



**NZSTA**

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# Governance support resources

## Parent payments to schools

### The right to free education

Every student in New Zealand, except for an international student, is entitled to free enrolment and free education at a state school or kura. This applies from their fifth birthday until 1 January after their 19<sup>th</sup> birthday.

The right to free education means:

- no enrolment or attendance fee can be charged to parents and caregivers by state schools or kura
- any material and activity costs associated with the delivery of the curriculum are costs that must be met by the school and not charged to parents.

However, in certain circumstances schools can ask for and accept payments from parents. These are: attendance dues, donations and charges.

### Attendance dues for state-integrated schools

Proprietors of state-integrated schools can charge for attendance. These are called attendance dues or fees. They are compulsory, payment can be enforced and a tax credit cannot be claimed.

### Donations

Anyone can choose to make a donation to a school or kura at any time. Payment of donations is entirely voluntary. GST cannot be charged, parents can ask for a receipt when paying a school donation, and a tax credit can be claimed.

Parents of decile 8-10 schools and of decile 1-7 schools who choose not to opt-in to the donations scheme (see below) have the absolute right to pay any requested donations in full, in part, or not at all. The words “fees” and “levies” should not be used by schools or their boards when requesting donations.

## Donations scheme for deciles 1-7 schools

Decile 1-7 schools and kura who opt-in to the donations scheme for a particular year receive \$150 per student payment in exchange for not asking for donations – with the exception of overnight school camps.

## Charges for goods and services

Schools and kura can ask parents and whānau to pay for goods and services they offer that are optional, e.g. school stationary, lunches and swimming lessons. It is up to parents to decide to purchase from the school, or elsewhere. Once the parent has agreed to pay, then GST is payable and payment can be enforced.

## Parent payments – the board's role

The board should make sure it follows the law about parent payments for donations and goods and services. It does this via the board's governance framework, including its financial policies and the school's financial procedures.

The board should also ensure its policies relating to parent payments are supported by regular monitoring, reporting and review. Review includes planning for regular consultation with the school community within its communications / engagement plan. The results inform the board's strategic and annual planning, including its financial planning. (However, boards should not rely on donations when setting the annual budget).

## Some key points for boards

- ensure policies follow the latest Ministry of Education guidance on parent payments, and include specific requirements if the school is eligible for the donations scheme
- if eligible for the donations scheme, decide each year in July whether to join the scheme for the following year
- regularly consult with the school community about parent payments e.g. requests for parent payments and their purposes
- do not rely on donations when setting the annual budget
- seek assurances from the principal around parent payments including the following:
  - school procedures are in place to implement policy expectations around parent payments
  - information in the school's prospectus or parent information booklet, website, enrolment processes and notices to parents clearly explains which payments are enforceable, which are voluntary, and which are donations
  - there is clear and transparent accountability for all parent payments received.

## Useful Links

[NZSTA Governance Framework 2018](#) – sample finance and other policies: C2.3, D1, D4 and D4.2

[Education and Training Act, 2020](#), sections [33](#) and [551 – 554](#)

[Fees, charges and donations](#)

[The Donations Scheme](#)



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