Guidelines

Minister Piccoli has recently approved the Not-for-profit Guidelines for Non-Government Schools to assist schools to understand and comply with not-for-profit requirements in the Education Act 1990.

The Guidelines apply to all registered non-government schools in New South Wales who receive funding from the NSW Government.

The Guidelines assist schools to minimise the risk of non-compliance by providing practical guidance on complying with the Act in respect of common financial transactions.

This includes issues such as the community use of school facilities and how to deal with related party transactions.

The Guidelines also encourage good practice and provide examples of the types of documentary evidence that schools can reasonably be expected to have available in the event of an audit.

The Guidelines were developed by the Non-Government Schools Not-For-Profit Advisory Committee with the assistance of representatives from the Association of Independent Schools, the Catholic Education Commission, the Department of Education, independent and Catholic school bursars and Catholic Education Offices.

Whilst the Guidelines provide assistance in determining whether activity may or may not be consistent with the Education Act requirements, if you have any questions or concerns about whether your school is compliant, you are encouraged to contact the Association of Independent Schools of NSW or the NSW Catholic Education Commission.

2015 Audit Program

Following a rigorous evaluation process, the Advisory Committee has appointed Ernst and Young to undertake the 2015 audit program.

Ernst and Young will examine financial practices in a sample of schools.

The audits will be for the period since the new legislation commenced (29 January 2015) until 30 June 2015.

Schools that are selected to be audited will be advised ten working days prior to the scheduled audit date. The audits will take place in Term 4, avoiding important events on the school calendar such as preparation for HSC examinations.

Specific allegations of for-profit activity in a nominated non-government school will continue to be investigated separately in a process which may include audits.

Amendments to the Act require that all schools in receipt of NSW Government funding do not operate for profit within the meaning of the Act. Any school selected for audit will be required to demonstrate their compliance.