

**ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE**

**ADDITIONAL QUESTIONS**

**Tuesday, 4 November 2014**

**Department of Education**

*Question No. 1: The Standing Committee on Estimates and Financial Operations asked –*

*With reference to page 45 of the Annual Report - how does the shift to one line budgets for schools interact with the Government's salary cap measure?*

Answer: The Department of Education's salary cap has been determined based on the past experience of school spending patterns, adjusted for a number of factors, such as forecast pay rate increases and additional funding for enrolment growth. It is not expected that the shift to one-line budgets for all schools will significantly change school employment expenditure and have an impact on the Department's salary cap. The Department closely monitors its financial performance, including adherence to the salary cap.

**PUBLIC**  
11/2/14 MJ

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**ADDITIONAL QUESTIONS**

**Tuesday, 4 November 2014**

**Department of Education**

*Question No. 2: The Standing Committee on Estimates and Financial Operations asked –*

*With reference to page 106 of the Annual Report – why were the grants listed on page 106 not fully discharged?*

Answer: The Undischarged Grants balance is predominantly attributable to the practice of the Commonwealth Government to pay in advance for State programs and building works. For example, the Department of Education may receive Commonwealth revenue in June 2014 for a program to be delivered in the 2014-15 financial year. In this instance, the grant will be undischarged as at 30 June 2014.

**PUBLIC**  
11/12/14 mfw

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## ADDITIONAL QUESTIONS

Tuesday, 4 November 2014

### Department of Education

*Question No. 3: The Standing Committee on Estimates and Financial Operations asked –*

*With reference to pages 106 and 108 of the Annual Report – why does the value of undischarged Commonwealth grants (of \$61.3 million) exceed the value of the grants trust accounts (of \$56.9 million) at 30 June 2014?*

Answer:

On page 106 of the Annual Report, Note 16 – sub section “Undischarged Grants” includes grants from the Australian Government.

On page 108 of the Annual Report, Note 19 – sub section “Grant Trust Accounts” includes grants from the Australian Government and State Government.

	Note 16	Note 19
	\$000	\$000
Australian Government	61 246	61 246
State Government	n/a	-4 359
Total	<u>61 246</u>	<u>56 887</u>

The Department of Education’s school building program payments were ahead of schedule as at 30 June 2014, resulting in a balance of –\$4.359 million.

**PUBLIC**  
1/12/14 mrfw

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**ADDITIONAL QUESTIONS**

**Tuesday, 4 November 2014**

**Department of Education**

*Question No. 4: The Standing Committee on Estimates and Financial Operations asked –*

*With reference to page 108 of the Annual Report - is the Department's level of cash assets consistent with the Department of Treasury's Cash Management Policy?*

Answer: The purpose of the Cash Management Policy is to ensure that levels of cash balances within agencies are reasonable and not surplus to the agency's operating requirements. As a general rule, reasonable cash balances are considered to be up to 5% of an agency's operating budget.

The Department of Education's 30 June 2014 cash balances were in excess of 5% of our operating budget. The main reason for the high balances is that school budgets are managed on a calendar-year basis, with school bank accounts totalling \$312 million as at 30 June 2014.

It should be noted that school bank accounts are excluded from the excess cash calculation under the principles of the Cash Management Policy.

**PUBLIC**  
11/2/14 mja

## ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE

### ADDITIONAL QUESTIONS

Tuesday, 4 November 2014

#### Department of Education

*Question No. 5: The Standing Committee on Estimates and Financial Operations asked –*

*With reference to pages 143 to 144 of the Annual Report - is there a target for Aboriginal students achieving at or above the national minimum standards? If yes, what is the target? If not, why not?*

Answer: The aim of the Department of Education is to raise standards in literacy and numeracy for all students. The objective is for all students to be at or above the national minimum standards set for NAPLAN.

The Department's *Aboriginal Education Plan for WA Public Schools 2011–2014* states a target to “halve the gap in reading, writing and numeracy achievement between Aboriginal and non-Aboriginal students by 2018”. This target mirrors that set by COAG as detailed in the National Indigenous Reform Agreement and the national *Aboriginal and Torres Strait Islander Education Action Plan 2010–2014*. The measure is the percentage of students at or above the national minimum standard.

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1/12/14