

## COMPLIANCE AND RISK MANAGEMENT

*The Currajong School takes a zero-tolerance approach to child abuse and is fully committed to ensuring that its strategies, policies, procedures and practices meet all **Child Safe Standards as specified in Ministerial Order No. 870 (2015)***

### 1. RATIONALE

A Compliance and Risk Management framework is essential in protecting the School from financial, reputational, and operational damage or loss as well as to assist in meeting its strategic objectives. Risk is inherent in the operations of all schools as well as in everyday life.

A strong risk culture does not mean a culture of risk aversion. Risk management maximises the ability to deliver on school objectives, promotes sound decision making, works to safeguard child, student and employee wellbeing, and contributes to meeting community and Government expectations for accountable and responsible use of resources. In this way Compliance and Risk Management protects and empowers the School.

### 2. BOARD OF MANAGEMENT (SCHOOL BOARD)

It is not the role of the School Board, itself, to identify the areas of potential risk within and for the School or to formulate the policies and procedures as to how they are to be managed. In the main, this is the responsibility of the Principal as they are largely management issues. However, the School Board's governance responsibilities dictate that the School Board needs to be satisfied that appropriate steps have been taken to identify all relevant risks and to ensure that appropriate plans or actions have been established to deal with them if and when they may arise, and those plans and actions have been, or will be, communicated to all relevant parties. The governing body should review material risk incidents and ensure that appropriate actions are taken. In addition, compliance and risk management needs to be a standing agenda item at all Board meetings. The governing body has an essential monitoring role in relation to operational matters which encompass risk issues.

Major areas of risk as identified by Independent Schools Victoria, include:

- i. meeting statutory and regulatory obligations
- ii. meeting State and Australian contractual obligations for funding

- iii. operational and strategic risks
- iv. service quality risks
- v. risks related to physical buildings and equipment, IT systems and business systems
- vi. human resource risk (including occupational health and safety, professionalism and ethics, breaches of copyright, and poor management of human capital)
- vii. financial reporting risk and financial loss
- viii. loss of credibility and reputation with stakeholders
- ix. risk from disaster (e.g. fire, storm or other threat)
- x. specific duties of care owed to students and staff
- xi. outdoor education

### **3. STATUTORY, REGULATORY AND CONTRACTUAL OBLIGATIONS**

The Currajong School has clear and transparent processes in place to facilitate compliance with its statutory, regulatory and contractual obligations as well as with internal school policies and agreed practices. The school is compliant with all minimum standards for VRQA registration which address the following:

- i. School governance (democratic principles, structure, probity, philosophy and not-for-profit status)
- ii. Enrolment (student enrolment numbers, Enrolment Policy, register of enrolments)
- iii. Curriculum and student learning (curriculum framework, student learning outcomes, monitoring and reporting on students' performance)
- iv. Student Welfare (care, safety and welfare of students, discipline, attendance monitoring, attendance register)
- v. Staff employment (teacher registration requirements, compliance with the Working with Children Act 2005)
- vi. School infrastructure (buildings, facilities and grounds and educational facilities).

Compliance processes include regular updating and endorsement of the School's policy documents and procedures and include a risk register which lists:

- all documents, policies and practices pertaining to compliance requirements
- the date each document needs to be reviewed

Risk management and compliance systems need to be embedded across the school in order to ensure that all requirements may be met and will not be affected in the event of departure of key personnel.

### **4. RESPONSIBILITIES**

- a) Board of Directors

The Board of Directors retains the ultimate responsibility for risk management and for determining the appropriate level of risk that the School is willing to accept.

The Board of Directors is responsible for approving the School's compliance procedures and for ensuring that these are aligned with the School's strategic and operational objectives and relevant state and federal legislation.

The Board of Directors is responsible for overseeing the School's compliance with external legislation, statutory and regulatory requirements, reporting obligations, and School policies.

b) Principal

The Principal is responsible for ensuring that risk strategies and processes are in place and implemented in relation to facilities, workplace health and safety, critical incident management and IT breakdown recovery.

The Principal should provide a regular report to the School Board, signing off that appropriate steps have been taken to comply with risk management policies. This report should include all material risk incidents, the actions that were taken and the outcome or ramifications.

Any critical incidents should be reported to the Chair as soon as circumstances permit. The School Board can then make appropriate amendments to the plan on an ongoing basis.

The Principal should monitor and review identified risks in a systematic and timely manner and ensure that appropriate records are maintained.

**All high level and strategic risks in the area of school operations which may negatively impact the school must be reported to the School Board by the Principal at Board meetings in order to inform decision making.**

c) Business Manager

The Business Manager (in consultation with the Principal) is responsible for the development of systems, processes and procedures that promote effective Risk Management in the area of finance.

The Business Manager is responsible for compiling regular reports for the School Board.

The Business Manager is responsible for coordinating the preparation of annual Statutory Financial Accounts and Reports as well as adherence to statutory regulations in relation to Corporations Law, taxation, government funding, safety, town planning and building.

**All high level and strategic risks in the area of Finance, Facilities and ICT must be reported to the School Board at Board meetings by the Business Manager in order to inform decision making.**

#### d) School Staff

All staff are expected to be diligent in identifying and reporting risks to the Principal or Business Manager, especially during periods of change to processes or operational practice.

All staff should receive regular training in order to comply with risk policies and procedures in place within the school including Child Safe policies and procedures, OHS and Duty of Care.

All staff should be aware of compliance responsibilities that apply to their particular areas of work and ensure that their actions on behalf of the School comply with relevant laws.

All staff are required to complete and then enact risk assessments for any incursion, excursion, outing or camp. Any program that is outside the school, must have a risk assessment completed. Staff must use the template provided by The Currajong School.

The teacher who will be supervising, must complete the risk assessment prior to the proposal being submitted to the Principal. The teacher in charge must then ensure all staff, volunteers attending are aware of the risk assessment and procedures for any incursion or outing from the school.

### **5. FINANCIAL RISK CONTROL**

#### a) External Audits

An external risk-based audit of the school's financial systems is undertaken annually in order to ensure that financial reports give a true and fair view of the underlying financial results and that the School is compliant with Accounting Standards and reporting requirements.

#### b) Internal Controls

Internal control systems and processes provide additional confidence in relation to financial compliance as follows:

- i. **Validity:** To ensure that all financial transactions are recorded, that they are soundly supported by appropriate documentation and that the accounting records report the true financial position of the school in a clear manner. This ensures they can be relied upon with confidence to provide a basis for informed financial decision making
- ii. **Authorisation:** To ensure that transactions are properly authorised and processed by at least two persons acting within their designated authority
- iii. **Completeness and Accuracy:** To give assurance that the financial records include all transactions and that these transactions can be completely verified. That nothing is omitted either purposely or in error and that the financial reports represent the whole picture of the school's financial position

- iv. Timeliness: To ensure that all transactions are recorded as closely as practicable to the time of occurrence, so that at all times the accounting records reflect the actual financial situation and can be verified
- v. Security: To provide assurance of the safe keeping of assets and records
- vi. Physical Existence: To ensure that all assets are recorded on the asset register

## **6. CONTINGENCY PLANNING**

The greatest risks for most schools continue to be student safety, funding and reputation.

Despite all risk mitigations, a high impact risk event or situation may eventuate. The School undertakes considered contingency planning to cover such events including:

- i. Implementation of all required Child Safe policies and procedures; regular practice drills involving students and staff for emergencies e.g. fire, lockdowns and evacuations
- ii. Adequate insurance cover for significant financial losses
- iii. Critical incident planning, including access to ISV expertise and advice and, if indicated, that of a media relations company to advise on timely and appropriate communications in the event of an incident or circumstance which may negatively affect the School's reputation

It is essential that the School Board and Principal remain vigilant and transparent in the monitoring of any emerging risks that may affect the school.

New challenges for schools and emerging risks may include:

- i. Failure to achieve positive academic outcomes and satisfactory levels of care to all students in accordance with their needs
- ii. The increase in risk associated with the prevalence of social media, and
- iii. Higher expectations of schools by parents/carers and the community generally.

## **APPENDICES: COMPLIANCE AND ACCOUNTABILITY REQUIREMENTS**

### *1. Government funding and registration requirements:*

- [Annual Reports](#)  
*Legislative requirements under the Australian Education Act 2013 in relation to Annual Reports and information being publicly available.*
- [Australian Government Accountability](#)  
*Requirements under the Australian Education Act 2013 (Cth.).*
- [Australian Government Capital Grants Programme](#)  
*The Australian Government Capital Grants Programme provides and improves capital infrastructure, funds refurbishment and capital infrastructure, and*

supports the National Goals for Schooling in the 21st Century and other education objectives.

- [Australian Government Recurrent Grants](#)  
Schools receiving Australian Government General Recurrent Grants must account for those grants both financially and educationally.
- [Census \(Australian Government Department of Education and Training\)](#) The Australian Government census of Independent schools.
- [Census \(Victorian Government Department of Education and Training\)](#) The Victorian Government census of non-government schools.
- [Conveyance Allowances](#)  
Conveyance allowances are available to eligible students attending government and nongovernment schools in all country and designated outer metropolitan areas and apply to travel by public transport, private bus and private car.
- [Education and Training Reform Act 2006 \(Vic.\)](#)  
Legislative requirements under the Education Training & Reform Act 2006 (Vic) including a set of overarching principles upon which the practice of education and training is to be based.
- [Financial Questionnaire \(FQ\)](#)  
Information to assist schools when completing the Financial Questionnaire as part of the Australian Education Act 2013 requirements and obligations for receiving Australian Government funding.
- [Legislative Base](#)  
The various Acts and Regulations covering school operations.
- [National Consumer and Financial Literacy Framework](#)  
Requirements under the National Goals for Schooling in the 21st Century.
- [Resiliency Program](#)  
Obligations of schools in the expenditure of funding received through the Resiliency Program.
- [School Registration](#)  
The Victorian Registration and Qualifications Authority (VRQA) has established minimum standards in relation to School Registration.\
- [Socioeconomic Status \(SES\) Funding – Student Address Collection](#)  
Processes required by Aus DET for the collection of student address information to calculate SES scores for funding purposes.
- [State Government Recurrent Grants](#)  
The State Grant is paid to schools based on information provided by schools, including EMA applications to the State Government and student numbers in the Australian Government's August Census of Non-Government Schools.
- [Student Attendance](#)  
Requirements for roll marking and monitoring of attendance.
- [Student Background Characteristic Data Collection](#)  
Data collection required for the Australian Government under the Schools Assistance Act 2008 (Cth.).
- [Student Reporting](#)  
Requirements under Australian Government Regulations.

## 2. Financial requirements:

- [Financial Questionnaire \(FQ\)](#)  
Information to assist schools when completing the Financial Questionnaire as part of the Australian Education Act 2013 requirements and obligations for receiving Australian Government funding.
- [Family Trusts, Donations and School Fees](#)  
Legislative requirements under the Income Tax Assessment Act 1936 and information for schools relating to Family Trusts, donations and schools fees.
- [Scholarship Funds](#)  
The characteristics of a scholarship fund that enable it to be endorsed as a deductible gift recipient.
- [Socioeconomic Status \(SES\) Funding – Student Address Collection](#)  
Processes required by DEEWR for the collection of student address information in preparation for the 2009-2012 funding quadrennium.
- [State Duties and Taxes Exemptions](#)  
Exemptions that may be claimed by schools in relation to State duties, pay-roll tax and land tax.

## 3. Governance requirements:

- [Education and Training Reform Act 2006 \(Vic.\)](#)  
Legislative requirements under the Education Training & Reform Act 2006 (Vic) including a set of overarching principles upon which the practice of education and training is to be based.
- [General Governance](#)  
Information relating to the legislative and statutory Governance obligations of school boards.
- [Legislative Base](#)  
The various Acts and Regulations covering school operations.
- [Risk Management Process](#)  
Information and resources to assist schools in developing risk management processes.

Reference: <https://www.is.vic.edu.au/managing-a-school/compliance-framework>

## EVALUATION

This policy will be reviewed as per our three-year review cycle or more often if necessary due to changes in regulations or circumstances.

Approval date:	Approved by:	Next review:
October 2021	School Board	October 2024



The Currajong School acknowledges the traditional owners of this country throughout Australia and their continuing connection to land and community. We pay our respects to them and their cultures and to the Elders past, present and emerging.