



Department of
Education & Training

Program Coordinator School Governance Framework

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This document is also available on the internet at

<http://www.education.vic.gov.au/school/principals/finance/Pages/guidelines.aspx>

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1. Overview of Program Coordinator Schools

Definition

Program Coordinator Schools (PCSs) are established within the Department of Education and Training (the department) to facilitate the management/organisation of specific programs on behalf of a cluster, network or group of schools¹, in relation to funding provided by the schools, the regional offices and the central offices.

The PCS has responsibility for the management and administration of these funds in the delivery of the identified programs for a cluster of schools as previously approved in accordance with this framework.

Funding can only be provided to PCSs for the following purposes:

- To aid in the development, facilitation, implementation and evaluation of specific curriculum programs for improving student outcomes;
- To aid in the development, facilitation, implementation and evaluation of specific professional development programs for school leaders, teachers and administrative staff.

Examples of activities that PCS arrangements should be utilised for include:

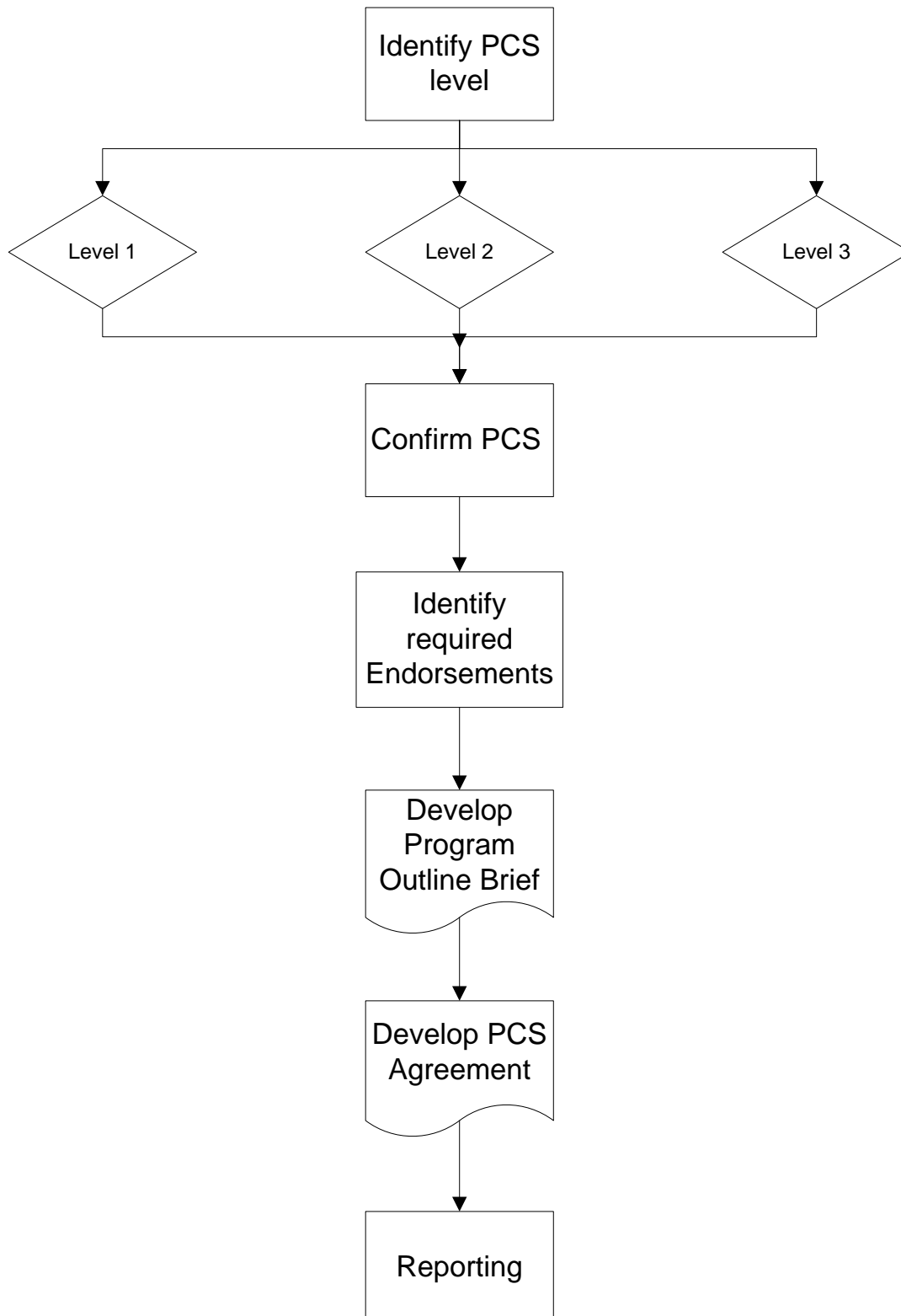
- Network related activities such as:
 - Music programs across schools
 - Cluster schools sports activities
 - Principal cluster meetings/seminars
- National partnership professional development across cluster of schools
- Vocational Education Training Program coordination across cluster schools. This could also include VCAL programs
- Student Support Services (SSS) Program
- Conferences/professional development. All such activities should have the appropriate financial delegation and hospitality approvals

Activities that are specifically excluded from utilising PCS arrangements include:

- Capital and maintenance work at regional facilities
- Any regional operational expenditure

¹ Referred to as a cluster of schools throughout this framework.

2. Program Coordinator School Program Overview flow chart



3. PCS Summary tables

PCS Program Levels

There are three levels of PCS determined by the source and level of funding for the individual program:

PCS Level	Funding Arrangements / Source
Level One	School initiated and wholly funded by cluster of schools Total Program Funding* (excl GST) - \$0 – \$50,000
Level Two	Funding from cluster schools, regional or central office or commonwealth programs/partnerships. Total Program Funding* (excl GST) - Up to \$150,000
Level Three	Funding from regional office, central office or commonwealth programs/partnerships. Total Program Funding* (excl GST) - Greater than \$150,000

*This includes all cash sources of funding for the program (i.e. SRP funds are excluded).

Confirm PCS

Before accepting the role of a PCS, schools should give consideration to the three key principles outlined in [Section 5 - Criteria for a Program Coordinator School](#). In particular, consent must be obtained from the school principal and the school council.

Endorsement of PCS Program

Following consideration of the criteria for a PCS, including the principles of capacity, capability and consent, the establishment of a PCS requires the following endorsements.

PCS Level	Endorsements Required
Level One	Principals of cluster schools or Executive Committee ² School councils of cluster school or Executive Committee
Level Two	Principals of cluster schools or Executive Committee School councils of cluster schools or Executive Committee Relevant regional director or corporate director as determined by funder Additional approval requirements as per financial delegations and hospitality requirements
Level Three	Principals of cluster schools or Executive Committee School councils of cluster schools or Executive Committee Relevant regional directors Relevant director with program responsibility Additional approval requirements as per financial delegations and hospitality requirements

² Executive Committee is a nominated group of people who represent the cluster of schools and can act on their behalf

Additional PCS Approval Requirements

Some specific PCS activities require additional approvals to those listed above. These additional requirements will ensure that all hospitality, sponsorship and taxation requirements in relation to large scale events have been complied with. See [Department Tax website](#) for more information on these requirements, specifically the [Conference/Course/Seminar/Professional Development fact sheet](#) and the [FBT Case Study fact sheet](#).

Program Outline Brief Requirements

Programs or activities operating under a PCS structure should develop a formal program outline brief. For details on the requirements see [Section 6 - Develop Program Outline Brief](#)

PCS Level	Program outline brief Requirements	Endorsement Requirements
Level One	No formal program outline brief required. Information to be developed to confirm PCS program and agreed activities. Examples of information to be retained include correspondence between the relevant schools outlining the proposed PCS program, the PCS arrangements, including funding required from cluster schools and proposed PCS.	School principals and school councils or executive committee
Level Two	Limited program outline brief. Refer Appendix A for sample program outline brief identifying required elements for Level Two PCS.	Principals, school councils or executive committee and other funders. (e.g. Region, central office, commonwealth programs/partnerships)
Level Three	Formal program outline brief developed and approved by key funders of PCS program. Refer Appendix A for sample program outline brief identifying required elements for Level Three PCS.	Principals, school councils or executive committee, and other funders. (e.g. Region, central office, commonwealth programs/partnerships)

PCS Agreement Requirements

The nature of the information to be included should reflect the level of PCS. However at a minimum the agreement should provide adequate information to support the activities of the PCS consistent with departmental policies and procedures.

PCS Level	Agreement Requirements	Endorsement
Level One	Informal agreement. Arrangements can be demonstrated by minutes of cluster schools meetings, email correspondence between the cluster schools or other correspondence between the cluster schools confirming the arrangements.	Principals and school councils or executive committee
Level Two	Limited agreement. Refer Appendix B for sample PCS agreement template identifying required elements for Level Two PCS. Minimum requirements include objectives of PCS, funding arrangements, administrative arrangements and recommended reporting.	School principals, school council or executive committee and funders (e.g. Region, central office, commonwealth programs/partnerships)
Level Three	Formal agreement signed by all parties or executive committee for the program. Refer Appendix B for sample PCS agreement template. Approval from all relevant stakeholders.	School principals, school council or executive committee and funders (e.g. Region, central office, commonwealth programs/partnerships)

Reporting Requirements

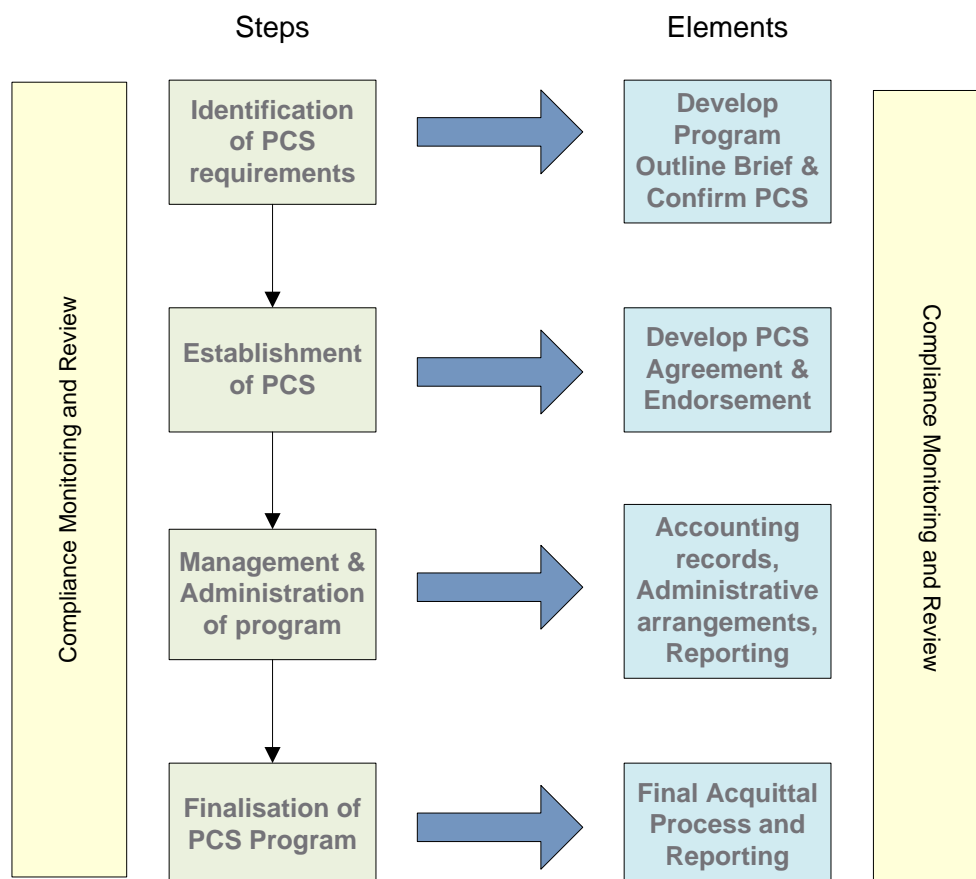
The table below provides a summary of the reporting requirements for PCSs by type. Also see [Section 9 - PCS Reporting Requirements](#).

PCS Level	Nature of Reporting	Frequency (at minimum)
Level One	Operating Statement by Initiative (GL21153)* Annual Sub Program Budget Variance Report (KGLSUB21003) Sub Program Account Transaction Report (GL21115)	At completion of program or 12 monthly
Level Two	Operating Statement by Initiative (GL21153)* Annual Sub Program Budget Variance Report (KGLSUB21003) Sub Program Account Transaction Report (GL21115) Tracked Balances Summary Report Outcomes summary as determined in program outline brief and agreement Acquittal	Six monthly at 30 June and 31 December over the life of individual PCS program At completion of program At completion of program
Level Three	Operating Statement by Initiative (GL21153)* Annual Sub Program Budget Variance Report (KGLSUB21003) Sub Program Account Transaction Report (GL21115) Tracked Balances Summary Report Outcomes summary as determined in program outline brief and agreement Acquittal	Six monthly at 30 June and 31 December over life of individual PCS program At completion of program Any other time as required in the agreement At completion of program

Note: * The Operating Statement by Initiative (GL21153) report can be used by the school to isolate school business from PCS. It is an instrument to exclude PCS activities from school reporting, not necessarily to provide a PCS operating statement. If a school is running more than one program for more than one area the Operating Statement by Initiative (GL21153) will consolidate all programs into a single report.

4. PCS Governance Framework

The PCS Governance Framework is set out below and is aligned with existing departmental policies and procedures, including the Finance Manual for Victorian Government Schools.



The key elements of the governance framework are described further below.

Identification of PCS requirements	<ul style="list-style-type: none"> Develop Program Outline Brief - The proposed program requiring a PCS must develop an appropriate program outline brief prior to the establishment of the PCS. <p>The program outline brief prepared by the program area should be approved prior to the formal establishment of the PCS. It should clearly identify the program that the funding is required for and it should fall within the definition of a PCS program as outlined in this framework.</p> <p>The level of information required in the program outline brief will depend on the type of PCS being proposed. A sample program outline brief template is attached at Appendix A.</p> Confirm PCS - Identification of the school to act as the PCS for the program requires consideration of the capacity and capability of the school and the consent by the school principal and school council to act as the PCS. Schools may opt not to be a PCS and it is therefore within the school's discretion to decline the PCS role. The capacity, capability and consent of the school to act as the PCS should be outlined in the program outline brief.
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Establishment of PCS	<ul style="list-style-type: none"> • Develop PCS Agreement - All PCS arrangements must be formalised and documented. All parties to the program, including the funder, the PCS and the related cluster schools must be party to a documented agreement as to the nature of the arrangements. • The form, scope and content of the agreement will be reflective of type of PCS, Level One, Two or Three. Minimum requirements that must be included in the PCS agreement are set out in Section 7 - Development of PCS Agreement. • A sample agreement template is attached at Appendix B providing guidance on the requirements for the agreement.
Management and Administration of PCS program	<ul style="list-style-type: none"> • The PCS must manage the program consistent with the PCS agreement and departmental policies. This will include ensuring the monies are only acquitted for the purposes of the program and that the monies are acquitted consistent with departmental policy and procedures. • The PCS will be required to maintain separate financial records for each program in CASES21 and the records should be available for audit. • The PCS will be required to periodically report on the operations of the program. The nature, type and frequency of the reporting will be determined based on the level of PCS.
Finalisation of PCS Program	<ul style="list-style-type: none"> • At the completion of the PCS program an acquittal process will be completed which will provide an acquittal report to all the parties to the program. • The report should provide a financial summary of the program and all revenue and expenditure relating to the program that has been administered by the PCS. • The acquittal report will be endorsed by all parties or the executive committee of the program, as confirmed in the agreement.

5. Criteria for a Program Coordinator School

Schools

Before accepting the role of a PCS, the relevant school should give consideration to three key principles in order to fully assess the viability of committing to this role. The three key principles to being a PCS are:

- Capacity
- Capability
- Consent

Capacity

The school should have the capacity to undertake the work required in managing and administering a PCS program. The school principal should ensure that there is an adequate review of the requirements of undertaking the PCS role and ensure that this information is provided to the school council as part of the program outline brief for the establishment of a PCS at the school. The areas that would require consideration by the school are:

- staff capacity
- impact on existing staff workload
- responsibilities of the current staff
- IT infrastructure requirements.

Capability

The school should have the capability to perform all the duties required of a PCS. The nature of the PCS, Level One, Two and Three, will determine the capability requirements of the school. Administration of a Level One PCS would not require the same level of expertise as a Level Three PCS program with significant funding from the regional or central level which could require extensive financial management and reporting over an extended period of the program. The principal should undertake an assessment of the PCS program requirements and align this with the capability of the school and its staff and confirm this with the school council through the program outline brief.

Consent

Schools must consent to become a PCS. The principal must seek endorsement from the school council to establish a PCS by presenting the program outline brief detailing the resources required and the capabilities of the school to meet the service requirements of the PCS.

Schools should not be compelled to act as a PCS. Acceptance of the role and responsibilities of a PCS must be endorsed by the principal and the school council.

Regions or Central Offices

Prior to the establishment of a Level Two or Three PCS for a significant program the region or central office must ensure that the school identified to establish the PCS has addressed the three principles above and confirm that the school has endorsed the decision at the school council level.

6. Develop Program Outline Brief

Programs or activities operating under a PCS structure should develop a formal program outline brief or equivalent funding request to support the establishment of the program under a PCS arrangement.

It is not a requirement for all PCS arrangements to complete a comprehensive program outline brief before establishment. The level of PCS will inform the requirements for a program outline brief and the table [Program Outline Brief Requirements](#) provides guidance as to the nature and scope of the document.

As a minimum the program outline brief or equivalent should include the following information:

Program Objectives	<ul style="list-style-type: none">The objectives of the program should be clearly aligned with the formal definition of a PCS set out in Definition.
Reporting Requirements	<ul style="list-style-type: none">The program outline brief or equivalent should set out the funding requirements, sources of funding and the proposed period of program operation, including relevant key milestones.It may also contain specific program reporting requirements, including type and frequency.
Administrative Arrangements	<ul style="list-style-type: none">The program outline brief should identify the PCS, the proposed administrative arrangements for the PCS and confirmation that the school has given consent to act as a PCS for the program.This would include an estimate and description of costs to manage and administer the PCS. Further guidance on these fees is set out in section 5.
Endorsement	<ul style="list-style-type: none">The program outline brief or equivalent should be endorsed by the preparer and approved by the relevant funder.
Program finalisation	<ul style="list-style-type: none">Process for finalisation of the PCS program including financial acquittal requirements, assessment of outcomes and any audit requirements.

A sample program outline brief template is attached as [Appendix A](#). This template provides guidance and examples to assist in the completion of the program outline brief for the levels of PCS.

7. Development of PCS Agreement

All PCSs must have an agreement in place before the PCS program commences operations. As noted above in relation to the PCS program outline brief, the agreement required should reflect the nature and complexity of the PCS. The level of PCS will inform the requirements for a PCS Agreement document and the table [PCS Agreement Requirements](#) provides guidance as to the nature and scope of the document

A sample PCS agreement template is attached at [Appendix B](#).

A significant amount of the information required in the agreement will have been included in the program outline brief, therefore it is recommended that the program outline brief be included in the agreement as an attachment and referenced as appropriate.

The key areas that are required to be covered by the PCS agreement are:

Objectives	<ul style="list-style-type: none">• Definition of program and objectives, which must be aligned with the PCS formal framework.
Parties to the Agreement	<ul style="list-style-type: none">• Identification of all relevant parties to the agreement, including the funder, the cluster of schools or executive committee and the school acting as the PCS
Roles and Responsibilities	<ul style="list-style-type: none">• Key roles and responsibilities of all parties to the agreement clearly articulated
Funding	<ul style="list-style-type: none">• Details of funding, including dates of receipt and key funding milestones
Program Timetable	<ul style="list-style-type: none">• Implementation plan of the relevant program, including key milestones and deadlines. The plan should also include a budget for the revenue and expenditure anticipated for the program to align with the approved program outline brief.
Reporting requirements	<ul style="list-style-type: none">• Reporting requirements, including type and frequency and associated final acquittal process to be completed.
Administrative Arrangements	<ul style="list-style-type: none">• Administrative requirements including any fees to be paid to the PCS for the administration of the program.

8. Management and Administration of a PCS

Business Rules

PCS programs should be managed and administered consistent with all departmental policies and procedures, particularly in relation to the following key areas

- Receipt funds
- Purchasing Thresholds and Quotes
- Purchase Orders
- Invoices
- Authorisation
- Payments
- Retention of documentation
- Accounting
- Validity, completeness, timeliness and accuracy of data
- Administrative costs including entitlements if on local payroll
- Interest received on PCS funds
- Carry forwards
- Taxation Compliance – GST and FBT

Financial management of a PCS

Under the Education and Training Reform Act 2006 the school council has the duty to ensure that all moneys coming into the hands of the council are expended for proper purposes.

All purchases of goods and services are required to be made in compliance with the quotations, tender and purchase order requirements as set out in the departmental policies and procedures and the Finance Manual for Victorian Government Schools. This is to ensure value for money and transparency in all school purchasing activities.

For detailed information regarding these requirements and policies in schools see the Finance Manual for Victorian Government Schools document on the [Financial Management website](#).

Bank accounts

All transactions (payment of accounts and receipt of money from parties other than DET) must go through the school's Official Account (10002 on CASES21).

Where the school is holding funds as a PCS they can set up a separate investment account to act as a holding account for the program funds.

Transactions on behalf of the program can be processed through the Official Account and then a bank account transfer can be processed from the holding account to reimburse the Official Account.

In CASES21 bank account transfers should be used to transfer funds between investment accounts and the official account and vice versa. Schools should follow the instructions in Section 5: General Ledger of the [CASES21 Finance Business Process Guide](#) to transfer funds.

Receipt of funds

The funding arrangements will be outlined in the PCS agreement signed and approved at the commencement of the PCS.

When the PCS receives the funding from multiple sources within the department, the amount should be confirmed with the relevant funder to ensure transparency around when funds were received and the amount received.

All funds received should be receipted to the correct codes and GST treatment as described in the Chart of Accounts for Victorian Government Schools (see [Appendix C](#) for further information).

Purchasing Thresholds and Quotes

It is the responsibility of the PCS to obtain the required quotes and tender required under the purchasing thresholds. It is the responsibility of the PCS to check the quotations requirements have been met prior to processing the order.

Purchase Orders

Purchase orders must be raised for all purchases. No purchases shall be made without an official order form except for petty cash items approved by the principal or delegated officer, certain canteen supplies and utilities.

Invoices

In order for all expenditure to be processed on CASES21 a school must hold a valid tax invoice if the supplier of the goods or services.

Authorisation

Purchases should be authorised by an appropriate delegate at the PCS prior to payment. The delegate's name and title should be clearly identifiable. The PCS agreement for level two and three PCS's should identify those delegates with authority to approve expenditure for the PCS. In relation to level one PCS's authorisation should be consistent with the delegations at the PCS.

Payments

Schools may make payments to suppliers, via cheque, direct deposit, BPAY and the School Purchasing Card. All payments must be made from the school's official account.

Retention of documentation

All accounting records should be retained by the PCS under the normal departmental records retention policy.

Where the PCS program involves the payment of salaries for staff, the PCS should retain the relevant staff on their payroll records and retain all required documents relating to the recruitment and employment of the

staff members. In addition the PCS should ensure all timesheets for the employee are authorised and evidence of authorisation is retained at the PCS.

Accounting

PCS should have separate identifiable accounts for recording funding received and expended relating to the program. CASES21 has the capacity to record the program transactions separately within the PCS financial records using initiatives. In addition a separate PCS sub program should be established for all PCS's at the school.

The separate accounting will facilitate the PCS being able to provide separate operating statements for each PCS to the relevant stakeholders. Further details on CASES21 coding and recording requirements are included in [Appendix C](#). Detailed guidance on utilisation of CASES21 coding in schools is available through the School Financial Management and Support Unit (SFMSU).

Validity, completeness, timeliness and accuracy of data

PCS should record transactions in a timely manner. Transactions should be posted within an appropriate timeframe consistent with normal departmental practice and to align the financial transactions with the objective of the PCS program.

Administrative costs

Administrative costs can be recovered by the PCS from the PCS funds to cover the costs of the administration by the PCS. The level of administrative costs recovered should be determined when the PCS program outline brief is developed and confirmed in the PCS agreement. The agreement should clearly state costs that can be recovered by the school and funded through the PCS program.

As an indicator it is anticipated that the administrative costs would be a % of the total PCS funds. For example recent Department projects have had a ceiling of 4% of the total project funds set in their agreement.

The PCS should review the administrative costs on a periodic basis and provide information on their costs in the periodic reporting of the PCS. Any changes in these administrative costs recovered must be approved by all parties to the PCS agreement.

Interest received on PCS funds

Where the PCS is in receipt of significant funds, interest will be earned on these funds. There are a number of options in relation to the allocation of this interest:

- Interest earned can be accessed by the PCS as payment for the administrative costs. A reconciliation of the administrative costs to the interest received should be included in the regular operating statements.
- Interest earned may be retained by the program. This will be done six monthly or for Level One PCSs at completion of the program. Records must be maintained to confirm the amounts to be paid and the PCS must include the information on their operating statement.

The PCS agreement should confirm the arrangements for the interest earned on PCS funds.

Carry forwards

The funding requirements and milestones should be developed at the establishment to the PCS to ensure that, as far as practicable, the funding is provided for a 12 month calendar year consistent with the school's reporting requirements. However it is recognised that timing differences may arise and funds may not be fully expended in this 12 month period.

If this situation arises it should be reported to the regional or central office and/or the significant funders immediately and the funding requirements for the next 12 month period will be amended to reflect any carry forward funding. This can be reported using the [Tracked Balances Report](#). Any further periodic reporting should reflect these carry forwards as they occur. This should also be identified and reported on the Financial commitment summary at end of year and presented at school council.

Taxation Compliance for a PCS

PCSs must consider all taxation compliance when managing and administering the PCS. Both GST and FBT compliance

GST Implications

There are a number of issues to be considered in relation to the GST requirements of the PCS

- funds received by a PCS from the regional or central office

It is considered that these payments would meet the ATO requirements for the definition of an appropriation and the payment would not be consideration for a supply and therefore GST would not be applicable. Such funds should be receipted out of scope.

- funds received by a PCS from a cluster government school

In many cases, the PCS will charge cluster schools for PCS activities. Such fees received by the PCS will represent a consideration for a taxable supply made by the PCS to the cluster school. Therefore any fees charged to by the PCS to the cluster school should be grossed up by the amount of GST; i.e. GST should be added to the GST exclusive amount and the total should be coded by the PCS as G01 (cluster school will claim the GST back as an input tax credit "ITC" by coding expense as G11).

However, a simple transfer of surplus funds from the PCS to the cluster school (or from the cluster school to the PCS) is not a consideration for a taxable supply and should be treated as out of scope of GST, school to school transfer.

- Fees received from non-government schools

These should be treated similarly to fees charged for PCS activities to government schools. Therefore any fees charged by the PCS to the government school should be grossed up but the amount of GST; ie. GST should be added to the GST exclusive amount and the total should be coded by the PCS as G01 (non-government schools will claim ITCs).

- Expenses incurred by a PCS

Under the PCS model the PCS holds the funding in its Official Account and incurs and pays all expenses related to the PCS activity. Many of these expenses will involve payments to suppliers or contractors and will include GST. In order to ensure there are no GST leakages in these arrangements, it is important that the PCS claims back all ITCs.

However, in order to do this, the PCS will need to hold a valid Tax Invoice addressed to the PCS. If the Tax Invoice is not addressed to the PCS, the PCS is not entitled to claim ITCs. Therefore all tax invoices for payments made in relation to the PCS arrangement should be addressed directly to the PCS.

FBT Principles

PCS's should consider FBT issues when they incur expenses, particularly related to conferences and principal/business manager network meetings. There could be FBT implications whenever food or drink, or any other entertainment is provided to departmental employees that have been paid for through a PCS arrangement.

Further details on the FBT issues, as well as specific examples of FBT implications for PCSs can be found at the Department Tax website: <https://edugate.eduweb.vic.gov.au/Services/Finance/Pages/Tax.aspx>.

Any FBT questions should be directed to the Tax Compliance Unit at 9637 3281, 9637 2747 or 9637 3702 or send an email to tax@edumal.vic.gov.au.

9. PCS Reporting Requirements

It is a requirement when establishing a PCS to provide regular reporting on the operations of the PCS and when the PCS program for is completed a final report on the outcomes of the PCS. The reporting requirements will be determined by both the Level of PCS and the period of the PCS.

It is recognised that PCS's may last for a few months or extend over a period of 12 months or more, therefore the reporting requirements will be required to reflect the lifecycle of the PCS. In addition the reporting requirements will reflect the level of funding in the PCS and have been tailored to minimise unnecessary administrative requirements handling for smaller programs.

Examples for reporting are included in [Appendix D](#) and [Appendix E](#) for guidance. Blank templates of these reports are available on the [Financial Management website](#).

10. Finalisation of PCS Program

At the completion of the PCS program an acquittal process will be completed which will provide an acquittal report to all the parties to the program. The report should provide a financial summary of the program and all revenue and expenditure relating to the program that has been administered by the PCS.

The acquittal report should be prepared at the completion of the PCS program and be endorsed by all parties to the program, as confirmed in the agreement. The acquittal should provide a summary of the outcomes of the program as compared to the initial PCS Program outline brief and Agreement and should also include a final financial summary of the revenue and expenditure of the program. See [Appendix E](#) for a sample Acquittal Report. A blank template of this report is available on the [Financial Management website](#).

11. Compliance Monitoring and Review

Compliance with the PCS Governance Framework will be monitored through a number of mechanisms established by the department. The compliance regime will encompass the requirements at the school level and at the regional or central office level.

School compliance regime

The key elements of the compliance regime are:

- Annual attestation on compliance with PCS Framework in the Financial Commitment Summary. All schools operating as PCSs will be required to include in the Summary an attestation that all programs being operated as a PCS are in compliance with the PCS Framework.
- A “desktop” audit process for PCSs identified as high risk or of significant value. The desktop audit process will involve requesting relevant documentation from a school in relation to the program being operated as a PCS and confirming compliance with the PCS Framework.
- The areas that will be reviewed will include the initial PCS Program outline brief and signed PCS Agreement, relevant reports prepared by the PCS to support the program and selection of financial transactions from CASES21 to confirm compliance with departmental policies and procedures focussing on procurement and purchasing requirements.
- The annual School Financial Audit program will include relevant audit program steps to review the documentation and record keeping for a PCS at selected schools.

The above steps will commence following the implementation of the PCS Framework across the department in 2012 and 2013.

Regional or Central Office compliance regime

It is anticipated that the relevant regional or central offices will oversee the PCS's within their regions/responsibility where resources permit. This overseeing will ensure that there is transparency over all PCSs across the department. These overseeing requirements will include the following:

- Regional or central offices to maintain a current list of all Level 2 & 3 PCS's arrangements in their region/responsibility, including details of the nature of the PCS, funding arrangements, including funds provided and funders, PCS reporting requirements and anticipated completion dates for the PCSs.
- Regional or central offices to oversee and monitor their PCSs compliance requirements and confirm that the annual attestation and PCS specific reporting requirements are being completed on a timely basis at the relevant schools.
- Consistent with the department's year end requirements the regional or central offices must complete an annual reconciliation of all PCS's monies in their region. This reconciliation must be retained and be available to Financial Services Division (FSD) for financial reporting requirements.
- FSD will oversee the compliance regime for the PCS's and will require the regional or central offices to provide information on PCS's on a periodic basis as required where resources permit.

12. Appendices

Blank templates of Appendix A, B and E are available on the [Financial Management website](#).

APPENDIX A - Sample Program Outline Brief

Objective of Program

Please provide details of the program that is proposed for program coordinator school arrangements. The program objectives should align with the Department's objectives and be consistent with the requirements of the Program Coordinator School Governance Framework.

Sample

It is proposed that the cluster of schools (list the relevant schools) in the South-Western Victoria Region will operate a program coordinator school arrangement to deliver the 2012 literacy program across the schools aligned with the National Partnerships Program. The program will commence 1 February 2012 and finish on 31 December 2012, it will encompass the 2012 school year.

The proposed arrangement will ensure that the program is delivered efficiently across the cluster of schools and minimise the administrative costs associated with the delivery of the program.

Funding Requirements

The funding requirements for the program should be clearly outlined in this section. The funding requirements should clearly identify all sources of funding for the program.

Sample

The funding requirements for the program are:

Funding Source	Amount
National Partnerships – Program XXX	\$225,000
South-Western Victoria Regional Office	\$50,000
Total Program Funding	\$275,000

Funding Timelines

Details of the funding timelines should be included in this section. In particular where the funding is being provided over more than one calendar year the proposed funding timelines should be clearly outlined.

Sample

Required Funding	Funding Date	Amount	Funding Date	Amount	Total
National Partnerships – Program XXX	1 Feb 2012	\$125,000	1 Aug 2012	\$100,000	\$225,000
South-Western Victoria Regional Office	1 Feb 2012	\$25,000	1 Aug 2012	\$25,000	\$50,000

Proposed Administrative Arrangements

This section should include the proposed administrative arrangements for the PCS. This will include the identification of the school acting as the PCS and the extent of the services being provided by the PCS. The administrative arrangement should include an estimate of the costs to manage and administer the PCS.

Sample

School X will act as the PCS for the program. The services that the PCS will perform include:

1. Administrative services associated with the delivery of the program to the cluster of schools including payments to the service provider and other associated costs related to the delivery of the program
2. Maintenance of adequate records to support receipts and payments of monies in relation to delivery of the program
3. All payments will be made by the PCS for the program in compliance with the department's policies and procedures
4. The PCS will maintain separate financial records in relation to the program in CASES21 consistent with the requirements outlined in the PCS Guidance
5. The PCS will provide financial reports to the region and the cluster schools in the format consistent with the templates included in the PCS Guidance every XXX
6. The PCS will be recoup an administrative fee equivalent to 3% of the funding provided by the Region and the fee will be deducted from the total funding of the program for the administrative costs of the PCS.

Reporting Arrangements

The program outline brief should include detail on the reporting requirements for the PCS activities. The minimum reporting requirements are included in the PCS Governance Framework; further reporting requirements may be included in the program outline brief if required by the funding bodies.

The operating statement required for regular reporting should be the CASES21 Operating Statement by Initiative (GL21153). Acquittal reporting should be consistent with the template included in the framework.

Sample

Reporting requirements for the program are noted below.

Reporting requirements	Period	Timeline
Revenue and expenditure	1) 30 June 2012	By 31 July 2012
Operating Statement by Initiative (GL21153)	2) 31 December 2012	By 31 January 2013
Acquittal reporting	31 December 2012	By 31 January 2013

Completion of PCS

At completion of the program the PCS should complete final report for the outcomes of the program against the original program outline brief. This will be documented consistent with the template in the PCS Governance Framework. The timeline for acquittal will be one month following completion of the program.

Sample

The final acquittal for the program will be completed one month following completion of all program activities. The acquittal will include the following information:

- Final financial position for the program, this will be derived from the PCS CASES21 and will be endorsed by the principal and the school council from the PCS
- Summary of the program outcomes against the original objectives of the program. This will be endorsed by the principal or executive committee from all the cluster schools.

Program outline brief endorsement

The program outline brief should include all relevant endorsements for the proposed program being administered by the PCS. The endorsements should be consistent with the PCS Governance Framework.

Sample

Endorsee	Name	Signature	Date
School A Principal School Council President			
School B Principal School Council President			
School C Principal School Council President			
Executive Committee for Cluster Schools			
Regional Director			
Director – Literacy Program			

APPENDIX B - Sample PCS Agreement

This agreement is between:

PCS School:

Funding Entity:

Cluster Schools:

1. Agreement Summary

- 1.1. This agreement must be read in conjunction with the approved Program outline brief attached as appendix X.
- 1.2. The PCS has been established to deliver the program, [*include details of the program here, consistent with the Program outline brief*]. Details of the program are included in the Program outline brief attached to this agreement and should be considered part of this agreement.
- 1.3. The funding for this PCS has been provided by [*insert relevant details here consistent with the Program outline brief*] and may only be used by the PCS for the purposes of program.
- 1.4. The funding is to be provided consistent with the approved Program outline brief attached as appendix X.
- 1.5. PCS is to work in a cooperative manner with the Region and the cluster of schools to deliver the program outlined in 1.2.

2. Description of Service provided by the PCS

- 2.1. The services to be provided by the PCS will be:
- 2.2. Administrative services associated with the delivery of the program to the cluster of schools including payments to the service provider and other associated costs as outlined in the funding program outline brief approved by the Region.
- 2.3. Maintenance of adequate records to support receipts and payments of monies in relation to delivery of the program
- 2.4. All payments will be made by the PCS for the program in compliance with the department's policies and procedures
- 2.5. The PCS will maintain separate financial records in relation to the program in CASES21 consistent with the requirements outlined in the Program Coordinator School Governance Framework (the PCS Framework)
- 2.6. The PCS will provide financial reports to the Region and the cluster schools in the format consistent with the templates included in the PCS Framework as required by the Program outline brief
- 2.7. The PCS will recover an administrative fee of [*insert details of funding arrangements here*] from the PCS funds and the fee will be deducted from the total funding of the program on a periodic basis as determined in the Program outline brief

3. Responsibilities of the Funder

- 3.1. The funder/s will ensure that sufficient funds are allocated to the PCS to meet the payments required and agreed for the program
- 3.2. The funders/s will notify the PCS immediately of any changes to the funding arrangements and any variations to the services undertaken by the PCS must be formally communicated and approved by all parties to the agreement

4. Responsibilities of the Cluster Schools

- 4.1. The cluster schools will ensure that the PCS agreement has been formally approved by the school council and principal.
- 4.2. The cluster schools will ensure that any transactions or payments associated with the delivery of the program received at the relevant school will be provided to the PCS on a timely basis.
- 4.3. The cluster schools will ensure that all funds related to the program will be provided to the PCS for central management if received separately.

5. Financial Accountability

- 5.1. The PCS will comply with the financial accountability requirements consistent with the department's financial policies and procedures and will be subject to the school audit process
- 5.2. The PCS will ensure all financial transactions associated with the program will be recorded separately in the schools CASES21 and operating statements will be available from CASES21 as required for formal reporting
- 5.3. The monies will be acquitted through a financial report at the end of the agreement period and this report will be provided to all parties to the agreement. The reporting requirements are included in the Program outline brief.

6. Taxation Compliance

- 6.1. The PCS must ensure that all taxation requirements have been met in the administration of the PCS.
- 6.2. GST and FBT must be accounted for in accordance with the department's taxation requirements and all supporting documentation must be maintained by the PCS for all taxation transactions

7. Reporting Requirements

- 7.1. Reporting requirements for the PCS are outlined in the Program outline brief attached as appendix X.
- 7.2. The PCS must comply with these reporting requirements and ensure that all parties to the agreements are in receipt of the reports within the agreed time frames in the Program outline brief.

8. Variation and Termination

- 8.1. Non-compliance with the PCS agreement may result in the funding being withdrawn from the PCS and the agreement being terminated.
- 8.2. The agreement may be terminated at any time by agreement between the cluster of schools and the funder/s.
- 8.3. Any variations to the agreement must be approved by all parties or executive committee to the agreement, consistent with the Program outline brief endorsements.

9. Period of Agreement

- 9.1. This agreement will commence on [*insert relevant dates*] and will terminate on [*insert relevant dates*]. Extension of the agreement can be discussed between all the relevant parties prior to the end of the agreement.

Approval and Signature

Sample

Approvers	Name	Signature	Date
School A Principal School Council President			
School B Principal School Council President			
School C Principal School Council President			
Executive Committee for Cluster Schools			
Regional Director			
Director – Literacy Program			

APPENDIX C – CASES21 Coding and Recording of PCS Transactions

Initiatives

Initiatives are determined for accountability purposes. They can be 'flagged' and allocated against one or more sub programs for ease of reporting on revenue and expenditure. They provide the ability for PCSs to report on PCS programs separately from school activities.

The initiative 999 - Program Coordinator School Programs should be used when recording revenue and expenditure for PCS programs.

Receipt of Funds

All funds received should be receipted to the following codes as described in the Chart of Accounts for Victorian Government Schools. The latest version of the Chart of Accounts is always available on the [Financial Management website](#).

Acc Code	Account Title	Account Description	GST Code	Business Rules/Further Information
70040	Coord School DET Grants	Grants received from DET for activities managed by program coordinator schools	NS6	To be used by program coordinator schools for receipting revenue from Regions, and Central Office for programs that are managed by coordinating schools.
71040	Coord School C'wealth Grants	Grants received directly from Commonwealth Departments for activities managed by program coordinator schools	NS6	To be used by program coordinator schools for receipting revenue from Commonwealth Government grants for programs that are managed by the coordinating school.
			G01	Funds received by the program coordinator school where GST is applicable; a Recipient Created Tax Invoice (RCTI) will be provided by the Commonwealth Government (check remittance advice carefully).
72040	Coord School State Govt Grants	Grants received from State Government Departments (not DET) for activities managed by program coordinator schools	NS6	To be used by program coordinator schools for receipting revenue from State Government Grants (not DET) for programs that are managed by coordinating school.

Acc Code	Account Title	Account Description	GST Code	Business Rules/Further Information
73540	Coord Schools Other Revenue	Revenue received by the program coordinator school from other sources for the operation of programs	G01 NS6	<p>Includes other revenue received for program coordinator school activities including:</p> <p>Reimbursements – funds recouped from teachers or parents eg photocopying, telephone, postage, any expense that is reimbursable by staff, or other agencies. Also suitable for staff funded functions reimbursement, insurance rebates, CRT reimbursement relating to Professional Development. (G01)</p> <p>sale furniture/equipment/motor vehicles, (G01, but if GST market value rules apply - G03 – See Rev 4)</p> <p>other local government grants, capital local government grants, maintenance local government grants.</p> <p>(GST treatment of local govt grants is G01 if RCTI issued, or NS6 if no GST; check remittance advice carefully)</p>
73541	Transfers from other Schools	Receipting funds that have been transferred from another school.	NS6	<p>To be used to receipt money from another school</p> <p>new schools receiving the balance of the establishment grant and other revenue from the host school</p> <p>Receipting Department and Commonwealth grants from another school</p> <p>Transfer of program coordinator school funds where current program coordinator school relinquishes funds to new coordinator school</p>
			G01	<p>Receipt of transferred funds from another school for services provided (tax invoice is required)</p> <p>Camps and excursions</p> <p>Organising school activities (eg VPSSA)</p> <p>Affiliation fees, principal network fees</p>

Acc Code	Account Title	Account Description	GST Code	Business Rules/Further Information
74450	Coord School local funds	Revenue received for program coordinator schools from locally raised funds.	G01	<p>To be used by program coordinator schools where funds are received directly from the original source of locally raised funds.</p> <p>For example:</p> <p>Sponsorship for program coordinator school activities</p> <p>Not to be used for transfers between schools refer to 73541.</p>

Payment of funds

All funds received should use the actual expenditure code for that item as described in the Chart of Accounts for Victorian Government Schools. The latest version of the Chart of Accounts is always available on the [Financial Management website](#).

Acc Code	Account Title	Account Description	GST Code	Business Rules/Further Information
86101	Office/Teacher Requisites	Requisites, stationery and items used for administrative purposes	G11 G14	Includes printer toner and paper, requisites, stationery and items used for teaching purposes, e.g. wall charts, educational kits, white board markers, videos, CD's, DVD's, purchases and processing of film, book covering, book repairs and other items used in library and specialists programs. Excludes teacher reference materials – refer Expenditure code 86203 Reference Materials. G11 if GST is included in the expense. G14 if no GST is included in the expense.
86102	Photocopying	Operation of school photocopiers	G11 G14	Includes: paper, toner, and associated materials. Excludes: a) charges associated with purchase – refer to Non-Current Asset 26212 – Purchase of Office Equipment >\$5,000 b) Service Agreement charges and repairs refer to Expenditure Code 86402 Repairs/Maintenance-Furniture/Equipment G11 if GST is included in the expense. G14 if no GST is included in the expense.
86408	Leased/Hired Facilities	Payment code for lease/hire of facilities	G11 G14	Not to be used for lease/hire of equipment – refer account code 86403. G11 if GST is included in the expense. G14 if no GST is included in the expense.

Acc Code	Account Title	Account Description	GST Code	Business Rules/Further Information
86803	Affiliations	Subscriptions to professional bodies	G11 G14	<p>Fees or subscriptions paid to professional associations e.g. Business Managers Association (ABMVSS). Includes shareholding required for Credit Union Bank accounts, membership to sporting bodies, various levies and charges for entry to external facilities. Not to be used for subscriptions that are solely for the provision of reference materials – see account code 86203.</p> <p>G11 if GST is included in the expense.</p> <p>G14 if no GST is included in the expense</p>
89360	School to School transfers	Transfer of funds from one school to another.	NP6	<p>To be used for transferring funds from one school to another, including payment of the balance of the establishment grant and other funds by the host school.</p> <p>This code is also to be used for on paying Department and Commonwealth Grants to another school and for payment/transfer of coordinator school funds where current coordinator school relinquishes funds to a new coordinator school.</p>
			G11	<p>Payment/transfer of funds from one school to another for services provided (tax invoice should be obtained e.g.):</p> <p>Camps and excursions</p> <p>Organising school activities (e.g. VPSSA)</p> <p>Affiliation fees, principal network fees.</p>
89361	School to DET transfers	Transfer of funds from school to the Department	NP6	<p>Including transfers to regional offices, repayment of SRP Deficit etc. payments to the DET Student Transport Unit (FSD) for contract bus fares received from students (NP6).</p> <p>Note: the amount withheld by the school as a fee for providing the service is taxable (G01); cash to credit transfers to DET (NP6);</p>

Programs and sub programs

Code	Program	Code	Subprogram
900	Curriculum Services	9001	Curriculum Services
		9250-9299	School-defined
910	Regional Initiatives	9101-9149	School-defined

APPENDIX D – CASES21 Reports

School Council

The following reports will assist school council in monitoring the Official Account and identifying the individual and total amounts of the activity/activities:

- Operating Statement by Initiative (GL21153)
- Bank Account Movements - Official Account (GL21152)

Other Schools/Region/Central Office

The Program Coordinator School is accountable to other schools/region/central office for the particular activity/activities that are being coordinated. As outlined in the Program outline brief, the Program Coordinator School should provide the following information related to the activity/ies:

- Operating Statement by Initiative (GL21153) *
- Annual Sub Program Budget Variance Report (KGLSUB21003)
- Sub Program Account Transaction Report (GL21115)
- Tracked Balances Summary Report

* The Operating Statement by Initiative (GL21153) report can be used by the school to isolate school business from PCS. It is an instrument to exclude PCS activities from school reporting, not necessarily to provide a PCS operating statement. If a school is running more than one program for more than one area the Operating Statement by Initiative (GL21153) will consolidate all programs into a single report.

Note: Program Coordinator Schools are reminded that some expenditure may attract Fringe Benefits Tax (FBT) e.g. hospitality-related payments. When you are entering and coding expenditure, allow for processing on an "item-by-item" basis to ensure that all FBT liability is captured, and charged appropriately against each school. For further information see the [Taxation Compliance for PCS's](#) section of this document and the [Department's Tax website](#).

APPENDIX E - Sample Acquittal Report

Program Name

Objective of Program

Please provide details of the program that was conducted as per the Program Outline Brief.

Financial Outcomes

The final financial reports should be attached as an appendix to the acquittal summary. The final financial reports should be consistent with the financial information in the PCS's CASES21 data and should reconcile to any previous financial information provided to the funders and the cluster schools over the life of the program. The acquittal statement should include a brief summary of the financial highlights. Refer below for sample financial information that could be provided.

Sample

The Operating Statement by Initiative (GL21153) attached in the appendix provides a final summary of the financial revenue and expenditure of the program. The key highlights to note are:

- Total funding received for the program was \$XX over the period of the program. Funding came from X sources; and amounts provided from each funder was X and X. Funds were received over the period of the program in X tranches.
- Total expenditure for the program was \$x. The major items of expenditure are listed below.

Expenditure Type	Program Expenditure \$
X	
X	
X	

- The PCS recouped \$X for administration costs over the period of the program. This represents X% of the total program and is consistent with the estimates included in the PCS Program outline brief and the PCS Agreement
- All costs have been included in the operating statement and the PCS has confirmed that no further expenditure is anticipated
- Based on the financial summary the program has a small excess balance of \$X. This money has been returned to the funders consistent with the proportion of initial funding provided.

Other Matters

Please include any other information that may be relevant to the finalisation of the program. This may include a summary of information or reporting that may have been provided to the funders separately from the PCS requirements, specifically if there were federal government requirements.

Prepared by: _____

Endorsed by: _____

Date: _____