Speakers

+ Hannah Levy, School Financial Adviser, Otago & Southland (right of screen)

+ Nneka Okonta, School Financial Adviser, Hawkes Bay and Tairāwhiti (left of screen)

+ Alan Smith, School Financial Adviser, Waikato (not on screen)

Nneka Okonta >> Tena koutou, kua haere mai nei i tēnei wahi. Whakataka te hau ki te uru. Whakataka te hau ki te tonga. Kia mākinakina ki uta. Kia mātaratara ki tai. E hī ake ana te atākura. He tio, he huka, he hauhu. Tihei mauriora.

Hannah Levy >> Welcome everybody, and thanks for coming along to our session on managing school finances. We will be covering banking staffing and also budgets, forecasts and cash flows. I am Hannah Levy, and I am the school financial adviser for the Otago and Southland region. I am joined by Nneka Okonta, who looks after the Hawkes Bay and Tairāwhiti region, and currently the Bay of Plenty region as well. So, thanks once again for joining us, and one more thing, we have had some wild weather, in Wellington today, so if for some reason we go off-line, we will pause the display and let you know, but it seems to have settled down so hopefully we will be fine.

Alright so our objectives for the session today are to attain a greater understanding and appreciation of banking staffing and how to manage your staffing successfully. And some consideration for managing the operational budgets and cash flows. So today we are going to cover what is staffing, teacher salaries or banking staffing, ways to manage your staffing, common financial risks with staffing, what to do when it starts to go wrong, and managing operational budgets and cash flow. For this session, we ask that if you want to ask us a question, that you put it in the chat function, and we will respond to those at the end of the session, and we’ll try to make sure we cover all of them off. And we know who is attending, so we will send out the copy of the slides after the session, possibly early next week.

What is school staffing? There are two types of employees in a school environment. The teaching staff, which are obviously the people employed directly to teach students, these are funded through the Teachers' Salary Grant. The ministry pays these salaries on the school's behalf, and no money goes through your bank account for these. Support staff are people employed to support operations of the school. They are funded through the operational grant provided to the school, and these are wages you pay out directly from your school bank account. Only staff employed under a teaching collective agreement can be funded via the Teachers' Salary Grant. All other staff who aren’t teachers have to be funded through Operations Grant. EdPay, which you may have known previously as Novopay, is a system established to manage that payroll. So the expectation is that all boards use EdPay for their teaching staff, in fact it's compulsory, and generally that is used for other staff as well. However, there are instances where you can obtain permission from the Secretary of Education to operate a local payroll.

So teacher salaries, otherwise known as banking staffing. Teachers' Salary Grant is also called the teaching staffing entitlement. So it's the annual entitlement, the annual staffing entitlement for employing teachers and includes curriculum staffing, management staffing, guidance staffing, salary units, and senior/middle management allowances. As I said before, the school doesn’t receive the funding directly. Rather, the ministry pays on your behalf and it is managed by a record called banking staffing. Banking staffing is how to manage the use of your staffing entitlement. Sometimes during the year, you might be over, and sometimes you might be under, and the idea is at the end of the year you balance to nil, the end of the day being period 26, which usually falls around 31 March. Banking staffing gives you flexibility, it allows you to decide when to use your staff.

The other type of staffing is bulk grant staffing or board funded staffing. This is the other source of funding for staff. Generally, it is all staff other than the centrally funded teachers, and as I said before, this is funded through the ops grant. So, the cost of bulk grant funded staff is represented by the combination of any banking staffing overuse, administration and property staff, learning resources staff, so that’s relieving staff and teacher aides, so other than teachers. Locally raised funds’ staffing, and international student and hostel staff.

A school may elect to fund a teacher from bulk grant rather than teacher salaries. And this usually happens if they are wanting to manage their banking staffing position down, maybe they have an overuse they want to reduce. So, therefore, they put a teacher onto bulk grant for a period. We talk about bulk grant and ops grant, both of those words are used interchangeably. Another reason they may put a teacher on bulk grant is because the school has decided to employ an extra teacher above and beyond the staffing entitlement that’s assigned to them. I will now handover to Nneka for the next couple of slides.

Nneka Okonta >> Thanks Hannah. Hannah referred to the staffing entitlement, you will want to know what that is. Every year about September we communicate the provisional staffing to each school. That’s usually based on the July roll, so looking forward to September 2022, you will do your July roll return this year and based on that, plus other network information, and sometimes we can incorporate feedback from the individual schools and kura, all of that will put together what our forecast is for the number of students your school or kura will have next year, 2023. Based on that you will have a provisional staffing entitlement that is communicated out. If you were here last year, you will have seen that came out through the secure data portal, and this year, it's very exciting, we’ve got Pourato being launched and the 2023 provisional staffing will go through there. I’m excited by that because I think it’s going to be clearer for schools and kura to see their entitlement. So that’s great.

Meanwhile, what does that mean in real life? Say we thought you would have 100 students. And then next year rolls around and some of those families move out, so you will know it is moving day today, and your school might have some changes due to that. Well, your staffing entitlement will not go down. That’s guaranteed and that gives you that stability for your staffing in the following year so that you know if you employ someone, be that fixed term or permanent basis - based on the provisional staffing, then that gives them that security and the school that security.

However, a little proviso here - that applies to the staffing, but not to the operational grant. So if your roll did go down, if you have fewer students, then you will be getting less money in the next operational drop. Just bear that in mind when you are looking at budgeting and forecasting, we will return to that later on in this presentation. If it’s the other way around, if you get an increase in your roll, then let us know and you may be able to get an increase in your entitlement. I say maybe because you might have one more student, and it doesn't tip you over into the next band or you might have 20 students, and that is another classroom and another teacher. It’s a pretty straightforward application, just filling in a form, and that will either go to the regional office if you are a primary or composite school or Resourcing national if you are a secondary school.

So you’ve got your staffing entitlement, and what does it mean? We talk in terms of FTTEs, that’s full-time teacher equivalents. So if I am a teacher, working full-time, I am 1.0 FTTE. And if you are seeing a decimal or a fraction, then that is showing part-time. If I was only working 2 days a week, for example, that would be 40% employed, and that would be 0.4 FTTE. As I said earlier, that is based on the number of students, but you also have some additional staffing if you have students with additional needs, for example. You would have additional staffing for that. There may be reading recovery applicable to your school. And you might be looking after students on behalf of the special education units in the area.

So, let's look at that in a bit more detail. What does a full-time teacher actually mean? So we look at one pay period meaning 14 days, it’s 2 weeks, of course you are all working 7 days a week. No, just kidding! We look at it in terms of a 14 day week, that is the 0.07 that you’re are seeing there. Don't worry about memorising these numbers, we will be sharing the slides. But that is just to flag that it is slightly different for relief teaching staff, because they are based on 50 hours over 10 days. They are just Monday to Friday, and it’s the 1.368 FTTE. Again, more numbers you don't need to memorise, just to be aware that they are different bases, and just to have a quick look, especially if you are getting tight on your bank staffing. We, meaning the advisers, are always here of course, if you did have a query. So don't worry about that.

So, how does it work? You’ve got your entitlement, but what does it mean on an everyday basis? It's every pay period is a fortnight, 2 weeks, and you might underuse or overuse each pay period. Say for example, I have a staffing entitlement of 10 FTTE, 10 teachers. But I am actually using 11 at the moment. Then I would call that an overuse. If I only had 9, that is what we are calling an underuse. The bank staffing runs from, we are calling it the end of January, but is effectively the beginning of term 2. To end of January, sorry, term 1 of course, just checking if you are listening. To end of January the following year, 26 pay periods. And the idea is, if you can, to get to a nil position by the end. There is an adjustment period at the end and Hannah will talk through how the calendar works in a couple of slides’ time.

There is some flexibility. You can anticipate up to 10%. So that is overusing by up to 10% of your staffing entitlement, or save it up to use later in the year. You might have for example, a certain time of year when you are expecting lots of new entrants, and you might want more teaching staff on board at that time. Or there could be times of transience, I'm not sure how many of you will be affected by moving day today, but this might be a time when you want to have more teachers on. Or it could be training for your current staff, or well, whatever you can think of that you might want to use more teaching for. Our hint here is to use it on a full year basis. So don't panic if you have overused or underused in an individual pay period. We are looking at the full year. OK.

So you’ve got your entitlement. You have your bank staffing report out of Novopay. Sorry, EdPay now. And you have a 1.0, if somebody worked full-time, that is 26 FTTEs for the year. When you are looking at the overuse for your year to date, say it said 3.5, that is the equivalent of 3.5 teachers for 1 pay period. If you imagine you had 3 teachers for 2 weeks and 1 teacher just for a week, that would be 3.5. Now what happens if you are overusing and underusing, what does that mean in dollar terms - the bottom line? If you are overusing, then we claw that money back from you, we are not that generous. That is $83,500 plus GST.

But if it is the other way around, you will see we would not give you that, we would only give you $66,500 plus GST, and on top of that, we are going to cap it at a maximum of 10% of your annual entitlement. Let's say your entitlement was say, 40 FTTE, and you only use 33, what’s the difference between 40 and 33, 7. OK, great, you're going to reimburse me for 7 FTTE, we would say "No, we won't, because 10% of the 40 entitlement, is only 4." So you only get reimbursed for the 4 FTTE. Why am I telling you? To beg you, please use up all your entitlement, use all the ministry funding you can before you start using your own money. Just a reminder again, that is $83,500, for the overuse. So it's worth watching. Hannah is going to talk you through how the bank staffing year works.

Hannah Levy >> Thanks, Nneka. The banking staffing year works, taking into account three different year ends. So the first is the calendar year of course, which is January to December. That is also your financial year. The second is the teachers’ pay year, around the end of January, to the following January. This is where teachers get paid through to, for example, if a teacher left a contract and moved on at the end of the year. Then there's also the IRD taxation year, that finishes at 31 March. The difference between the teachers’ pay year and the IRD year is from February to March. That’s called your adjusting period. So really, ideally, we want to balance up to nil on your banking staffing, by the end of the teachers’ pay year. But you have a second chance in that adjustment period, if you haven't balanced, to do so. This is often a time where you might have less staffing, because you might have had fixed terms that have ended at the end of last year, and you're not immediately replacing them.

So, we do have a handy calculator, a staffing calculator, which allows you to assess if you have additional students on your roll, how this might impact your staffing entitlement. As Nneka said, if you increase your roll at a certain point, you are entitled to extra staffing. You can use the staffing calculator in order to estimate where these changes might occur. Please be aware that is just an estimation tool, and it's not the actual. If you do apply for additional staffing due to an increase in roll, the resourcing team will be able to give you the exact number. So, when you fill in the calculator, just be aware that if you have got Maori medium immersion students, put them in a separate line to the regular. The regular should be everyone except for the Maori immersion students. And the Maori medium immersion students should be on the other line. We put a link to this calculator on the slide, so that when you get the slides, you can tap into that.

Nneka Okonta >> Sorry, Hannah, I just picked up on whether you are testing people listening. Your regular roll includes everybody and then the Maori medium immersion will be the same or fewer.

Hannah Levy >> Oh, I’ve learnt something today. So the other tool that is available to you, is a banking staffing modelling spreadsheet, which is available on our website at the link below. That is basically a tool that you can use to protect your Banking Staffing, and so you put in your data year to date, and what you think you will be using, against each employee line, for future. And you can see whether your balance to 0, and if you want to run a few different scenarios, you can play around with those forecast positions. If you want to do some modelling and you're not sure where to start, please reach out to your school financial adviser, who will be able to help you.

So, does it really matter? Does anybody look at this? Yes, we do. On a fortnightly basis, we get a report (we being various people in the Ministry), which shows the year-to-date position for each school. The key information in the report that we use is the Banking Staffing usage, both in dollars and FTTE; and the board funded staff as a percentage of ops grant. The reason we look at the second indicator is because if you are using a lot of your ops grant on board funded staffing, it presents a financial risk to the school, because there is less money available to cover other costs like curriculum or power costs. So we review the Banking Staffing regularly, and within the last year, we have also begun to follow up on a quarterly basis, schools which are over 10% of their staffing entitlement. The reason being, we are concerned that schools might get themselves into a lot of debt, which they can't afford.

So what we do, we follow-up with those schools on a quarterly basis, just give them a ring to find out if they are aware of their Banking Staffing position and do they have a plan to get to nil? If they are planning to continue to have an overuse, can they afford that? You want to be less than 10% of your staffing entitlement by the end of the balancing period. And you definitely only want to only have...ideally, you would prefer to balance to nil. So you may get a ring from your school financial adviser, if you are in that position. Just to let you know that. The other thing we do keep an eye on, if a school has a particularly high board funded staffing as a percentage of ops grant. For example, the average is different, depending on the type of school. For example, the average is 60%. Annual usage is 90%. Then we might be giving you a ring as well because we are just concerned that you are spending more than you are being funded.

So, staffing, what can go wrong, and how to avoid it? Potentially, one thing that can go wrong is that you can overcommit school resources. When you employ staff, be sure of how you’re going to pay for them. There could be delays and paperwork switching between teacher salaries and ops grant, therefore paying people from the wrong bucket. If you find that there's been a mistake there, you can go back to Resourcing to get it corrected. But please be aware that it becomes problematic to fix it up retrospectively, if it happened too long ago. Just get onto those as quickly as you can. Sometimes there is training required, and if you have one person on staff who is an expert on payroll, make sure that somebody else understands that information as well. If anything happens to that key person, you are able to continue to pay a staff and manage your payroll appropriately.

Another thing that a school can go wrong with, is not having the money to replace the Banking Staffing, to repay the banking staffing debt on 1 July. As Nneka was saying, we have given you the overuse rate (the recovery rate) and the reimbursement rate. What happens, on 1 July of the following year, which is when you are given your July ops grant, it is adjusted for the Banking Staffing closing balance. For example, if you are in an overuse position at the end of 31 March, and your first of July ops grant, the ops grant would reduce by that value. Whereas if you are in an underuse position on 31 March, on 1 July you get some extra money in your ops grant. We keep an eye out, and you should keep an eye out, if you do have an overuse at 31 March, you can actually afford to get a bit less in your ops grant.

Another issue is potentially lack of monitoring. So you need to make sure that the payroll sheets are signed each fortnight by the principal and someone on the board. You can use an email signoff, but it needs to be really clear and show your auditors that you have done those reviews and you have checked some of the key information. As for the key information, there is some guidance on EdPay about what particular things you should be looking for as you are reviewing the payroll. Another issue is when the principal and the office staff don't advise the board about their Banking Staffing position. They get a nasty surprise at the end of the year. It's really important that the board be kept informed every month at a minimum, about what the Banking Staffing position is, and how the school is intending to balance to nil.

Some tips for stuffing success. Have the right person for the job. Be aware of pay period 19. In pay period 19, there are certain staff who may be paid out holiday pay. If you have someone that is fixed term, ending their contract, and also, so this could affect your Banking Staffing. Say for example, you might have two or three FTTE against a particular employee, in that pay period 19. This can also affect your ops grant, because you might have a staff member who was on ops grant, who is paid out holiday pay in the period 19, and this will result in a larger amount of money being deducted from your bank account in that particular fortnight. Make sure you enter the holidays and sick leave as these occur. And just a reminder, as Nneka was saying, the 2022 recovery rate is $83,500. If you're funding any additional staff, make sure you are very clear on how that staff member is funded, and if it is not budgeted for, bring it to the board to discuss. Ideally, you wouldn't want to spend anything that you haven't budgeted for.

So, monitor your staffing levels and costs, compared to budget. And report on your Banking Staffing and board funded staffing to the board monthly, as I was saying before. Forecast your expected usage and update your forecast regularly. And re-forecast if necessary. You can use a number of tools, including the ones I showed you on a previous slide. You need to remember that NZSTA are your primary HR experts, they are there to help you with any staffing challenges and related employment issues. Of course come and talk to us as the school financial advisers or service providers, if you have any concerns about staffing from a financial point of view. Finally, don't give out your EdPay password to anyone. Right, I will hand over to Nneka, and she will take us through managing operational budgets and cash flow.

Nneka Okonta >> Thanks, Hannah. Of course, staffing is the vast majority of your spend. But there is more to think about as well. What is key? It’s what is important to your school. Aligning spending with the strategic goal. What that means is what is important to you, your board, your community, your whanau. And you need to put the money aside for what you think is important. We in the Ministry don't dictate that, that's up to every local school. For example, if you believe that your ākonga, your students in a particular help with maths this year, then you would put money aside for maths resources. If you have a highly localised curriculum for example, that needs to be funded as well, you need to put money aside in the budgets for those. When you're looking at your budgets, also consider spending all your money. Is there value in having $1 million in the bank, that’s what we’re saying here, but the students are not reaching their potential? We all want to have money set aside for a rainy day. But just remember, today's money is for today's children. That is our remit.

There are three main revenue streams. Operational funding from the Ministry, the majority of your income for your schools and kura. Locally raised funds, which include donations. Either from the Ministry, if you’re in the donations scheme, or it might be donations from parents and caregivers or from local businesses. And then you have sales of goods and services. That might be literally buying items in the technology class, the take-home component. Or you might do some fundraising with a sausage sizzle, something like that. They are purchasing something to take-home.

Now you'll be aware that school planning and reporting is going through an improvement process at the moment. But the fundamentals remain the same. You'll have the school's charter or plan, what is important to you and your families, your community. As part of that, having strategic financial goals, I can't answer that but something for the Board to think about.

So, how do you make this work? How do you literally align your spending with the strategic goals? That is all about budgeting. We do get some questions about deficit budgets and what that means, so you were receiving $100,000 from the Ministry as an operational grant, and then you are planning to spend $110,000. That is what we call a deficit. If there is a reason for that your board have understood and agreed with, one example might be well, we had put some money aside for a major school trip. That got cancelled with COVID and all those travels, but we still want to do that. So we raised the money last year, we are going to spend it this year, that means there is a deficit this year. And that's fine. If we were looking at doing that every single year for no reason other than "Well, we just want to spend more money than we are getting in", if you imagine every pay period if this was in your household, you are spending more than you were receiving, that’s fine for a little while. And then eventually you will run out of money, and it's not a very happy state. Just think about that, how long can you sustain this course of action? It could well be very valid, another example is roll drops. If you are expecting the roll to increase, you might have housing developments that are coming, you are expecting an increase, or your feeder schools have got a bulge coming through, and you want to keep your staff on, your board might decide they would rather keep funding those staff and hence a deficit budget, rather than lose those staff members and then have to try and recruit when the roll comes back up again. That would be another valid reason to have a budget deficit.

You have your budget. Now what? We are tracking the budget as we go along. Ideally each month you will be reporting back to the board looking at actuals versus budget. And reporting back on why there are variances, there could be reasons for that, you might have put aside budget for swimming lessons for example, and the swimming pool is closed, and we can't get the students there. So then you’d see an underspend on that swimming budget. Or you might have thought that all the children would play hockey, and they are not, they are going to do basketball. You might have a little up-and-down, and very similar spend. Or you could have a boiler breaking down that you hadn't anticipated, it was a lot more expensive, so you might be using more in maintenance in that period then you would have expected. Just highlight that to the board so you can see the overall picture still looks good.

You have changes from what you expected. Can you re-budget? No. The budget is fixed, that your board has approved. You can re-forecast. We like to suggest you look at this, say once a year, and coming up quite nicely say next month, July, is when quite a few schools and kura will sit down with their financial service provider or your in-house provision, and just have a look, what has changed since you set that budget? You could have different rolls, different students, different needs. Just look at what has changed and see why you need to change the forecast and where you are going to spend the money for the rest of the year, just check in that you are going to land in a good place for your school or kura.

The elephant in the room of course, COVID. And that has caused a lot of changes. And so just around keeping an eye on that, very hard to forecast, absolutely appreciate that. You might need to start making difficult decisions and looking at what does the new normal look like. Is hybrid learning going to be something we move to? All sorts of things.

So, we’ve got our budget. Then what happens? We talked about re-forecasting. And why is that so important. So you can look at, like I said, where we are going to end up at the end of the year, but you can also use it to predict what would happen. So if for example, "Should we get a school van then?" OK. What does that mean? If we have lease costs, where will that leave us by the end of the year? What do we think the repair costs might be if it is secondhand? Who’s going to drive the van? We will have to pay them. And all of that could be perfectly fine, but just so the board is kept informed. What does that mean, and how long can we afford to do it? How long are we committing ourselves if we can only afford to do it for a year, but we are signing up to a three year agreement, then that is not ideal. It could be the other way around. That you are in a bit of a sticky position at the moment, and you can look at how long you need to batten down the hatches. How long do you need to tighten your belt until you can change the current position.

What should you be forecasting? There is income and expenditure, the overall picture. But also staffing, you have gathered already from the contents of this presentation how important we think it is to look at staffing entitlement and your board funded staffing. So yes, the entitlement is paid for by the Ministry, but that overuse would come out of the board, the board money, in the end, if it is an overuse. On top of that, there is cash flow. So it could be that everything looks rosy, we have got plenty of assets in our long-term funds. But do we have the cash to pay for things? If we are looking at our forecast and everything tees up nicely by the end of the year, but we get to August, and we haven't got the money left to pay the staff, and don't panic, the staff that are on the line, that would always go through. But you would have another debt to the ministry as another piece of admin you don't need. So cash flow forecasts on a positive side can also identify when you have extra cash available, when’s a good time to take advantage of any sales, to purchase new assets.

And so again, just to re-emphasise, planning, budgeting and forecasting, it's all to help you achieve your strategic goals that are important to your community. So looking forward, we can think of a school as a small to medium enterprise, or a household. It's the same. You need to plan for tomorrow as well as planning for today. So things that might not happen every day, and not even every year, cyclical maintenance, we have to paint inside and out at least once every 10 years. But you don't need to paint the whole school at once. Are you going to do one block at a time? Can you time it so if we have a new roof coming, can some of the work be done at the same time? Ideally your board will be looking at your cyclical maintenance plan once a year. So we have seen a lot of costs go up with contractors and construction, and just to make sure we are still in the ballpark for a reasonable estimate of what that cost would be. We don't want to be getting a nasty shock.

Replacing assets, would be great if assets lasted forever, but they don't. You would need to replace devices for the students, even the chairs and tables, televisions, so it's good to have a plan of when we are going to purchase those and again, you will need money put aside for those. You will see depreciation in your accounts. Quite often asked, what's the point of that. That's recognising using your assets that last longer than one year. The assets you do have, who’s looking after those? We need money for maintenance. Things won’t go wrong every year, but it's just looking further ahead.

Say you have a schoolhouse, when work needs to be done, it won't happen every year, but when it does you will know about it, and it will probably be expensive. Put the rent money aside and make sure you keep up-to-date with those tenancy agreements and various laws and regulations. Just a shout out to our property advisers who can help you with that as well if you are struggling to get hold of your property consultant. And a 5 year plan. And that’s maybe looking at demographic changes in your area possibly. Or just where the school wants to go, you might be looking at moving in a slightly different direction, moving towards a more localised curriculum, for example. And how your financial roadmap ties in with that.

If we were going to summarise this very brief run through of operational funding and budgets, I would say it would be failing to plan for the future is a plan to fail. Very dramatic, but we can help you with the planning. And that is all from us on the content. I will hand back over to Hannah to take us to the next piece.

Hannah Levy >> Thanks, Nneka. Now, as we said before, there are several of our school financial advisers out there around the country. And this is a list of our financial advisers currently and which region they look after. There is also a list under Managing school finances on the website. And that includes the phone numbers and email addresses as well. So as we said before, if you have specific questions about any of these topics that we have covered today, specific scenarios that you want to talk about, then contact your school financial adviser in your region. However, of course, we have got some time to take some questions today. So we have got Alan Smith, the school financial adviser for Waikato, he has been on the line keeping track of the chat. He is just going to let us know what some of those questions were coming through for us to respond to. Thanks, Alan.

Alan Smith >> Kia ora. We have a question here from Rachel, with regards to school roll. She has asked at what date you I need my roll to hit to keep my current staffing for next year and not to lose teachers?

Nneka Okonta >> Kia ora, Rachel. That's a great question. As I mentioned, it’s the 1 July roll return that drives a lot of our provisional roll calculations. However, if say your roll at that time was, I'm not sure of your school, but let's say 40 students and you knew there would be a huge influx in August. And they would stay for the following year. We do have a process where you can challenge the provisional roll. So we can take that into account. So even if you have missed that key date, it can still be reviewed. In the worst case scenario, that it doesn't go through, then as soon as you have your level of students above the 51 for more than 10 days, you can apply for that roll increase we talked about. And if that happens at the beginning or if you still have that 51 students at 1 March roll return, we’re talking about first of March 2023 now, then that will be backdated to the start of the year. Now, of course when it comes to hiring teachers, you want that certainty and would rather have it in your provisional roll. I encourage you if it hasn't come through, 51 students by 1 July, to go through that provisional roll challenge process. And your school finance adviser and your education adviser can help with that as well.

Alan Smith >> Thanks. The next question is "Is the additional relief teacher funding still available in term 2?"

Hannah Levy >> Yes. The additional relief teacher funding for COVID related absences. For term 1 that was reduced from 8 days to 4 days, and yes, that has been extended to term 2 as well.

Nneka Okonta >> Could we also take the opportunity to mention you may have noticed the website that was talking about the term one funding is currently not working, and that is because it is being updated to tell everyone that it is being extended to term 2, we are hoping that will be up by the end of the week.

Alan Smith >> Thank you, Nneka. What happens if we don't get under the 10% by the end of the balancing period?

Hannah Levy >> So if you don't get under 10% by the end of the balancing period, then you will be contacted by your school financial adviser. Once again, we will, if it is the first year you have been over the 10% by the end of the balancing period, then we just send out a letter to let you know that we are concerned about this position. If you were to repeat that in the following year, then we would need to provide you with some additional support around that.

Alan Smith >> Great, thank you. And what if I want to talk through my school situation in more detail?

Nneka Okonta >> Great question. We are here, we being the school finance advisers, are just dying for an excuse to come out and have a cup of tea with you and talk through your school's individual situation. Or if you would prefer an online hui or phone conversation, we can do that too.

Alan Smith >> Great, thank you. The next question is "Where do you find information about the roll count for each new staff member? I have 174 pupils and 7 teachers. What roll number do I need for an 8th teacher?"

Hannah Levy >> Do you know the answer to this one, Nneka?

Nneka Okonta >> I will refer back to your slide, Hannah with the excellent staffing calculator. I'm not sure what kind of school the questioner is referring to, and the reason I say that is because if it is a primary school, you will notice we give a higher proportion of teachers to students for the younger years, obviously they have more needs. And so you can just plug your numbers in, have a little experiment. Say I got 20 more students in year 7, say. And see when that clicks over. So unfortunately we can’t give a standard answer to that because it does depend on your year groups. And if you have got Maori medium provision, this is a slightly different calculation there as well. We’ll share the link and you can pop your numbers in and see what happens. You can also contact your education adviser or the school financial adviser, if you don’t feel confident.

 Alan Smith >> Thank you, Nneka. I have also put a link to the MOE website, where we have the ratios, student and teacher ratios for each level. You can have a look at that too. I think we are waiting for a couple more questions to come in. We will give it a bit more time.

Nneka Okonta >> In the meantime, Alan, we had some questions in yesterday's session that might be useful to reiterate here. Someone yesterday asked about holiday pay capping. Which isn't something that comes up very often. That could be where someone has been at the school, only for a short time, and their holiday pay is paid out. And schools may worry that they are suddenly going to be paying for that teacher’s holiday pay, accrued over a significant period of time, but they only have the benefit of that teacher for one term. The answer to that is don't worry, it will be capped automatically. On the rare occasion that it hasn't been capped automatically, you can apply for that to be removed. We have a form for that on a website.

Hannah Levy >> Just be aware, in that scenario, that you will see the full holiday amount coming out in the SUE report, but check your Banking Staffing, because it’s your banking staffing where the capping is seen. It is only if you have seen that that your Banking Staffing hasn’t been adjusted, that you need to follow it up.

Nneka Okonta >> Great point. Thanks Hannah.

Alan Smith >> Good. Doesn't appear to be any additional questions coming through the chat.

Hannah Levy >> Hopefully everyone is still awake. We will hold on for a couple more minutes, in case someone is typing or got called away and is back with a burning question that they need to squeeze into the chat.

Alan Smith >> I have one here from Sasha. When you add the MMI to the role count for FTTE, what level of MMI are you needing the teachers to be? Is it just for level one? And two?

Nneka Okonta >> That's a great question. There are four levels of the Maori medium immersion education, depending what proportion of time is spent in Te Reo versus English. And there are levels 1 to 4. For staffing, it's levels one and two only that you’d be counting in the Maori medium numbers for the staffing calculator. Please note that there is additional funding for all four levels, when you're looking at the funding. So, there’s also a funding calculator link on the same page, you can drop your numbers in there. Of course, there is much more funding for levels one and two, but still worth seeing what happens when you have levels three and four, from a funding point of view.

Alan Smith >> Thank you for that, Nneka. The next question we have is that you mentioned a new portal where we can see staffing entitlement. Is this replacing the secure data portal?

Nneka Okonta >> Thank you. (Laughs) Yes, I did. Pourato, which I'm excited by, because I'm a nerd. We do have a sandpit, we can click on a link and have a look and preview of what that will look like, and we will include that in the information we share. But yes, I don't think it will replace the secure data portal in its entirety. Right now, you get your funding notices and staffing notices through the data portal. Sometimes it's a little bit hard to see what that means, and what the impact is or you have submitted a staffing increase application, and you're pretty sure it has gone through, but you haven't seen anything in the portal. Pourato is going to be much more responsive, and you will see changes much more in real-time. You can flick back to see what it was previously, it will be a lot easier to see what is going on. Like I said, we have the sandpit so that you can see what is going on, and we would appreciate feedback on what it’s like, as the sector, to use that. We do have sector feedback groups, don’t worry, we're looking at that. But all feedback is welcome.

Alan Smith >> Great. The next question is how can we access training for our accounts manager please?

Hannah Levy >> For this one, depends on what sort of training you are talking about. So, if it’s to do with our finance training, you can contact your school financial adviser or if you have an accounting service provider, they might be able to help as well. We can provide training. We have Finance 101 sessions, that we can take an office person through. If it's to do with using accounting systems such as Xero, you would normally talk to your Xero contact person, who works for Xero, who would be supporting the system. Those are some of the avenues that you can pursue.

Nneka Okonta >> And there is also NZSTA.

Hannah Levy >> Yes of course.

Alan Smith >> Great, thank you. The next question is from Sharon. What is the difference between paying relievers as PPTAH or a daily reliever rate?

Nneka Okonta >> Great. For those that don't know, the additional hours. It's called something slightly different for the secondary school teachers, but is the same principle. Say I was working in room two, and I was asked by my principal to stay on, that would be additional hours. If Alan was supposed to be in room three, and he calls in sick, and I’m asked to go and look after room three, I'm a relief for Alan. Therefore I should be paid DDR, day relief. The reason that is important, and I'm glad this question has come up, in the collective if you are paid additional hours for more than four weeks, that has implications for your agreement with that teacher. They or you may not want to be increasing those hours on a permanent basis so it’s good to get that correct if you can. Again, NZSTA are on hand with free employment advice, as Hannah mentioned. I encourage you to take advantage of that.

Alan Smith >> Thank you. Next question. They have asked we were staffed on 278 students for 2022, but on March return, we are now stuffed at 253. Do we start applying for extra staffing, once we hit 256? Or do we need to wait until over the original of 278?

 Hannah Levy >> So, if you are currently below your provisional roll number, then your staffing wouldn't change, until you hit or go beyond the provisional roll number. You wouldn't need to apply for additional staffing, until you have exceeded that provisional roll number, which is 278, in that example.

Alan Smith >> Fantastic, thank you. Give it a couple more minutes, I think there may be some more questions coming through.

Hannah Levy >> Wow, lots of questions today. It’s really good.

Nneka Okonta >> Just trying to think about the questions that came through yesterday, that haven't come up today.

Alan Smith >> They asked, would it be worthwhile waiting until November for the extraordinary roll growth?

Hannah Levy >> In the previous example?

Alan Smith >> Yep.

Nneka Okonta >> For the extraordinary roll growth, that's around funding as opposed to staffing. For the staffing as soon as you are over that next step, for 10 days, I encourage you to apply for the additional staffing. But in terms of extraordinary roll growth, there is a specific period that you have to apply. Depending on what type of school you have, there are certain thresholds in which you can apply for the extra funding. It is on our website, and I will include the link when we share the information from this presentation. But, yes, if you are eligible for that funding, please apply.

Alan Smith >> Cool. (Pause). The chat is busy, there may be some more people posting. I'm just waiting.

Nneka Okonta >> In the meantime, we had a question yesterday around having multiple property managers. We weren’t sure if that meant property consultants or changeover of staff, or in the ministry with the property advisers. Just a reminder, we are one team at the Ministry, and if you're struggling to get hold of your property adviser, feel free to reach out to us, the school finance advisers, or your education adviser, and we can help you out and find someone who can answer your questions.

Alan Smith >> Thank you. I have a question here. Roughly how many children over, before you start applying? I think this might relate to...

Nneka Okonta >> Roll increases for additional staffing? That handy calculator that Hannah shared, pop your numbers in there. As soon as it clicks over to something worthwhile, that is the time to apply, of course after the 10 days. That will depend on your school. You might be hanging out for an extra teacher, so you'll be waiting for it to flip over to another FTTE. Or it could just be that another day’s relief for you is worthwhile having. So then it will be a smaller gap where it ticks over and then it's worth applying. It's all about what’s going to be worth it for you, and if that means applying to the Ministry every 10 days as you increase, that's fine. Bring it on. Get that staffing!

Alan Smith >> Great, thank you. Can you explain the vandalism top up?

Nneka Okonta >> I can take that one. (Laughs) Sorry, Hannah. We have had a few coming through in my area, not sure what that says about where we live. I'm going to choose to assume that it means that my schools are all over it, in terms of making sure they get the funding they are entitled to. You might have seen in your operational grant, there is a proportion of that for vandalism. Of course, that won't be the same year to year, you might have a specific incident. Worst case, say, it was arson, and there could be quite a lot of expensive damage. Or it could be something like wind damage, not necessarily vandalism, per se, but increased maintenance cost over and above what you expected. There is a form on the website, fill that in, and that goes off to the property adviser. If you don't know who that is, reach out to us or your education adviser, we can send you in the right direction.

Alan Smith >> Fantastic. I think we're on to our last question. Can you explain the difference between year one and year one adjustment and the staffing calculator? When using the staffing calculator, should reflect school years level or funding year level?

Nneka Okonta >> Great question. For those who don't know the difference between the school year level and funding level, when we’re funding a school, we have an adjustment which tries to account for the expected number of new entrants later on in the year. Because people aren't going to be turning five all at the same time. They might be, but unlikely. That is what the adjustment is looking at. When you are using the staffing calculator, put in the actual heads and students that you have got, because that's what we need to have been there for that 10 days, to apply for the staffing increase.

Alan Smith >> Fantastic, thank you. I think that was the final question.

Hannah Levy >> Alright, well, thank you very much for joining us today. Just a reminder that we will be sending out the slides following the session. And to contact your school financial adviser if you have any specific questions. I will hand over to Nneka, and she is going to do the closing karakia.

Nneka Okonta >> Thank you. Kia tau ki a tātou katoa. Te atawhai o tō tātou Ariki a Ihu Karaiti. Te aroha o te Atua me te whiwhinga tahitanga. Ki te wairua tapu. Ake, ake, Āmine

(Music plays)