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June 2013

Editorial

Without the interesting articles provided by volunteer authors there would not be an *Associate*. We are extremely grateful for the generous donation of time and talent of these authors, who share with our members articles on a diverse range of topics. Contributors for this edition of the *Associate* include Barry Wallett, Deputy Executive Director of ISCA; Tim Baines partner at the UK accounting firm Crowe Clark Whitehill; retired Bursar and volunteer in an African school, Barry Pepper; David Eitzen, Fund Development Manager at NGS Super; Keith Vardanega, Business Manager at Mercu College; Chartered Accountant,

John Somerset; KWS Rowing founder Joe Donnelly; Louise Davidson, Business Manager St Mary Mackillop College and Catherine Braybon Media and Marketing Manager, St Francis Xavier College Canberra; Shaun Sargent and Wendy Wills who have provided updates on ASBA Professional Development; Deloitte's Independent School experts; and Rosa Piteri from Camp Australia. As always, our sincere gratitude is extended to our sponsors whose contributions cover the costs of publishing the magazine.

On a very sad note, earlier this year we were informed of the passing of former ASBA Ltd Director and SA and NT Chapter President, Michael Backen,

aged 50. A 20 year member of ASBA and long term office bearer at both the National and State levels, Mike was known as one of our true characters and for his insightful commentary and wit. He is sorely missed by the school communities he touched and by his many friends and colleagues around the country.

Best wishes
Sue, Kathy and Kristy

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Cover photograph: A happy student from Roseville College, NSW enjoying life in Year 1.

ASBA Update

From the Chair



PROFILE

Michelle Houwen BBus (Acc & Fin) AIMM CPA MBA, was elected Chair of ASBA Ltd in April 2012, following a period as Deputy Chair and Director of ASBA Ltd, and is the Immediate Past President for ASBA (WA). Michelle has been Business Manager at St Hilda's Anglican School for Girls since 2004.

It's hard to believe we are into winter already!

I hope you had a smooth start to the year and have managed to keep on top of all the changes, be it Australian Curriculum, Commonwealth Funding, National Charities Commissions and their various working parties, Privacy Act, Overseas Students Legislation, Fair Work Act etc... whilst of course still running the business side of your school. You would be forgiven for feeling exhausted already!

Over the summer the national ASBA committee have been working on a number of fronts, underpinned by the recent review of our Strategic Plan. We are hopeful that these will come together at our May Directors' meeting.

Your State Presidents and ASBA Directors have had a first look at the revamped website and the feedback has been positive. We are now in the process of finalising this for launch to members. Some of the chapters are taking up the opportunity afforded by ASBA Ltd to use our Secretariat, and in time the website, to initiate and collect their 2013 Membership Fees. This process will ensure the accuracy of our member database on the website and will save the states time and money.

Like with any website though, once launched it is ongoing maintenance and upkeep of content that really determines its usefulness. The consistent supply of relevant and up to date information is imperative for it to add value. This is one of the challenges we are mindful of and as a volunteer organisation we will continue to rely on our members to provide such support going forward.

One of the more important offerings from your national ASBA organisation is the coming together of professional learning and collegiality at our biennial

national conference. This is one of the few opportunities for Business Managers from across Australia and New Zealand to come together to meet, relax and take some time to listen and learn about what is happening in the broader School Business Managers community.

We all know the importance of ensuring we keep abreast of changes in technology, compliance and other government and legislative areas in our organisations, and the inspiration that comes from listening to world standard speakers, but often the real take away value in these conferences comes in finding the next brilliant idea for your school.

These ideas can take many forms. It might be picking up tips on how to streamline your administration processes and save money, or ideas on ways to provide more meaningful data for your governing body. It might be finding the perfect product for that security or maintenance issue that has been bugging you as you wander through the exhibitors' hall. It might be the opportunity to talk to a few bankers or insurance brokers in one place about what new products or systems are available to ease your concerns.

Personally I find some of the most valuable tips are often garnered when you are relaxing and mixing with your colleagues from other parts of Australia and New Zealand and discussing how they might deal with a problem or situation. There are always staffing issues that can be dissected and new ideas or strategies suggested.

It is amazing how being in a place where everyone 'understands' the day to day pressures you deal with can help you to refresh your outlook and feel supported. It does help of course that

we are always in a stunning environment, and this year is no exception as we head north to the beautiful city of Cairns in Queensland.

The Queensland organising committee have done a huge amount of work to bring to you a first class conference and I encourage you to take the time to join us in September. You can find all the information at www.asba2013.com.au.

See you in September.

Michelle Houwen

National Chairman, ASBA Ltd
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Update

Charities Commission up and running

Barry Wallett, Deputy Executive Director, Independent Schools Council of Australia, discusses the implications for Independent Schools of the functioning of the Australian Charities and Not-for-profit Commission (ACNC).

As The Australian Charities and Not-for-profit Commission (ACNC) is now up and running and following its official launch in Melbourne on 10 December, has been increasing its public profile since that time. They now have their own web site, www.acnc.gov.au, which contains an increasing amount of important information on their operations and particularly advice for current and prospective charities. The Commission has undertaken a range of community consultations around Australia earlier this year, not only to publicise their operations, but also to provide important operational information for charities, including discussions regarding the proposed new governance arrangements.

All schools that are currently charities will be automatically transferred to ACNC from 1 July 2013. However, under special transitional provisions of the ACNC legislation, full financial reporting to ACNC will be delayed for non-government schools until the end of the 2015 calendar year. This is because the funding agreement between the Australian Government and individual independent schools, also specifies that under section 24 of the Act, independent schools are required to provide to the Minister (via DEEWR) by 30 April each year following the relevant program year, a Financial Questionnaire drawn from independently

audited accounts. Section 23 of the Act requires grant acquittal by 30 June in the year following the program calendar year.

Schools should be aware that the general information statements (which are not financial statements) will be required by the ACNC from the end of the 2013 calendar year. Schools that are incorporated as Companies Limited by Guarantee and previously reported to ASIC, their reporting will now be directly

to the ACNC. A draft of the 2014 general information statement is on the ACNC web site.

At this stage, the South Australian Government and the ACT Government have already agreed to amend their charity legislation to transfer all regulatory responsibilities to ACNC.

ISCA has been in discussions with the Commission on a number of issues of interest to independent schools and how the ACNC might interact with the sector over the coming months. The Commission has been asked to consider providing specialised contact staff for the schools sector, school specific charity information and training for AIS staff so that they can run school information sessions as part of AIS training activities. Commissioner Susan Pascoe was supportive of these suggestions and ISCA will continue to work to have these arrangements put in place.

The ACNC has also been asked to consider the issue of substituted accounting periods for all independent schools. The ACNC legislation sets financial year reporting, however allows for a substituted reporting period to be granted by the Commissioner. In regard to independent schools, the current calendar year reporting period is required by the Commonwealth under the Schools Assistance Act 2008, and as such ISCA requested the ACNC consider a whole-of-

“ISCA has been in discussions with the Commission on a number of issues of interest to independent schools and how the ACNC might interact with the sector over the coming months.”



sector approval for independent schools to move from a financial year period to a calendar year, however this was rejected by the Commission.

By now, all schools that are charities should have received a communication from ACNC requesting not only updated organisational information, but also seeking direct confirmation if the school wishes to have a substituted accounting period approved. ISCA strongly suggests that schools reply to this request (by the 3 June deadline) in order for the ACNC to update the schools accounting period to reflect calendar year financial reporting. It will become more difficult to have this request dealt with after July 1 this year.

In December last year, the Government released for public consultation a paper on draft governance standards for charities registered with the ACNC and draft regulations on the new ACNC financial reporting framework. These consultation papers were prepared by The Treasury. The draft governance standards covered six topics, including the purposes and NFP nature of charities, accountability to members, compliance with Australian laws, responsible management of financial affairs, and suitability and duties of those who manage charities. These regulations have now been released in the form of five standards (two have been merged from the draft version)

and reflect a minimum set of basic governance outcomes for registered charities, whilst providing entities with flexibility to determine how they achieve these outcomes in the context of their organisation's particular circumstances.

One positive aspect of the Regulations covers the definition of the not-for-profit (NFP) nature of registered charities. For the purposes of the regulations, NFP has the meaning given to it by the common law. It is well recognised under common law that the delivery of educational services to the community is a charitable purpose and will satisfy the NFP requirement in the Regulations.

continued overleaf

Charities Commission up and running *continued*

Schools are however, advised to visit the ACNC web site and become familiar with the governance requirements of the Regulations to ensure that their NFP purpose is adequately reflected in the schools governing documentation.

The draft financial reporting regulations set out the content requirements for financial reports lodged with the ACNC and also propose to significantly expand the range of individuals able to conduct a review of medium sized registered charities which could reduce on-going compliance costs. The final version of these regulations is yet to be released.

ISCA lodged submissions to both the original consultation papers in February and copies are available on ISCA's website.

The establishment of the ACNC has created a number of additional reporting points for schools because of their charity status and a number of concerns have been expressed by the sector. To address these concerns, the ACNC has set up a Non-government School Sector Reporting Duplication Working Party with DEEWR to work through the issues associated with the removal of unnecessary duplications in reporting requirements for schools. ISCA and NCEC are both represented on the Working Party which formally met for the first time in February. The aim of the group is to work through issues associated with the removal of unnecessary duplications in reporting requirements for schools and offer solutions to reduce the impact of these duplications. The Terms of Reference are yet to be finalised and the Working Party is due to complete its task over a period of twelve months.

The Government has previously stated that it will introduce a statutory definition of charity, via legislation through



the Parliament on 1 July 2013. A draft of the proposed legislation has now been released for consultation and it is understood that it will be introduced into Parliament before the end of June. Overall the definition follows broadly the approach highlighted in the 2011 consultation paper "A Definition of Charity" and is currently being reviewed for its impact on independent schools.

Back in February, the Australian Government announced that it will delay the (already once deferred) start date for implementation of the proposed 'Better Targeting for Not-For-Profit Tax Concessions' measures to 1 July 2014. According to Assistant Treasurer David Bradbury MP, the extension was designed to facilitate further consultation with the NFP sector to ensure that the proposed changes met the needs of the community, strengthen the NFP community and help it grow in the future. Independent schools could have been affected by the proposed changes in the taxation

treatment of school entities that were engaged in associated commercial or revenue raising activities.

It is widely recognised that independent schools operate in a dynamic environment which is influenced not only by changing societal expectations around education, changing demographics and economic circumstances, but also by changing government policy. Schools need to make long-term plans and provisions to ensure their ongoing compliance, quality and viability with any new regulations. The Australian Government's education reform agenda has also had a significant impact on the operations of individual independent schools, including through possible changed funding agreements with the Australian Government. The establishment of the ACNC and the associated changed compliance requirements for schools may require some adjustment by school management to understand over the coming months. ✨



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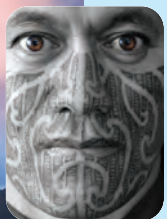
Cindy Shannon

Professor Shannon is responsible for leading the implementation of the Indigenous strategy and strengthening leadership within the University in relation to Indigenous Education.



Jeff McMullen

Dr Jeff McMullen AM is the CEO (Honorary) of Ian Thorpe's Fountain for Youth focussed on literacy and early learning in over 20 remote communities.



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What happens if school fees really are unaffordable?

We all know the argument – school fees have been increasing by more than earnings for nearly 20 years. **Tim Baines** partner at the UK accounting firm, Crowe Clark Whitehill, gives us his personal views on this very real dilemma.

In the latter part of the 1990s and the early part of the 2000s parents were able to afford increases in school fees as their houses were increasing in value, they were in secure jobs and the economic outlook felt good. Even after the credit crunch hit in 2007, parents did all they could to keep their children at private school and anyway, mortgage interest rates were low, unemployment was predominantly amongst younger workers and surely, like other recessions in living memory, we'd be back to growth soon.

Good times would return so parents felt; let's swallow hard and keep paying the school fees.

In 2008, one year after the beginning of the credit crunch, the then Chancellor of the Exchequer, Alistair Darling, gave an interview to the Guardian newspaper in which he stated that Britain was facing "arguably the worst" economic crisis of the last 60 years and that the downturn would be more "profound and long-lasting" than people expected. In his Autumn Statement of November 2012, George Osborne confirmed that the period of austerity for the UK economy was being extended and would now probably last until 2018. Both statements show that the UK economy really is facing a longer and deeper period of 'no growth' than nearly all of us have seen in our lifetimes. Yet few of us have really

"The pressures on the next generation of school parents are likely to be very different from those of the last two generations."

thought through the consequences of this – including many in leadership roles in independent schools.

CHANGING CIRCUMSTANCES OF FEE PAYERS

The pressures on the next generation of school parents are likely to be very different from those of the last two generations. Many or most will have reached 30 with some element of student debt still round their necks and for those now starting out at university they could easily expect to still have student debt (tuition plus maintenance) amounting to the best part of £50,000 at age 30. This is twice the amount I paid for my first house in 1985!

According to a survey by Post Office Mortgages in September 2012, the average age at which people buy their first home is now 35. This compares with age 30 five years ago, age 28 10 years ago and age 24 in the 1960s. We can surely expect this to increase to nearer 40 before austerity is over.

One might not think this is too bad as working lives are extending too but few people seem yet to have connected this to the average age at which couples are having children. This has risen too – but not as fast. In the mid 1970s the average age was 24; it was 27 in 2004 and is now 30. So, when their first child is aged five, and at the point of entering the education system, most couples facing the private/maintained choice will be in their mid-30s and making this decision at exactly the same time as they are thinking about buying a house. Until now, the private education decision has always been after house-buying – but no longer. Few people have made this link yet and in my view it may have very important consequences.

CUTTING YOUR CLOTH

The independent school sector has long argued that private education is very high up parents' priority lists and there is a great deal of factual support for this line. Parents do cut back on nearly everything else – holidays, eating out, hobbies and clothes



even during the downturn, only one year recorded overall pupil number reductions.

However, what if, in the future, the real problem is not the quality of the product but simply that, however good the education, fee-paying is simply not affordable for most parents, or is only affordable at the cost of not buying their own home? In this case, the issue for independent schools is very simple – the cost of independent education must be reduced (or at least increased by less than earnings/inflation), so that it is increasingly affordable. This would be a real cultural challenge for many of our schools. The remainder of this article looks at how schools, and in particular school heads and bursars, might go about tackling this challenge. Assuming a school needs to make reductions in its fee levels, how might it go about it? The following areas are suggestions, based on my experience of schools, particularly those which have had to face this over the last few years.

in order to pay the school fees. However, until now the fee-paying decision has not really been in direct conflict with the one life choice which most Britons view as their natural right – to buy and own their own house. What happens if they do conflict and our next generation of parents have to choose between private education and owning their own house? The jury is out on this one. It would however be foolish to pre-judge the outcome and continue as if nothing has changed, and that is the danger our schools are currently facing.

So, what if school fees really are unaffordable at the end of this decade, or, more worryingly that a greater proportion of parents are making the house-buying rather than the fee-paying choice? How should schools prepare for this?

FACING THE AFFORDABILITY CHALLENGE

In the past schools have often responded to this type of challenge by improving the product. They have reduced class sizes, built better facilities, demonstrated better academic results and provided a whole range of extra-curricular and subject choices. In essence schools have widened the perceived gap between the independent and the maintained sectors and so enhanced the attractiveness of independent education. And, although this has increased school fees by significantly more than inflation and indeed earnings, the evidence is that it has worked. The number of pupils in independent education has increased by nearly 10 percent in the last 10 years and,

A LONG, HARD LOOK AT TEACHER SALARIES

For all schools, teacher salaries are their largest cost. And yet, amazingly, it's an area most bursars have little control over. They may be consulted on the annual cost of living award but are rarely consulted about new appointments, new subjects, additional extra-curricular activities, pay scales, or additional staff benefits. Further, the decisions on 'contact time remissions' (giving reduced teaching hours to carry out other responsibilities) are invariably taken by the head and yet can have profound financial consequences in terms of extra full or part-time teachers needed.

So, if faced with a need to reduce

continued overleaf

Finance

What happens if school fees really are unaffordable *continued*

fees this must be the place to start. Many schools are now, for the first time, looking closely at their automatic increase, performance-unrelated pay scales, which, in some cases can carry on for 20, 30 or even 40 years. Are these still appropriate in an era of a 50-year working life, later retirement and age-discrimination?

Schools are putting in place new pay structures, reducing any allowances which are really just part of expectations and introducing performance thresholds on their pay scales.

Further, schools are re-reviewing their subject breadths, timetables and contact time remissions to seek to make these more efficient. Research conducted in 2010ⁱ showed that contact time remissions amounted to around 10% of time in even large day schools, rising to 15% in smaller day schools and 20% or more in boarding schools. For a large school with a teacher salary bill of say £7.5m a contact time cost of 10% or more would total £750k per annum or a £375k saving if it could be halved. If this was a day school with say 900 pupils and fees of £12,000 per annum such a saving would amount to nearly £500 per pupil – a worthwhile sum.

DO WE NEED A NEW BUILD?

For most schools in the 2000s the answer to this question has been “yes”. However, most schools now have good facilities (and some have outstanding ones) and, if the issue is fee affordability not education quality, the answer could increasingly be “no”. Maintenance is unexciting but can achieve much the same outcome in most schools. I am therefore seeing schools beginning to consider new-builds in a real payback way. What will it cost and what will be saved? Are these real



savings/improvements or are they more cosmetic? Does the education quality outcome really outweigh the capital and on-going revenue cost? As a sector we are surely going to need to develop some better capital project appraisal tools which measure these service benefits and costs much better than before.

RAISING MONEY ELSEWHERE

Many schools are looking properly at fundraising/development for the first time and, if successful, this is surely part of the answer. Asking alumni who have benefited from the school's education, or those parents who can afford to do so, to donate to help the next generation of children, is not just good business sense but part of building a real inter-generational school community, where one generation helps the next, a model many schools in the USA are quite used to. In 2012 I conducted the first detailed survey of fundraising in UK schoolsⁱⁱ and

“As a sector we cannot be oblivious to the major societal and demographic changes happening around us.”

this identified that boarding schools in particular can be very successful doing this, probably with the greater emotional commitment to the school they can draw on. Day schools can be successful too, but the evidence suggests that the real drive and commitment of the head and

governors, the active involvement of the alumni society and a minimum three to five-year investment horizon is essential.

A COST-SAVING CULTURE

The evidence suggests that when schools really do need to reduce costs, most schools do have a well of support from staff to draw on in order to do so. However, when times are good many costs are not really examined as closely as they might be and things are allowed to pass which would not be sanctioned in tougher times. The challenge for school management is to bring in a slightly tougher culture than has maybe been the

case in the last 10 years. Whilst central ordering (or at least greater scrutiny on signing off commitments) can be viewed as somewhat bureaucratic, it is the model adopted by schools which are in trouble and is therefore one which schools should be looking at more closely. Few organisations nowadays have such a wide spectrum of individuals able to sanction expenditure and tighter times may call for tighter measures. More modern IT systems can help a lot here.

CONCLUSION

As a sector we cannot be oblivious to the major societal and demographic changes happening around us. School fee affordability may well become a real issue over the next 10 years, particularly when set against house-buying choices.

We would do well to be sharpening up our act to meet these challenges. ✨

This article has been reprinted with kind permission from Independent Schools' Bursars Association (ISBA)

- i *Teacher Pay and Benefits Survey 2010*
- ii *Building for the Future – the 2012 National Fundraising and Development Survey*

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Our diverse profession

A day in the life of a Bursar – African Style

Tired of the same routine day after day? Fees, budgets, meetings some of which can be incredibly boring and watching the clock until knock off time? When you retire, why not volunteer at an African school – no two days will ever be the same – but the experience will be great. **Barry Peffer**, describes his challenging seachange.



Yesterday started really well. Electricity and water, so a hot shower was enjoyed and then off to school to start work at 7.00am. Students have assembly every day at 7.45am and classes finish at 4.00pm. Oh not again! A power blackout at 8.30am causes frustration. These outages are regular occurrences and really hampers working on the computer. Students need to be given cash to travel to the dentist (45km) or the hospital (17km). One student is suspected of having typhoid so is off to see a doctor (8km) in a 14 seater shuttle taxi which usually means 27 passengers. You become very close to your neighbours, some of which I am sure haven't washed in a week.

Now to talk to the students whose parents haven't paid their school fees – I send for the first one. Another interruption. The petrol for the water pump from the creek has run out and we need more – that can't wait. Being one of only two licensed drivers on site it's a case of loading the car with some 20 litre drums and driving to the nearest village to get some fuel. OH&S! What's that? Back at school. Oh I forgot about the student waiting to see me. "Okay your parent didn't come back with the money as promised so go back home and don't come back until you have the money. No, you may not go back to class. No, you

Right: School outbuildings

may not wait until after lunch, please go now!" Time to get back to bursar work. Oh drat Mr Ludoves Lalushewekja now wants payment for the rice and cabbage delivered today for the students' lunch. One of the problems of a cash economy is you always need to have ridiculous amount of cash on hand to meet all needs. This includes when building, items such as 200 bags of cement.

It's now 10.00am and the headmaster's wife, who is quite unwell so can't drive, needs to travel to Mutable (23km) to collect a pregnant student, Belmembe, who had run away and has been placed in 'protective custody' at the police station. The headmaster is away at a conference so the bursar gets called upon. So off we go to collect Belmembe, along the only bitumen road in the whole district fortunately. Protective custody means a night in the cells. Student comes out in tears and most distraught as she had been beaten with sticks for not mopping the cell properly. If this is

'protective custody' imagine the treatment for a suspect during interrogation. You have to remember this is not Australia.

Police instructions are that the girl has to be taken to Kwaigira Health Centre to be checked for pregnancy and a written report provided. So off to the hospital for the test and into the maternity section we go. It appears that half the town mothers are there waiting with tiny infants. In Africa you have to get used to waiting. So we wait, and wait. Eventually Belmembe is called and the reason for her visit is explained. "I am sorry but we cannot do this test as we do not have the necessary equipment" Imagine! A town of 7,000 and a pregnancy test cannot be carried out at the hospital! Injuries caused by the police were recorded on the form for the police, but police investigating themselves – that's not going to happen. We need to make a photocopy of the form so off to the local diocesan office where we knew they have a photocopier. Sorry no power. We had forgotten they are on the same power line as the school. There is no grid,





Some children walk a long way to school and have to carry heavy bags



Assembly begins every day at 7.45am and classes finish at 4.00pm

just a single line running over 100km. So now we have to travel to Rwebiba hospital for the test. This is a trip of 20km down into the valley, across the swamp, up the escarpment and along the ridge. This would be considered an interesting Saturday afternoon drive for an Australian 4WD club but here is just part of everyday driving. The road grader is sitting on the side of the road with flat tyres and looking more and more like a permanent feature at that spot. The climb up the escarpment would challenge the fittest of athletes but all the locals do it constantly and some students six days a week. We passed three boys pushing a bicycle up one of the steepest sections loaded with two 40kg bags of rice. Better than any gym workout as they probably had about 3km of uphill to go.

At the hospital we speak to a staff member and explain what we want. "Go over there and wait" we are told. Eventually we are attended to and the inevitable form is filled out. Now to the cashier and pay so you can see the doctor. Next to the area where the student is weighed. What this has to do with

pregnancy testing is beyond me and it took six trainee nurses to complete. Oh well, I guess it keeps them busy. Now on to see the doctor and wait. After consultation back to registration who then sends us to the laboratory where we wait. Eventually Belmembe is given a small bottle and sent off to the choo (toilet). Back she comes with the specimen so we wait until the lab has done the test. It's now mid afternoon and we haven't eaten since early morning which was a bread roll for breakfast. So we send the student off to find some lunch. A mewdazi which is like a dry stale donut/rockcake cross is quite welcome. Eventually we are called back to see the doctor and wait again. At last the official letter confirming pregnancy is received. We now need the official stamp of the hospital so back to the cashier and pay for the letter to be stamped. The cashier does not have the stamp though, she will have to take it to the person who does, so we wait some more. Eventually the letter comes back stamped and we can go. It's late afternoon.

Now we have a dilemma. Do we return Belmembe to the police for more 'protective custody' especially with the report showing injuries sustained while in their care, or do we break the law and not return her to them? An interesting discussion topic for a regional bursars' meeting one day. The girl is an orphan with no family so has no one to care for her. By law once pregnant she cannot continue at school so must be expelled.

A lot of discussion with local teachers as to what should be done takes several hours and finally at 10.00pm the day finishes. No electricity and no water and a cold tea. So what's new!

Tomorrow is another day – maybe some bursars' work will get done then.

What I describe here may sound a bit far-fetched, but I assure you it's all true and part of what makes volunteering in an African school both rewarding and challenging at the same time. You really must try it when you retire. ✨

Please note: names and locations have been changed to protect identities.



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Superannuation

Strategy or compliance?

What's your perspective on superannuation?

Whichever way you look at it, superannuation represents a major cost impact on a school's budget. Notwithstanding this, superannuation is seldom at the top of a business manager's list of priorities and in many schools it is viewed merely as a compliance cost, and treated as such. **David Eitzen**, Fund Development Manager at NGS Super, shares his perspective.

Any other cost centre of such significant financial impact on a business would usually be analysed and evaluated in terms of its strategic significance, but for some reason superannuation seems to fly below the radar. Yet there's no logical reason for this. Superannuation should form a part of the HR and Risk Management strategies of any business and the selection of a default provider should be undertaken with due reference to the organisation's overall objectives in these areas.

From an HR perspective, superannuation is a valuable tool in assisting staff to move through the later stages of their career and towards retirement. The last thing that a staff member needs is to be forced to work beyond the time when he or she feels ready to retire, just because there is a lack of sufficient retirement savings (either real or perceived) to enable them to move out of the workforce. And one of the last things that an employer needs is staff hanging around as their motivation and enthusiasm for the job declines.

Accumulating retirement assets is a long term proposition so there is a real need for staff to be sufficiently financially literate from a reasonably early age to enable them to understand the process and the strategies that can be implemented over the course of their



working lives to build their nest eggs. There's also a need for their retirement funds to be invested in a vehicle that provides good financial returns over the longer term, and in an environment that is tax effective. Importantly also is that staff feel comfortable and secure in both the vehicle in which their retirement savings are housed, and the level of risk to which they are exposed. And of course as they get closer to retirement, there's a need for them to understand the interaction between the Centrelink pension and a superannuation based retirement stream. So from an HR strategy viewpoint the periodic evaluation of the school's default superannuation provider against such criteria is sound business practice.

The other aspect that needs to be considered in the evaluation of a superannuation provider is the availability of cost effective insurance options to mitigate against the risk of extended absences from work through injury or illness, or even the trauma of not being able to return to work at all as a result

of permanent disability or death. Such situations can cause significant financial and emotional stress to employees and their families as well as the employer, and in the caring, community culture of a school, there is often an expectation that the school will assist both financially and in kind. There's little doubt that insurance obtained through superannuation is very cost effective, but things such as insured levels, eligibility and claims criteria can affect its practical effectiveness.

So, the challenge for school business managers is to stop looking at superannuation as a compliance issue and to start asking its current or potential default providers how they can add value to the school and its staff by addressing the school's overall strategies and objectives.



PROFILE

David Eitzen was Director of Corporate Services at Westminster School in Adelaide, having served nearly 21 years in the role. During that time he was involved extensively with ASBA at both State and National levels. He now works part time with NGS Super and advises that organisation on matters relating to non-government schools.

Environmentally sustainable developments

Merici College's Kitchen Garden Program flourishing

In 2012 Merici College won the ACT Sustainable Cities Award and the Young Legends award for its unique Kitchen Garden Program, an initiative of Keep Australia Beautiful ACT. Later that year Merici went on to be awarded a Commendation for Initiatives in Youth Engagement at the Keep Australia Beautiful, Australian Sustainable Cities Awards. Bursar/Business Manager, **Keith Vardanega**, tells us more.

Over the past year Merici College has worked hard to consolidate and expand its Kitchen Garden Program. The garden has expanded and there are several large garden beds that are used to grow produce for the Merici College canteen. The canteen continues to offer students and staff healthy, cheap, locally sourced, freshly cooked meals and snacks on a daily basis.

EDUCATIONAL BENEFITS

Merici College views the garden as a hub for learning and encourages every Faculty to integrate it into their teaching. Sustainability relates to every aspect of our world and thus must be taught holistically. In addition to this, the garden allows each student to do something; the simple skill of learning how to produce your own vegetables and fruit often leads to innovative thinking about how sustainable communities can be created.

Such thinking is encouraged by offering every student and teacher the opportunity to volunteer in the garden. Additionally, it has become a core component of several courses. Students in the Sustainability elective spend time working in the garden each week and back in the class room they relate this to concepts around local sustainability and food systems. The senior hospitality classes use the produce to cook meals

which are sold at the canteen. This means that knowledge about how to plan and prepare seasonal meals is included in their Vocational Certificate qualifications. Students use a state-of-the-art glass house to propagate seedlings, which are then planted in the garden.

Merici has also created an Indigenous Garden to encourage a cross-cultural understanding of land management and food production.

In summary:

- **Merici students are learning how to grow their own vegetables and think about how these skills can be used to create more sustainable communities.**
- **The Merici canteen has a no-waste policy. This means that real cutlery, plates and cups are used, minimising packaging and recycle, and all food produce is composted and then used in the garden beds.**
- **The Merici canteen uses produce from the garden, and when necessary sources local and sustainable food. This reduces the school's carbon footprint.**
- **The program promotes learning to minimise water use in land management, particularly through the Indigenous Garden.**

CREATING COMMUNITY

Merici College is committed to ensuring that the garden can be used to create a community that is committed to sustainability and that stretches beyond the walls of the school.

Every week, students from the Black Mountain School spend time at Merici, mentored by Year 10 students. Together, they spend time working in the garden and kitchen to prepare the fresh food for cooking.

In addition to this, Merici seeks opportunities to share its experience with other schools, learn from them and support them to establish Kitchen Garden Programs. In 2012 for example, Merici participated in the EcoBus Tour by visiting other schools and hosting a lunch and tour for 60 students from several secondary schools. Merici students participated in two Kids Teaching Kids Conferences and hosted an inter-schools conference to ensure that dialogue between schools continues to grow.

The awards are certainly a reflection on the dedication of a large number of people over the last few years in many initiatives: the kitchen garden, Hospitality's use of home grown seasonal produce, the Black Mountain Mentoring program, the Environment Sustainability Team, the Sustainability elective, the glass house and the chicken house.



Some of the wonderful produce the girls from Merici College have harvested



Congratulations to all staff and students who have contributed to the sustainability initiatives at Merici College from their conception through to coordinating the logistics and effective use of these projects.



The Merici canteen uses produce from the garden



Merici students are learning how to grow their own vegetables and think about how these skills can be used to create more sustainable communities

Govern with confidence

Beyond benchmarking

John Somerset, Chartered Accountant and Director of the Independent Schools Council of Australia, discusses the benefits of benchmarking and the ability to positively influence the future viability and sustainability of your school.

Accounting standards and the Corporations Act require a signed statement by governors that the school is solvent (able to pay debts as and when due). Increasingly (via the Australian Charities and Not for profit Commission and general fiduciary duties) this responsibility is being extended to principals and business managers who are intimately involved in guiding the operation of the school.

Assessment of solvency involves a judgement regarding the period extending up until 12 months after audit date (to about May 2014). We need accounting information about the past, but we must apply that towards the future. How do we do that? What is our potential performance?

BENCHMARKING PAST PERFORMANCE

The annual Non-Government Schools Financial Performance Survey (FPS) is a cost effective tool (from \$440), which provides crucial information about past performance eg. relative operating surplus, income/costs per student and staffing ratios. The example in figure 1 indicates this school has relatively high debt and relatively low profitability (Net operating margin is 6 cents surplus for

every dollar of gross income but the sample average is 12 cents). Without appropriate action this school is at risk of financial distress. The school now has a "roadmap" for future action.

continued on page 22

Ratio	Your School	Rating	Your reporting category ALL Average	ALL (all categories) Average	Page Number
Working Capital	0.19	×	1.53	1.18	3
Cash Flow Adequacy	0.55	×	0.81	0.87	4
Reinvestment	172%		156%	131%	5
Interest Cover	2.01	×	7.03	9.58	7
Total Debt per Student	\$11,477		\$5,760	\$6,926	7
Recurrent Income per Student	\$17,297		\$15,831	\$14,628	8
Discounts & Concessions % Fees	8.6%	✓	7.0%	9.7%	8
Teacher Salaries per Student	\$9,093	×	\$7,555	\$7,572	9
Direct Delivery Cost per Student	\$11,425		\$9,756	\$9,420	9
Total Expenditure per Student	\$16,275		\$13,834	\$12,920	9
Net Operating Margin (Adj.)	6.02%	×	12.07%	11.46%	13
Primary Student Teacher Ratio	13.2		16.2	15.5	11
Secondary Student Teacher Ratio	9.4		12.0	11.5	12

Figure 1: Example summary page from an individual school's FPS report

Performance Against Benchmarks

Somerset test school - Australia Annual index applied to benchmarks (%): 5

	2010	2011	2012	2013	2014	2015	2016
Are we solvent?							
Working Capital Ratio	0.7	0.8	0.8	0.9	1.1	1.2	1.1
Benchmark	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Cash Flow Adequacy	0.51	0.85	1.21	0.66	1.01	0.78	0.98
Benchmark†	0.85	0.85	0.85	0.85	0.85	0.85	0.85
% Trade debtors to fees billed	9.6%	6.9%	5.8%	4.9%	2.3%	2.3%	2.3%
Benchmark	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%	6.1%
Are we profitable?							
Earnings before interest depreciation and amortisation (EBIDA)	\$1,263,878	\$1,498,280	\$1,969,672	\$2,187,411	\$2,511,540	\$3,008,557	\$3,188,150
Your EBIDA would be this if you performed at sample average	\$2,275,119	\$2,468,637	\$2,607,380	\$2,738,607	\$2,900,258	\$3,076,658	\$3,199,619
Estimated cash from operations	\$2,212,612	\$2,040,083	\$1,826,035	\$2,231,996	\$1,980,625	\$2,636,642	\$2,727,235
Operating margin	7.7%	8.4%	10.5%	11.1%	12%	13.6%	13.9%
Benchmark	13.9%	13.9%	13.9%	13.9%	13.9%	13.9%	13.9%
Income per student	\$12,767	\$13,778	\$14,507	\$15,156	\$15,735	\$16,605	\$17,268
Benchmark*	\$13,686	\$14,370	\$15,089	\$15,843	\$16,635	\$17,467	\$18,340
Discounts as % of fees	8.1%	8.2%	8%	8.1%	8.3%	8.4%	8.6%
Benchmark	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%
Teaching salaries per student	\$6,975	\$7,097	\$7,003	\$7,076	\$7,371	\$7,692	\$8,060
Benchmark*	\$6,301	\$6,616	\$6,947	\$7,294	\$7,659	\$8,042	\$8,444
Total expenses per student	\$11,782	\$12,616	\$12,984	\$13,473	\$13,841	\$14,348	\$14,877
Benchmark*	\$11,778	\$12,367	\$12,985	\$13,635	\$14,316	\$15,032	\$15,784
Student/Teacher- Primary	16.1	16.1	16.5	16.9	17.0	16.9	16.9
Benchmark	17.8	17.8	17.8	17.8	17.8	17.8	17.8
Student/Teacher - Secondary	11.0	11.2	11.4	11.8	11.9	11.9	11.9
Benchmark	11.6	11.6	11.6	11.6	11.6	11.6	11.6
Are we sustainable?							
Depreciation Impact	66%	76%	99%	72%	79%	64%	66%
Benchmark†	53.5%	53.5%	53.5%	53.5%	53.5%	53.5%	53.5%
Reinvestment	186%	78%	27%	123%	53%	99%	70%
Benchmark†	96.4%	96.4%	96.4%	96.4%	96.4%	96.4%	96.4%
Debt per student	\$6,852	\$6,505	\$5,518	\$5,834	\$5,041	\$4,940	\$4,339
Benchmark*	\$9,693	\$10,178	\$10,687	\$11,221	\$11,782	\$12,371	\$12,990
Interest cover	1.9	2.4	3.4	4.4	4.7	6.4	6.9
Benchmark	3	3	3	3	3	3	3

You set the indexation factor for benchmarks. This affects dollar value benchmarks only

Your school's ratios are compared with the average benchmark directly underneath

Green indicates 'Okay' relative to sample average or predetermined benchmark

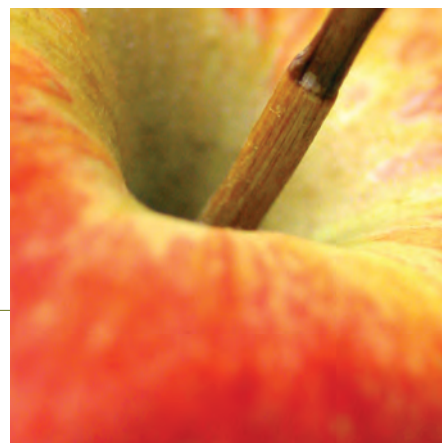
Yellow indicates 'Caution'

Notes: * Benchmarks are based on 2011 data. Benchmarks have been indexed upwards at 5 per annum for 2012 to 2016, and downwards at 5 for 2010. † Based on estimated cash from operations

Figure 2: Example SKI Report analysis page

Govern with confidence

Beyond benchmarking *continued*




BENCHMARKING FUTURE PERFORMANCE

You can apply these simple principles to budgeted data and assess the impact of decisions about future operations, planned capital expenditure and borrowings. This vision into the future (crystal ball) allows an assessment of future financial viability, and in my experience, helps prevent future financial distress. This assessment crystallises potential into performance by clearly “dollarising” strategy.

The Somerset Key Indicator (SKI) Report assesses data from 2010 to 2016, allowing you to not only compare your performance trends (past and planned) but also with a sample of similar schools (see figure 2 on page 20). Whether you use this tool or develop your own, the process of benchmarking future performance is a must for business administrators.

BEYOND BENCHMARKING – POTENTIAL TO PERFORMANCE

The Gonski review identified the need for high-quality infrastructure to maintain enrolments. Solvency/viability is linked to enrolments, which is linked to future development which is funded by borrowings and surpluses. Borrowing links to increased costs – links to increased fees – links to affordability and student retention – links to profitability (the mitigating factor). The secret to financial viability is to maintain a balance between profitability and borrowings (figure 3).

It is our job to provide user-friendly financial information so that governors and senior management can make informed decisions about the future – a fiduciary responsibility. Benchmarks and key performance indicators (KPIs) are a means to an end. I encourage you to produce and use that information to move beyond benchmarking and positively influence the future viability and sustainability of your school. 

CONTACT

John Somerset is a Chartered Accountant who has been working with ASBA on the FPS for almost 20 years. He is currently a director of Saint Stephens College, Coomera and President of Independent Schools Queensland and director of Independent Schools Council of Australia.

This year's FPS closes on 30 June 2013 and participation starts from just \$440 including GST.

For further information about Somerset Education visit www.somerseteducation.net or email john@somerseteducation.net or telephone 1300 781 96

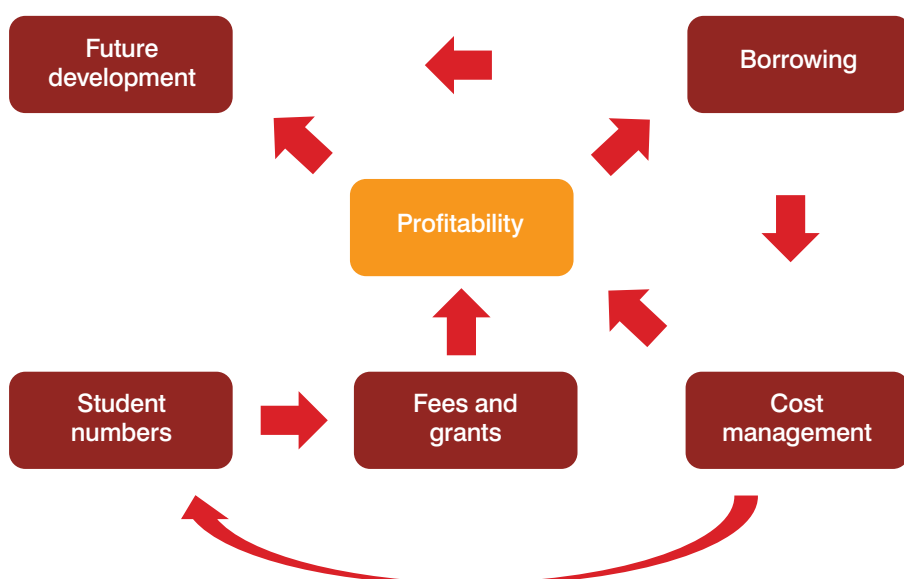


Figure 3: Financial viability and sustainability cycle

DISCLAIMER

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ASBA Membership

Professional Development Update

The Professional Development Standing Committee of the ASBA Limited Board has been busy working through the various initiatives contained in the Board's *Professional Development Action Plan 2012-17*.

Some of the Committee's activities will already be evident to members. One significant achievement has been the launching of the *ASBA Technical Update* bulletin in December 2012. This periodical email bulletin is designed to meet a number of needs to enhance your membership of ASBA, as follows:

- **Keeping members abreast of key developments impacting on schools and the roles of senior school administrators.** The bulletin supplements more in depth technical articles appearing in *The Associate* magazine by providing frequent technical content with web links to further information on particular topics.
- **Making members aware of professional development and technical resources accessible on the ASBA website as the functionality of the new website is fully implemented.**
- **Promoting professional development opportunities, including courses and conferences, available to members through ASBA Limited or third party providers.**
- **Facilitating a collegial and national approach to professional development by providing information about activities in each chapter and access to resources developed at a chapter level.**

We hope that the *ASBA Technical Update* proves to be a valuable resource for members and we would love to hear your ideas about how we can make it even more useful for you.

The Professional Development Standing Committee met in Melbourne on Friday 22 February 2013 to acknowledge progress achieved with our Action Plan in the past year and to consider high priority initiatives for 2013. Some of our plans for the year include:

- **Development and expansion of resources on the ASBA website, including a national calendar of professional development opportunities and a library of content from chapter based presentations.**
- **Expanding relationships with similar international associations with a view to sharing professional development resources.**
- **Exploring partnership opportunities with other professional associations to obtain access for ASBA members to resource libraries and qualification / accreditation courses.**

Should you have any feedback about the initiatives outlined above, or have any suggestions concerning professional development activities, please contact the Standing Committee Convenor, Shaun Sargent at ssargent@friends.tas.edu.au

WHO IS CSA AUSTRALIA AND WHAT IS THE LINK TO ASBA?

You may have noticed on the ASBA website homepage mention of the CSA/ASBA alliance. Through this alliance you can apply for a 65% rebate on the cost of CSA Certificate courses, advises Wendy Wills FCIS/FCSA.

Wendy who is Business Director of Pembroke School has recently been appointed National President of CSA Australia. CSA is a professional membership association for chartered/corporate secretaries, governance advisers and risk practitioners. Wendy asks...does this sound familiar? It should, because it also describes much of what we do as school business administrators. CSA members are drawn from the corporate, not-for-profit and government sectors. Through CSA they are able to pursue common interests, provide advice, contribute to policy submissions to various government agencies, assist with education and training and serve on State and National Councils. Most CSA members have a primary qualification in either law and/or accounting and a number of ASBA members are already members of CSA. Andrew Leake, Business Manager at Wenona School in North Sydney and Wendy are also members of CSA State Councils.

Further information on CSA and the benefits of undertaking the CSA/ASBA course can be found at www.asba.asb.au

BER project

LIGHT – key element to Chapel design



'I am the Light of the World' (John 8:12)

According to Business Manager **Louise Davidson**, light has played a major role in the design and construction of the new chapel at St Mary MacKillop College, Canberra. Sitting in this 'beacon of light', worshippers can immerse themselves in both the sacred geometries and wonderful religious symbolism.

St Mary MacKillop College Canberra is delighted that Collins Caddaye Architects (winners of the ACT AIA–Canberra Medallion 2012) have selected the College Chapel as a nomination for the ACT AIA 2013 Awards.

The Chapel for St Mary MacKillop College is designed as a sanctuary where worshippers are surrounded by sacred geometries and symbolism. The Chapel's simplicity brings together nature, sacred

geometries and light. The Chapel's intent is to provide a minimalist space where nature and light are presented within white frosted glass, timber and natural marble.

The Chapel's east wall folds around to the north comprising a double layer of external clear glass and internal white frosted glass. The white frosted glass is divided into segments forming a Cross which embraces the room. The break in

the white frosted glass allows the clear glass Cross to be illuminated by natural light and provide a visual connection to the serene garden beyond. Along the base of the wall, the white frosted glass is elevated to reveal a narrow strip of clear glazing in which the reflection pond, which tracks around the wall in the outdoor courtyard.

The Chapel's western and northern walls are finished with an Australian






The southern wall that adjoins the school's corridor is a double layer of white frosted glass



The Chapel's intent is to provide a minimalist space where nature and light are presented within white frosted glass, timber and natural marble

timber veneer whilst the flooring is of marble. These highly detailed finishes fill the space with natural warmth. Featured on the northern wall, are the words of Mary MacKillop **"We are but travellers here (1867)"**.

The southern wall that adjoins the school's corridor is a double layer of white frosted glass. The material allows the Chapel to 'glow' from the corridor, giving the sense that the Chapel is a 'beacon of light' and is present in the everyday life of a student. 



Hunting for value

It is always surprising that Business Managers live and die on their budgets, often with little true control over what is in their expenses category. With departments splitting their purchasing across many suppliers, problems can appear. Numerous suppliers bring multiple invoices, varied costs and plenty of backorders, not to mention less control over quality and sustainability.

So, how can business managers control the overall operating costs of a school while meeting WHS and sustainability responsibilities, all under the continuing pressure to get more value for money?

As suppliers continue to innovate and differentiate their product offerings, new ways of adding value have emerged. Hunter Industrials are one supplier that has worked with schools to funnel the spending of all departments such as cleaning, on-premise laundry, kitchen, and maintenance through one program. Hunter's integrated supply management approach has enabled them to deliver tangible environmental outcomes, and drive higher levels of work, health and safety standards throughout these departments and cost centres.

Michael Arceri, Business Manager at Camberwell Girls Grammar, attests to their involvement

"Cleaning, consumables, on premise laundry, kitchens and our early learning facilities, all had costs associated with cleaning and hygiene products. We needed better value for the money spent and through working with Hunters we have been able to effectively manage costs, while implementing a school wide WHS and environmental program. We receive training from qualified trainers, detailed registers;



WHS designed programs and ongoing innovation from Hunters. All this comes as a result of working collaboratively with our supplier to make optimal purchasing decisions".

This type of value-add delivers bottom line savings and stronger value propositions for the schools that choose to engage them.

GO GREENER WITHOUT COMPROMISE

The pressure for schools to comply with WHS and environmental sustainability is stronger than ever. This is highlighted in the United States where laws exist in two states for schools to demonstrate a 'Green Cleaning Program'.

Closer to home, there is a moral obligation for schools to demonstrate a similar program, yet many schools struggle to make a concerted effort to change.

The prevailing reason for this is a lack of control over what is actually used on sites and the inaccurate assumption that to go green means compromising on value.


This is where funneling your purchasing decisions through value-oriented organisations can deliver you programs which in turn adds value to your school.

Hunter Industrials works with over 90

schools (and their contractors) to build 'an environmental and WHS cleaning program' to effectively reduce the burden of compliance, reduce risk and improve the overall environmental impact the cleaning department or contractors are having on the school. These programs can encompass operations in maintenance, boarding houses, on-premise laundry, kitchen, catering, and janitorial services.

Try to think of supply more broadly than just products. Consider the other benefits your school can derive from strategic partnerships that deliver even greater support.

Hunters, together with their partner Tork for example, not only provide products of quality and economy with sustainability built in, they also give you expert analysis of your paper consumables on site, identify usage reduction methods and install quality dispensing systems. Tork's policies of responsible fibre sourcing and manufacturing in conjunction with products that are designed for less use and less waste, means meeting your green procurement targets has never been easier. This is all without compromising quality or cost.

Be it Hunters, or another innovative supplier, think about harnessing buying power to get more value for your dollar. 

AFTER SCHOOL CARE

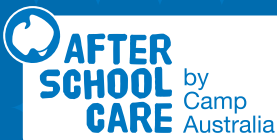
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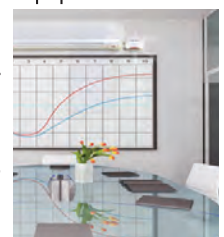
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Compliance

ASIC's areas of focus could impact your school

Exactly what are the implications and how will ASIC's recent areas of focus, revenue recognition policies and compliance with conditions for expense deferral affect your school? The team at Deloitte Private take a look.

In ASIC's most recent 'areas of focus' bulletin revenue recognition policies and compliance with conditions for expense deferral were highlighted and should be reviewed by governing bodies of schools who comply with Australian Accounting Standards. The implications of the ASIC focus areas highlighted are discussed below:

1. REVENUE RECOGNITION

ASIC identified that directors and auditors should review revenue recognition policies to ensure that revenue is recognised in accordance with the substance of the underlying transaction. This includes ensuring that services to which the revenue relates have been performed.

Each type of income should be considered separately to ensure that the trigger points that have been historically used to recognise revenue in the Income Statement are consistent with the accounting standards, to the extent that a particular school is required to comply with the Accounting Standards. Some specific examples might include:

i) **Refundable deposits:** A deposit paid by a parent that is refundable (eg. against future school fees, returned to the parent or donated to the school) may not meet revenue recognition criteria on the basis that the service to which it relates will not

be provided until sometime in the future. In this case it is likely that the refundable deposit would be accounted for as a liability until such future time that service is rendered;

ii) **Enrolment fees:** Where an enrolment fee is non-refundable and is paid purely to secure the right to have a child attend a school, management may determine that there is no future service to be rendered that relates specifically to that enrolment fee. In this scenario, in contrast to the refundable deposits, management may conclude that the revenue should be recognised in the Income Statement on receipt; and

iii) **Tuition fees:** Schools that bill before the year end for tuition that will be provided by the school in the coming year or years would be expected to defer recognition of that revenue in the Income Statement until the year in which the school provides the tuition services to the student.

Non reciprocal grant income (eg. recurrent per capita grants) should be considered with reference to AASB 1004: Contributions. Such grants may be required to be recognised as income in a period that is different from the period in which such funds are spent. Similarly capital grant income may also be required to be recognised as income on receipt, regardless of whether the capital expenditure has been incurred, in part

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or in full. AASB 1004 was not included in ASIC's areas of focus at 31 December 2012, but should also be reviewed.

We would recommend management review their policies and interpretations in relation to revenue recognition to ensure they are compliant.

2. EXPENSE DEFERRAL

ASIC highlight that expenses should only be deferred where:

- the deferral of such costs would meet the definition of an asset;
- that there is a resource controlled by the school from which it is probable future economic benefits are expected to flow to the school; and
- the requirements of the intangibles accounting standard are met, including the specific requirements to expense as incurred the costs associated with commencing new operations and relocating current operations.



MORE INFORMATION

For further information, please contact Deloitte Private's School experts **Gaile Pearce, Partner in Sydney (02) 9322 7158** or **Alison Brown, Partner in Melbourne (03) 9671 6120**

Outside of school

Olympic dream


Not content with steering the Kinross Wollaroi School Rowing team to their most successful year ever, KWS rowing founder **Joe Donnelly**, has been making dreams come true for the Vietnamese Rowing Team as well.

Joe Donnelly and the Vietnamese team recently returned from the London Olympics, where they were the centre of plenty of hype and excitement.

A former Australian Men's VIII cox, Joe became associated with the Vietnamese rowing program in mid-2009, having travelled to the country with his wife for many years.

Under Joe's guidance, and despite the lack of financial assistance and medical support, the Vietnamese women's lightweight double scull team managed to qualify for London. The team finished 16th in the world at the Olympics, where they came 5th in the C Final.

Attending Olympic functions in Hanoi and seeing where the Vietnamese athletes lived gave Joe a new sense of appreciation for their achievements. He was amazed by their happiness despite their living conditions, as well as the physical commitment and dedication they put into rowing.

The Olympic experience was also invaluable for the Vietnamese rowers who have now set their sights on qualifying for the 2016 Games. 



Right: Joe Donnelly with members of the Vietnamese women's rowing squad at the Olympic Village in London

Compliance

National Quality Framework a year on

A year on from the National Quality Framework (NQF) implementation in After School Care, Camp Australia National Child Care Manager, **Rosa Piteri**, reflects upon the challenges and opportunities as well as highlighting the common traps of the NQF.

With the National Quality Framework (NQF) now firmly in place across Australia, many School Business Managers or Bursars have had to come to grips with its increased regulation as well as the consequences of not complying with the standards.

As we move into the second year of the Frameworks implementation (first year for WA as it was adopted in August 2012) the Government has signalled an increased focus on assessment and rating. The Government has also promised that ratings will be made public.

The question is how do business managers or bursars ensure their school and after school care meets or exceeds the standard?

In this article I will set out some common traps of the NQF assessment and rating, drawing on experiences of managing school aged care services in more than 400 schools across Australia.

RATINGS

You and your school may be surprised in the transition from the National Childcare Accreditation Council (NCAC) regime to the National Quality Framework (NQF) that the overall rating for your After School Care has dropped. This will be primarily due to a change in how the ratings are awarded.

Under the NCAC regime the overall

after school care rating was based on the highest graded individual element, under the NQF rating system is based on the lowest graded individual element.

For your After School Care to be 'meeting' or 'exceeding' the standard, every element must be operating effectively and in line with the Framework. The assessment takes a full view of the service, looking at everything from signage, activities to records. A total of 58 different elements are rated over a 20 week process.

The new assessment and rating process is intense and there is significant potential for your After School Care to be rated below the standard, however there is also opportunity for reward and improvement. No one likes being rated as below the standard, but this new method

does encourage and reward providers for delivering and improving the quality of care.

The NQF is helping to ensure kids have access to the highest quality care – care they need and deserve. It benefits families and schools highlighting the value After School Care can bring to a child's and a school's educational experience.

QUALITY PEOPLE

Key to the National Quality Framework is the new qualification requirements for After School Care staff. Care is moving away from babysitting and towards education, new requirements recognise this and the positive impact After School Care can have on school communities, families and kids.

Finding the right people to be part of your school community is vital to successful After School Care, however being the right fit is no longer enough. After School Care must have the correct ratios of staff to children and ensure all staff have appropriate qualifications – whether it be a degree or diploma, as well as working with children check (or equivalent), first aid, anaphylaxis and asthma. Staff members must also fill defined roles within After School Care – meeting specific requirements under the NQF.

The role of the Certified Supervisor can be particularly challenging for





PROFILE

Rosa Piteri has over 20 years' experience in school aged care services. As National Child Care Manager for Camp Australia she is responsible for the provision of services to more than 400 schools.

your school community can be tough it is well worthwhile, as the benefits to children and the school are expansive.

MEETING THE STANDARD

Below is a quick guide to key elements of the NQF After School Care assessment and rating. When you are preparing for the rating and assessment of After School Care at your school the standards need to be considered in relation to:

- Signage
- Child Information Sheets
- Enrolment forms
- Custody orders (where relevant)
- Medical management
- Dietary requirements
- Management of roles
- Quality Improvement Plans
- Programing
- Child observations
- Child profiles
- Program evaluations
- Training of educators
- Development of educators
- Educational leader development

SUMMARY

The NQF sets out to ensure all Australian children, no matter their location, get the best possible start in life through high quality after school care.

Implementing a common approach to After School Care has its challenges, but it also brings opportunity. The opportunity to set your school apart by delivering convenience to families with high quality, engaging After School Care building on the school's educational experience far outweighs its challenges.

school communities. Your Certified Supervisor must be recognised by the relevant regulatory authority in your State, meeting qualifications, experience and management requirements. Certified Supervisors need three years or more experience in working as an educator, an approved diploma-level education and care qualification, or an approved early childhood teacher qualification. These requirements are in addition to the working with children check (or equivalent) and appropriate first aid qualifications.

Your Certified Supervisor must be onsite at all times when After School Care is operating and is responsible for the day-to-day care operations.

Given the requirements to be Certified

Supervisor they can be difficult to find, keep and replace. It can be particularly trying to replace the Certified Supervisor at short notice. Adding to this is the NQF requirement that Nominated Supervisor cannot be the Certified Supervisor.

NQF defines the roles separately as while the Certified Supervisor is the person that oversees the day-to-day operation of you After School Care, the Nominated Supervisor takes on an advisory, broader role – looking at the bigger picture and ensuring the NQF is applied correctly.

As you are aware, qualified, skilled and committed professionals are essential to delivering high quality care, within you school and also in After School Care. While finding the right, qualified person to suit the



Student Services Hub

Expanding for today and the future

Catherine Braybon, Marketing and Media Manager at St Francis Xavier College, Canberra, shares the excitement of the opportunities that have been created by the school's new Student Services Hub.

It's been a few years in the making and now the wait is over. Students and staff at St Francis Xavier College have full use of the newly built Student Services Hub. The architectural design has created space for everyone, including the expanding population of Senior students at the College.


St Francis Xavier College is a Catholic Coeducational college for students Years 7-12. We are committed to delivering quality education, and encourage our students to grasp opportunities and learning with enthusiasm and commitment. We have a strong academic program, providing a diverse range of subjects, with an emphasis on pastoral care and student development.

Living the truth, leading with courage and learning for life is our motto that runs deeply through the culture at St Francis Xavier College. We are fostering growth in the future leaders of our community and create ways for students to participate in outreach programs and community service. We know that children's learning environments are paramount to accomplishment and our learning spaces have been created to allow the use of light, air and space. The new Hub is no exception. It is impressive, encompassing a large open plan gathering space, lined with glass windows, and filled with couches and tables for student's to come together, create ideas, relax and learn.

The space has been designed to bring people together. It is aesthetically pleasing and provides access to technology. The students have a large space for connecting with others, while having a continuum of services, being close in proximity to both the Resource Centre and the Canteen and dining room. This will meet the needs of students with sustenance and information gathering.

Extra classrooms and teaching areas are a key component to the development; aiming to accommodate our current students, while looking to the future.

Offices for key staff members have been strategically placed for students to access easily, allowing teachers to be available to students which encourages interaction and enables support.

Senior students in Years 11 and 12 have a new Senior Common Room, which is again close to learning facilities and the Canteen. This room is designed to give them a separate space for learning and connecting. There is a new Staffroom upstairs, giving staff a wonderful facility for professional learning. 







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PREVIOUS PROJECTS

Oran Park
Anglican College

Project: Oran Park
Anglican College

Client: Sydney Anglican
Schools Corporation

Description:
New K - 5 junior college,
including administration
building, play areas and
car park.

PREVIOUS PROJECTS

Redlands Junior School

Project: Redlands Junior
School Cremorne

Client: Redlands

Description:
New classroom building,
multi-purpose hall,
canteen, play areas and
amphitheatre.



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