

## **MEMORANDUM OF UNDERSTANDING**

**between**

**The ..... Board of Trustees (BOT)**

**The Proprietor**

**Dated: XX/XX/2016**

### **A. BACKGROUND**

#### **..... BOT**

- is the governance authority for a Crown Owned Entity which is a state integrated school established under the Education Legislation (previously the Private Schools' Conditional Integration Act, 1975)
- delivers the NZ curriculum to its pupils but this is done in a manner which is at all times consistent with the school's Special Character.
- seeks to clarify and document a number of areas of common interest including, but not limited to, Special Character, financial, personnel and property relationships it has with the school's Proprietor.

#### **Proprietor**

- is a ..... (legal description)
- partners with the Crown in providing an education with a Special Character at the school(s). The partnership is legally formed through the signing of an Integration Agreement (IA) between itself and the Crown.
- has a statutory obligation to protect the Special Character of the school(s) as defined in the IA.
- has a statutory obligation to provide school premises and meet other obligations to the Crown and the BOT as described in the EAA and IA.
- seeks to clarify and document a number of areas of common interest including, but not limited to, Special Character, financial, personnel and property relationships it has with the BOT.

## **B. AGREED AS FOLLOWS**

### **1. Interpretation**

- Words and expressions used in this memorandum have the same meaning as defined in the Education Legislation. The “parties” or “party” means the Proprietor and BOT.
- Consultation can be carried out on behalf of the parties by the Chair and/or CEO of the Proprietor and the Board Chair and/or Principal of the school(s).
- Regular and transparent communication based on values espoused in the Special Character of the school is to be paramount between the parties in areas that have potential to impact on the other party.

### **2. Special Character Guidelines**

- The Proprietor has provided Special Character Guidelines which are framed with the intention of further clarifying key statements from the Deed of Integration as regards preservation and enhancement of the Special Character of the school. (AISNZ can provide a template upon request)

### **3. Communications**

- Significant communications by either party (especially those involving the media) which may have a material effect on the other party, will be consulted upon before release.

### **4. Financial transactions**

- Both parties agree that they will use generally accepted accounting procedures to record and identify transactions between them.
- Both parties agree that any financial transactions between them will be conducted with appropriate invoicing.
- Neither party may incur obligations on behalf of the other party.

### **5. Sharing of staff**

- Where staff are shared, the party which has the majority share of service takes on the legal responsibilities as employer.
- Parties will consult on job descriptions and appraisal, and granting of leave.
- The employing party will charge out services to the other party by invoice at the end of each school term.

### **6. Attendance Dues**

- The Proprietor agrees to consult with the BOT on the setting of the level of attendance dues.
- The Proprietor applies Attendance Dues in accordance with the EAA and the current MOE attendance dues accounts circular.

### **7. Collection and use of Special Character Donations (SCD)**

- The Proprietor has a statutory responsibility under the EAA to safeguard the Special Character of the school.
- The Proprietor or BoT may request a donation from parents to provide funds for this purpose.
- The amount and use of SCD will be reviewed annually by both parties.
- BOT will report at least annually on the use of the SCD to the Proprietor and parent community.

## **8. Fundraising and other donations**

- Either party can fundraise and collect donations in its own name.
- Where funds raised are used to purchase capital assets, the funds should be collected under the name of the Proprietor who will purchase and own the items to be used by the BOT.
- The Proprietor will maintain accounting records of funds so raised.
- BOT determines the use of its locally raised funds.
- The parties acknowledge that there may be specific circumstances where the general situation outlined above may not apply.

## **9. Student Management System, accounting package and parent Invoicing**

- BOT will use the SMS that it determines is the most suitable for its needs.
- Each party will determine the most appropriate accounting system for its needs. The parties acknowledge that while there may be advantages in using common system, other factors may determine that different systems are suitable for either party.
- Each party may access information relating to itself in the other party's system on request.
- BOT invoices parents for school charges and SCD.
- Proprietor invoices parents for attendance dues. BOT will provide the Proprietor within two weeks after the start of the school year information to enable the Proprietor to bill attendance dues for the current year. Where pupils commence or leave after the start of the school year BOT will advise within two weeks to enable the Proprietor to make the appropriate adjustments to attendance due accounts.
- The parties will compare debtor's ledgers at the end of each school term and where appropriate will jointly approach parents for outstanding payments.
- Prior to leavers signing out, arrangements need to be put in place to clear whatever debt is outstanding with each party.

## **10. Processes to govern Policy One (P1) funding expenditure and the 10YPP**

- The agreement between APIS and MOE dated 31 March 2010 sets out criteria and priorities for the spending of P1 funding. (AISNZ can provide a template upon request).
- P1 funding received for the school is clearly identified in the Proprietor accounts.
- Requests for spending of P1 funding shall be presented annually by the BOT property committee which reference to the criteria set out in the APIS/MOE protocol.
- The Proprietor will report each year to BOT how P1 funds have been used.
- The 10YPP will be drawn up in consultation between the parties.

## **11. International pupils: fee charges**

### **Payment of Policy 1 funding equivalent from IC pupils to the Proprietor**

- The parties agree that BOT will pay to the Proprietor annually an amount equivalent to the P1 funding that the MOE pays for local pupils.
- The P1 equivalent is calculated on the basis of FTE numbers on 1 March in the previous year multiplied by the MOE per pupil funding rate for the current year.
- Payment for P1 equivalent is made by 31 March each year.
- The Proprietor will account for the P1 equivalent funding separately but will manage this funding in the same way as P1 funding received from MOE.
- The parties acknowledge the importance of marketing for IC pupils and agree that the specific accommodation provided for them shall be of no less a standard than that provided

for local pupils. To this end the parties' annual determination of the spending of P1 funding (including the equivalent sum provided from IC pupils) shall pay particular attention to the needs of IC.

#### **Payment of Attendance Due equivalent from IC pupils to the Proprietor**

- The parties acknowledge that the BOT has paid in full the capital cost equivalent of IC Administration building and two classrooms.
- The parties agree that BOT will pay to the Proprietor annually an amount equivalent to attendance dues in recognition of the use by IC pupils of the Proprietor provided facilities.
- The AD equivalent is calculated on the basis of...% of FTE numbers on 1 March in the current year multiplied by the current year per pupil attendance due.
- Payment for AD equivalent is made by 31 March each year.

#### **12. Furniture and Equipment (F&E) grants**

- For new buildings within the MOE school property guidelines the Proprietor will apply for the F&E grant.
- BOT receives both the F&E grant for new square metres and the annual F&E grant.
- BOT will firstly expend any grant for new square metres on the area that generated the grant. Any funds that remain may be expended at the sole discretion of the BOT.
- BOT may hold funds from the annual grant in reserve for future modernisation work.
- Any item purchased using funds from the F&E grant remains the property of BOT.
- The Proprietor may request from BOT a report on the use of these funds.

#### **13. New building: design and handover protocols**

- The parties agree to follow guidelines for the design and construction of new buildings, major renovations, or major landscaping. (AISNZ can provide a template upon request)

#### **14. Obligations around non-integrated buildings used by the school**

- The amount of integrated property available to the BOT is determined by the MOE School Property Guide. Any buildings in excess of the determination is non-integrated. The parties will share obligations on these buildings on the same basis as if they were integrated.

#### **15. Property and ground maintenance**

- The parties will mutually agree to the purchase of major capital equipment.
- The parties have equal rights in the maintenance of property and grounds.

#### **16. Insurance**

- Both parties will undertake to meet respective obligations and share information on their current insurer.
- Both parties will ascertain from their insurance company what the respective liability is in the situation where both parties will be making a claim for the same event causing loss.

#### **17. External use of school premises**

- The Proprietor may use the school premises for its own purposes. (IA )
- The Proprietor delegates the management for external use of school premises to BOT. (IA) (AISNZ can provide a template upon request)
- A financial surplus from external use is determined by deducting direct costs from gross revenue. The surplus is shared between the parties on the basis of the Proprietor .... and BOT ....

**18. Proprietor offices: use of school property and contribution of costs to BOT**

- The Proprietor currently has its offices on site in a non-integrated building.
- The Proprietor is responsible for all maintenance on its portion of the building
- The Proprietor will pay an agreed annual fee to the BOT for services such as cleaning, power, photocopying, accounting and student management system software and IT.
- The parties will evaluate the shifting of the Proprietor office to an alternate location.

**19. Committee Representation**

- The school Property Committee will have a representative from the Proprietor Executive who has the freedom to supply the committee minutes to the Proprietor Executive.

**20. Proprietor representation on appointment panels for teaching positions**

- ..... teaching positions are tagged positions. (IA)
- Ordinarily the Board/Principal shall ensure that a Proprietor appointee on the BOT or another person nominated by the Proprietor represents the Proprietor on an Appointments Panel to a tagged position to meet the requirements of the EAA
- If the Board/Principal, after having used best endeavours, is unable to find a suitable person to be a Proprietor appointee on the Appointments Panel, then the Board/Principal may seek leave from the Proprietor CEO to allow the appointments process to proceed without a Proprietor appointee. In this instance, once the Appointments Panel has a recommendation to make regarding the appointment, the Board/Principal must seek the Proprietor CEO concurrence that the preferred candidate meets the tagged requirements of the position.
- A vacancy in the Principal position shall trigger consultation with the Proprietor. BOT and the Proprietor shall co-construct the appointment process.

**21. Other responsibilities of BOT**

- BOT will provide copies of its meeting minutes to the Proprietor.

**22. Other Responsibilities of the Proprietor**

- The Proprietor can appoint up to ..... proprietor appointees to the school BOT.
- Proprietor appointees are reviewed and appointed in line with the standard BOT election cycle, but may also be reviewed at any time in consultation with the Principal and Board Chair.
- The Proprietor provides a job description, induction and supervision to proprietor appointees. A strong understanding of, and commitment to, the school's Special Character shall be a requirement of appointment to a Proprietor appointee position. Other skills and experience deemed necessary to the Board may also be a consideration.
- An annual report will be provided by proprietor appointees to the Proprietor.
- The school Principal and Board Chair may attend Proprietor meetings at any time, but will be invited to present a report to one meeting annually.
- The Proprietor will circulate meeting agenda and minutes to the school Principal and Board Chair.

**23. Dispute resolution negotiation**

- If either party has any dispute with the other in connection with this memorandum:
  - i. That party will promptly give full written particulars of the dispute to the other.
  - ii. The parties will promptly meet together and in good faith try to resolve the dispute.

**24. Review**

- This document will be reviewed in conjunction with a review of the Special Character Guidelines which takes place during the three-yearly Special Character Review commissioned by the Proprietor.
- This document may be reviewed at any time by the mutual agreement of the parties.

**Signed** on behalf of the school Board of Trustees

Name \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Signed** on behalf of the Proprietor

Name \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_