



OPTIMAL

SCHOOL GOVERNANCE



NESA

Requirements

for Proper

Governance

for reference by participants in the following NESA-accredited courses:

OSG-N1 "School Governance Basics"
OSG-N2 "Best Practice in School Governance"
OSG-N3 "Effective School Governance"
OSG-S1 "Board Operations"
OSG-S2 "Creating and Sustaining Healthy Boards"
OSG-S3 "Future-focussed Board Leadership"

OSG-S4 "Governance and Management"
OSG-S5 "Mission, Vision and Strategic Thinking"
OSG-S6 "Overcoming Governance Challenges"
OSG-S7 "The Board's Duties"
OSG-S8 "The Board's Role in Directing Change"



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B1 Proprietors and Principals

B1.1 Proprietors must be a type of legal entity approved by the Minister



The proprietor of the school must be a corporation or other form of legal entity approved by the Minister including:

- corporations
- registered companies
- trusts, including religious bodies.

The proprietor must be a legal entity that is legally permitted to enter into a contract and be accountable for its contractual obligations.

A school's proprietor cannot be an individual person.

The proprietor of the school:

- owns and operates the school
- is named on the school's Certificate of Registration
- is primarily concerned with the school's governance, including long-term financial planning, administrative policies and accountability
- has overall responsibility for the school's compliance with registration and, if applicable, accreditation requirements.

The proprietor's role differs from that of the Principal, whose role is delegated to them by the school's proprietor or governing body.

The proprietor should appoint a Principal (or equivalent) who is responsible for the school's management, day-to-day functioning and routine operations as delegated by the proprietor, typically including:

- school operations
- curriculum implementation
- teaching and learning programs
- assessment
- health and safety
- student welfare
- staff selection, supervision and professional development
- enrolment and daily attendance registers
- building maintenance and management of facilities, resources and equipment.

If a school has no Principal:

- any notice that would ordinarily be given to the Principal can instead be given to any of the school's teachers, and it is taken to have been given to every teacher at the school
- an obligation that would ordinarily be imposed on the Principal is to be taken as being imposed on all the school's teachers, but it may be discharged by one of them on behalf of all of them.

The roles of proprietor and Principal may be carried out by one or more people.

Schools must notify NESAs when there are changes to its proprietor and Principal. See [B2.6](#).



Evidence of compliance for registered schools

A school must maintain evidence that their proprietor is one of the types of legal entity approved by the Minister. The evidence could be:

- a memorandum
- a constitution
- other articles of association that establish the entity
- a trust deed
- incorporation documents
- an Act of Parliament.



Capacity to comply: evidence for schools applying for initial registration

An applicant must comply with requirement [B1.1](#), including providing evidence that the proprietor is one of the types of legal entity approved by the Minister.



Education Act

[section 47\(1\)\(a\)](#) The school's proprietor must be a corporation or other form of legal entity approved by the Minister.

[section 129](#) Where a school has no Principal, notices or obligations are given to or imposed on teacher(s).

B2 School management and operation

B2.1 Responsible persons must be fit and proper



All responsible persons, and any other person or body performing a similar role, must be fit and proper.

The Education Act defines a responsible person as:

- the proprietor of the school and, if the proprietor is a corporation, each director or person concerned in the management of the school
- each member of the governing body of the school
- the Principal of the school.

Proprietor responsibilities

Proprietors must ensure that:

- each responsible person is fit and proper, and
- the governing body has relevant qualifications, experience and expertise in administering a school and providing education at a school.

The proprietor should consider whether the school's governing body has arrangements in place to ensure it receives independent and professional advice about its compliance with its obligations under the Education Act.

The proprietor must have policies and procedures to assure itself that the school's responsible persons and governing body are and continue to be fit and proper. At a minimum, the proprietor must require each responsible person to sign a fit and proper statutory declaration:

- prior to commencing as a responsible person
- annually while they remain a responsible person.

Proprietors must manage notifications to NESA about responsible persons as outlined in [B2.6](#).

NESA's considerations

When NESA assesses whether a school's responsible persons and governing body are fit and proper, it will consider if they have:

- debts to a government
- a record of satisfactory financial management, considering whether they have been bankrupt, insolvent, subject to court orders or associated with an organisation placed under external administration
- been convicted of, or charged with, an offence, including in relation to children, dishonesty or violence
- engaged in a deliberate pattern of immoral or unethical behaviour.

Even if a responsible person has been convicted or engaged in any of these behaviours, it does not necessarily mean they are not fit and proper. For example, a responsible person may have been convicted of a trivial offence a long time ago, with exemplary conduct since.

Where a responsible person or governing body has been bankrupted, insolvent, subject to court orders or associated with an organisation placed under external administration, NESA will consider the relevance and recency of the circumstances.

Where a responsible person or governing body has breached laws that fall short of constituting criminal offences, NESA will consider if they were trivial and unintentional.

There may be occasions when non-criminal breaches of law may indicate the existence of serious behaviour. NESA will consider whether:

- there is a pattern of behaviour
- they have engaged in immoral or unethical behaviour
- there has been sufficient remorse or a reasonable attempt to rectify the conduct
- the responsible person has repeatedly and deliberately set up corporate ventures which then fail.

When determining if a responsible person or governing body is fit and proper, NESA will consider:

- the nature and seriousness, frequency and recency of the conduct
- the proprietor's determination of the conduct
- any explanation for the conduct
- the responsible person's subsequent conduct and actions.

These matters are not definitive but are used as an insight into the fitness and propriety of the responsible person or governing body.

Previous refusal or cancellation

A person cannot fill the role of a responsible person if the refusal or cancellation of registration of an existing or proposed new school during the period of 5 years immediately before an application can be largely attributed to their actions.



Evidence of compliance for registered schools

The proprietor must have and implement policies and procedures for:

- maintaining evidence that the responsible persons and governing body have the experience and expertise to administer a school
- requiring and retaining signed fit and proper statutory declarations for each responsible person prior to commencement and at least annually while they continue to be a responsible person for the school
- responding to information suggesting that a responsible person may not be fit and proper
- notifying NESA (see [B2.6](#)):
 - as soon as practicable if the school's proprietor, a responsible person or the governing body determines that a responsible person or the governing body is not fit and proper
 - when the school becomes aware that the refusal or cancellation of an existing or proposed non-government school in the past 5 years has been largely attributed to the actions of a responsible person.

The proprietor must maintain an accurate register of responsible persons in [RANGS Online](#) (see [B2.6](#)).

Fit and proper statutory declarations

Declarations must include a response about whether the person has ever:

- been convicted of an offence
- become bankrupt, insolvent or been placed under external administration
- been convicted of, or charged with, an offence, including in relation to children, dishonesty or violence
- been determined not to be fit and proper

- engaged in a deliberate pattern of immoral or unethical behaviour
- been a responsible person for a proposed or existing non-government school whose registration was refused or cancelled.

The proprietor must maintain a copy of each responsible person's declaration for 7 years, including after they cease being a responsible person.



Capacity to comply: evidence for schools applying for initial registration

An applicant must show capacity to comply with requirement [B2.1](#), including policies and procedures to:

- ensure the school's responsible persons and governing body are fit and proper
- require responsible persons to sign a fit and proper statutory declaration before commencing as a responsible person and at least annually while they continue to be a responsible person for the school
- notify NESA as soon as practicable if the school's proprietor, a responsible person or the governing body determines that a responsible person or the governing body is not fit and proper
- assure NESA that any previous registration refusal or cancellation of an existing or proposed non-government school in the past 5 years was not largely attributed to a responsible person or any other person or body performing a similar role
- maintain a copy of each responsible person's declaration for 7 years, including after they cease being a responsible person.



Education Act

[section 47\(1\)\(b\)](#) A school's responsible persons (and any other person or body performing a similar role) must be fit and proper.

[section 47\(1\)\(c\)](#) A registration refusal or cancellation (under section 56 or 59) in the preceding 5 years must not have been largely attributable to the actions of an actual or proposed responsible person for the school, or any other person or body performing a similar role.

B2.2 Responsible persons must be inducted and complete professional learning



Good governance is fundamental to a school's operation. Responsible persons must have relevant qualifications, skills and experience to govern the school properly.

Proprietors must ensure that responsible persons:

- are inducted when they are new to a school
- complete ongoing professional learning.

The focus of the professional learning for a responsible person will depend on:

- their professional experience in NSW schools
- their role and responsibilities
- the school's policies and procedures for governance professional learning.

Regardless of professional qualifications and experience, all responsible persons must complete professional learning about governance in a school context.

There are requirements for responsible persons' professional learning including the number of hours that must be completed, the timeframe in which the professional learning must be completed, and the governance courses and providers that have

been approved by NESA. The list of [NESA-approved providers](#) of governance training programs and courses are published on NESA's website.

Where a responsible person acts for more than one school governing body or transfers from one NSW school to another, their responsible persons professional learning hours may be carried across to the other school. However, each proprietor must ensure the person completes the school-based induction program for that school.



Evidence of compliance for registered schools

Induction

The proprietor must have and implement policies and procedures for:

- inducing new responsible persons before, or within 3 months of, becoming a responsible person for the school including a:
 - school-based governance induction program
 - NESA-approved governance training program delivered by a NESA-approved training provider
- maintaining and retaining an induction register for responsible persons.

School-based governance induction program

The school-based governance induction program must provide each responsible person with a copy of:

- information about their responsibilities under the Education Act, any Regulation under the Education Act, and NESA requirements, including any duties of disclosure or notification
- all documents, policies and procedures specified in the evidence of compliance in [B2.3](#) and any other key policy documents
- the school's most recent audited financial statements
- minutes of recent meetings of the school's governing body.

Induction register

Proprietors must maintain an induction register, including the following details for each new responsible person:

- name
- date of becoming a responsible person for the school
- role or position of responsibility within the school's governing body
- details of qualifications and/or experience relevant to their role
- date of responsible person receiving a copy of the documents listed under 'School-based governance induction program'
- details of completing a NESA-approved governance training program (date(s), provider, course, hours).

The induction register and evidence of completed courses must be maintained and retained for 7 years.

Professional learning

The proprietor must have and implement policies and procedures for:

- responsible persons completing at least 12 hours of NESA-approved governance professional learning every 3 years from when they commenced as a responsible person
- maintaining and retaining a register and records of completed responsible persons' professional learning.

A responsible person whose role or responsibilities require particular skills or expertise should complete professional learning in the relevant area such as:

- finance
- compliance
- risk management
- education.

Professional learning register

Proprietors must maintain a professional learning register for each calendar year that include details of:

- name of the responsible person
- role or position of responsibility within the school's governing body
- NESA-approved governance professional learning (date(s), provider, course, hours).

The register can also include records of any prior professional learning for responsible persons who have transferred from, or are a responsible person for, another NSW school.

The register and evidence of completed professional learning must be retained for 7 years.



Capacity to comply: evidence for schools applying for initial registration

An applicant must show capacity to comply with requirement [B2.2](#), including policies and procedures for how they will:

- induct and retain records of new responsible persons
- ensure professional learning for responsible persons is conducted and recorded.



Education Act

[section
47\(1\)\(b1\)](#)

Policies and procedures for proper governance of the school.

B2.3 Schools must be managed through proper governance



Proprietors must have policies and procedures to ensure proper governance.

Under the Education Act, a school's responsible persons are accountable for ensuring proper governance of the school.

Responsible persons are responsible for governing and operating the school to:

- satisfy legal obligations
- manage risk
- provide strategic guidance
- monitor performance
- meet all relevant requirements set out in the Manual.

Proper governance requires structures and processes for:

- governance
- leadership
- authority
- decision-making
- accountability
- transparency.

Responsible persons are accountable in the same way that members of other public or corporate bodies are accountable.

In general, a school's governance policies and procedures must be consistent with accepted community norms. There are additional standards set by other authorities and laws that may be relevant, such as:

- Australian Securities and Investments Commission (ASIC)
- Australian Securities Exchange
- Australian Charities and Not-for-profits Commission (ACNC)
- the 'operate for profit' provisions of the Education Act.

A school's specific governance policies and procedures will vary based on:

- its context and philosophy
- its governance structure
- the authority delegated by the proprietor to governing bodies or positions within the school (for example a school council or board, Principal and/or school executive).

In assessing a school's compliance with requirement [B2.3](#), NESA will have regard to all of the school's governance policies and procedures set out in B2.1–B2.7.



Evidence of compliance for registered schools

Proprietors must have governance documents including:

- a constitution, charter or other document that identifies the proprietor and school's governance structure and the respective authority, role and responsibilities of each responsible person and any other person or body involved in the management of the school
- a delegation schedule that:
 - identifies each respective authority within the governance structure
 - describes how to withdraw a delegated authority
- supervisory arrangements and reporting requirements for responsible persons, including any governing body and school executive
- a code of conduct for responsible persons
- a framework or plan to manage risk, including legal obligations, and the associated risk register
- governance decision making records from the last 7 years, including minutes of meetings of the school's governing body.



Capacity to comply: evidence for schools applying for initial registration

An applicant must show capacity to comply with requirement [B2.3](#), including:

- a constitution, charter or other document that identifies the intended governance structure and the respective authority, role and responsibilities of each responsible person and any other person or body involved in the management of the school
- a delegation schedule that:
 - identifies each respective authority within the governance structure
 - describes how to withdraw a delegated authority
- supervisory arrangements and reporting requirements for responsible persons, including any governing body and school executive
- a code of conduct for responsible persons
- a framework or plan to manage risk, including legal obligations, and the associated risk register
- a plan for retaining governance decision making records for at least 7 years.



Education Act

[section
47\(1\)\(b1\)](#)

Policies and procedures for the proper governance of the school.

B2.4 Schools must manage conflicts of interest and related party transactions



Responsible persons must manage personal conflicts of interest and related party transactions.

Responsible persons must seek to avoid situations where their personal interests (or those of a relative or close associate) may conflict with decisions made by the governing body. The conflicts may:

- be direct or indirect
- be actual, perceived or potential
- include related party transactions, as described below.

The school's proprietor is responsible for mitigating any conflicts of interest that do arise.

A related party transaction is any transaction where a responsible person (acting on behalf of the school) provides a financial or other tangible benefit to a related party.

The related party may be:

- the responsible person themselves
- the responsible person's spouse
- another responsible person or their spouse
- other relatives or close associates of the responsible person
- other organisations related to the responsible person or proprietor.

The school's governing body must arrange for the related party transaction register to be audited annually by an external independent auditor (also see [B2.5](#)).



Evidence of compliance for registered schools

Conflicts of interest

The proprietor must have and implement a policy and procedure for conflicts of interest including:

- a definition of conflicts of interest within the context of the proprietor's governance structure
- requiring responsible persons to:
 - make an annual declaration about any actual, perceived or potential conflict, and update as necessary
 - raise any actual, perceived or potential conflict with items on the agenda for governing body meetings
 - mitigate the risk of conflicts of interest in a way that is acceptable to the other responsible persons (for example, by absenting themselves from associated decision-making or advisory role)
 - ensure the minutes record conflicts raised and actions taken to manage each conflict
 - maintain and retain records of the annual declarations for 7 years.

Related party transactions

The proprietor must have and implement a policy and procedure for related party transactions including:

- a definition of related party transactions
- requiring responsible persons to:
 - disclose related party transactions made on behalf of the proprietor or governing body
 - maintain a register of all related party transactions
 - sufficiently detail the materiality of each transaction
 - have the register audited independently on an annual basis
 - retain records of the register and independent audit reports for 7 years.



Capacity to comply: evidence for schools applying for initial registration

An applicant must show capacity to comply with requirement [B2.4](#), including the policies and procedures for how they will manage:

- conflicts of interest
- related party transactions.



Education Act

[section
47\(1\)\(b1\)](#)

Policies and procedures for the proper governance of the school.

B2.5 Schools must be financially viable and audited annually



Proprietors must:

- ensure schools are financially solvent
- monitor schools' financial viability regularly
- arrange for schools' financial statements and related party transactions to be audited and certified annually by an external independent auditor.

For schools to ensure they can continue to provide an education for students, they must be financially viable.

As set out in [B2.6](#), schools must notify NESA if:

- the contract with the school's external auditor is terminated by either party before the end of the contract term including the reason(s) for the termination
- the proprietor's affairs are under any form of external control.

In considering a school's financial viability, NESA relies on assessments by NESA-approved bodies based on NESA's Financial Viability Framework (see [NESA website](#)).

At the time of a school applying for registration, NESA will conduct a risk assessment to determine what evidence of financial viability the school needs to provide. This may include:

- a certification from the Principal that the school assesses its financial viability regularly
- an assessment of financial viability by a NESA-approved body or person using the NESA Financial Viability Framework with either a:
 - Certification of Financial Viability, or
 - Financial Viability Warrant.

An Inspector may request additional information based on an assessment of the school's application.

NESA will have regard to whether:

- the school's proprietor is a body corporate that is being wound up
- the proprietor's affairs are under external control, such as the control of a manager
- in the view of NESA, the proprietor's liabilities are greater than its assets
- in the view of NESA, the proprietor is unable to pay its debts by the due date (and this is likely to continue for a substantial period)
- an auditor or NESA-approved body has materially qualified the school's accounts or is concerned about the proprietor's financial viability.

NESA will also have regard to the type of evidence for assessing viability, including whether the school's compliance with the requirements for financial viability have been certified by a NESA-approved body.

NESA may consider other information to assess financial viability.



Evidence of compliance for registered schools

A proprietor must have and implement policies and procedures for:

- assessing the school's financial viability regularly, including what documents the school uses to make the assessment
- notifying NESA (see [B2.6](#)) if:
 - the contract with the school's external auditor is terminated by either party before the end of the contract term including the reason(s) for the termination
 - if the proprietor's affairs are under any form of external control
- retaining externally audited and certified financial statements for at least 7 years
- retaining a financial viability certification or warrant in the NESA-prescribed form for at least 7 years.

Certification or warrant

Typically, at the time of making an application to NESA, the school must be able to demonstrate the school's current financial viability by:

- certification by the Principal, or
- an assessment of financial viability by a NESA-approved body or person.

When determining a school's financial viability, an Inspector may ask to see:

- evidence of assessing the school's financial viability at regular intervals including the records and documents used in making the assessment
- audited annual financial statements, independent audit reports and management letters
- compliance with the requirements of state or federal funding agencies
- the most recent Commonwealth Financial Questionnaire
- current operating financials (or management accounts)
- schedule of loan agreements (where relevant)
- property lease or rental agreements (where relevant) including term and yearly cost
- information about remuneration paid to members of the governing body (and other related parties) and the award or agreement that governs staff salaries
- current business plan
- current budget and forecast budgets for 3–5 years
- insurance policies
- any other relevant material.

Annual audit of the school financial statements

The proprietor must certify or provide other evidence that the annual audit of the school financial statements, related party transaction register and audit certificate:

- have been completed by an auditor recognised by CPA Australia, Chartered Accountants Australia and New Zealand, the Institute of Public Accountants or another NESA-approved accounting body
- comply with requirements of federal or state funding agencies
- have not been completed by a person or body who has a:
 - relationship with the school other than providing audit services, or
 - conflict of interest with any of the school's responsible persons.



Capacity to comply: evidence for schools applying for initial registration

An applicant must show capacity to comply with requirement [B2.5](#) including intended policies and procedures for how:

- financial viability will be assessed in an ongoing manner
- the school financial statements and related party transactions will be audited and certified annually by an external independent auditor
- records will be retained for at least 7 years.

As part of a proposed new school application, an assessment of financial viability by a NESA-approved body or person must be completed and provided to the Inspector.



Education Act

[section
47\(1\)\(a1\)](#)

The school must be financially viable.

B2.6 Schools must notify NESA in certain circumstances



Notifications to NESA are essential:

- to ensure NESA has accurate and up-to-date details for the proprietor, Principal and school
- to ensure the certificates of registration and if applicable accreditation, are current and accurate.

Schools must notify NESA when there are certain operational changes to the school's management and operation, staffing, curriculum, boarding facilities (if applicable) or distance education (if applicable).

Where new certificates are needed, NESA relies on notifications to inform the Committee and request the required actions from the Minister and/or NESA CEO (see [D2.2](#)).

Depending on the nature of the change, the method and timing of notification differs.



Evidence of compliance for registered schools

Schools must have and implement a procedure for providing notifications to NESA as set out below.

Notifications to be made in writing

The below notifications should be made in writing to the Director, Regulation of Schooling, GPO Box 5300, Sydney NSW 2001 or email schoolrego@nesa.nsw.edu.au.

Notification	Submission timeframe
<p>Responsible persons:</p> <ul style="list-style-type: none"> are convicted of an offence punishable by imprisonment of at least 12 months become bankrupt or insolvent apply to take advantage of bankruptcy relief laws compound with their creditors or assign their remuneration for the creditors' benefit are found by the school's proprietor to no longer be a fit and proper person. <p>Responsible persons who are involved with a corporation that has either:</p> <ul style="list-style-type: none"> wound up had a controller or administrator appointed. <p>At least one other responsible person must also be notified</p>	as soon as practicable after it occurs
<p>A responsible person has become mentally incapacitated and becomes a patient at an institution because of that incapacity, or a protected person under the NSW Trustee and Guardian Act 2009.</p> <p>At least one other responsible person must also be notified</p>	as soon as practicable after it occurs
<p>The proprietor's affairs are under any form of external control, such as the control of a manager, under any law</p>	within 1 month of it occurring
<p>The school has been formally notified that they have allegedly breached any of the laws or codes listed below:</p> <ul style="list-style-type: none"> Children's Guardian Act 2019 Child Protection (Working with Children Act) 2012 Children and Young Persons (Care and Protection) Act 1998 Disability Discrimination Act 1992 Work Health and Safety Act 2011 Environmental Planning and Assessment Act 1979 Food Act 2003 Explosives Act 2003 National Construction Code 	within 14 working days of being notified of the alleged breach

Notifications to be made in RANGS Online

The below notifications must be submitted to NESA using the relevant notification form through [RANGS Online](#).

Notification	Submission timeframe
School management and operation	
The school intends to change the name of the main school site or the name of a registered campus	at least 3 months before the change takes effect
The school is sold or transfers ownership to another proprietor	within 7 days of completing the sale
The school's existing proprietor changes its name, legal entity or contact details	within 7 days of the change
A new Principal (or equivalent) is appointed or the existing Principal's details change	within 7 days of the change
There is a change to the details of a school's responsible persons, including: <ul style="list-style-type: none"> name role/position contact number date of starting date of ceasing as a responsible person (where relevant) 	within 1 month of the change
The contract or arrangement with the school's external auditor is terminated by the school or external auditor before the contract term expires	within 1 month of the change
There is a change to the school's main site or a campus, including: <ul style="list-style-type: none"> postal address contact details 	within 1 month of the change
The school closes or ceases to operate as a school, or closes or ceases specific Years of schooling	within 1 month of the change
Staffing	
There is turnover of half or more of the teaching staff during any 12-month period	at the start of the next term
Curriculum	
The school intends to deliver additional Years of schooling at a registered campus where the same Years of schooling are registered at its main site or another registered campus	at least 3 months before implementing the change

Notification	Submission timeframe
The school increases the scope of its curriculum by teaching one or more courses in a Key Learning Area (KLA) from which it has not previously taught any courses	within 1 month of the change
The school intends to decrease the Years of schooling at its main site or a registered campus	within 1 month of the change
The school intends to cease accreditation for courses leading to the award of the RoSA and/or HSC at its main site or a registered campus	within 1 month of the change
Premises and buildings	
The school intends to add a campus	at least 6 months before implementing the change
The school, part of the school, or existing campus proposes to move to a new site (at a street address different to the address on the Certificate of Registration), particularly if the premises are used: <ul style="list-style-type: none"> for teaching courses of study to provide amenities for teachers and students participating in courses of study as student boarding facilities 	at least 3 months before relocation
The school closes or ceases operating a campus or specific Years of schooling at a campus	within 1 month of the change
Schools with approved boarding facilities	
The school intends to relocate the boarding facilities on the school site or move them to a new site	at least 3 months before relocation
There is turnover of half or more of the full-time supervisory staff at a boarding school during any 12-month period	at the start of the next term
The school intends to cease being a boarding facility	within 1 month of the change
Schools with approved scope to deliver distance education	
The school intends to change the approved scope of distance education including: <ul style="list-style-type: none"> amending the Years of schooling adding/ceasing accreditation for courses leading to the RoSA and/or HSC 	at least 6 months before the change
The school intends to add accreditation for courses leading to the RoSA and/or HSC	at least 6 months before the change
The school intends to cease providing distance education courses	within 1 month of the change



Capacity to comply: evidence for schools applying for initial registration

An applicant must show capacity to comply with requirement [B2.6](#), including the intended process for how they will manage notifications to NESA.



Education Act

[section 47\(1\)\(b1\)](#)

Policies and procedures for the proper governance of the school.

[sections 60\(1\), 60\(4\)\(a\)–\(c\), 62\(1\), 63, 63A, 69](#)

Written notice must be provided to NESA where there are changes to school operations or responsible persons.

B2.7 Schools must report annually



Schools must:

- publicly disclose educational and financial performance measures and policies as determined by the Minister
- provide data for the Minister's annual report to Parliament on the effectiveness of NSW schooling.

Annual report

Schools are required to prepare an annual report based on the previous calendar year.

The information can be produced as either:

- a stand-alone report, or
- a clearly identified, separate section of an existing report.

Schools will choose the order and structure of the required information.

The school's overall financial position may be presented in graphical form, as long as:

- each segment represents specific dollar amounts derived from the school's Commonwealth Financial Questionnaire
- data is arranged in line with the areas covered by the Commonwealth Financial Questionnaire (as outlined below).

Graph 1: recurrent/capital income, with segments detailing percentages derived from:

- fees and private income
- recurrent state grants
- recurrent federal grants
- government capital grants
- other capital income.

Graph 2: recurrent/capital expenditure, showing percentages spent on:

- salaries, allowances and related expenses
- non-salary expenses
- capital expenditure.

Annual reports are submitted to NESA by 30 June each year.

Data for the Minister

If asked, schools must also provide data, so the Minister can report to Parliament on schooling effectiveness. This includes:

- HSC examination results (as allowed under the Education Act)
- other information.

From time to time, the Minister may ask schools to provide extra information for other parliamentary reports. If so, schools will receive 3 months' notice.

The data must be provided to NESA in an online or appropriate electronic form (unless otherwise agreed).



Evidence of compliance for registered schools

By 30 June (the year after the reported year), the annual report must be completed, submitted to NESA in [RANGS Online](#) (unless otherwise agreed) and made publicly available.

Annual report information

The annual report must include:

Context

- a message from key school bodies
- contextual information, including characteristics of the student body. Schools may choose to include other relevant information such as:
 - priority areas for improvement (for example, student achievement targets), and
 - actions taken to promote respect and responsibility (for example, community service and class-based activities).

Outcomes and results

- student outcomes in standardised national literacy and numeracy testing
- post-school destinations (for Years 10, 11 or 12 only), in appropriate and broad terms such as 'workforce', 'further study', 'unknown'
- HSC results (where relevant), including a comparison of student performance relative to the state and performance trends using graphs or tables and interpretative comments (must be consistent with all relevant federal and state legislation and privacy and personal information policies)
- senior secondary outcomes (where relevant) including:
 - percentage of Year 12 students undertaking vocational or trade training, and
 - percentage attaining a Year 12 certificate or equivalent VET qualification.

Staffing

- the accreditation status (as defined by the TA Act) of all teaching staff responsible for delivering the curriculum
- workforce composition, including Aboriginal and Torres Strait Islander peoples (must be consistent with privacy and personal information policies).

Attendance

- student attendance rates for each Year level and the whole school
- a description of how the school manages student non-attendance.

School policies

- links to the school's publicly available policies for child protection, anti-bullying, discipline, managing complaints and enrolment.

Stakeholder satisfaction

- a description of parent, student and teacher satisfaction.

Financial information

A summary of financial information (consistent with the school's annual Commonwealth Financial Questionnaire), including:

- income from all sources, including state and federal grants and subsidies and all private income, including fees and donations
- expenditure on all purposes, including teaching and learning, administration and financing (borrowing costs, depreciation).

**Capacity to comply: evidence for schools applying for initial registration**

An applicant must show capacity to comply with requirement [B2.7](#), including a description of how they will provide:

- annual reports of the educational and financial information after the first year of operation
- data to NESA for the Minister for the annual report to Parliament on school effectiveness, where required.

**Education Act**[section 47\(1\)\(l\)](#)

The school must participate in annual reporting to publicly disclose the educational and financial performance measures and policies of the school, and provide data to the Minister.