



Briefing Note: Monitoring of School Donations

To:	Hon Chris Hipkins, Minister of Education		
Date:	1 November 2019	Priority:	Medium
Security Level:	In Confidence	METIS No:	1211137
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Messaging seen by Communications team:	No	Round Robin:	No

Purpose of Report

The purpose of this paper is for you to:

Note that the Ministry's School Financial Advice Team will be responsible for monitoring the school donations scheme and section 3 of the Education Act 1989, and that eight School Finance Advisor roles have been created to fulfil this function.

Agree that this Briefing will be proactively released.

Agree / Disagree

Summary

- The Ministry currently has eight School Finance Advisors to support 2,500 school boards and communities. This includes four permanent advisor positions and four fixed term positions (through to 30 June 2020).
- Budget 2019 included funding for an additional eight full time equivalent employees to perform a monitoring and reporting function, covering both the donations scheme and general compliance with section 3 of the Education Act 1989.
- This function will be integrated into the Ministry's School Financial Advice Team, as synergies with the existing responsibilities of the School Finance Advisors. A number of tools will be developed to assist monitoring and compliance activities, centred around supporting schools to get it right.



Coralanne Child
Deputy Secretary
Sector Enablement and Support

pp. 1/11/19



Hon Chris Hipkins
Minister of Education

5/11/19

Background

1. The donations scheme is an initiative introduced as part of Budget 2019, providing decile 1 to 7 state and state-integrated schools with additional funding of \$150 per student, per year, if they agree not to ask parents and caregivers for donations (with the exception of overnight camps).
2. In addition to the \$150 per student funding, the budget bid associated with the donations scheme included funding for eight full time equivalent (FTE) employees to perform a monitoring and reporting function. The monitoring and reporting function will cover both the donations scheme and general compliance with section 3 of the Education Act 1989, as described in the Education Report "Funding for schools in lieu of requests for parental donations", dated 15 November 2018 [Metis 1163756 refers].

The Ministry's approach to supporting schools legislative compliance

3. The Ministry takes an active role in supporting Boards of Trustees to fulfil their obligations under the Education Act 1989 and other relevant legislation. This involves publishing guidance and providing expertise through both regionally and nationally focussed staff.
4. The Ministry will primarily focus on the provision of guidance and support to assist schools to comply with the donations scheme and with section 3 of the Education Act 1989.
5. Service guides, tools and exemplars will be prepared to assist with compliance, focussing on what schools can do, as well as what they can't.
6. If we find a school to be non-compliant with the donations scheme, we will work with them to ensure that they rectify the situation within an agreed time period.
7. In extreme cases, where repetitive or wilful non-compliance is identified, a more formal approach will be employed. This approach could include:
 - Recovering funding from boards that continue to ask for donations while receiving the \$150 per student per year payment (excluding donations for overnight camps).
 - Withdrawing the school from the donations scheme and/or preventing them from joining in future years.
8. In exceptional circumstances it may also be appropriate to enact one of the nine levels of statutory interventions available under section 78 of the Education Act 1989.

School Finance Advisors

9. We currently have eight School Finance Advisors to support 2,500 school boards and communities and to follow up on complaints made about school donations and fees. This includes four permanent advisor positions and four fixed term positions (through to 30 June 2020).
10. The School Finance Advisors are based in the Ministry's regional offices. Each School Finance Advisor supports a portfolio of schools, working closely with other regionally-based teams.
11. School Finance Advisors are responsible for providing advice and guidance to Boards of Trustees, Principals and others with financial responsibility in schools. Their role includes supporting school leaders to understand how their funding works as well as supporting them to meet their annual financial reporting obligations and to implement robust financial management practices.
12. The donations scheme monitoring approach outlined above has synergies with the existing role of the School Finance Advisors. As such, the eight FTE's will be integrated

into the School Financial Advice Team, providing dedicated staff to act as subject matter experts in the area of school donations.

13. The School Finance Advisors will also be available to assist families who have questions about what their school is able to ask them to pay for, and will follow-up any complaints received by the Ministry relating to donations or fees.
14. The additional funding provided in Budget 2019 allows us to provide at least one School Finance Advisor in each region to support school boards with financial advice.

Next Steps

15. Recruitment for the additional positions will commence.
16. Service guides, case studies and exemplars will be developed to assist monitoring and compliance activities.

Proactive Release

17. We recommend that this Briefing is proactively released as per your expectation that information be released as soon as possible. Any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982.