



A paper from the Waikato Region

School Charges – Rights, obligations, limits

1. Community concerns and the media

1.1. Revenue shortfall

Over the last few years there have been concerns raised by the community with respect to the amount of money schools are asking for to meet their needs. Reactions to schools have largely been negative. The media has periodically highlighted the problem with such headlines as:

- “Cash strapped schools call in the heavies to collect donations”¹
- “Free education – it’s a myth”²
- “Threat denied over voluntary school fees”³
- “Labour Candidate – I don’t pay school fees”⁴
- “Parents pay extra to lift schools”⁵
- “Parent claims bully boy tactics from schools for donations”⁶
- “Schools forced to ask parents to dig deep”⁷
- “Parents have paid up to \$1 billion in school fees”⁸
- “Wairarapa parents pay schools \$2 million”⁹
- “Anger over school fees”¹⁰
- “Schools caught misusing funding”¹¹
- “Perhaps school needs a lesson – education sets you free but it costs a bomb”¹²

¹ *Bay of Plenty Times* 4 April 2005

² *Stuff* 27 October 2007

³ *Taupo Times* 13 September 2007

⁴ *NZ Herald* 29 October 2008

⁵ *Christchurch Press* 1 January 2009

⁶ *TV1 News* 10 February 2011

⁷ *Queenstown News* 15 February 2012

⁸ *Sunday Star Times* 26 February 2012

⁹ *Wairarapa Times Age* 1 March 2012

¹⁰ *NZ Herald* 24 February 2012

¹¹ *Fairfax* 7 May 2012

¹² *Bay of Plenty Times* 6 November 2011



These samples illustrate the dilemma schools face. They need the extra revenue to meet needs, government sources are not enough, and the community is asked to assist with fees, donations and other fund raising¹³.

1.2. Legal requirements

Section 3 of the Education Act 1989 states:

“Except as provided (elsewhere), every person who is not an international student is entitled to free enrolment and free education at any State school during the period beginning on the person’s fifth birthday and ending on the 1st of January after the person’s 19th birthday.”

The government may point to increases in educational funding but the reality is that it is insufficient to meet the demands of 21st century education.

While this is stated in the Act, schools feel obliged to ask parents/caregivers and guardians to provide extra for what is seen to be essential for a high quality public education in every school¹⁴.

2. Terms used for local fund raising

The following is a breakdown of the terms schools use for ways of acquiring funding from parents.

- Activity fees: This is the most common term used by schools to refer to the monetary payments made by parents/caregivers/guardians to a student’s school.
- Donations: This is often a softer term for an activity fee with the implication that it attracts a tax credit. It is voluntary and cannot be enforced, a situation which may cause tension around the collection.
- Levies: Another term used to cover the giving of money to contribute to an existing fund.
- Attendance dues: Extra fees charged in integrated schools on top of the school fee for improvements in the school buildings, environment and plant. These fees are legal if they are for the stated purpose.
- Parent Teacher Association donations. These can become problematic if there is an implication that parents must make the donation.
- Work days by students, gala days and sales of products (such as chocolate bars for specific group fundraising to lessen the burden on families). Again, these can become problematic if there is an implication that parents must contribute to them.

¹³ Some schools have even appointed a commercial and marketing manager or similar role who is charged with raising funding from the community.

¹⁴ The issue is not just confined to New Zealand but is common across the world and is debated in such diverse countries as the United States and India.



3. What can be charged or not to the community

Section 3 of the Education Act does stress free enrolment and free education which means that payment is not required for:

- the cost of tuition and materials used in the provision of the curriculum.
- the cost of heat, light and water.
- the cost of information and the process of enrolment.

However, there is considerable debate about what schools can charge, even in what might be loosely described as “provision of the curriculum”. The Ministry of Education issues guidelines but confusion remains. Here are three examples which show the complexities that may arise:

1. School camps and field trips

If an outdoor education camp is part of the curriculum for a particular course at the school, then the school may only charge for food and transport to the camp. If parents are unwilling or unable to pay for a school camp that is not part of the curriculum, or for food and transport for one that is, then the school should offer a substitute that is an “appropriate alternative” for those who do not go on camp.

Where a field trip is an integral part of a student course, transport and other costs such as admission can be charged but the student should not be disadvantaged if the family cannot pay. The school should probably establish a fund to cover situations of financial hardship. The cost of relief staff is not to be included in the charge to students, though this is often more honoured in the breach.

An Ombudsman’s Office ruling on field trip payments is pending after a request. A recent court settlement requiring IHC caregivers to be paid for overnight work will also have implications for teachers who are on duty overnight on camps.

2. School projects

Schools may charge for materials in classes where the student may take the product home, but the school cannot force students to take the project home in order to charge them for the cost of it. If a high cost product is being planned, then a lower cost alternative should be provided and students warned well in advance of the cost associated with their project.

3. Photocopying

Schools cannot charge for photocopying except in exceptional circumstances. In most cases the photocopied material is an integral part of the course/curriculum. Another example of uncertainty is the use of “workbooks” which are part of the course and are expected to be paid for. These cannot be compulsorily recovered from students. If the student will not pay then an alternative resource should be provided.



Each of the above examples has grey areas and uncertainties and, despite official advice, there are differences in practice. Schools can ask, at the beginning of the year, for payments in advance for fees that fall outside the curriculum and have a take “home” component but they may not insist on it. Similarly, payment in advance, as a condition of enrolment, is not acceptable. The ministry suggests that schools assist parents with payment by, for example, offering discounts and time payment.

Having a clear itemisation of costs for courses is also essential. There have been cases drawn to the ministry’s attention which have drawn a sharp reminder of what is acceptable.

4. Non payment issues

4.1. Free education?

The widespread belief that New Zealand has a totally free education system means principals are relatively powerless when it comes to non-payment of fees. There have been incidents where students whose families owe fees have been sent home, named and had their access to classes and facilities of the school restricted. The ministry has affirmed the right of schools to pursue the payment of legitimate charges and to use debt collection processes just the same as any other organisation. On the other hand, when there have been complaints about the methods some schools have used to recover costs and fees, the ministry has been critical of the use of “coercion”.

4.2. Penalties for non-payment

Schools may try to encourage fee payments by applying sanctions such as not giving students a magazine at the end of the year, not allowing them to attend the school ball or forbidding them from taking part in extra curricular activities.

School reports or leaving forms cannot be withheld. One of the National Education Guidelines states that “each Board, through the principal and staff will be required to report on student progress”. Also each school must obey Section 5 of the Official Information Act 1982, which states that information shall be made available unless there is a good reason for withholding it and Section 6 Principle 6 (1) of the Privacy Act 1993 which states that any personal information held on an individual must be retrievable and accessible.

The tax status of the school donation has also been the subject of debate. Parents who pay a donation to the school are entitled to a tax rebate, but schools that withhold items or activities from students who do not pay, imply that the school donation is not a donation at all but is, at least in part, a payment for goods and services. Withholding an item from a student, such as an ID card used to borrow books from the library, would deny the right that is available to other students (given that the building has been funded from other sources and the library books from the operations grant.) Clearly, the legality of what can be charged, the penalties for not paying and the methods of retrieving funds, need further investigation and clarity.



5. Conclusion

The area of what schools can and cannot require payment for, what they can and cannot pursue as payments, and how they might legitimately pursue fees is one in which more and clearer advice to schools is required.

The matter sits apart from the issue of the under-funding of schools, except to the extent that under-resourcing increases the reliance schools have on locally raised funds and will therefore increase the frequency with which problems arise. The burden falls particularly hard on schools in low socio-economic areas that are expected to compete with wealthier schools but do not have the same ability to extract funds for the “extras” from parents.

The recommendation is that PPTA work with sector groups to develop and disseminate to schools clear and agreed advice to schools on the rights, obligations and limits to the ability of schools to raise funds from parents through fees, donations and similar mechanisms.

Recommendations

1. ~~That the report be received.~~
2. ~~That PPTA work with relevant organisations to develop clear guidelines on the collecting of fees, levies and donations.~~

2012 Annual Conference

Minutes

Minutes of the Annual Conference of the New Zealand Post Primary Teachers' Association (Inc) held at the Brentwood Hotel, Kilbirnie, Wellington, commencing at 9.45 a.m. on Tuesday 2 October 2012, continuing at 9.00 a.m. on Wednesday 3 October and 9.00 a.m. on Thursday 4 October 2012.

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1. THAT the report be received; and
2. THAT PPTA work with relevant organisations to develop clear guidelines on the charging and collecting of fees, levies and donations; and
3. THAT PPTA develops a strategy to disseminate the guidelines on charging of fees, levies and donations to teachers, schools and communities; and
4. THAT PPTA gather nation-wide data on school charging and collecting of fees, levies and donations to assist in a campaign about the funding of public schools; and
5. THAT a report on the nationwide data gathered on school fees, levies and donations and the guidelines developed be brought to Annual Conference in 2013.

Carried