as reasonably practicable.

Repayment of funding following revocation of funding approval

60. A condition that if a TEO's funding for SAC provision is revoked under either section 159YG or section 159ZF by the TEC before some or all of the funding provided to the organisation has been used, or contractually committed towards the purposes for which that funding was provided, then the unexpended or uncommitted portion of the funding is treated as a debt due to the Crown and is:

- a. repayable on demand by the TEC; and
- b. subject to the TEC's set-off rights under any funding condition.

Repayment of excess funding

61. A condition that if the TEC considers on reasonable grounds that a TEO has received funding that it was not entitled to receive, then the amount of funding

received in excess of that TEO's funding entitlement is treated as a debt due to the Crown and is:

- a. repayable on demand by the TEC; and
- b. subject to the TEC's set-off rights under any funding condition.

Set-off

62. A condition that the TEC may set off, against all or any funding or other sum of money payable by the TEC to a TEO, any debt or other sum of money payable to the TEC by that TEO (including pursuant to any funding condition) where such debt or liability of the TEO has been outstanding to the TEC for ninety days or more.

C. SPECIFIC CONDITIONS THAT THE TEC MUST ATTACH TO ALL FUNDING PROVIDED UNDER SECTIONS 159YA AND 159ZC

The following specific conditions must be attached to all funding provided under this funding mechanism.

Enrolment

63. A condition that a TEO must not:
 - a. restrict enrolment in programmes and training schemes for which SAC funding is provided, on the basis of private advantage (for example, enrolment being restricted to the TEO's employees only); and
 - b. secure or seek to secure a valid domestic enrolment through the offering or promotion of inducement(s).

Associated course costs

65. A condition that a TEO:
 - a. must pay for the necessary equipment, infrastructure and hardware required to deliver a particular course⁵; and
 - b. in relation to the provision of essential equipment, including computers, diving hardware, and chainsaws, must not:
 - (i) include the costs in any fees, compulsory course costs, or compulsory student services fees, charged to students; or
 - (ii) require the costs to be met through the "course-related costs" component of the Student Loan Scheme, as a condition of enrolment for students; and

⁵ The phrase "equipment, infrastructure and hardware" refers to those items that can be used by successive intakes of students. It does not include personal items which are provided for individual student use and which the TEO does not retain for the next intake of students.

- c. must not meet the costs of overseas travel for students through the use of funding obtained under this funding mechanism or via the Student Loan Scheme, unless the overseas travel is academically essential.

Course classification

- 66. A condition that a TEO must accurately assign each of its courses to a course classification listed in Table 1, "Course Classification Prescription" of Appendix 2.

Subcontracting

- 68. A condition that a TEO may subcontract delivery of programmes, training schemes, component courses and parts of courses, provided that the TEO:
 - a. advises the TEC of the subcontracting; and
 - b. remains accountable for the use of SAC funding; and
 - c. provides appropriate support, or ensures appropriate support is provided, for students up to the completion of their qualification or award.

D. SPECIFIC CONDITIONS THAT THE TEC MUST ATTACH TO TERTIARY EDUCATION INSTITUTION FUNDING PROVIDED UNDER SECTIONS 159YA AND 159ZC

The following specific conditions must be attached to funding provided to TEIs under this funding mechanism.

Enrolment

- 69. A condition that a TEI must keep accurate and up-to-date records of valid domestic enrolments.

Benchmarking

- 70. A condition that a TEI must participate as appropriate in the New Zealand Benchmarking Tool; including:
 - a. providing the vendor with financial and performance information as requested, in a timely manner; and
 - b. engaging with the vendor over follow-up questions and related quality assurance processes, in a timely manner.

E. SPECIFIC CONDITIONS THAT THE TEC MUST ATTACH TO CATEGORIES OF FUNDING PROVIDED UNDER SECTIONS 159YA AND 159ZC

Aviation

- 71. A condition that a TEO that is providing pilot training must not approve, through the Verification of Study system:

- a. annual student loan fee borrowing for any pilot training student that exceeds \$35,000 per EFTS; or
- b. where a pilot training student is studying part-time, annual student loan fee borrowing that exceeds the proportion of \$35,000 that is represented by the proportion of an equivalent full-time student course load that is being undertaken by the student (for example, if a student is studying 0.4 EFTS in the year, the student loan borrowing limit will be \$14,000).

Skills for Canterbury funding

The following condition must be attached to SFC funding provided under this funding mechanism.

72. A condition that:

- a. where delivery of both the core SAC funded plan provision and SFC funded plan provision together comprises less than 99% of the core SAC funded plan provision (ie. excluding SFC funding), then the TEO must repay on demand by the TEC:
 - (i) the difference between 99% of the core SAC funded plan provision and the core SAC funded plan provision actually delivered; and
 - (ii) the total amount of the SFC funding.

Example: if a TEO receives \$100 SAC funding and \$10 SFC funding, but only delivers \$95 of provision in total, the TEO must refund to TEC \$2 of the SAC funding and all of the SFC funding.

- b. where delivery of both the core SAC funded plan provision and the SFC funded plan provision together comprise between 99% to 100% of the TEO's SAC funded plan provision, then the TEO must repay on demand by the TEC the total amount of the SFC funding⁶.

Example: if a TEO receives \$100 SAC funding and \$10 SFC funding, but only delivers \$99 of provision in total, then the TEO retains \$1 of SAC funding but must repay \$10 of SFC funding.

- c. where delivery of both the core SAC funded plan provision and the SFC funded plan provision is more than 100% of the core SAC funded plan provision, then the TEO must repay on demand by the TEC the difference between 100% of the SFC funded plan provision and the SFC funded plan provision actually delivered.

Example: if a TEO receives \$100 of SAC funding and \$10 of SFC funding but only delivers \$105 worth of EFTS in total, then the TEO must repay \$5 of SFC funding.

⁶ None of the SAC funding is repayable (in accordance with the 3% tolerance band established under clause 57 above).

Funding for SAC provision relating to qualifications at levels 1 and 2 on the NZQF

For the avoidance of doubt, clause 73 applies to funding for SAC provision relating to qualifications at levels 1 and 2 on the NZQF, which is not allocated through the competitive allocation process.

73. A condition that a TEO must:

- a. not charge a higher fee to students enrolled in a course which is part of a programme leading to a qualification at levels 1 and 2 on the NZQF than was charged for the same course the previous time it was provided; and
- b. have an assessment process, under which students are assessed using the Literacy and Numeracy for Adults Assessment Tool (except for qualifications in ESOL or Te Reo Māori).

PART THREE: THE ANNUAL MAXIMUM FEE MOVEMENT

General

74. These conditions apply to fees and course costs (together referred to as "fees") charged by TEOs.
75. Fees associated with a particular course are subject to these conditions if:
 - a. the TEO is the sole source of the item to which the fee relates; and
 - b. all domestic students validly enrolled in the course are required to pay the fees.

Definition

76. The term "fees" includes the following items: tuition fees, compulsory course costs, examination fees, material charges, costs of field trips, costs associated with the compulsory purchase of equipment or books through a TEO, and other charges associated with a course.

Annual Maximum Fee Movement

77. The annual maximum fee movement (AMFM) is a 4% increase on the fees (GST exclusive) charged in the previous year, for courses that receive funding for SAC provision and which are part of programmes leading to qualifications listed on the NZQF.
78. The AMFM does not apply to professional masters programmes (for example, a Master of Business Administration).

Exceptions to the AMFM

79. A TEO may apply for an exception(s) from the AMFM, on the basis of exceptional circumstances. The TEC may grant an exception(s); however, any exception(s) granted must not exceed an additional 4% increase.
80. In considering whether there are exceptional circumstances, the TEC only have regard to the following criteria:
 - a. the TEO is unable to support the course(s), while remaining financially viable; and
 - b. for courses which are part of programmes leading to qualifications at levels 1 to 8 on the NZQF, the completion rate for the qualification met or exceeded the median performance benchmark for that level in the previous year; and
 - c. the TEO can demonstrate that the qualification is in some way unique or special, for example, that there are no local alternatives to the qualification available; and
 - d. that not allowing an exception will prevent the TEO from making a significant contribution to the achievement of one or more of the

Government's priorities, as set out in the Tertiary Education Strategy 2010-15.

81. An exception(s) will only be granted by the TEC if it is satisfied that the TEO meets the above criteria.

Zero fee or low fee courses

82. If the fees for a course which is part of a programme leading to the award of a qualification listed on the NZQF⁷ are less than \$511.11 (GST inclusive) or \$444.44 (GST exclusive) per EFTS in the previous year, then a TEO may increase the fee:

- a. up to \$511.11 (GST inclusive) or \$444.44 (GST exclusive) per EFTS; or
- b. by 4%;

whichever is the greater.

⁷ Courses which are part of programmes leading to the award of a qualification at levels 1 and 2 on the NZQF are excluded.

APPENDIX ONE: FUNDING MINIMUMS FOR SAC PROVISION RELATING TO QUALIFICATIONS AT LEVELS 3 AND ABOVE ON THE NEW ZEALAND QUALIFICATIONS FRAMEWORK

The funding minimums for SAC provision relating to qualifications at levels 3 and above on the New Zealand Qualifications Framework (NZQF), to be allocated by sub-sector, represent 90% of the total available for each sub-sector.

The TEC may allocate the remainder of the funding available for SAC provision relating to qualifications at levels 3 and above on the NZQF, without reference to sub-sector.

Table: Funding Minimums by Sub-Sector

\$ millions	2013	2014
Universities	\$1,013.50	\$1,010.22
Institutes of Technology and Polytechnics	\$437.10	\$434.02
Wānanga	\$106.97	\$106.97
Private Training Establishments	\$160.19	\$158.51
Total Student Achievement Component by sub-sector	\$1,717.75	\$1,709.71
All sub-sectors	\$190.86	\$189.97
Total Student Achievement Component (Levels 3 and above)	\$1,908.61	\$1,899.68

APPENDIX TWO: CALCULATION OF SAC FUNDING

Table One: Course Classification Prescription

#01	Agriculture; Horticulture
#02	Architecture; Quantity Surveying
#03	Arts; Advanced Studies for Teachers; Health Therapies; Humanities; Languages; Social Sciences
#03.1	Osteopathy; Acupuncture
#04	Business; Accountancy; Office Systems/Secretarial; Management
#05.2	General Education
#06	Computer Science
#07	Dentistry
#11	Engineering; Technology
#11.1	Priority Engineering
#11.2	Pilot Training
#12	Fine Arts; Design
#13	Health Sciences (excluding classifications #07, #15, and #17)
#13.1	Optometry
#14	Law
#15	Medicine (excluding intermediate/first year)
#16	Music and Performing Arts
#17	Health Related Professions
#17.3	Dental Therapy
#18	Science
#19.1	Teaching: Early Childhood Education
#19.2	Teaching: Primary
#20	Teaching: Secondary
#21	Trades 1
#22	Trades 2
#22.1	Vocational Training for Industry
#23	Veterinary
#23.3	Veterinary Science Undergraduate (Years 3, 4 & 5)
#24	Nursing
#25	Medical Imaging
#26	Midwifery (1 year)
#27	Midwifery (3 year)
#28	Occupational Therapy
#29	Physiotherapy
#30	Medical Radiation Therapy
#31	Pharmacy Professionals
#32	Speech Language Therapy
#33	Medical Laboratory Science
#34	Clinical Psychology
#35	Audiology

#36	Dietetics
#37	Medicine Undergraduate (Years 4, 5 & 6)
#38	Foreign-Going Nautical
#39	Specialist Large Animal Science

Table Two: Funding categories: alphabetic code (aviation to come)

Category (alphabetic)	Relevant discipline and course classification
A	Arts [#03], Social Sciences [#03], General Education [#5.2], Vocational Training for Industry [#22.1]
B	Architecture (non-degree) [#02], Computer Science [#06], Fine Arts [#12], Design [#12], Music and Performing Arts [#16], Health Related Professions [#17], Vocational Training for Industry [#22.1], Medical Imaging [#25], Occupational Therapy [#28], Physiotherapy [#29], Clinical Psychology [#34]
C	Architecture (degree) [#02], Engineering [#11], Technology [#11], Health Sciences [#13], Vocational Training for Industry [#22.1], Midwifery (3 year) [#27], Speech Language Therapy [#32], Medical Laboratory Science [#33], Audiology [#35]
G	Dentistry (postgraduate only) [#7], Medicine (postgraduate only) [#15], Veterinary Science [#23]
H	Specialist Large Animal Science [#39]
I	Teaching [#19.1, #19.2, #20]
J	Business [#04]; Accountancy [#04], Law [#14], Vocational Training for Industry [#22.1]
L	Agriculture (non degree) [#01]; Horticulture (non degree) [#01], Osteopathy [#03.1], Acupuncture [#0.3.1], Vocational Training for Industry [#22.1], Nursing [#24]
M	Agriculture (degree) [#0.1], Horticulture (degree) [#01], Pilot Training [#11.2], Optometry [#13.1], Dental Therapy [#17.3]
N	Priority Engineering [#11.1], Pharmacy [#31], Dietetics [#36]
O	Medical Radiation Therapy [#30]
P	Trades 2 [#22], Vocational Training for Industry [#22.1]
Q	Veterinary Science (years 3–5) [#23.3]
R	Dentistry (undergraduate excluding intermediate – years 2-5) [#07]
S	Foreign-Going Nautical [#38]
T	Medicine undergraduate (years 2-3) [#15]
U	Medicine undergraduate (years 4–6) [#37]
V	Science [#18]

Table Three: Funding categories: numeric code

Category (numeric)	Classification by level and content of study
1	Courses designed for non-degree qualifications with no research requirement, including certificates and diplomas
2	Courses designed for undergraduate degree qualifications, including bachelors degrees, graduate certificates and diplomas

3	Courses designed for taught postgraduate qualifications, including postgraduate certificates and diplomas, bachelors degrees with honours, and taught masters papers
4	Research-based postgraduate qualifications, including masters' theses/dissertations of 1.0 EFTS or more for masters and doctoral study
5	Foreign student enrolments in research-based postgraduate qualifications

Table Four: Funding rates - Tertiary Education Institutions

	1	2	3	4	5
A	\$6,014	\$6,135	\$7,743	\$8,189	\$3,405
B	\$9,200	\$9,384	\$11,931	\$12,827	\$6,242
C	\$11,060	\$11,282	\$14,339	\$15,432	\$7,455
G		\$21,035	\$26,154	\$26,154	\$6,779
H		\$17,602	\$22,198	\$23,292	\$5,244
I	\$8,569	\$8,741	\$10,975	\$11,420	\$3,405
J	\$6,014	\$6,135	\$7,743	\$8,189	\$3,405
L	\$10,338	\$10,545	\$13,294	\$14,189	\$6,954
M	\$13,166	\$13,430	\$16,864	\$17,958	\$8,763
N	\$12,031	\$12,272	\$15,438	\$16,615	\$8,026
O		\$18,160			
P	\$9,938				
Q		\$27,521			
R		\$51,690			
S	\$18,301				
T		\$36,139			
U		\$42,622			
V	\$10,545	\$10,756	\$13,560	\$14,473	\$7,094

- Funding rates for the three PTEs formerly classified as Other Tertiary Education Providers that are not transitioning to the PTE rates by 2013, are included in the above table.

Table Five: Funding rates - Private Training Establishments

	1	2	3	4	5
A	\$5,728	\$5,843	\$7,451	\$7,897	\$3,276
B	\$8,763	\$8,938	\$11,485	\$12,381	\$6,003
C	\$10,534	\$10,746	\$13,803	\$14,896	\$7,169
I	\$8,161	\$8,325	\$10,559	\$11,004	\$3,276
J	\$5,728	\$5,843	\$7,451	\$7,897	\$3,276
L	\$9,847	\$10,045	\$12,794	\$13,688	\$6,685
M	\$12,540	\$12,792	\$16,226	\$17,320	\$8,423
N	\$11,461	\$11,692	\$15,018	\$16,207	\$7,800
P	\$9,466				
V	\$10,044	\$10,246	\$13,050	\$13,962	\$6,819