

At our Queenstown Symposium earlier this year SPANZ members identified funding issues for their schools as being their number one concern. The inadequacy of the Operational Grant, increasing reliance on locally raised funds and pressures related to ICT development, and the employment of support staff were highlighted in virtually all of the discussion groups in the session on *Positioning SPANZ for the Future*.

The Executive met with the Minister two weeks ago and discussed funding matters with him. You will be well aware that the Ministry is currently leading a review of Operational Funding and the Minister has been kept well informed of how the review is progressing. He has made it clear to us that funding for the likes of education and health is a bit of a bottomless pit and there is not a magic 'money tree' that he can tap into. The review report is due to be presented to the Minister in October.

Peter Gall represents SPANZ on the Operational Funding Reference Group which feeds into the review process and the following key messages have come from the sixth meeting of the group:

1. We have had the sixth of eight planned meetings of the Reference Group
2. The Minister and sector representatives have agreed to a report in October 2006, with officials and representatives developing an ongoing work program for the review. This will include undertaking a costing exercise to identify costs accruing to schools and consideration of how to support ICT infrastructure in the future.
3. The significance of locally raised funds is being explored in the process of the review.
4. The report prepared by Ministry officials for the Minister will reflect these discussions and the reference group will be given time to discuss and feed into the draft report.
5. The group has agreed that this will remain a confidential process given the range of possible scenarios under consideration by the group, in order to allow free and frank discussion.
6. Work on a draft "Rights and Obligations" document concerning school fund-raising will not proceed until the conclusion of the review of operational funding.
7. The group may release key messages where appropriate, after subsequent meetings.

It would be helpful for Peter to have more information on school financial management, particularly on depreciation, therefore we have attached a questionnaire for you to complete and return fax to 09 571-2244 or email office@spanz.school.nz

Graham Young

President