

# Financial Management at Campbells Bay School

## Part Two

Feedback from the attachment to the newsletter last week regarding financial management has been positive. As promised, Part Two deals with the decile rating of the school and the impact this has on the school's finances. If you are interested, then please read on!

### The Decile Rating

The decile rating is the indicator used to measure the extent to which schools draw from low socio-economic communities. Each state school is ranked into decile (10% groups) on the basis of the indicator. The indicator is based on Census data for households with school-aged children in each school's catchment area, together with ethnicity data from the school's roll returns.

Decile ratings determine the allocation of targeted Funding for Educational Achievement (TFEA), the Special Education Grant (SEG) and Decile Discretionary Funding. Ratings are reassessed following each Census.

The socio-economic indicator consists of six factors:

- Household income.
- Occupation.
- Household crowding – the number of people in the household divided by the number of bedrooms.
- Income support.
- Ethnicity.

Campbells Bay School is rated as a decile 10 school (the highest socio-economic decile.) As a result of this rating:

- Campbells Bay School receives \$0 for each student, while in 2009 a decile 1 school (lowest socio-economic rating) receives \$804.07 per student for *Targeted Funding for Educational Achievement* (TFEA). TFEA is a resource to assist schools to lower barriers to learning faced by students from low socio-economic communities.
- Campbells Bay School receives \$33.77 for each student, while a decile 1 school receives \$65.64 per student for the *Special Education Grant* (SEG). The SEG is intended to assist schools to help students with moderate special education needs, such as learning and behaviour difficulties

The decile rating of a school *does not* impact on the income the school receives in the Operations Grant. This is the grant that provides for many of the needs of the school, as described in Part One last week.

### Decile Rating Impact on the Decile 10 School

Clearly, Campbells Bay School receives less income from the Ministry of Education (MoE) in the areas of Targeted Funding for Educational Achievement (TFEA) and the Special Education Grant (SEG) than a decile 1 school.

Based on a roll figure of 700 students this is what a decile 1 and a decile 10 school would receive.

	Decile 1	Decile 10
TFEA	\$562,849	\$0
SEG	\$ 45,948	\$23,639

## **Conclusion**

As you can see, decile 1 schools receive substantially more funding from the Ministry of Education than decile 10 schools. The purpose of conveying this information to you is not to question the rationale that underpins this funding regime, but to inform you of the decile rating funding scheme and the impact it has on Campbells Bay School.

As we stated in Part One last week, our students are very fortunate that the school receives so much support from our community. (\$305,000 expected from PTA fundraising, school donations and international students in 2009.) This income considerably offsets the disparity of incomes brought about by the implementation of the decile rated funding system. It can be convincingly argued that lower decile schools are not able to achieve anything like the income from their communities that Campbells Bay School regularly achieves. Further, it can be argued that a number of students in lower decile schools present significantly more challenges to the school in terms of learning and behaviour needs.

Whether the decile rating system is fair as it currently operates is open to debate. (And the system is often debated at length in education circles!) The reality is that the decile funding system does have an influence on the funding this school receives from the Ministry of Education.

We hope this explanation helps in understanding the financial management at Campbells Bay School.

**Campbells Bay School Board of Trustees  
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