

## ECE Funding Handbook

Welcome to the ECE Funding Handbook. This handbook is issued under section 548(5) of the Education and Training Act 2020.

[Funding of certain services and certified playgroups – NZ Legislation\(external link\)](#)

The funding paid to licensed services is paid subject to the terms and conditions set out under this handbook and must be complied with. The terms used in this handbook are based in the Education (Early Childhood Services) Regulations 2008.

This handbook is designed to be a 'one-stop-shop' of everything you need to know about early childhood funding, including:

- the ECE Funding Subsidy
- 20 Hours ECE funding
- equity funding
- the annual top-up for isolated services

### This information does not apply to certificated playgroups

The information in the Funding Handbook does not apply to certificated playgroups.

These services should contact their Ministry regional office for further information.

[Local Ministry offices](#)

### Download the ECE Funding Handbook

If you would like to print a copy of this handbook, refer to the list of downloads in the contents section where you will find downloadable PDF versions of each chapter.

[ECE Funding Handbook downloads](#)

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- [Chapter 1 - How to use this Handbook \[PDF, 383 KB\]](#)
- [Chapter 2 - How the Ministry funds services \[PDF, 789 KB\]](#)
- [Chapter 3 - The ECE Funding subsidy \[PDF, 845 KB\]](#)
- [Chapter 4 - 20 Hours Early Childhood Education \[PDF, 562 KB\]](#)
- [Chapter 5 - Other Early Childhood Education funding \[PDF, 248 KB\]](#)

- [Chapter 6 - Recording enrolment attendance and absence](#) [PDF, 477 KB]
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- [Chapter 9 - Completing the RS7 return](#) [PDF, 409 KB]
- [Chapter 10 - Equity funding](#) [PDF, 267 KB]
- [Chapter 11 - Record keeping](#) [PDF, 229 KB]
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- [Appendix 3: Kindergarten Associations](#) [PDF, 184 KB]
- [Appendix 4: Minimum Salary Scales](#) [PDF, 178 KB]

## Chapter 1: How to use this handbook



### Who is this handbook for?

The Early Childhood Funding Handbook is written for the following groups:

### About this chapter

This chapter shows you how to use the Handbook. It explains how the information in the Handbook is presented and where to find the most commonly sought information.

### In this chapter

This chapter contains the following topics:

- [How does the Handbook work? - 1-1](#)
- [Understanding the page layout - 1-2](#)
- [Quick reference directions - 1-3](#)

## 1-1 How does the handbook work?

### Types of information





This Handbook contains five types of information. The diagram below describes the types of information used and how you can identify the information that is relevant to you.

1-2 Understanding the page layout

The page



Below is a sample page from this Handbook.

1-3 Quick reference directions



Purpose



This section is a ‘quick reference’ list of the most commonly searched for topics in the Handbook.

You may find it useful to move this page to the front of your Handbook so that it is easily accessible.

FOR INFORMATION ON...	SEE ...
20 Hours ECE	<a href="#">Chapter 4</a>
Absence rules	Section <a href="#">6-4</a> to <a href="#">6-8</a>
Audits and financial statements	Chapters <a href="#">11</a> & <a href="#">12</a>
Certificated teacher hours	<a href="#">Section 3-B-2</a>

FOR INFORMATION ON...	SEE ...
ECE Funding Subsidy	<a href="#">Chapter 3</a>
<ul style="list-style-type: none"> <li>For teacher-led education and care service</li> </ul>	<a href="#">Section 3-B-2</a>
<ul style="list-style-type: none"> <li>For home-based ECE services</li> </ul>	<a href="#">Section 3-B-4</a>
<ul style="list-style-type: none"> <li>For parent/whānau-led services</li> </ul>	<a href="#">Section 3-C</a>
Enrolment Records	<a href="#">Section 6-1</a>
Equity Funding	<a href="#">Chapter 10</a>
Quality funding rates/options	
<ul style="list-style-type: none"> <li>For home-based ECE services</li> </ul>	<a href="#">Section 3-B-4</a>
<ul style="list-style-type: none"> <li>For parent/whānau-led services</li> </ul>	<a href="#">Section 3-C-2</a>
RS7 Return	<a href="#">Chapter 9</a>
Staff Hour Count	<a href="#">Section 3-B-2</a>
Support Grant for Provisionally Registered Teachers (This section removed in April 2015)	Section 5-2
Targeted Funding for Disadvantage	Chapter 13

## Looking for something else?

If you would like information or instructions on a topic not covered here, try the Handbook [Table of Contents](#) or [Glossary](#). Examples of funding forms can be found in [Appendix 2](#).

## Chapter 2: How the Ministry funds services



### Introduction

Early Childhood Education (ECE) services must be licensed under the Education (Early Childhood Services) Regulations 2008 in order to access government funding.

### In this chapter

This chapter contains the following topics:

- [The link between licensing and funding: 2-1](#)
- [Types of funding: 2-2](#)
- [Other sources of ECE funding \(removed April 2015\): 2-3](#)
- [When and how funding is paid: 2-4](#)
- [The link between costs and funding rates: 2-5](#)
- [Funding rates: 2-6](#)
- [Recovery of early childhood education funding: 2-7](#)

## 2-1 The link between licensing and funding



### Introduction

This section provides a brief overview of the link between licensing and funding.

For more information on any of these topics, contact your [Ministry regional office](#).

### Licensing

There are legal requirements that must be met to operate any premises as an early childhood service.

Licences are issued to early childhood education services under the [Education \(Early Childhood Services\) Regulations 2008](#) (external link).

Licences set the standards for curriculum, premises and facilities, health and safety, and governance and management of early childhood services.

### Certificated Playgroups

Certificated Playgroup funding is not covered in this Handbook.

Playgroups do not receive the same level of funding as licensed ECE services.

Certificates are issued to Playgroups under the **Education (Playgroups) Regulations 2008** (external link).

Certificates set the standard for curriculum, ratio, premises and facilities, health and safety practices and administration.

Funding information and requirements for Playgroups can be found under **Playgroup Funding** on the Ministry's early childhood education website.

Contact your [Ministry regional office](#) for further information.

### Support for licensing

The Ministry can provide information to help groups set up early childhood education (ECE) services.

Steps for setting up services, useful website links, and other handy resources are available to all groups on the [Ministry website](#). For information about the Early Learning Information System (ELI) or the electronic submission of RS7 returns, please visit [Early Learning Information](#) (external link) or contact your [Ministry regional office](#) for further details.

### How to find legal information

Use the table below to see where you can find copies of the documents referred to in this section.

DOCUMENT	WHERE TO LOOK
<a href="#">Education and Training Act 2020 (external link)</a> (especially sections <a href="#">10(external link)</a> , <a href="#">20(external link)</a> , <a href="#">548(external link)</a> , <a href="#">549(external link)</a> , <a href="#">626(external link)</a> )	<a href="http://www.legislation.govt.nz(external link)">www.legislation.govt.nz(external link)</a> or any bookstore that sells government publications.
<a href="#">Education (Early Childhood Services) Regulations 2008 (external link)</a>	
<a href="#">Education (Registration of Early Childhood Services Teachers) Regulations 2004(external link)</a>	

## 2-2 Types of funding



### Introduction

There are four types of funding covered in this Handbook including:

ECE Funding Subsidy  
20 Hours ECE  
Equity Funding  
Annual Top-Up for Isolated Services (ATIS)

### ECE Funding Subsidy

The ECE Funding Subsidy is the primary form of government funding for licensed ECE services.

The ECE Funding Subsidy contributes to services' operating costs by paying for part of each hour each child spends in ECE, to a maximum of six hours per child-place per day, 30 hours per child-place per week (i.e. seven days).

The ECE Funding Subsidy is paid three times a year – in March, July, and November.

[Chapter 3](#) contains further information on the ECE Funding Subsidy.

### 20 Hours ECE

20 Hours ECE is a higher rate of funding than the ECE Funding Subsidy for three-year-olds, four-year-olds and five-year-olds for up to a maximum of six hours per child per day and 20 hours per week.

There are additional requirements services must meet in order to receive this funding.

20 Hours ECE funding is paid three times a year, along with the ECE Funding Subsidy.

Please refer to [Chapter 4](#) of this handbook for further information on 20 Hours ECE.

### Plus 10 ECE



Plus 10 ECE describes the remaining 10 hours of funding a service can claim for each child in addition to the 20 Hours ECE hours. It is the difference between 30 hours ECE Subsidy funding and the 20 Hours ECE hours.

For more information on the ECE Subsidy see [Chapter 3](#) of this Handbook.

### Equity Funding

Equity Funding provides additional educational resources to targeted communities to help improve access to early childhood education.

Equity Funding is available to all licensed ECE services that meet certain criteria.

Equity Funding is paid three times a year, along with the ECE Funding Subsidy.

Please refer to [Chapter 10](#) of this handbook for further information on Equity Funding.

### Annual Top-up for Isolated Services (ATIS)

The Annual Top-up for Isolated Services (ATIS) is an income top-up for small licensed ECE services in isolated areas.

The ATIS is separate from the Isolation component of Equity Funding.

Licensed private **and** community-based services with an Isolation Index of 1.65 or greater which receive less than \$20,000 per annum in ECE Funding Subsidy, 20 Hours ECE and Equity Funding are eligible to receive the ATIS (see Section 5-1 for more details).

The ATIS is calculated annually in arrears. Payment is made each year with the July ECE Funding Subsidy payment.

[Chapter 5](#) contains further information on the ATIS.

### More information

More information on each of these funding types can be found in the following chapters:

TITLE	CHAPTER
Teacher-led services	<a href="#">Chapter 3</a>
Parent/whānau-led services	<a href="#">Chapter 3</a>
20 Hours ECE	<a href="#">Chapter 4</a>
Annual Top-up for Isolated Services (ATIS)	<a href="#">Chapter 5</a>
Equity Funding	<a href="#">Chapter 10</a>

## 2-3 Other sources of ECE funding



This section was removed in April 2015.

## 2-4 When and how funding is paid



## Introduction

Funding payments are made three times a year – on the first working day of March, July and November.

Each payment is made up of an advance for the next four months and a ‘wash-up payment’ for the previous four months.

## Advance funding

ECE services receive an advance for four months. Information on initial funding for new services can be found in [Section 7-1](#) of this Handbook. The following table explains how the advance payment is calculated:

STAGE	DESCRIPTION
1	ECE service completes an RS7 Return with: the number of funded child hours per day for the previous 4 actual months the expected number of days of operation for the coming 4 months For more information on completing your RS7 Return please see <a href="#">Chapter 9</a> of this Handbook.)
2	The Ministry uses the RS7 Return data to calculate the average number of funded child hours (FCHs) per day over the previous four months for each type of FCH – Under Two, Two and Over, 20 Hours ECE and Plus 10 ECE.
3	The Ministry multiplies the average number of each FCHs per day by the number of days the service expects to be open over the coming four months.
4	The Ministry multiplies the average FCHs for the coming four months by the service's funding rate.
5	Seventy-five per cent of this total is paid as the advance payment (or 100 per cent for kindergartens).

## Advance funding exceptions

Playcentres choosing to take up 20 Hours ECE can not claim initial advance funding for 20 Hours ECE.

## Wash-up funding

ECE services also receive a wash-up payment. The wash-up payment makes up the difference between the advance payment made in the previous funding payment and the actual funding entitlement.

IF ...	THEN ...
The predicted average number of FCHs was more than the actual average number of FCHs, or the service's funding rate has decreased	the Ministry deducts the overpaid amount from the next future payment.
The predicted average number of FCHs was less than the actual average number of FCHs, or the service's funding rate has increased	the Ministry pays the extra amount with the wash-up payment.

## Actual funding entitlement

A service's ‘actual funding entitlement’ is the amount the service is actually paid in a funding round:

**advance funding ± wash-up funding = actual entitlement**

## Service providers

If a service provider operates a number of services, the total funding for all those services is paid to the service provider.

Payment to individual services is the responsibility of the service provider.

## Funding cycle

Funding is paid three times a year, on the first working day of the following months:

IS MADE UP OF THE ...		
PAYMENT IN...	ADVANCE FOR ...	WASH-UP FOR...
March	March April May June	October November December January
July	July August September October	February March April May
November	November December January February	June July August September

## 'Gap' months

Processing time means it is not possible to collect FCH figures for the month prior to each funding payment. Although the advance has been paid, there will be a delay before the wash-up payment is made for February, June and October. These months are known as the 'gap' months at the time of processing.

Use the table above to find out when the wash-up payment for February, June or October will be paid.

## Enquiries regarding the bulk funding payment

Due to privacy laws and difficulties verifying the identity of the person calling, **the Ministry of Education is no longer able to provide payment totals in advance over the telephone or via email.**

Advice notices are available to services on the payment date. Services who have access to the Secure Data Portal can download and print their notices via the Secure Data Portal from the day of payment.

## 2-5 The link between costs and funding rates



## Introduction

The funding rates for all ECE services vary according to a range of costs usually faced by that service type. This section explains:

how the costs involved in providing early childhood education (ECE) are turned into funding rates  
how the funding rates can be changed to reflect changes in costs, **and**  
how information about costs will remain current.

### How costs are turned into funding rates

The funding rates are made up of basic and variable components.

The basic component reflects standard operating costs for all ECE services, for example:

administration costs  
educational resources  
professional services (e.g. ICANZ accountants)  
utilities (electricity and telephone).

The variable component provides a subsidy for the main categories of 'cost- drivers' that differ between ECE service types. For example, the variable component recognises that:

all-day services face higher costs than sessional services because they must meet different ratio requirements  
services that are required to meet teacher certification requirements will have higher labour costs, **and**  
centre-based services face higher facility costs than services that do not have to maintain a centre.

### ECE Funding Subsidy and 20 Hours ECE rates

The ECE Funding Subsidy (and the Plus 10 ECE) rates are the same. These rates are intended to subsidise the cost of providing ECE and to share the costs between government and parents.

20 Hours ECE hours are funded at a higher level because they are intended to meet the full average cost of providing ECE for each service type.

### Changing the funding rates

The Ministry of Education will regularly review the main costs of ECE provision to advise the Government about the changes in costs faced by ECE services.

Based on this advice, the Government may adjust the value of some, or all, of the funding rates.

## 2-6 Funding rates



## Introduction

The funding rates for each service-type can be found in the *Funding Rate Table* (see [Appendix 1](#)).

This section explains:

how you can use the *Funding Rate Table* to find the funding rate for each service that services can access higher funding rates by meeting quality requirements.

### The Funding Rate Table

The *Funding Rate Table* is found in [Appendix 1](#). This will be updated each time there is a change to the ECE Funding Subsidy rates.

Use the table to find out the funding rate per funded child hour (FCH) for your service.

### Teacher-led services

Funding rates for teacher-led ECE services depend on five variables:

FUNDING RATES DEPEND ON...	THIS IS MEASURED BY...
whether the service is all-day or sessional.	the service's licence.
the number of 'Certificated Teacher Hours' as a proportion of 'regulated (ratio) staff hours'.	completion of the staff hour count (not applicable for sessional kindergartens or home-based services) of the RS7 Return.
whether the service attests to paying their certificated teachers at or above certain minimum salary levels	completion of the Attestation of certificated teachers' salaries section of the RS7 Return (not applicable for kindergartens or home-based services)
the age of children attending the service.	completion of the funded child hour entitlement section of the RS7 Return.
whether the service is offering 20 Hours ECE to eligible children.	completion of the 20 Hours ECE Hour entitlement section of the RS7 Return.

### Where to find more information

Use the table below to find more information on how your service's rate will be calculated:

TOPIC	SEE SECTION
Certificated Teacher Hours	<a href="#">3-B-2</a>
Regulated (ratio) staff hours	<a href="#">3-B-2</a>
Calculating staff hours for the RS7 Return	<a href="#">9-4</a>
Minimum salaries for certificated teachers'	<a href="#">3-B-2</a>
Completing the Attestation of certificated teachers' salaries	<a href="#">9-6</a>
Calculating funded child hours for the ECE Funding Subsidy	<a href="#">9-2</a>
Calculating funded child hours for 20 Hours ECE Funding	<a href="#">9-3</a>

### Home-based services

Home-based early childhood education (ECE) services are funded at **either** the 'standard' or 'quality' funding rate. Services cannot change between standard and quality rates on a daily or weekly basis, and must use the *EC11 Form* to change between rates.

Quality funding rates are available to home-based ECE services that meet certain requirements. For more information please refer to [3-B-4](#).

### Parent/whānau-led services

Parent/whānau-led services are funded at either 'standard' or 'quality' funding rates. Services cannot vary between standard and quality rates on a daily or weekly basis, and must use the *EC11 Form* to change between rates.

Quality funding rates are available to playcentres and ngā kōhanga reo that meet certain additional requirements.

IF YOUR SERVICE IS A...	YOU ARE ELIGIBLE FOR QUALITY FUNDING RATES IF YOU HAVE...	FOR SPECIFIC DETAILS SEE...
playcentre	adults present with certain qualifications.	<a href="#">3-C-3.</a>
te kōhanga reo	enhanced adult:mokopuna ratios kaiake/whānau with certain qualifications.	<a href="#">3-C-3.</a>

#### More information: all services

More information on the rates and applying for funding is available in the following sections:

TITLE	SECTION
Teacher-led education and care services	<a href="#">3-B-2</a>
Home-based ECE services	<a href="#">3-B-4</a>
Playcentre	<a href="#">3-C-3</a>
Te kōhanga reo	<a href="#">3-C-4</a>
Completing the RS7 Return (all services)	<a href="#">Chapter 9</a>

## 2-7 Recovery of early childhood education funding



### Introduction

Section 548 of the [Education and Training Act 2020\(external link\)](#) provides for the payment of funding to eligible early childhood services<sup>1</sup> subject to conditions so that they may provide early childhood education. Services which fail to meet these conditions may no longer be eligible for funding and either all or part of this funding may be recovered by the Ministry of Education.

This section sets out the circumstances where the Ministry may recover funding from services or service providers.

<sup>1</sup> Eligible services are services that are either deemed to hold a licence under the **Education (Early Childhood Services) Regulations 2008(external link)**.

### Recovery of Funding

If the results of a funding claim audit and/or reporting on an RS7 Return and/or RS3 Initial Application for Funding for an Early Childhood Service forms indicate that the amount of funding provided is greater than it should have been, the amount of the over funding will be:

repayable by the service to the Ministry of Education on request and treated as a debt which the Ministry can offset against all or any funding sums payable by the Ministry to the service provider.

When a service has received less funding than it is eligible for, the amount of any underpayments will be credited to the bank account nominated by the service provider as soon as is reasonably possible. However, the Ministry may choose to verify whether services are eligible

for any underpayments of funding before these are made, for example by way of a funding claim audit.

#### **Offsetting funding recoveries**

The Ministry may offset against all or any funding or other sums of money payable by the Ministry to the service provider, any debt or other sum payable to the Ministry by that Service Provider.

In these cases, the debt or liability will have been outstanding to the Ministry for a period of 30 days or more.

#### **Funding may be withheld in part or in full**

The Ministry may, subject to any conditions and for any period, determine that no funding is payable either in full or in part for any service(s) where:

- the service has temporarily closed and for the period of that closure; or
- the service's licence has been suspended and for the period of that suspension; or
- the service's licence has been cancelled or revoked; or
- the service provider has not met any of the conditions set out in the *Early Childhood Education Funding Handbook* or in any other documentation which was the basis for receiving funding. This includes the failure by the service(s) to maintain accurate records to the standard required by the Ministry;
- the service has not met the financial reporting requirements for early childhood education (ECE) services that are outlined in **Chapter 12** of the *Early Childhood Education Funding Handbook*; or
- If the service has not responded, by the due date, to requests made by the Ministry for services to provide complete and accurate information as required by conditions of funding and/or section 619 of the Education and Training Act 2020 through the Early Learning Information System (ELI) or any alternative authorised method, to enable the Secretary for Education or the Minister of Education to exercise their powers or carry out their responsibilities under the Education and Training Act 2020, and as permitted under Privacy Principles 10 and 11.
- the service provider is in debt to the Ministry and is unable or unwilling to repay the Ministry either immediately or within the timeframe prescribed by the Ministry; or
- the Ministry is satisfied on reasonable grounds that the service provider's financial viability is at risk (for example if there is a substantial debt owed to the Ministry, Inland Revenue, or some other person or agency) or there has been a change in some other circumstances that may affect its ongoing ability to provide the services required; or
- the service or the service provider is the subject of an investigation for fraud or financial mismanagement, the funding may be withheld for the period of that investigation pending its outcome. If the investigation finds there is fraud or financial mismanagement, the funding arrangement for that service will be reviewed to determine, at the sole discretion of the Ministry, the service or service provider's continuing eligibility to funding; or
- the service or the service provider is in receivership or liquidation.

For the avoidance of doubt, nothing in the paragraphs above prevent the Ministry from decreasing the amount of the grant paid in advance to a service where the Ministry has reasonable grounds to believe that the matters set out in paragraphs d), g), h), i) or j) above may apply.

## **Chapter 3: The ECE Funding Subsidy**



### **Overview**

## Introduction

The ECE Funding Subsidy is the primary form of government funding for licensed early childhood education (ECE) services.

Licensed ECE services receiving the ECE Funding Subsidy must meet certain eligibility and funding conditions.

Failure to meet these funding conditions may result in the funding being withheld either in full or in part.

## Service type specific funding

The ECE Funding Subsidy rates are determined by service type because the costs and requirements faced by different service types vary.

For the purposes of the ECE Funding Subsidy, licensed ECE services are grouped into two types:

- Teacher-led services (including home-based, education and care, and hospital-based services).
- Parent/whānau-led services.

Within each group there are separate rates for children aged under two, and children aged two and over.

## Higher funding rates

Each section of this chapter includes information on how specific service types can become eligible for higher funding rates.

## GST inclusive

The ECE Funding Subsidy is GST inclusive.

## In this chapter

This chapter contains the following topics:

- [Information for all services - 3A](#)
- [Teacher-led services - 3B](#)
- [Parent/whānau-led services - 3C](#)

## 3-A Information for all services



### Overview

#### Introduction

This section contains ECE Funding Subsidy information for all services.

#### In this section

This section contains the following topics:

- [Funding eligibility - 3-A-1](#)



- [Funding conditions - 3-A-2](#)

## 3-A-1 Funding eligibility



### Introduction

This page outlines the eligibility conditions for the ECE Funding Subsidy.

Licensed services receiving the ECE Funding Subsidy **must** meet these conditions at **all** times.

[Chapter 4](#) contains eligibility requirements for 20 Hours ECE.

### Additional compliance

In addition to the rules in this handbook, ECE services must also comply with relevant legislation, such as:

the **Education and Training Act 2020**[\(external link\)](#)

the **Education (Early Childhood Services) Regulations 2008**[\(external link\)](#)

Inland Revenue legislation, rules and regulations

health and safety legislation.

Failure to comply may in some cases affect your funding payments.

### Eligible services

Early childhood education services are eligible for the ECE Funding Subsidy if they are:

licensed **and**

open for at least one continuous period (session) of 2.5 hours per week.

Sessional services operating a session of 2.5 to 3 hours will receive funding for 3 hours.

### Eligible children

Funding **can be claimed only** for children who fill a child-place and are less than 6 years of age.

Funding cannot be claimed for:

children enrolled in school

conditionally enrolled children who do not attend

casually enrolled children who do not attend.

### Child-places

Each service is licensed to provide early childhood education to a maximum number of children at any one time.

This is called the number of 'child-places' that the service may provide.

### Dual enrolments

Children may be enrolled at more than one early childhood education (ECE) service **but funding cannot be claimed by two services for the same hours of attendance**. Parents/guardians **must** attest that their child is not enrolled at another service for the same times (See [Section 6-1](#) for further details on enrolment records).

In a dual enrolment situation, funding may be claimed only by the service at which the child was present.

### Dual enrolments – Te Aho o Te Kura Pounamu (Te Kura)

Children enrolled at Te Kura may be funded at another ECE service for **up to 8 hours per week**

ECE services **must** note this arrangement on the child's enrolment agreement (see [Section 6-1](#) for further details on enrolment records).

## 3-A-2 Funding conditions



### Introduction

Funding for all services is calculated using 'Funded Child Hours' (FCHs).

### Funded Child Hours (FCHs)

FCHs are the hours for which a service may claim funding and are based on:

the hours a permanently enrolled child is **enrolled** to attend the service **or**  
the hours a casually or conditionally enrolled child **attends** the service.

### Maximum FCHs for the ECE Funding Subsidy

Services are eligible to claim the ECE Funding Subsidy for **up to six FCHs per child-place** per day, to a maximum of 30 FCHs **per child-place** per week (i.e. seven days).

See [Section 4-2](#) for the maximum FCHs for 20 Hours ECE Funding.

### Casually and conditionally enrolled children

FCHs for children enrolled on a casual or conditional basis **must** be calculated based on attendance only.

### Example 1: Permanently enrolled child

The following table shows the number of FCHs that may be claimed for children with different enrolment agreements:

NAME	HOURS ENROLLED	TOTAL HOURS ENROLLED PER WEEK	HOURS CLAIMED (FCHS)	TOTAL FCHS PER WEEK
Kathy	8 hours per day	40	6 hours per day	30
David	4 hours per day	20	4 hours per day	20
Tama	8 hours on Monday and Tuesday 4.5 hours on Thursday and Friday	25	6 hours on Monday and Tuesday 4.5 hours on Thursday and Friday	21

### Example 2: Casually enrolled child

The following table shows how funding can be claimed for children who attend a service on a casual basis:

NAME	BOOKING	HOURS ATTENDED	TOTAL HOURS ATTENDED	TOTAL CLAIMABLE FCHS
Sione	8:00am – 11:00am	8:00am – 11:00am	3	3
Pania	8:00am – 4:30pm	8:00am – 4:30pm	8.5	6
Aaron	12:30pm – 3:30pm	Did not attend	0	0
Sarah	9:00am – 1:00pm	9:00am – 4:00pm	7	6

### Example 3: conditionally enrolled child

Shane is permanently enrolled to attend from 8:00am-5:00pm Monday through Friday. Aroha is conditionally enrolled to attend from 9:00am – 3:00pm Monday through Friday Shane is absent on Monday. This means Aroha can attend for the day from 9:00am to 5:00pm

NAME	BOOKING	HOURS ATTENDED	TOTAL HOURS ATTENDED	TOTAL CLAIMABLE FCHS
Shane	8.00am – 5.00pm	absent	0	6
Aroha	9.00am – 3.00pm	9.00am – 3.00pm	6	0
<b>OR</b>				
Shane	8.00am – 5.00pm	absent	0	0
Aroha	9.00am – 3.00pm	9.00am – 3.00pm	6	6

### Example 4: Shared child-place

Mae-Ling is enrolled to attend from 9:00am-4:00pm on Mondays. Six hours of funding can be claimed on Mondays for Mae-Ling's child-place. If Mae-Ling only attends from 9:00am-1:00pm one Monday, another child (Tom) may attend from 1:00pm-4:00pm.

NAME	HOURS ATTENDED	TOTAL HOURS ATTENDED	TOTAL CLAIMABLE FCHS
Mae-Ling	9:00am -1:00pm	4	4
Tom	1:00pm - 4:00pm	3	2

### Funding begins

Funding for an enrolled child begins on the planned start date of their enrolment agreement.

When a child does not attend on their planned start-date, one week of absences will be funded if:

- the absence is due to illness or other reasons **beyond the parent/guardian's control and**
- there is an enrolment agreement for the child, stating the planned start date for the child, that was signed and dated by their parent/guardian prior to the child's absence **and**
- the reason for the absence has been documented with a medical certificate or letter from the child's parent/guardian explaining the absence.

The Ministry will recover funding claimed for absences where there is no signed enrolment agreement for the child (see [Section 6-1](#) for further details on enrolment records).

### Funding ends

Funding on the basis of enrolment ends:

- the date that the child will no longer be enrolled and attending the service (the termination date of the enrolment agreement) as advised by the parent/guardian **or**
- after three weeks of continuous absence (see [Section 6-5](#) for further details on the Three Week Rule).

### Public holidays

Funding **can only be claimed if the service is open** on the day the public holiday is observed.

If the service is open, funding may be claimed for children who **attend** the service on that day or who are enrolled to attend on that specific public holiday.

These are some examples:

Children enrolled on Mondays are not automatically enrolled on Labour Day unless Labour Day is specifically cited in their enrolment agreement.

Children enrolled on Fridays are not automatically enrolled on Good Friday unless Good Friday is specifically cited in their enrolment agreement.

Children enrolled on Mondays are not automatically enrolled on your region's Anniversary Day Holiday unless the Anniversary Day Holiday is specifically cited in their enrolment agreement. Please note some regional Anniversary Days occur on a Friday. If this is the case the same rule will apply.

Absences can be claimed only for children who were **enrolled** to attend on that specific holiday.

**Public holidays must not be included in advance funding claims** and will be paid by wash up.

### Teacher Only Days

Teacher Only Days are not funded.

On the RS7 Return they are to be noted as TOD. Funded child hours and staff hour count are not to be entered for Teacher Only Days

## 3-B Teacher-led services



### Overview

#### Introduction

Teacher-led services mean services that require the person responsible to be a qualified, certificated teacher.

Types of teacher-led services include:

- education and care services
- kindergartens
- hospital-based
- home-based education and care services.

In hospital-based and home-based services, the person responsible must hold an ECE teaching qualification. In early childhood education and care services and kindergartens, the person responsible may be primary or ECE qualified.

Teacher-led services exclude parent-led services. For definitions of these service types, please see the [Glossary](#) of this Handbook.

## Funding variables

Funding for each teacher-led service depends on:

- the service type (education and care service, kindergarten, hospital-based or home-based)
- whether a service is all-day or sessional
- the proportion of regulated (ratio) staff hours that are covered by certificated teachers (see [Section 3-B-2](#) for further information)
- whether the service attests to paying their certificated teachers at or above certain minimum salary steps, not applicable for kindergartens or home-based services (see [Section 3-B-2](#) for further information)
- the age of children attending the service
- whether the service is offering 20 Hours ECE.

## In this section

- [The link between teacher certification and funding - 3-B-1](#)
- [Education and care services - 3-B-2](#)
- [Kindergartens - 3-B-2a](#)
- [Hospital-based services - 3-B-3](#)
- [Home-based ECE services - 3-B-4](#)

## 3-B-1 The link between teacher certification and funding

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K



### Introduction

There are teacher certification requirements for education and care services, hospital-based services and kindergartens.

### Certificated teachers

For funding purposes, **‘certificated teachers’ must have**

A NZ ECE or primary teaching qualification and a current practising certificate, or

An overseas qualification assessed by NZQA as comparable to a NZ ECE or primary teaching qualification and a current practising certificate, or

A letter from the Teaching Council with a clear ECE or primary “endorsement” (where registration has been gained through the Council's discretionary pathway), and a current practising certificate.

Read more about [discretionary pathway registration\(external link\)](#) on our website.

### Becoming certificated

Apply to the [Teaching Council\(external link\)](#) to become a certificated teacher.

### Equivalent qualifications

A list of approved NZ teaching qualifications is available on the [TeachNZ\(external link\)](#) website.

### Funding and teacher certification lapses

Where a teacher's certification lapses, they may continue to be counted as certificated on the Staff Hour Count from the date the Teaching Council has confirmed their application for certification renewal has been received. This period must not exceed three months. Services accessing this Staff Hour Count provision, must keep evidence that the completed application has been submitted for renewal.

If, after three months, certification renewal has not been approved, the teacher must be counted as 'other' on the Staff Hour Count. Should certification renewal be declined, the Ministry will recover any associated funding.

The regulations require all services to have a person responsible available to support educators for all hours children are attending. Teachers accessing this provision cannot be used to avoid this obligation, therefore they cannot fulfil the role of person responsible while waiting for recertification.

### Overseas qualifications

The New Zealand Qualifications Authority must assess any overseas qualifications as comparable to a NZ ECE or primary teaching qualification, before it can be recognised for funding purposes. The teacher must also be registered and certificated with the Teaching Council.

Contact the NZQA Qualification Evaluation Service on (04) 802 3000 or refer to the [NZQA website\(external link\)](#) for further details.

## 3-B-2 Education and care services

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### Introduction

This section explains:

- how the ECE Funding Subsidy for education and care services is calculated
- the minimum salary scale for certificated teachers employed in education and care services
- the minimum salary scale for certificated teachers employed in a management position in education and care services
- funding conditions related to the attestation of certificated teacher salaries for education and care services
- the definitions of Certificated Teacher Hours and regulated (ratio) staff
- how to keep track of Certificated Teacher Hours
- how the proportion of Certificated Teacher Hours is turned into a funding rate
- record keeping requirements for teacher-led education and care services.

### Education and care services

Education and care services are teacher-led and centre-based, and are often referred to by a range of other descriptions including early learning centres, crèches, aoga amata, and childcare centres.

### Kindergartens

Kindergartens, which are teacher-led centre-based services controlled by a kindergarten association [\[see Glossary\]](#), are treated differently for funding purposes.

Kindergarten funding is calculated using the same variables as education and care services, with the exception of the Attestation of Certificated Teachers' Salaries. Kindergartens must keep the same records as education and care services. There is a separate funding rate for kindergartens [[See Appendix 1](#)].

See [Section 3-B-2a](#) for funding conditions related to kindergartens.

### Funding rates

All-day and sessional education and care services each have three sets of funding rates.

**Base Funding Rates** – the set of funding rates available to education and care and hospital-based services who pay all employed certificated teachers at least Step 1 of the salary scale described in this section.

**Parity Funding Rates** – a higher set of funding rates available to education and care and hospital-based services who pay all employed certificated teachers according to Steps 1 to 6 of the salary scale described in this section.

**Extended Parity Funding Rates** – a higher set of funding rates available to education and care and hospital-based services who pay all employed certificated teachers according to Steps 1 to 11 and the management step of the salary scale described in this section.

**Full Parity Funding Rates** – a higher set of funding rates available to education and care and hospital-based services who pay all employed certificated teachers according to the Full Parity Salary Scale Steps 1 to 11 and the management steps described in Appendix 4.

**Note:** Funding conditions related to the Full Parity Salary Scale are effective from 1 November 2023.

See [Section 2-6](#) for information on funding rates.

### Attestation of certificated teachers' salaries

Higher funding rates are available to education and care and hospital-based services who attest to paying all employed certificated teachers at least the amounts described in the salary scale in the next sub section.

Base Funding Rates are available to services who pay at least Base Salary Scale (Step 1)

Parity Funding Rates are available to services who pay at least Parity Salary Scale (Step 1 to 6)

Extended Parity Funding Rates are available to services who pay at least Extended Parity Salary Scale (Partial Step 1 – 11 + Partial Management Step)

Full Parity Funding Rates are available to services who pay at least Full Parity Salary Scale (Full Step 1-11 + Full Management Steps)

Education and care or hospital-based services who attest to paying all employed certificated teachers at or above Step 1 of the salary scale described in this section will have their funding band determined by the number of 'Certificated Teacher Hours' a service has as a proportion of the total number of regulated (ratio) staff hours.

An education and care service or hospital-based service who does not attest to paying all employed certificated teachers at least the amount specified at Step 1 of the salary scale described in this section will be funded at the 0 – 24% base funding rate.

**Note:** Funding conditions related to the Full Parity Salary Scale are effective from 1 November 2023.

### Minimum Salary Scale for Certificated Teachers'

Higher funding rates are available to education and care services who pay all employed certificated teachers service at or above certain minimum salary steps.

Appendix 4 contains the salary scales for Education and Care and Hospital-based services, including minimum salary scales from 1 January 2023 as well as the updates that will be available from 1 November 2023.

The following four salary scales should be used by services with regard to the minimum salary amounts from 1 November 2023:

Base Salary Scale (Step 1)  
Parity Salary Scale (Step 1-6)  
Extended Parity (Partial Step 1 - 11 + Partial Management Step)  
Full Parity (Full Step 1-11 + Full Management Steps)

By paying at least the salary amounts specified in these four salary scales to all employed certificated teachers, Education and Care and Hospital-based services are eligible for higher funding rates. Please note the updated names for the salary scales and the addition of the Full Parity Salary Scale.

### **Minimum Salary Scale for Management Positions**

Higher funding rates are available to education and care services, who pay all certificated teachers employed in a Management Position at or above the management salary step.

Appendix 4 contains the salary scales for Education and Care and Hospital-based services, including minimum salary scales from 1 January 2023 as well as updates that will be available from 1 November 2023 including:

Extended Parity Management Salary Scale.

Extended Parity Funding Rates are available to services who pay at least the Partial Management Step of the Extended Parity Salary Scale.

Full Parity Salary Scale.

Full Parity Funding Rates are available to services who pay at least the Full Management Steps of the Full Parity Salary Scale.

Certificated teachers who are appointed to a Management Position will enter the salary scale on the management salary step.

**Note:** Funding conditions related to the Full Parity Salary Scale are effective from 1 November 2023.

### **All employed**

The term all employed, in relation to Minimum Salary Scale for Certificated Teachers, means all certificated teachers who are employed to work in a teaching or management role in the service (i.e., they are working for hire or reward under a contract of service).

Employed certificated teachers could be:

permanent full or part-time teachers  
relief teachers (ie, short term, long term or employed by an agency), or  
fixed-term contractors (i.e., contract of service is in place).

### **Management Position**

A "management position", in relation to Minimum Salary Scale for Management Positions, means all certificated teachers who are employed to work in one of the three following positions in an education and care service:

K2 - employed to be in charge of a service, and who is not a K3 or K4 employee  
K3 - employed to carry out professional support, guidance, and administrative roles, and responsible for the management of K2 employees, under delegation from their employer  
K4 - employed to be responsible for the management of K3 employees

An example of an education and care role that typically may be considered a K2 position is a 'centre manager'. Employees who are employed with some leadership or management responsibilities but are not employed in any of the three above management positions, are not considered to hold a management position. Examples of education and care roles that typically may not be a management position include: assistant manager, second-in-charge, and other teachers with leadership responsibilities but are not in charge of the service. These employees excluded from K2, K3, and K4 must still be paid at least base teacher salaries according to the certificated teachers' minimum salary scale.



Management positions may be held by:

permanent full or part-time managers  
relief managers (i.e., short term, long term or employed by an agency), or  
fixed-term contractors (i.e., if a contract of service is in place).

### **Salaries Reflect Base Pay**

The salary scales shown reflect the base salary for an employed certificated teacher. Bonuses, non-cash, or in-kind benefits cannot be counted towards the minimum salary requirements.

Matters regarding remuneration over and above base salary are to be discussed between the teacher and their employer.

### **Minimum Salary Steps and Employer KiwiSaver Contributions**

A service cannot count employer KiwiSaver contributions towards the minimum salary requirement if the service attests to paying all employed certificated teachers according to Parity, Extended Parity and Full Parity Salary scales.

If only attesting to paying all employed certificated teachers at least the amount described at Step 1 of the salary scale, a service may count employer KiwiSaver contributions towards the minimum salary requirement, provided it has been agreed to by the teacher and their employer.

**Note:** Funding conditions related to the Full Parity Salary Scale are effective from 1 November 2023.

### **Determining a teacher's initial salary step**

A teacher's initial salary step should be determined by:

their applicable qualification group, and  
any service recognised for salary purposes, and  
any previous relevant work experience

It is up to a teacher to provide evidence, to the satisfaction of their employer, of any factors used to determine their initial salary step.

The initial salary step for a certificated teacher appointed to a Management Position will be the K2, K3, K4 step on the Minimum Salary Scale for Management Positions.

Any dispute regarding the recognition of a teacher's qualification group, recognised service or previous relevant work experience is an employment relation matter. Such matters are to be resolved by the teacher and their employer. The Ministry will not intervene in employment matters.

**Note:** Funding conditions related to the Full Parity Salary Scale are effective from 1 November 2023.

### **Qualification groups**

For salary purposes, New Zealand qualifications that are registered on the New Zealand Qualifications Framework (NZQF) must be recognised.

Overseas qualifications must be assessed by the New Zealand Qualifications Authority (NZQA) as comparable to the nearest New Zealand equivalent qualifications.

Teachers are to be assessed on the highest qualification held.

**P1, P2 and P3** for teachers who hold a current practising certificate issued by the Teaching Council of Aotearoa New Zealand but no subject or specialist qualification at level 7 or above on the NZQF, or equivalent overseas teaching qualifications recognised by the NZQA.

This group includes teachers who have obtained their practising certificate via the Teaching Council's discretionary pathway process, provided they have received an ECE or Primary endorsement from the Council.

**P3+** for teachers who hold a current practising certificate issued by the Teaching Council of Aotearoa New Zealand and:

a subject or specialist level 7 qualification on the NZQF (i.e. not an initial teacher education qualification) which can be a Diploma (excluding a National Diploma), Graduate Diploma or Degree; or  
an honours degree of teaching; or  
equivalent overseas qualifications assessed by the NZQA or an overseas qualification where NZQA has assessed that the qualification has level 7 (graduate) study in a subject or specialist area(s) i.e. any area of study that is not initial teacher education.

**P4** for teachers who hold a current practising certificate issued by the Teaching Council of Aotearoa New Zealand and:

a subject or specialist level 8 qualification on the NZQF which can be an honours degree or a Post Graduate Diploma; or  
two subject or specialist level 7 qualifications on the NZQF (as listed above); or  
a masters degree of teaching; or  
equivalent overseas qualifications assessed by the NZQA.

**P5** for teachers who hold a current practising certificate issued by the Teaching Council of Aotearoa New Zealand and:

a subject or specialist level 9 qualification on the NZQF - masters or doctorate; or  
equivalent overseas qualifications assessed by the NZQA.

### **Recognised service**

When determining a teacher's initial salary step recognised service means any hours of service within New Zealand as:

a trained early childhood teacher in a teaching capacity in a licensed early childhood centre or the Early Childhood Service of Te Aho o Te Kura Pounamu (Te Kura)  
a head or senior teacher in a kindergarten  
a qualified certificated teacher employed in a teaching position within a New Zealand state or state integrated school (including Kaupapa Māori education)  
a qualified certificated relieving teacher in a teaching position in a licensed early childhood centre or a state or state integrated school (including Kaupapa Māori)  
a qualified certificated teacher employed in a management position in a licensed early childhood centre.

Any service should be recognised in full when determining a teacher's initial salary step.

A teacher who takes a position in a lower salary scale shall receive credit in that scale for service in any higher scale.

### **Previous relevant work experience**

When determining a teacher's initial salary step previous relevant paid work experience means professional employment using knowledge of the education service, and/or teaching skills including:

Voluntary Service Abroad - providing service was in a teaching position while the teacher held a teaching certificate.  
Teacher education lecturers and community education tutors - providing service in a teaching position while the teacher held a teaching certificate.  
Kaiarahi i te Reo.  
Teacher Aides / Kaiawhina.  
Public sector employment with education focus, e.g., Ministry of Education, Early Childhood Development or other Crown Education Agencies.  
Education officer in Government and non-Government organisations.  
Learning support.  
Social worker employed by DSW or Board of Trustees.  
Professional officer of NZEI Te Riu Roa/PPTA/TTANZ.  
Librarian.  
Museum, Art Gallery, Zoo education officers.  
Untrained employees in teaching positions in licensed early childhood education centres including kindergartens and nga kōhanga reo.  
Family day care co-ordinators in licensed home based early childhood education services.

Any previous relevant work experience that has occurred within the past 10 years should be credited as half-service up to a maximum of two steps.

Any previous relevant work experience that has occurred more than 10 years ago should not be credited towards a teacher's initial salary step.

Half-credit means that each hour worked in the relevant role should be counted as half an hour of work for salary purposes.

### Salary progression

An employed certificated teacher should progress one salary step:

following the completion of 2,080 hours of work, and  
the teacher is assessed as meeting the applicable Teaching Council of Aotearoa New Zealand's Standards | Ngā Paerawa for the purposes of certification.

Where a teacher has been assessed as not meeting the appropriate Standards for their category of practising certificate, salary progression may be deferred. For each teacher to progress to their next step they will need to demonstrate that they meet the appropriate professional Standards.

Progression of certificated staff through the salary steps described in this section is only a required funding condition while a service attests to meeting the requirements of the full salary scale. If a service chooses not to attest, at any point, the condition does not apply. However, legal agreements that specify salary progression may still apply (eg employment contracts).

### Salary progression: Improved qualifications

Teachers who improve their relevant qualification(s), where their current salary rate is lower than the entry step for the new (improved) relevant qualification group, should be placed on the higher applicable entry step from the effective date of improving their relevant qualification(s).

The effective date of a movement to a higher group following an improvement of qualification(s) is:

the commencing date of the first term of the following year – when qualifications are improved at the end of the academic year; or  
the date of official results – where qualifications are improved during an academic year

### Hours of work

Hours of work relates to the total hours required for a teacher to properly fulfil the duties and responsibilities connected with their employment. This will include, rostered hours, non-contact hours, staff meetings, paid professional learning and development and any paid leave.

### Split roles

Where a certificated teacher is employed part-time in a teaching role and part-time in a non-teaching role, the service provider must pay the certificated teacher at least the relevant salary amount on the applicable Minimum Salary Scale for Certificated Teachers when they are employed in a teaching role.

Where a certificated teacher, employed in a non-teaching role, engages in a teaching role regularly (for example to cover breaks), they should be paid at least the relevant salary amount on the Minimum Salary Scales for Certificated Teachers for all hours they are engaged in a teaching role.

All certificated teachers employed part time in a management position and part time in a teaching role, must be paid at least the applicable management salary amount on the relevant Minimum Salary Scale for Management Positions, for all hours they work in their management position, and at least the applicable salary amount on the relevant Minimum Salary Scale for Certificated Teachers when they are employed in a teaching role.

### Attestation period

When completing the Attestation of Certificated Teachers' Salaries section of the RS7 return, a service is confirming what funding conditions they have met for the RS7 return period.

FUNDING PERIOD	ATTESTATION PERIOD
March	October – January

FUNDING PERIOD	ATTESTATION PERIOD
July	February – May
November	June – September

A service's funding rate will be adjusted if they are found to have not met the necessary funding conditions for the entire funding period. Any funding recoveries resulting from this change in funding rates will be made during the next funding payment.

For information on how to complete the Attestation of Certificated Teachers' Salaries for the RS7 return see [Section 9-6](#).

**Note:** Funding conditions related to the Full Parity Salary Scale are effective from 1 November 2023.

## Hours that count

### Hours that count towards an initial salary step

Certificated teachers (including relievers and contractors) employed in a teaching role or management position, must be paid at least the applicable salary amounts on the Minimum Salary Scales for Certificated Teachers, according to their qualifications, recognised service and previous relevant work experience for all employed hours. This includes rostered hours, non-contact, staff meetings, paid professional learning and development.

All statutory leave (such as paid sick leave, annual leave and bereavement leave) counts toward the teacher's total hours.

### Hours that count towards salary progression

A teacher becomes eligible to move up a pay step when they have completed 2,080 hours of work.

There is no requirement that the continuous service in a teaching role is at one service.

## Funding Rate Table

The *Funding Rate Table* shows the funding rates for each type of service. A copy of the table is included with this Handbook [Appendix 1](#).

The *Funding Rate Table* will be updated with any change in funding rates.

## Regulated (ratio) staff

Regulated (ratio) staff are staff required to meet the minimum regulatory requirements for staff:child ratios.

To find out the regulated (ratio) staff requirements for your service, please refer to the [Education \(Early Childhood Services\) Regulations 2008\(external link\)](#).

For more information on the Regulations see: [www.legislation.govt.nz\(external link\)](http://www.legislation.govt.nz(external link))

## Regulated (ratio) staff hours

Regulated (ratio) staff hours are the **total number** of hours worked by all regulated (ratio) staff in a service each day.

### Example: regulated (ratio) staff

Hine and Jocelyn work at Rimu Rd Crèche from 7am to 3pm every day.

From 7am-8:30am, there are usually only a few children present. This means only one person is required to meet the regulated (ratio) staff requirements.

The regulated (ratio) staff hours from 7am-8:30am = 1.5 hours. Only include those staff who are required to be present to meet regulated ratio requirements during that time period. For this example only include either Hine's or Jocelyn's hours.

## Certificated Teacher Hours

Certificated Teacher Hours are the **total number** of hours worked by all certificated teachers in a service at times when they were **counted towards regulated (ratio) staff**.

## 'Other Teachers' and Other Teacher Hours

For funding purposes, 'Other Teachers' are defined as any regulated (ratio) staff members who **do not** meet the above definition of a certificated teacher.

'Other Teacher Hours' are regulated (ratio) staff hours worked by 'Other Teachers' as defined above.

## Example: Certificated and Other Teacher Hours

Hine, Jocelyn, and Alex work at Rimu Road Crèche from 7am to 3pm each day. Hine is a certificated teacher. Jocelyn and Alex are not certificated teachers.

From 9am - 11am there are 12 children present. Two people are required to meet the regulated (ratio) staff requirements. From 9am-11am Hine's hours are counted as Certificated Teacher Hours. Jocelyn's hours are counted as Other Teacher Hours.

Alex's hours are not counted because only two people are required to meet the regulated (ratio) staff requirements.

## Keeping track of teacher hours

Education and care services are required to keep a Staff Hour Count that will keep track of the number of Certificated Teacher Hours and Other Teacher Hours that make up the regulated (ratio) staff hours for their service.

Services **must** use the Staff Record to manage the Staff Hour Count.

## Staff Record requirements

Education and care services **must** keep a Staff Record to manage their Staff Hour Count. The Staff Record shows the actual hours worked by regulated (ratio) staff on a daily basis.

For the purposes of the Staff Hour Count the Staff Record **must** contain all of the following:

- the names of staff used for regulated (ratio) staff requirements at any time during the day
- a note against each staff member's name that identifies whether or not the person is a certificated teacher
- the **actual** number of regulated (ratio) staff that were required during each hour of the day to meet regulated (ratio) staff requirements
- the **actual** hours worked each day by each regulated (ratio) staff member
- the **total actual** hours worked each day by certificated teachers who were counted towards regulated (ratio) staff requirements (including hours worked by Other Teachers acting as relievers for up to 80 discretionary hours) for education and care and hospital-based services, and kindergartens).
- the **total actual** hours worked each day by Other Teachers who were counted towards regulated (ratio) staff requirements.

## How to complete the Staff Record

You can complete your Staff Record either:

at the end of the day, recording actual hours worked by regulated (ratio) staff (make sure you keep a copy of the roster or schedule to support this) **or**

planning your roster or schedule before the start of the week, and making changes each day only if there was a change to the regulated (ratio) staff requirements for any of the hours in that day. By the end of the week, the planned staff record will have become a record of actual hours worked.

The table below shows one way you could complete your Staff Record and Staff Hour Count.

STEP	ACTION
1	Choose a 'block of time' that you will use on your Staff Record. This could be either a half or whole hour block.

STEP	ACTION
2	Work out your regulated (ratio) staff requirement for each block of time. This should be based on the maximum number of children who attended during each block of time.
3	Write down your regulated (ratio) staff requirement for each block of time.
4	Write down the actual blocks of time worked by each regulated (ratio) staff member. Make sure you write down the staff member's name and indicate whether they are a certificated teacher.
5	If you have used half hour blocks, convert these blocks into whole hours.
6	Add up the total actual hours worked each day by certificated teachers who were counted towards regulated (ratio) staff requirements. Write this number down.
7	Add up the total hours worked each day by Other Teachers who were counted towards regulated (ratio) staff requirements. Write this number down.
8	These totals are your Staff Hour Count.

### Recording breaks/ absences

**Breaks/absences of 15 minutes or more** must be recorded on the Staff Record to maintain transparency, and may be counted as one discretionary hour.

**Breaks/absences under 15 minutes** do not need to be recorded on the Staff Record.

Services **must** record the hours covered by Other Teachers as Other Teacher Hours on the Staff Record and Staff Hour Count for breaks/absences over 15 minutes.

Refer to the [Glossary](#) in this Handbook for definition of discretionary hours.

### Certificated teacher absences and discretionary hours

Services should maintain a list of certificated relievers who are available when certificated teachers are absent.

The Ministry will accept up to **80 discretionary hours per funding period** (to maintain current rates of funding) when certificated relievers are not available, provided that the record keeping requirements described in this section are met.

Education and Care services may record the hours worked by relievers who are Other Teachers as Certificated Teacher Hours for the purposes of the Staff Hour Count for 80 hours during the funding period.

Centres may choose which hours these apply to – they do not have to apply for the first 80 discretionary hours.

Services are required to submit a record of the number of discretionary hours they have used in a funding period to the Ministry.

If no discretionary hours have been used, then no submission is required.

### Discretionary Hours Reporting

Every service that uses discretionary hours during the current funding period, must submit a record of the total number of discretionary hours used.

**Services that use an approved student management system (SMS)** please contact your SMS provider if you require assistance in providing this information.

**Services that submit paper-based RS7 or use ELI Web** and have used discretionary hours during a funding period, must submit the report found at the following link along with their RS7.

[Discretionary Hours report \[PDF, 275 KB\]](#)

Refer to the [Glossary](#) in this Handbook for definition of discretionary hours.

## How to use discretionary hours

**List** the number of discretionary hours (or parts thereof) that have been used to cover the absence of each certificated teacher for the day.

**Add** together the allowable discretionary hours that have been used to cover the absences of all certificated teachers for the day.

**Round** the total to the nearest whole number. Numbers ending in 0.5 or above should be rounded up to the next whole number. Numbers ending in 0.4 or below should be rounded down to the previous whole number.

## Discretionary hours: record keeping

Service providers **must** keep evidence of attempts to contact a certificated teacher to cover the absence.

These records should be kept at the service for examination by the Ministry's Resourcing Auditors during an audit. They do not need to be sent to the Ministry each funding period.

## Signing the Staff Record

The Staff Record **must** be signed (in full) at the end of each week by each regulated (ratio) staff member as **true and correct record of their actual hours worked** for that week.

## Staff Record Template

A sample Staff Record is provided in [Appendix 2](#).

You may use this as a template for your service's Staff Record or design your own provided the information required in the Staff Record (see section above) is included.

## Link between Staff Hour Count and funding rate

Follow the diagram below to see an example of how a service's Staff Hour Count is used to determine their funding rate.

**Kowhai St. Childcare Centre** records the daily number of Certificated Teacher Hours and Other Teacher Hours on their Staff Record.



**Kowhai St.** transfers the daily Certificated Teacher Hours and Other Teacher Hours for the funding period from their Staff Record to the Staff Hour Count section of their RS7 Return.



**Kowhai St.** provides its RS7 Return to the **Ministry of Education**.



**The Ministry** calculates the service's proportion of Certificated Teacher Hours for the funding period.



**The Ministry** places the service on a rate depending on its operating structure and percentage of Certificated Teacher Hours and its salary attestation for certificated teachers.



**The Ministry** pays Kowhai St's funded child hours (FCHs) at the corresponding funding rate for their operating structure, percentage of Certificated Teacher Hours and its salary attestation for certificated teachers.

## Base Salary Scale Example: November funding period

Kowhai Street Childcare Centre completes their November RS7 Return with their Certificated Teacher Hours and regulated (ratio) staff hours for June, July, August and September.

Kowhai Street attests that all of their employed certificated teachers are being paid at least the amount specified at Step 1.

The Ministry calculates that the percentage of Certificated Teacher Hours for June - September for Kowhai Street Childcare Centre was 67%.

Kowhai Street is placed on the 50-79% base funding rate.

Kowhai Street's wash-up funding for June, July, August and September is paid at the 50-79% base funding rate.  
Kowhai Street's advance funding for November, December, January and February is paid at the 50-79% base funding rate.

#### **Parity Salary Scale Example: March funding period**

Kowhai Street Childcare Centre completes their March RS7 Return with their Certificated Teacher Hours and regulated (ratio) staff hours for October, November, December and January.  
Kowhai Street attests that all of their employed certificated teachers are being paid at least the amount specified at Step 1 to 6.  
The Ministry calculates that the proportion of Certificated Teacher Hours for October – January was 82%.  
Kowhai Street's wash-up funding for October, November, December and January is paid at the 80-99% Parity funding rate.  
Kowhai Street's advance funding for March, April, May and June is paid at the 80%-99% Parity funding rate.

#### **Extended Parity Salary Scale Example: July funding period**

Kowhai Street Childcare Centre completes their July RS7 Return with their Certificated Teacher Hours and regulated (ratio) staff hours for February, March, April, and May.  
Kowhai Street attests that all of their employed certificated teachers are being paid at least the amount specified at Step 1 to 11 + Management  
The Ministry calculates that the proportion of Certificated Teacher Hours for February – May was 92%.  
Kowhai Street's wash-up funding for February, March, April, and May is paid at the 80-99% Extended parity funding rate.  
Kowhai Street's advance funding for July, August, September, October is paid at the 80%-99% Extended parity funding rate.

#### **Full Parity Salary Scale Example: July funding period**

Kowhai Street Childcare Centre completes their July RS7 Return with their Certificated Teacher Hours and regulated (ratio) staff hours for February, March, April, and May.  
Kowhai Street attests that all of their employed certificated teachers are being paid at least the amount specified in Full Parity Salary Scale (Full Step 1 to 11 + Full Management Steps).  
The Ministry calculates that the proportion of Certificated Teacher Hours for February – May was 86%.  
Kowhai Street's wash-up funding for February, March, April, and May is paid at the 80-99% Full Parity funding rate.  
Kowhai Street's advance funding for July, August, September, October is paid at the 80%-99% Full Parity funding rate.

#### **Process for change of funding rate**

Services do not need to apply for a change of funding rate. This will be automatically calculated by the Ministry when they submit their RS7 return each funding round.

#### **Record keeping**

Services must keep the following documentation:

- a copy of the current practising certificate of each certificated teacher
- copies of ECE, Primary or overseas qualifications along with NZQA assessments of the overseas qualification for all certificated teachers
- copies of the letter of registration with an ECE or primary endorsement from the New Zealand Teaching Council
- a Staff Record (that has recorded the **actual** hours worked by all regulated (ratio) staff) for every day the service is operating
- signature sheets where regulated (ratio) staff have signed (in full) at the end of each week that the Staff Record is a true and correct record of their actual hours worked for that week
- records that verify the pay rate at which each certificated teacher is paid. This must include copies of signed employment contracts, letter of appointment and letter(s) confirming changes in salaries paid to certificated teachers, including certificated relievers
- records that verify how a certificated teacher's initial and current salary was determined. This must include evidence of service recognition, previous relevant work experience, salary progression and other evidence used to determine a teacher's salary step
- records that verify how the initial and current salary of a certificated teacher employed in a Management Position was determined.

Documentation (including copies of practising certificates) **must be kept for seven years**

#### **More record keeping information**

Use the following table to find further information about record keeping and financial reporting requirements:



IF YOU ARE LOOKING FOR...	SEE SECTION
Record keeping requirements for 20 Hours ECE	<a href="#">4-4</a>
An overview of the record keeping requirements for all services	<a href="#">11-1</a>
Information on funding claim audits and record keeping audits	<a href="#">11-2</a>
Information or instructions for financial reporting	<a href="#">12</a>

## 3-B-2a Kindergartens



### Funding requirements

Kindergartens, which are teacher-led centre-based services controlled by a kindergarten association [\[see Glossary\]](#), are treated differently for funding purposes.

Kindergartens must keep the same staff records as education and care services, with the exception of staff salary records relating to the Attestation of Certificated Teachers' Salaries.

[See Section 3-B-2:](#) Education and Care services for information on the staff record requirements.

### Funding Variables

Funding for kindergartens is calculated using the same variables as education and care services, with the exception of the Attestation of Certificated Teachers' Salaries.

[See Appendix 1: All-day and Sessional Kindergartens for the funding rates table](#)

### Discretionary hours

Kindergartens are entitled to 80 discretionary hours per funding period, when a certificated reliever is not available. The record-keeping requirements outlined in [Section 3-B-2](#) also apply to kindergartens. This includes the obligation to submit a report to the Ministry on the discretionary hours used each funding period.

## 3-B-3 Hospital-based services



## Introduction

Hospital-based services are teacher-led services that provide education and care to children under the age of six who are receiving health services within premises under the control of the Ministry of Health.

This section explains:

participation in hospital-based services  
notional rolls for hospital-based services  
adult:child ratios  
discretionary hours  
record keeping requirements for hospital-based services.

## Participation

In hospital-based services, 'participation' is used instead of 'attendance' to reflect the different circumstances of the children that are accessing the service.

To be counted as participating in a hospital-based service a child must be admitted to the hospital, or be attending the hospital as an outpatient for visits following an admission **and**

be interacting with an adult providing education and care **or**  
be taking part in an activity initiated by an adult providing education and care **or**  
be in an activity room.

Children may **not** be counted as participating when they are in emergency attendance, in an operating theatre, in a neonatal unit or are taking part in an activity initiated by a person other than an adult providing education and care.

## Notional rolls

Hospital-based services are entitled to a notional roll because of the fluctuations in roll that the service is likely to encounter.

See [Section 7-4 Notional Rolls](#) for further information

## Adult:child ratio

The required adult: child ratios are based on the number of children participating **at any one time** at the service.

For more information on the adult:child ratios refer to the [Education \(Early Childhood Services\) Regulations 2008](#) ([external link](#)).

## Discretionary Hours

Hospital-based services are entitled to 80 discretionary hours per funding period, when a certificated reliever is not available. The record-keeping requirements outlined in chapter 3-B-2 also apply to hospital-based services. This includes the obligation to submit a report to the Ministry on the discretionary hours used each funding period.

## Record keeping requirements

Hospital-based services must keep the same staff records as education and care services.

The nature of hospital-based services means that many of the other record keeping requirements may not work for them.

The list below explains the records required by hospital-based services:

Daily ward lists with a record of the names and ages of children eligible to participate.

Attendance records which include the **full name and age** of each child that participated at any time during the day and the **location** of attendance (ward or playroom).

Where sign-in/sign-out sheets are **not** used by a service, a snapshot of actual attendance in the playroom and ward (where appropriate) is recorded for an average week in **March** and **July**. Attendance time is marked in half hour slots noting the names of children participating in the playroom and the ward. A sample form can be found in **Appendix 2**.

Ministry auditors must be provided access to hospital records for verification purposes.

For more information see [Chapter 11](#).

## 3-B-4 Home-based ECE services



### Introduction

Licensed home-based early childhood education (ECE) services provide education and care for up to four children under the age of six in either a caregiver/educator's home, the child's own home or a home nominated by the child's parent.

This section explains:

funding rates for home-based ECE services  
the difference between standard and quality funding rates  
when to change the service's funding rate.

### Funding rates

There are two funding rates for home-based ECE services.

**Standard rate** – this is the funding rate applicable for licensed home-based ECE services. These services must meet the requirements of the [Education \(Early Childhood Services\) Regulations 2008](#)([external link](#)).

**Quality rate** – a higher funding rate is available to services that meet requirements additional to those specified in the [Education \(Early Childhood Services\) Regulations 2008](#)([external link](#)).

For more information on the Regulations see:[www.legislation.govt.nz](http://www.legislation.govt.nz)([external link](#))

### Funding claim exceptions

Funding must not be claimed for:

an educator's own children  
children who are present in the home but not enrolled in the home-based service **or**  
children enrolled at school.

If an enrolled child is absent from a home-based service and the educator, by contractual agreement, is not paid for absent children, the service provider cannot claim funding for that child for that day.

If, however, the caregiver/educator, by contractual agreement, is paid for absent children, the service provider can claim funding for an absent child and the absence rules will apply.

See [Section 6-4](#) for more information on the absence rules.

For funding purposes, an educator's 'own' children includes children living with the educator in the educator's home.

'Own' children does not include children who are placed with the educator as part of an Oranga Tamariki care arrangement, where the Chief Executive Officer of Oranga Tamariki is their legal guardian, and where Oranga Tamariki have referred the children and/or educator to a

home-based service provider.<sup>1</sup>

<sup>1</sup> For audit purposes service providers must retain a copy of the referral letter from Oranga Tamariki to show that the care arrangement has been approved and that funding can be claimed.

### Family members as educators

A home-based education and care service can claim funding for a child where the educator is a member of that child's family and is living with the child in the child's home only if **all of** the following requirements are met:

- the educator is part of a licensed home-based service, and
- the home is available for use by children who are not part of the educator's family, and
- at least one child who is not a member of the educator's family attends the home.

A home-based service can only claim funding **for the child who is a family member** for the hours a child who is **not** a family member attends the home.

**For example:** If a child who is not a family member attends the home for education and care for 15 hours per week, then the home-based service may claim 15 hours per week for each child who is a part of the educator's family. Other children who are not part of the educator's family may attend at different times in order to claim up to a maximum of 30 hours per week per child providing that the maximum number of children in home is not exceeded.

**Note:** In exceptional circumstances, in isolated communities, (3) may be waived by the Ministry regional office.

### Definition of family members

A family member is any member of the family other than the parent or caregiver of the child. Please refer to the section Funding Claim Exceptions for more information.

### Home-based education and care declaration

Services are required to have a signed declaration for each child to indicate whether the educator who will be providing education and care for the child is a member of that child's family.

This declaration is part of the enrolment agreement example and can be found in [Appendix 2](#).

### Coordinator requirements: all services

Coordinators are required to comply with the rules in the Education (Early Childhood Services) Regulations 2008, including regulations 3,28(2), 44(1)(d), 62 and Schedule 1A.

Each home-based ECE service **must** have its own named coordinator or coordinators.

All coordinators **must** be ECE qualified and certificated teachers.

### Educator absences

When an educator is not available (for example, due to illness), funding cannot be claimed if no care is provided. If there is a replacement educator, funding can be claimed only for the educator who provided alternative care. Funding cannot be claimed:

- for the educator who was not available
- if the parent/guardian chooses not to place their child in the care of the alternative caregiver/educator.

### Qualification requirements: all services

From January 2021, the qualification requirements for educators on a quality funded licence changed.

From 1 June 2022 a percentage of educators in every licensed home based education and care service must hold a recognised 'home-based service qualification' as set out in the [Education \(Early Childhood Services\) Amendment Regulations 2008 \(external link\)](#).

The percentage of educators required to hold a 'home based service qualification' differ between quality and standard funded licences. See

later in this chapter for more details.

For educators, a home-based service qualification is:

- (i) an early childhood education qualification that is—
  - (A) at level 4 or above on the Qualifications Framework; or
  - (B) recognised by the Teaching Council of Aotearoa New Zealand for registration purposes:
- (ii) an early childhood education qualification at level 3 on the Qualifications Framework, completed prior to 1 June 2022:
- (iii) a qualification developed by Te Kōhanga Reo National Trust Board at level 5 or above on the Qualifications Framework:
- (iv) a primary teaching qualification that is—
  - (A) listed in the Qualifications Framework; or
  - (B) recognised by the Teaching Council of Aotearoa New Zealand for registration purposes: or
- (v) an early childhood education qualification obtained overseas but recognised by NZQA as comparable to a qualification described in subparagraphs (i) and (ii)

### Calculating the percentage qualification requirements

#### From 1 January 2024:

For standard-funded licences:

60% of educators in a standard funded licence must hold a home-based service qualification.

There are no qualification requirements for the remaining educators.

For quality-funded licences:

80% of educators in a quality funded licence must hold a required qualification.

Up to 20% can either be in induction (first 6 months on the quality licence) or enrolled in training (up to a further 2 years, or 4 years if they are working towards an ECE teaching qualification at Level 7 or above).

The count of educators for the percentage qualification requirement is a headcount of those working in your service. It is done on a licence-by-licence basis. In order to be counted, an educator must have provided home-based education and care for children enrolled in the licence for at least four days in a calendar month.

Each month, educators can only count towards the percentage qualification requirement in one licence of a service provider. For example, if you're moving an educator from a standard-funded licence to a quality-funded licence you are unable to count the educator on both licences in the same month.

Note that this restriction only relates to this particular requirement. You can still claim funding subsidies on both licences for the children attending with those educators, subject to the usual funding rules, even if an educator changes licences or service providers in a month.

When calculating the number of educators, you need to meet the required percentage, if it works out to be a fraction, use normal rounding rules. That means, if the number of educators is 0.5 or above, you round up to the nearest whole number. If the number of educators is below 0.5, you round down.

Educators who gain a qualification during the month will be considered qualified from the date of the official notification that they have met the course requirements.

For the purposes of assessing a new probationary licence application with a request to begin at the quality funding rate, all educators who are listed as intending to work for the service will be counted towards the percentage qualification requirements.

## **Discretionary situations for percentage qualification requirements**

### **From 1 June 2022:**

Discretionary situations are no longer available in relation to the percentage qualification requirements.

If you do not meet the requirements in a given month you should use the EC11HB form to apply to move back to standard funding. A service must remain on standard funding for at least one month before applying to return to the quality rate.

## **Percentage qualification requirements: Record keeping for all home-based services**

### **From 1 June 2022:**

As percentage qualification requirements are now regulated for all home-based services, the record keeping requirements around educators and their qualifications apply to both standard and quality-funded licences.

#### *Evidence of educator qualifications:*

Certified copies of qualifications are required. These can be certified by:

- The service's ECE professional leader, (ie, the coordinator)
- Ministry of Education staff
- The authority that originally issued the document
- A Justice of the Peace
- A solicitor
- A notary public
- A registrar.

For teaching qualifications where the specialisation is not identified on the certificate itself (that is, it does not state an early childhood or primary specialty), academic transcripts or similar to show the course content must be kept as evidence that the qualification meets the requirements for home-based education.

Evidence of name change or use of an alternative name must be retained, where qualifications are in an alternative name (eg, maiden name).

#### *Evidence of meeting percentage qualification requirements:*

All services must keep a Master Staff Record that shows:

all educators along with their highest relevant qualification and the date this was achieved  
entry and exit dates for all educators

## **Percentage qualification requirements: Record keeping for standard funded services**

### **From 1 June 2022:**

Standard funded services must keep a monthly record that clearly shows whether the service is meeting the percentage qualification requirements.

This document should show educators and their categorisation as qualified (holding a home-based service qualification) or unqualified, and the number of days they have worked each month.

Standard-funded services can choose to categorise educators further, to match the requirements for quality funded licences. See the next section for this detail.

This more detailed categorisation is not mandatory, but will be useful to determine whether the service might be eligible to apply for quality funding. Note that the limits on the amount of time an educator may be in the 'unqualified – induction' and 'unqualified – in training' categories are not applicable to standard-funded services until 2025.

Where there has been a change in categorisation from the previous month, such as an educator achieving a qualification, the reason should be indicated on the monthly record.

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Monthly records must be verified by a representative of the service provider.

All services must keep educator timesheets (attendance records) that are signed and dated by the educator.

#### **Percentage qualification requirements: Additional record keeping for quality funded services**

##### **From 1 June 2022:**

There are additional records required for quality-funded services.

During the transition period, transcripts to show completed credits must be kept, if educators on quality-funded licences are being counted as having '5 or more credits towards a required qualification'.

For educators in study, a record of enrolment in a required qualification must be kept by the service provider. This must clearly show the date the programme commenced. This information must be included on the Master Staff Record.

Quality funded services must keep a Monthly Staff Record that shows the educators in the licence and their categorisation as either:

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**Full/Qualified** = holds a required qualification

**Partial** = holds at least 5 credits of an ECE qualification at Level 4 or above

**Unqualified - in training** = has not yet achieved any credits, but is enrolled in a programme of study that will lead to a required qualification

**Unqualified - induction** = has worked in the service for less than 6 months and is not enrolled in a programme of study that will lead to a required qualification

**N/A**=has left service

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Where there has been a change in categorisation from the previous month, such as an educator achieving a qualification, the reason should be indicated on the monthly record.

The monthly record should clearly show whether the service is meeting the percentage qualification requirements.

Monthly records must be verified by a representative of the service provider.

All services must keep educator timesheets (attendance records) that are signed and dated by the educator.

#### **Relief coordinators**

When a coordinator of a service funded at the quality rate is unable to be on duty, another coordinator must be on duty during the absence.

The relief coordinator must also meet the coordinator requirements.

#### **Upcoming changes to quality rate requirements: percentage qualification requirements**

The percentage qualification requirements for the quality funding rate will change each year until 1 January 2025 when there will only be one funding rate for home-based education and care.

The table below outlines the scheduled changes.

DATE REQUIREMENT IS EFFECTIVE	MINIMUM PERCENTAGE OF EDUCATORS WITH A REQUIRED QUALIFICATION [FULL/QUALIFIED]	MAXIMUM PERCENTAGE OF EDUCATORS ABLE TO BE IN TRAINING OR INDUCTION <sup>^</sup> [UNQUALIFIED]	EDUCATORS WITH AT LEAST 5 CREDITS TOWARDS A REQUIRED QUALIFICATION AT LEVEL 4 OR ABOVE [PARTIAL]
1 January 2021	30%	20%	All remaining educators (0-70%)
1 June 2022	50%	20%	All remaining educators (0-50%)
1 January 2023	70%	20%	All remaining educators (0-30%)
1 January 2024	80%	20%	This category no longer applies

<sup>^</sup> Educators who do not yet have credits towards a required qualification.

Educators who join a quality funded licence without a completed qualification can only remain in induction for a maximum of 6 months, or enrolled in training up to a maximum of 2 years, or up to 4 years if they are working towards an ECE teaching qualification at Level 7 or above.

### Quality rate requirements: coordinators

Coordinators of home-based ECE services receiving quality rate funding:

must be locally based (i.e. available, in person, within normal commuter distances and times for that location)**and** must be on duty for the times specified in the table below, including over the lunch period.

SERVICES OPERATING FOR MORE THAN SIX HOURS PER DAY MUST HAVE A COORDINATOR WHO IS...	SERVICES OPERATING FOR SIX HOURS OR LESS PER DAY MUST HAVE A COORDINATOR WHO IS...
on duty between 8:30am- 4:30pm Monday to Friday <b>and</b> on-call to supervise home-based care before 8:30am, after 4:30pm and on weekends when education and care is provided by the service during these hours.	on duty for the hours that children attend the service.

For funding purposes, 'on duty' means that coordinators are:

mainly focused on, and involved in, supervising quality environments for educators and children in their service able to instantly respond to educators and parents in their service 'person-to-person' (i.e. in person or by phone).

'On duty' does not include times when the coordinator cannot respond instantly to educators and parents in person or by phone.

'On call' means the coordinator can respond instantly to educators and parents in person or by phone.

### Coordinator absences

The Ministry will fund up to five discretionary situations at the quality funding rate, per funding period, when a coordinator that meets all of the quality rate coordinator requirements is not available.

**The regulations require home-based services to have a coordinator available to support educators for all hours children are attending. Discretionary situations cannot be used to avoid this obligation.**

Discretionary situations are most likely to apply when a coordinator is not able to meet the full 8.30-4.30 on duty or on call conditions.

The standard funding rate will apply from the date of the sixth absence.

Services may apply to return to quality level funding after one month, using the EC11HB Form.

### Christmas coverage: options for all services



There are three service delivery options for home-based ECE services during the Christmas period.

The options are identified in the table below.

OPTION	DESCRIPTION
1	Service closes over the Christmas period.
2	Service continues to operate as normally organised over the Christmas period.
3	Local services can be 'reconstituted' to make up a single service for up to two weeks if: all parents, educators, and coordinators associated with the affected services are given two weeks notice of the change taking place the requirements of the Education (Early Childhood Services) Regulations 2008 are still met by the service the total number of children in the reconstituted service does not exceed the maximum service size of 80 trained and named coordinators are on duty for all hours children are receiving education and care all parents and educators that will be associated with the reconstituted service are provided with accurate contact information for the rostered coordinators at least two weeks before the service starts operating clear records are kept that include: the names of rostered coordinators the actual times and dates each coordinator worked names of educators and the children for whom they provided education and care the actual dates and times that each child was cared for over the period that the service was reconstituted.

### Previous quality rate requirements

The following sections outline the quality rate requirements in place from 1 January 2021 until 31 December 2023. They will remain here for information purposes until the next phase of transition on 1 January 2025. Services may still be audited on periods covered by these requirements so should ensure they have compiled at all relevant times.

### Previous rate requirements: Calculating the percentage qualification requirements

#### From 1 January 2023:

For standard-funded licences:

30% of educators in a standard funded licence must hold a home-based service qualification.  
There are no qualification requirements for the remaining educators.

For quality-funded licences:

70% of educators in a quality funded licence must hold a required qualification.

Up to 20% can either be in induction (first 6 months on the quality licence) or enrolled in training (up to a further 2 years, or 4 years if they are working towards an ECE teaching qualification at Level 7 or above).

The remaining educators on the licence must hold at least 5 credits towards a required qualification at Level 4 or above. This category enables a transition period for educators who were already working on a quality funded licence prior to these changes coming in.

The count of educators for the percentage qualification requirement is a headcount of those working in your service. It is done on a licence-by-licence basis. In order to be counted, an educator must have provided home-based education and care for children enrolled in the licence for at least four days in a calendar month.

Each month, educators can only count towards the percentage qualification requirement in one licence of a service provider. For example, if you're moving an educator from a standard-funded licence to a quality-funded licence you are unable to count the educator on both licences in the same month.

Note that this restriction only relates to this particular requirement. You can still claim funding subsidies on both licences for the children attending with those educators, subject to the usual funding rules, even if an educator changes licences or service providers in a month.

When calculating the number of educators, you need to meet the required percentage, if it works out to be a fraction, use normal rounding rules. That means, if the number of educators is 0.5 or above, you round up to the nearest whole number. If the number of educators is below 0.5, you round down.

Educators who gain a qualification during the month will be considered qualified from the date of the official notification that they have met the course requirements.

For the purposes of assessing a new probationary licence application with a request to begin at the quality funding rate, all educators who are listed as intending to work for the service will be counted towards the percentage qualification requirements.

### **From 1 June 2022 - 31 December 2022:**

For standard-funded licences:

10% of educators in a standard funded licence must hold a home-based service qualification.

There are no qualification requirements for the remaining educators.

For quality-funded licences:

50% of educators in a quality funded licence must hold a required qualification.

Up to 20% can either be in induction (first 6 months on the quality licence) or enrolled in training (up to a further 2 years, or 4 years if they are working towards an ECE teaching qualification at Level 7 or above).

The remaining educators on the licence must hold at least 5 credits towards a required qualification at Level 4 or above. This category enables a transition period for educators who were already working on a quality funded licence prior to these changes coming in.

The count of educators for the percentage qualification requirement is a headcount of those working in your service. It is done on a licence-by-licence basis. In order to be counted, an educator must have provided home-based education and care for children enrolled in the licence for at least four days in a calendar month.

Each month, educators can only count towards the percentage qualification requirement in one licence of a service provider. For example, if you're moving an educator from a standard-funded licence to a quality-funded licence you are unable to count the educator on both licences in the same month.

Note that this restriction only relates to this particular requirement. You can still claim funding subsidies on both licences for the children attending with those educators, subject to the usual funding rules, even if an educator changes licences or service providers in a month.

When calculating the number of educators you need to meet the required percentage, if it works out to be a fraction, use normal rounding rules. That means, if the number of educators is 0.5 or above, you round up to the nearest whole number. If the number of educators is below 0.5, you round down.

Educators who gain a qualification during the month will be considered qualified from the date of the official notification that they have met the course requirements.

For the purposes of assessing a new probationary licence application with a request to begin at the quality funding rate, all educators who are listed as intending to work for the service will be counted towards the percentage qualification requirements.

### **Previous quality rate requirements: Meaning of 'active educator'**

#### **From 1 January 2021:**

The percentage qualification requirements are based on a count of active educators in a licence.

An educator is considered 'active' in a home-based licence if they are providing regular early childhood education and care to children enrolled on that licence.

An educator may still be considered 'active' if they do not provide education and care for a short period of time; for example, if they are sick or on holiday, or due to an emergency event like flooding. In these situations, there must be written evidence of the reason for the break, including the expected return date, on the weekly staff record.

After a continuous break of 3 weeks, educators can no longer be counted as 'active' for the purposes of the percentage qualification requirements.

Educators on a current licence, who have children leave and are waiting for new children to enrol with them, may also be considered 'active'

for a period of up to 3 weeks from the date children leave.

Inactive educators can be reclassified as 'active' from the scheduled start date of new children enrolled on the licence to begin receiving education and care from the educator.

For the purposes of assessing a new probationary licence application with a request to begin at the quality funding rate, all educators who are listed as intending to work for the service will be considered 'active'. Once the probationary licence is granted, educators who do not yet have children enrolled with them must be moved to 'inactive' status after 3 weeks.

#### **Previous quality rate requirements: Discretionary situations for percentage qualification requirements**

##### **From 1 January 2021:**

During this first stage of the transition period, a quality-funded service can access, without requesting Ministry approval, 5 'discretionary situations' (ie, 5 weeks) in a funding period where percentage qualification requirements have not been met. These must be clearly identified on the weekly records.

After this, the service must apply to move back to the standard funding rate (including in situations where the 5 weeks are not continuous) and must remain there for at least one month before they can re-apply to move back to quality.

#### **Previous quality rate requirements: Additional record keeping for quality funded services**

##### **From January 2021:**

Services must keep the following records and make them available to the Ministry on request. These are in addition to the record keeping requirements for standard funded services, and the record keeping relating to the quality rate coordinator requirements in Chapter 11.

##### *Evidence of educator qualifications:*

Certified copies of qualifications are required. These can be certified by:

- The service's ECE professional leader, (ie, the coordinator)
- Ministry of Education staff
- The authority that originally issued the document
- A Justice of the Peace
- A solicitor
- A notary public
- A registrar.

For teaching qualifications where the specialisation is not identified on the certificate itself (that is, it does not state an early childhood or primary specialty), academic transcripts or similar to show the course content must be kept as evidence that the qualification meets the requirements for home-based education.

During the transition period, transcripts to show completed credits must be kept, if educators on quality-funded licences are being counted as having '5 or more credits towards a required qualification'.

For educators in study, a record of enrolment in a required qualification must be kept by the service provider. This must clearly show the date the programme commenced.

Evidence of name change or use of an alternative name must be retained, where qualifications are in an alternative name (eg, maiden name).

##### *Evidence of meeting percentage qualification requirements:*

Services must keep a Master Staff Record that shows:

- all educators along with their highest relevant qualification and the date this was achieved
- entry and exit dates for all educators
- enrolment date for educators still in study

Services must keep a Weekly Staff Record that shows the educators in the licence and their categorisation as either:

**Full** = holds a required qualification

**Partial** = holds at least 5 credits of an ECE qualification at Level 4 or above

**Unqualified - in training** = has not yet achieved any credits, but is enrolled in a programme of study that will lead to a required qualification

**Unqualified - induction** = has worked in the service for less than 6 months and is not enrolled in a programme of study that will lead to a required qualification

**N/A**=has left service

Where there has been a change in categorisation from the previous week, such as an educator achieving a qualification, the reason should be indicated on the weekly record. If an educator has been unavailable for an entire week, the reason for this should be noted on the record.

The weekly record should clearly show whether the service is meeting the percentage qualification requirements, or (for quality funded services) claiming the week as a discretionary situation.

Weekly records must be verified by a representative of the service provider.

Services must keep educator timesheets (attendance records) that are signed and dated by the educator.

### When to change funding rates

Use the following table to find out when and how to change a home-based ECE service's funding rate:

IF THE SERVICE PROVIDER...	AND ..	THEN...	USING ...
is funded at the standard rate	the service can meet the requirements of the quality rate	you may apply to change to the quality funding rate	the <i>EC11HB Form</i> .
is funded at the quality rate	the service can no longer meet the quality rate requirements	you <b>must</b> apply to return to the standard funding rate	the <i>EC11HB Form</i> .
is funded at the quality rate	the service has used 5 discretionary situations in a funding period to cover coordinator requirements and has a 6th breach	you <b>must</b> apply to return to the standard funding rate	the <i>EC11HB Form</i> .
is funded at the quality rate	there has been a change in coordinator, but the service continues to meet one of the quality rate options	you <b>must</b> inform the Ministry of Education regional office of the change	the <i>EC11/A Form</i> .

**Note:** Funding rate changes are effective from the date the *EC11HB Form*, with evidence of the educators' qualifications attached, is received by the Ministry.

### Record keeping

All home-based ECE services **must** keep records for audit purposes and in a place where they can be easily accessed by the coordinator.

The relevant records **must** be provided at the site of the audit when an audit is taking place.

Services not able to supply records to the Ministry's Resourcing Auditors in support of funding at the quality rate will be returned to the standard funding rate.

For information regarding what records your service needs to keep see [Chapter 11](#) of this Handbook.

### More record keeping information

Use the following table if you would like further information about record keeping and financial reporting requirements:

IF YOU WOULD LIKE...	SEE SECTION
Information on 20 Hours ECE	<a href="#">4</a>
Record keeping requirements for 20 Hours ECE	<a href="#">4-4</a>
An overview of the record keeping requirements for all services	<a href="#">11-1</a>
Information on funding claim audits and record keeping audits	<a href="#">11-2</a>
Information or instructions for financial reporting	<a href="#">12</a>

## 3-C Parent/whānau-led services

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### Overview

#### Introduction

Parent/whānau-led services include licensed playcentres and licensed kōhanga reo. They provide education and care for children under the age of six.

**The information in the Funding Handbook does not apply to certificated playgroups or services operating as licence-exempt. These services should contact their [Ministry regional office](#) for further information.**

#### In this chapter

This chapter contains sections that are relevant to all **licensed** parent/whānau-led services. In addition, there are sections that are specific to either licensed playcentres or licensed kōhanga reo.

You will need to read the sections for all parent/whānau-led services **and** the section that is specific to your service type.

#### In this section

This section contains the following topics:

- [General information for all parent/whānau-led services - 3-C-1](#)
- [Quality funding rates for parent/whānau-led services - 3-C-2](#)
- [Playcentres - 3-C-3](#)
- [Te kōhanga reo - 3-C-4](#)

## 3-C-1 General information for all parent/whānau-led services

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### Introduction

This section explains:

funding rates for parent/whānau-led services  
the difference between standard and quality funding rates  
when and how to apply for a change in funding rate.

### Funding rates

There are two funding rates for parent/whānau-led ECE services.

**Standard rate** – this is the funding rate applicable for licensed parent/whānau-led ECE services. These services must meet the requirements of the [Education \(Early Childhood Services\) Regulations 2008\(external link\)](#)

**Quality rate** – a higher funding rate is available to services that meet requirements additional to those specified in the [Education \(Early Childhood Services\) Regulations 2008\(external link\)](#).

For more information on the Regulations see: [www.legislation.govt.nz\(external link\)](http://www.legislation.govt.nz(external link))

For more information on the quality rate, services should refer to [Section 3-C-2](#).

### The Funding Rate Table

The *Funding Rate Table* shows the funding rates for each type of service. A copy of the table is included with this Handbook [Appendix 1](#).

The *Funding Rate Table* will be updated with any change in funding rates.

### Mixed Provision

Services can be licensed to provide both teacher-led and parent-led education and care during any week, but only one kind of provision on each day.

The funding rules for parent-led days are explained in this chapter. The funding rules for teacher-led days are explained in [Section 3-B](#).

For more information about mixed provision contact [Ministry regional office](#).

### Record keeping

All parent/whānau-led services **must** meet the record keeping requirements set out in [Section 11-1](#).

Parent/whānau-led services that receive quality level funding **must** meet the record keeping requirements described in [Section 3-C-2](#).

### More record keeping information

Use the following table if you would like further information about record keeping and financial reporting requirements:

IF YOU WOULD LIKE...	SEE SECTION
An overview of the record keeping requirements for all services	<a href="#">11-1</a>
Information on funding claim audits and record keeping audits	<a href="#">11-2</a>
Information or instructions for financial reporting	<a href="#">12</a>

## 3-C-2 Quality funding rates for parent/whānau-led services

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### Introduction

This section explains:

options for quality funding rates that are available for **all** parent/whānau-led services  
on duty requirements for parents/whānau at services receiving quality funding rates  
what to do when trained parents/whānau are absent  
what to do when trained parents/whānau leave the service  
record keeping requirements for parent/whānau-led services receiving quality funding rates.

### Options for quality rates

Parent/whānau-led services that wish to become eligible for funding at the quality rates **must** meet the requirements of **one** of the quality rate options.

Playcentres and kōhanga reo have several different sets of requirements they may choose to meet. Some of these options are unique to either playcentres or kōhanga reo. These options are outlined in the specific section for that service type.

### On duty requirements for parents/ whānau

All services receiving quality funding rates **must** have parents/whānau with the required training on duty at all times (see [Section 3-C-3](#) for licensed playcentre requirements or [Section 3-C-4](#) for kōhanga reo requirements).

**On duty means** working and involved with the children for all the hours that the service is open for children.

**On duty does not mean** just being on the premises or solely involved in administration.

### Parent/ whānau records

Services receiving quality level funding **must** maintain a record of trained parents/whānau for all periods the service is open.

The record **must** include trained parents/whānau:

names **and**  
qualifications **and**  
arrival and departure times **and**  
breaks when the parent/whānau member was not on duty.

Records **must** be kept for seven years.

## Changes to qualified parents/ whānau

Services receiving quality funding rates **must** notify their Ministry regional office when trained parents/whānau change.

IF CHANGES TO PARENTS/WHĀNAU MEANS...	SERVICE MANAGEMENT MUST...	AND...
eligibility for quality funding rates is maintained	complete an <i>EC11/A Form</i> and forward to your Ministry regional office	funding will continue at the quality rate.
eligibility for quality funding rates is not maintained	complete an <i>EC11 Form</i> and return to your Ministry regional office	funding will return to the standard rate.

## Parent/whānau absences

Services are expected to maintain a list of trained relievers who are available when trained parents/whānau are absent.

The Ministry will fund up to five 'discretionary situations' at the quality funding rate, per funding period, when a trained reliever is not available if quality level adult:child ratios were still met **and** the record keeping requirements described in this section are kept.

Standard funding rates will apply from the date of the sixth absence. Services may apply to return to quality level funding at any time using the *EC11 Form*.

## Discretionary situations

A discretionary situation may be either a session or a full-day of operation depending on the operating structure of the service.

IF...	THEN ...
trained relievers are available but your option cannot be maintained e.g. when the trained reliever holds a different qualification to the usual parent/whānau member	your service may meet the requirements for an alternative option for that day.  Service management <b>must</b> document the reason why the option could not be met <b>and</b> keep evidence to show that the alternative option was met.)
trained relievers are not available <b>and</b> this is the first, second, third, fourth or fifth day/session in the current funding period where trained relievers have not been available	service management <b>must</b> : keep evidence of the reason for the qualified staff members absence <b>and</b> keep evidence of attempts to contact qualified relievers e.g. email records <b>and</b> keep evidence to show that quality level adult:child ratios were met.
trained relievers are not available <b>and</b> this is the sixth day/session in the current funding period where qualified relievers have not been available	service management <b>must</b> immediately apply to return to standard level funding ( <i>EC11 Form</i> )
trained relievers are not available <b>and</b> there are not enough parents/whānau (trained or untrained) in attendance to meet the regulated adult:child ratio requirements	service management <b>must</b> close the service until regulated adult:child ratio requirements can be met.

## Record keeping requirements

Services receiving quality level funding **must** keep:

staffing records as described in this section **and**

copies of qualifications for trained parents/whānau **and**

evidence of reasons for trained parents/whānau members' absences, attempts to contact relievers, and that quality level adult:child ratios were maintained **and**

copies of completed *EC11*, *EC11/A* application forms or a letter from the Ministry confirming the funding rate change (where necessary) as

evidence that the service has not claimed quality level funding for more than five days/sessions of trained parents/whānau members' absence.



Records **must** be available for inspection by authorised Education Review Office and Ministry of Education auditing staff.

Services that fail to provide the above records on request may be returned to standard funding rates.

Records **must** be kept for seven years.

### More record keeping information

Use the following table if you would like further information about record keeping and financial reporting requirements:

IF YOU WOULD LIKE...	SEE SECTION
An overview of the record keeping requirements for all services	<a href="#">11-1</a>
Information on funding claim audits and record keeping audits	<a href="#">11-2</a>
Information or instructions for financial reporting	<a href="#">12</a>

## 3-C-3 Playcentres



### Introduction

Playcentres are licensed early learning services co-operatively managed by parents and staff. All playcentres are a member of Te Whānau Tupu Ngātahī o Aotearoa – **Playcentre Aotearoa**.

This section explains:

operating, supervision and qualification requirements for playcentres  
requirements for quality funding rates  
record keeping requirements for playcentres.

### Applying for funding

Instructions for completing the RS7 Return can be found in [Chapter 9](#) of this Handbook.

### Operating Requirements

All playcentres must:

be a member of Te Whānau Tupu Ngātahī o Aotearoa – **Playcentre Aotearoa**, and  
be run according to the operating requirements set out in the Playcentre Aotearoa constitution, and  
be organised, equipped and managed on a co-operative basis, and  
provide programmes for children that are at least partly managed by the parents of the children attending the session.

### Supervision requirements

For each session, all playcentres must:

Ensure that at least one person takes the role of person responsible and holds **recognised qualification**([external link](#)), and  
use a supervision plan approved by Playcentre Aotearoa, and  
have no more than 30 children attending, and  
have a maximum adult:child ratio of 1:5, and

ensure that all children under 2 and a half years of age are accompanied by a parent or caregiver.

### Group supervision requirements for standard funding

In order to receive funding at the standard rate, playcentres must have:

- a) A supervision plan approved by [Playcentre Aotearoa\(external link\)](#) and
- b) At least one person on each session who holds a qualification gazetted as meeting the Person Responsible requirements for Playcentres.

Acceptable qualifications for a person responsible are set out in a notice in the [NZ Gazette\(external link\)](#). These include:

Playcentre Sessions (course 3 of The Playcentre Diploma in Early Childhood and Adult Education)

Playcentre Practice (course 4 of the Playcentre Diploma in Early Childhood and Adult Education)

Playcentre in Context (course 5 of the Playcentre Diploma in Early Childhood and Adult Education)

The Playcentre Diploma in Early Childhood and Adult Education

A level 4 or above in early childhood qualification recognised in the [NZ Gazette\(external link\)](#) notice as suitable for a person responsible in Playcentres.

An ECE teaching qualification recognised by the Teaching Council for the purposes of registration.

A primary teaching qualification recognised by the Teaching Council for the purposes of registration.

Please direct any questions about the qualifications for Playcentres to your Playcentre regional support team or [Ministry regional office](#).

### Group supervision requirements for quality funding

To be eligible for quality funding rates, licensed playcentres must meet one of the qualification options below. Where two or more different qualifications are required, these must be held by **separate** people.

These options can also be viewed in infographics on the [Playcentre Aotearoa website\(external link\)](#)

OPTION	MINIMUM QUALIFICATIONS
1	Two level 4 qualifications recognised in the <a href="#">NZ Gazette(external link)</a> .
2	Two Playcentre Practice (course 4 of The Playcentre Diploma in Early Childhood and Adult Education)
3	A level 4 qualification recognised in the <a href="#">NZ Gazette(external link)</a> , <b>and</b> Playcentre Practice (course 4 of The Playcentre Diploma in Early Childhood and Adult Education)
4	A level 5 qualification recognised in the <a href="#">NZ Gazette(external link)</a> , <b>and</b> ; Playcentre Educator Award or two Playcentre Introductory Awards
5	Playcentre in Context (course 5 of the Playcentre Diploma in Early Childhood and Adult Education), <b>and</b> ; Playcentre Educator Award or two Playcentre Introductory Awards
6	A level 6 qualification recognised in the <a href="#">NZ Gazette(external link)</a> , <b>and</b> ; Playcentre Educator Award or two Playcentre Introductory Awards
7	The Playcentre Diploma in Early Childhood and Adult Education, <b>and</b> ; Playcentre Educator Award or two Playcentre Introductory Awards

OPTION	MINIMUM QUALIFICATIONS
8	An ECE teaching qualification <b>OR</b> a primary teaching qualification recognised by the Teaching Council for registration purposes, <b>and</b> : Playcentre Educator Award or two Playcentre Introductory Awards

Please direct any questions about the qualifications for Playcentres to your playcentre regional support team or [Ministry regional office](#).

### Discretionary situations for Playcentres

Playcentres that cannot meet the person responsible or minimum qualifications for group supervision **may** be eligible for discretionary funding for up to five sessions per funding period. All other supervision and licensing requirements must be met including adult:child ratios and first aid qualification requirements.

There are some other conditions – playcentres must contact their relevant Ministry regional office for information about the process **prior** to the session starting.

### Playcentres with no Person Responsible

Funding **may** continue at the standard rate for playcentres who do not have a person responsible, provided the breach of qualification requirements is being managed through a provisional licence process. This is a temporary measure (generally for up to 3 months) and will only be considered where there is a clear action plan in place to fill the person responsible role.

Playcentres should contact their relevant Ministry regional office as early as possible to discuss their situation. It is important to note that if a playcentre does not meet the conditions on any provisional licence then the licence must be cancelled.

### Questions about qualifications

Please direct any questions about Playcentre qualifications to [Playcentre Aotearoa \(external link\)](#)

### Changing funding rates

Use this table to find out when and how to change your licensed playcentre's funding rate:

IF A PLAYCENTRE ...	AND ...	THEN ...	USING ...
is funded at the standard rate	can meet the requirements of one of the quality options	you may apply to be funded at the quality rate	the <i>EC11 Form</i> .
is funded at the quality rate	can no longer meet the requirements of any of the quality options	you <b>must</b> apply to return to the standard funding rate	the <i>EC11 Form</i> .
is funded at the quality rate	has had a change in parents/whānau involved in leading the ECE programme, but still meets the requirements of one of the quality options	you <b>must</b> inform your Ministry of Education regional office of the change	the <i>EC11/A Form</i> .

Funding rate changes for quality rate funding are effective from the date the *EC11 Form*, with all evidence required to assess the request, is received by the Ministry.

### Record keeping

The table below shows the record keeping requirements for Playcentres:

IF YOUR PLAYCENTRE...	YOU MUST...
-----------------------	-------------

IF YOUR PLAYCENTRE...	YOU MUST...
is funded at the standard rate	have enrolment records for each child <b>and</b> keep attendance records to show the hours each child attended.
is funded at the quality rate	have enrolment records for each child <b>and</b> keep attendance records to show the hours each child attended  <b>plus</b> meet the record keeping requirements for quality funding rates (see <b>Section 3-C-2</b> for further details).

## 3-C-4 Te kōhanga reo

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### Introduction

Te kōhanga reo is a total immersion te reo Māori whānau programme for mokopuna under six years of age.

The operation and administration of individual kōhanga reo is the responsibility of kōhanga whānau, in accordance with Te Kōhanga Reo National Trust Kaupapa (Policies) under the stewardship of the Te Kōhanga Reo National Trust Board.

The Ministry of Education recognises the Trust Board as the guardians of kōhanga reo kaupapa and as the stewards of the kōhanga reo movement.

### Te Korowai

Te Korowai is the cloak that warms the kaupapa of kōhanga reo. The four Pou of Te Korowai cloak the dreams and aspirations of the Māori people for their mokopuna and for future generations.

The four Pou of Te Korowai are:

total immersion in te reo Māori in te kōhanga reo daily operations  
whānau decision-making, management and responsibilities  
accountability  
the health and well-being of the mokopuna and the whānau.

Kōhanga Reo National Trust Board and the Ministry of Education signed Korowai on behalf of all kōhanga reo on 2 October 1995.

Te Korowai acts as the understanding between Te Kōhanga Reo National Trust Board and the Ministry of Education.

### Tūtohunga

Individual kōhanga reo whānau are required to prepare a tūtohunga following guidelines set down by the Trust Board. The tūtohunga is signed by te kōhanga reo whānau and the Trust Board.

Licensed kōhanga reo are eligible to receive the ECE Funding Subsidy (whānau may recognise this as 'Kaupapa Funding') as well as 20 Hours ECE funding.

Licensed kōhanga reo are also eligible to receive Equity Funding and the Annual Top-up for Isolated Services (ATIS) from the Ministry of Education.

### Principles of attendance in te kōhanga reo

Te kōhanga reo has important elements to ensure total immersion in te reo Māori and full participation of mokopuna.

One of these elements is that mokopuna attend kōhanga reo on **afull-time** basis.

### Accountability

The third pou of Te Korowai is accountability. This includes accountability to the Government.

Accountability to the Government means that whānau provide good administration and financial accountability in expenditure of public funds, such as funding from the Ministry of Education.

Accountability to the Ministry of Education is achieved primarily through the maramataka. The maramataka is produced and administered by the Trust. Kōhanga reo whānau need to refer to the maramataka.

### 'Kaupapa Funding' (Funding Subsidy) rates

Licensed kōhanga reo are eligible for **licensed funding rates** (these are called 'standard' funding rates by the Ministry of Education).

Kōhanga reo that can also meet the quality funding requirements in the table below are eligible for **quality funding rates**.

	OPTION 1	OPTION 2
Ratio requirement – Under Twos	1:4	1:5
Ratio requirement – Two & Overs	1:6	1:6
Qualifications requirements	<b>One</b> person with Whakapakari Tohu or <b>One</b> person in the final year of Whakapakari Tohu <b>plus</b> one other person with Attestation <b>or</b> <b>One</b> person in the final year of the Whakapakari Tohu <b>plus</b> one in four families undertaking training in Te Ara Tuatahi or Te Ara Tuarua.	<b>Two</b> persons with Whakapakari Tohu or <b>Two</b> persons in the final year of Whakapakari Tohu <b>plus</b> one other person with Attestation <b>or</b> <b>One</b> person with Whakapakari Tohu <b>plus</b> one person in the final year of Whakapakari Tohu <b>plus</b> one person with Attestation <sup>i</sup> .

<sup>i</sup> Kaiako with attestation have been attested by whānau as to their competency in te reo Māori and their suitability to work with kōhanga mokopuna.

### Contact the Trust

Please [contact the Trust\(external link\)](#) for more information on how kōhanga whānau can meet the requirements of the quality funding rate.

### Record keeping requirements

Evidence of Whakapakari Tohu qualifications and/or final year status Maramataka.

### Relationship between Te Kōhanga Reo and Te Whāriki

The foundation for learning programmes for mokopuna in kōhanga reo is *Te Whāriki*, the Ministry of Education's curriculum for early childhood education.

Part B of *Te Whāriki* defines learning outcomes for mokopuna and sets out the ways in which the principles and strands of the curriculum can be put into practice in each kōhanga. It is the Māori section of *Te Whāriki* that is most relevant to kōhanga reo.<sup>ii</sup>

<sup>ii</sup> Ministry of Education. *Quality in Action Te Mahi Whai Hua – Implementing the Revised Statement of Desirable Objectives and Practices in New Zealand Early Childhood Service*. Wellington: Learning Media, 1998, page 9.

### Qualification information

Tino Rangatiratanga Whakapakari Tohu is the teaching qualification recognised by the Trust Board for whānau involved in kōhanga reo.

The Ministry of Education acknowledges the right of the Trust Board to set the Tino Rangatiratanga Whakapakari Tohu as the teaching qualification for te kōhanga reo kaiako.

Kōhanga whānau are also supported to undertake training in Te Ara Tuatahi and Te Ara Tuarua to support the acquisition and use of te reo Māori by whānau in the home and in the kōhanga reo.

## Attestation

Kōhanga whānau can also be attested.

Attestation was originally introduced as an interim measure for whānau who were for example native speakers: this was in order to give the Trust time to establish its own qualification (i.e. Tino Rangatiratanga Whakapakari Tohu).

Attestation should be continued to acknowledge the skills of whānau who enrol their tamariki in kōhanga reo.

## He Whakaaturanga

Ngā kōhungahunga mai te kore ki raro mai o te ono tau e rumakihia ana i roto i te reo Māori me ōna tikanga. Ko te Kōhanga Reo tēnei. He Hōtaka Whānau Reo Māori tēnei.

Na wai ngā haepapa mō ngā whakahaere whānui o ia kōhanga whānau, mō ia ra, ia wiki, ia marama, ia tau? Nā ia Kōhanga whānau. Kei a wai te tino whakatutukitanga mō ngā (Kaupapa here) e hāngai ana ki ngā kōhanga whānau; kei Te Poari Matua o ngā Kōhanga Reo tērā; hei kaitiaki, hei tuari rātou mō te whakawhanaketanga o te paeroa mō ngā Kōhanga Reo whānau.

E tautoko ana te Tāhuhu o te Mātauranga i ēnei tikanga.

## Te Korowai

He whakaruruhautanga te Korowai mō te Kōhanga Reo; He matakitetanga mō āneherā, mō te iwi me ngā whakatupuranga. Ngā Totorohanga o Te Korowai

Ia ra; he toromitanga i roto i te reo.

Ngā haepapa whānui katoa; mā te whānau e hāpai.

Ngā whakahoki; mā te whānau e karawhiu.

Ngā wāhanga tokotoru ā tinana; a te whānau me ngā mokopuna.

I te tau 1995 i te rua o ngā rā o Whiringa-ā-nuku ka hainatahitia mō ngā Kōhanga Reo; Te Korowai, e Te Poari Matua mō ngā Kōhanga Reo me te Tāhuhu o te Mātauranga.

He whakaetanga aratohu Te Korowai mō te Poari Matua me te Tāhuhu o te Mātauranga.

## Tūtohunga

Ka oti te Tūtohunga o ia Kōhanga Reo whānau; e ai ki ngā aratohu o te Poari Matua, ka haina ā tahitia e rātou.

Ka āhei te whānau te tona raihana; mai i te Tāhuhu, i muri mai i te hainatanga o te Tūtohunga. Ko te tikanga; kua whakatutukihia katoa, ngā hiahia i waenganui i Te Kōhanga Reo whānau me te Poari. Nō reira, nā te mea kua whiwhi te Kōhanga Reo whānau i tō rātou tūtohunga me tō rātou raihana, kua wātea rātou ki te tono pūtea i raro i ngā Kaupapa kua whakaritea mō ēnei tūmomo pūtea. Mai te Tāhuhu e āhei katoa ana ngā Kōhanga Reo kua raihanatia ki te whiwhi Pūtea whakaōrite me ngā Pūtea tāpiri ā tau mō ngā ratonga tūhāhā.

## He mātāpono mō te urunga ki ngā Kōhanga Reo

E hūanga-nui anō tā Te Kōhanga Reo kia āhei tonu ai te whakarumaki i roto i te Reo Māori, ā, kia pūmau rawa te urunga o ngā mokopuna. Kotahi o ngā hūanga nei e mea ana me mātua ū te pumautanga o **te haere tonu o ngā mokopuna mō ia wā, mō ia rā**

## Tona ake whakataua

Me hoatu anō ki te kāwanatanga tōna ake; e ai ki tētahi wāhanga o Te Korowai. Ko ngā haepapa mō ngā whakahaere me ngā pūtea i anga mai i te kāwanatanga ara i te Tāhuhu o te Mātauranga hoki.

Mā ngā aromatawaitanga hāngaitia ai ki te maramataka, e mōhio ai te Tāhuhu o te Mātauranga pēnā kō tika te Kaupapa ki wā rātou hiahia. Kō te Poari e hanga ana i te maramataka, ko rātou hoki kei te whakahaere. Me tiroiro anō Te Kōhanga Reo i te maramataka.

## Pūtea Kaupapa Tātai (Tāpiri Pūtea)

E toru ngā tairite pūtea mō ngā Kōhanga Reo.

E āhei ana ngā Kōhanga whiwhi tūtohunga ki te tono utunga itiho kore.

(He whakatau pūtea paerewa) te ingoa te Tāhuhu o te Mātauranga mō ngā **whakatau pūtea raihana** e āhei ai ngā kōhanga kua raihanaita ki te whiwhi.

Ka āhei ngā Kōhanga Reo ki te whiwhi **whakatau pūtea kounga** ina ka taea e rātou ngā hiahia pūtea kounga kei te whārangi atu i tēnei; me tono ki te Poari mō ngā mōhiohio.

Pūtea Kaupapa (Pūtea Tāpiri) whakatau (ka haere tonu)

	ARA TUATAHI	ARA TUARUA
Ngā ritenga e hangai ai – mō ngā tamariki i raro iho i te rua tau	Ko te 1:4	Ko te 1:5
Ngā ritenga e hangai ai - mō ngā tamariki rua tau me runga ake	Ko te 1:6	Ko te 1:6
Ko ngā ritenga tohu me eke	<p><b>Kotahi</b> tangata kua whiwhi i te Tohu Whakapakari, <b>atu i tērā</b></p> <p><b>Kotahi</b> tangata kua tae ki te tau mutunga o te Tohu Whakapakari me te tangata anō; kua whiwhi Tohu Whakamana, <b>atu i tērā</b></p> <p><b>Kotahi</b> tangata kua tae ki te tau mutunga o te Tohu Whakapakari, <b>tāpiri atu ki tērā</b>, kotahi whānau i ngā whānau e whā e whakangungu ana i Te Ara Tuatahi i Te Ara Tuarua rānei</p>	<p>Kia <b>tokorua</b> ngā tangata kua whiwhi i te Tohu Whakapakari, <b>atu i tērā</b></p> <p>Kia <b>tokorua</b> ngā tangata kua tae ki te tau mutunga o Te Tohu Whakapakari, <b>tāpiri atu ki tērā</b>, he tangata anō kua whiwhi Tohu Whakamana, <b>atu i tērā</b></p> <p><b>Kotahi</b> tangata kua whiwhi Tohu Whakapakari, <b>tāpiri atu</b> kotahi tangata kua tae ki te tau mutunga o te Tohu Whakapakari, <b>tāpiri atu ki tērā</b> he tangata whiwhi Tohu Whakamana<sup>iii</sup>.</p>

<sup>iii</sup> Kua aromatawaitia e te whānau ngā kaiako whiwhi Tohu Whakamana mō tā rātou tohungatanga i te reo Māori me tā rātou pai ki te mahi me ngā mokopuna o te Kōhanga Reo.

Ngā pīrangi pupuri mauhanga

He kitenga mō ngā whiwhingā Tohu Whakapakari me/te tūnga rānei mō tetau mutunga

He maramataka

Te whanaungatanga i waenganui i te Kōhanga Reo me Te Whāriki

Kei te wāhanga B o Te Whāriki e whakaaturia ana ngā tohutohu mō ngā mokopuna e whakatakotohia ana ngā huarahi e whakatinanahia ai ngā mātāpono me ngā whenu o te marautanga ki roto i ngā Kōhanga. Ko te wāhanga Māori o Te Whāriki e hāngai nui ana ki ngā Kōhanga Reo<sup>iv</sup>.

<sup>iv</sup> Te Tāhuhu o te Mātauranga. *Te mahi whai hua – He whakatinanatanga o ngā kōrero whakapāhīa anō mō ngā mahi me ngā whainga e hiahiaia ana me ngā Ratonga kōhungahunga o Aotearoa*. Whanganui-ā-tara: Te Pou Taki Kōrero, 1998, whārangi 9.

Mōhiohio Tohu

Ko te Tohu Whakapakari Tino Rangatiratanga te ritenga akoranga e whakaetia e te Poari Matua ngā whānau o ngā Kōhanga Reo. Ko te Poari Matua e whakarite ana i te Tohu Whakapakari Tino Rangatiratanga hei ritenga akoranga mō ngā Kaiako o Te Kōhanga Reo.

Kei te tautoko te Tāhuhu o te Mātauranga i tēnei tikanga. E tautokohia ana ngā whānau o Te Kōhanga Reo kia uru atu ki ngā kura whakangungu ā Te Ara Tuatahi me Te Ara Tuarua hei āwhina i te whakawhanaketanga mō te kōrero i te reo Māori o te whānau ki roto i ngā kainga me ngā Kōhanga Reo.

Tohu Whakamana

Ka tae te whānau Kōhanga te whiwhi Tohu Whakamana.

Ko ngā mea matatau i te Reo i whakawhiwhia ki te Tohu Whakamana hei timatanga noa iho kia whai wā te Poari ki te hanga i tō rātou ake tohu (aianeī, ko te Tohu Whakapakari Tino Rangatiratanga tērā).

Me haere tonu te Tohu Whakamana mō aianeī, hei whakātūranga i ngā pukenga mō ngā mea o te whānau e rehitā ana ia rātou tamariki ki roto i ngā Kōhanga Reo.

## Chapter 4: 20 Hours Early Childhood Education

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### Overview

#### Introduction

20 Hours Early Childhood Education (ECE) is a higher rate of funding than the ECE Subsidy. It enables ECE services to provide early childhood education to three-year-olds, four-year-olds and five-year-olds for up to a maximum of six hours per day for 20 hours per week per child without charging fees.

#### Funding cycle

20 Hours ECE is paid at the same time as the ECE Funding Subsidy – on the first working day of March, July and November. For more information on when and how funding is paid see [Section 2-4](#).

#### In this chapter

This chapter contains the following topics:

- [Funding eligibility: 4-1](#)
- [Funding conditions: 4-2](#)
- [Fees, donations and optional charges: 4-3](#)
- [Record-keeping requirements: 4-4](#)
- [Beginning and ceasing to offer 20 Hours ECE funding: 4-5](#)
- [The EC20 Form - \(section removed and replaced with 7-9 in April 2015\) 4-6](#)

### 4-1 Funding eligibility



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## Introduction

This section outlines the eligibility conditions for:

services eligible to provide 20 Hours ECE  
children eligible to receive 20 Hours ECE.

All services offering 20 Hours ECE and all children receiving 20 Hours ECE must meet the eligibility conditions at all times.

## Eligible services

Early childhood education services are eligible to offer 20 Hours ECE if they:

are licensed **and**  
are open continuously for at least one session of 2.5 hours per week **and**  
meet all 20 Hours ECE funding rules.

## Services offering 20 Hours ECE

Services offering 20 Hours ECE must offer 20 Hours ECE to all eligible children.

Services **must not** offer 20 Hours ECE only:

to some eligible children and not to other eligible children  
on particular days of the week  
for particular hours of operation.

**Note:** The number of hours of 20 Hours ECE that a service can offer each child will depend on the service's hours of operation, the space available at the service and the child's hours of enrolment.

## Eligible children

20 Hours ECE funding can only be claimed for children who fill a child-place and are three, four or five years of age.

Funding cannot be claimed for:

children enrolled in school  
conditionally enrolled children who do not attend the service  
casual bookings made for children who do not attend the service.

## When to begin claiming

A child's eligibility for 20 Hours ECE begins on their third birthday.

Services may begin claiming 20 Hours ECE funding for a child on their third birthday.

## When to stop claiming

A child's eligibility for 20 Hours ECE ends on their sixth birthday.

## Childcare Subsidy and 20 Hours ECE

Work and Income's rules state that the Childcare Subsidy **must not** be claimed for 20 Hours ECE hours.

The Childcare Subsidy can be claimed for hours of attendance not covered by 20 Hours ECE. For example, for a child receiving 20 Hours ECE and attending for more than six hours per day or more than 20 hours per week.

The Childcare Subsidy is administered through Work and Income, Ministry of Social Development. Further information on the Childcare Subsidy can be found at the [Working for Families\(external link\)](#) website or call 0800 774 004.

## 4-2 Funding conditions

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### Introduction

Funding for 20 Hours ECE is attached to each eligible child's enrolment, rather than to a licensed child-place. Funding is made up of 20 Hours ECE and Plus 10 ECE.

### 20 Hours ECE

20 Hours ECE hours are the funded child hours that services can claim per eligible child for the provision of 20 Hours ECE.

Services are eligible to claim up to six hours **per child** per day, to a maximum of 20 hours **per child** per week.

### Plus 10 ECE

Plus 10 ECE describes the remaining 10 hours of funding a service can claim for each child in addition to the 20 Hours ECE hours. It is the difference between 30 hours ECE Subsidy funding and the 20 Hours ECE hours.

For more information on the ECE Subsidy see [Chapter 3](#) of this Handbook.

### Maximum funding

Services may claim a maximum of:

six hours funding per day for 20 Hours ECE and/or Plus 10 per eligible child

20 hours per week for 20 Hours ECE per eligible child

30 hours per week for 20 Hours ECE and Plus 10 per eligible child.

Out of those 30 hours weekly maximum per child, 20 hours per week may be claimed as 20 Hours ECE. The remaining hours up to 30 may be claimed as Plus 10 ECE funding.

## Which hours can be claimed as 20 Hours ECE?

Parents will choose which days the 20 Hours ECE hours will be allocated to, but no individual day may exceed six 20 Hours ECE hours.

### Example 1: weekly

The following table shows the number of 20 Hours ECE hours and Plus 10 ECE hours per week that may be claimed for children with different enrolment agreements:

NAME	HOURS ENROLLED	TOTAL HOURS ENROLLED PER WEEK	20 HOURS ECE HOURS CLAIMED	PLUS 10 ECE HOURS CLAIMED
Erin	8 hours per day	40	20	10
Melanie	4 hours per day	20	20	
Hayden	8 hours on Monday, Tuesday and Wednesday 4.5 hours on Thursday and Friday	33	20	7

### Example 2: daily

The table below shows how parents could choose to allocate the 20 Hours ECE hours daily across a week:

Erin attends 8 hours per day, Monday to Friday.

Melanie attends 4 hours per day, Monday to Friday.

Hayden attends 8 hours on Monday, Tuesday and Wednesday, and 4.5 hours on Thursday and Fridays.

ERIN	MON	TUE	WED	THU	FRI	TOTAL
Hours enrolled	8	8	8	8	8	40
20 Hours ECE hours	4	4	4	4	4	20
Plus 10 ECE hours	2	2	2	2	2	10
Difference: DO NOT CLAIM	2	2	2	2	2	10

MELANIE	MON	TUE	WED	THU	FRI	TOTAL
Hours enrolled	4	4	4	4	4	20
20 Hours ECE hours	4	4	4	4	4	20
Plus 10 ECE hours						

HAYDEN	MON	TUE	WED	THU	FRI	TOTAL
Hours enrolled	8	8	8	4.5	4.5	33

HAYDEN	MON	TUE	WED	THU	FRI	TOTAL
20 Hours ECE hours	6	6	6	2		20
Plus 10 ECE hours				2.5	4.5	7

### Sharing child places

Children may share a child-place during the day.

In this situation, services may claim up to six hours 20 Hours ECE Funding per eligible child plus up to six hours ECE Subsidy Funding per child-place.

### Example of sharing child places

The following example shows how a service could claim funding where a child receiving 20 Hours ECE shares a child-place with an Under Two child.

Melanie is receiving 20 Hours ECE and is enrolled for five hours on Monday to Friday, from 8am to 1pm.

Erin is one-year-old and is enrolled for four hours on Monday to Friday, from 1pm to 5pm.

CHILD	HOURS	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
Erin	Under 2 hours	4	4	4	4	4
Melanie	20 Hours	5	5	5	5	
	Plus 10 ECE hours					5
	Total hours claimed per day	9	9	9	9	9

### 2.5 hour sessions

Sessional services that offer 2.5 hour sessions may claim funding for 3 hours for those sessions.

20 Hours ECE hours may be claimed for the first 2.5 hours. Services must claim Plus 10 ECE hours for the remaining half hour.

### Claiming for 20 Hours ECE absences

The absence rules in [Chapter 6](#) apply to 20 Hours ECE funding.

Services must not charge fees for hours that they claim as 20 Hours ECE. If a service claims 20 Hours ECE funding under an absence rule, the service **must not** charge fees for any conditional or casual child who directly fills that place. If the service charges a fee, **it must** claim the ECE Funding Subsidy.

This will occur only when the service is filled to its maximum capacity and the casual child is directly replacing an absent child who is claiming 20 Hours ECE.

### 20 Hours ECE Attestation

An *Attestation* included in the enrolment agreement **must** be signed for each child receiving 20 Hours ECE. **20 Hours ECE funding must not be claimed for a child until the service has received a completed and signed Attestation.**

Parents must confirm the total hours per day of 20 Hours ECE the child will receive at the service and any other service the child is enrolled to attend.

Enrolment details and records **must** be kept up-to-date. Parents must notify services and change the enrolment details if there is a change to

the number of hours of 20 Hours ECE their child receives at any service.

#### Using 20 Hours ECE hours at more than one service

Parents may choose to allocate their 20 Hours ECE hours across more than one service.

A child can receive a maximum of six 20 Hours ECE hours per day and twenty 20 Hours ECE hours per week **as a total across all services**.

The enrolment details will indicate if, and for how many hours, a child is receiving 20 Hours ECE at another service. This will tell each service how many 20 Hours ECE hours can be claimed for each child.

Each service may still claim up to 30 hours of funding per child per week, but funding must not be claimed for the same hours. The remaining hours once the 20 Hours ECE hours are used up may be claimed as Plus 10 ECE hours.

#### Example

Caleb is enrolled in a home-based service from 7.45am to 3.45pm on Mondays and Fridays, and 7.45am to 12.45pm on Tuesdays, Wednesdays and Thursdays. He is also enrolled in kindergarten from 12.45 to 3.45pm on Tuesdays, Wednesdays and Thursdays. His parents choose to allocate 20 Hours ECE hours to both the home-based service and the kindergarten. This might look like:

HOME-BASED	MON	TUE	WED	THU	FRI	TOTAL
Hours enrolled	8	5	5	5	8	31
20 Hours ECE hours	2	4	4	4		14
Plus 10 ECE hours	4	1	1	1	6	13

KINDERGARTEN	MON	TUE	WED	THU	FRI	TOTAL
Hours enrolled		3	3	3		9
20 Hours ECE hours		2	2	2		6
Plus 10 ECE hours		1	1	1		3
<b>Total 20 Hours ECE hours</b>	<b>2</b>	<b>6</b>	<b>6</b>	<b>6</b>		<b>20</b>

## 4-3 Fees, donations and optional charges

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## Introduction

This section explains the financial payments services may and may not request from parents for the period children are enrolled for 20 Hours ECE.

There are three types of payments. They are fees, donations, and optional charges.

## Definition of a fee

A **fee** is a payment that is required as a condition of enrolment and can be enforced. It includes any compulsory payment regardless of the type: wages, salary or any other payments made by the parents /caregiver to either the educator or the service provider

**Enforcement** is when a service withholds or withdraws enrolment, or withholds or withdraws parts of their service (for example children not permitted to take part in certain activities), or attempts debt recovery.

## Parents must not pay fees for 20 Hours ECE

Parents **must not** be charged fees for hours claimed as 20 Hours ECE.

The service provider must ensure parents do not pay a compulsory fee for hours covered by 20 Hours ECE, either to the service provider or to the educator. Where parents pay home-based educators directly, the service provider is responsible for fully reimbursing parents for compulsory fees paid for the hours covered by 20 Hours ECE.

Parents may be charged fees for hours outside the 20 Hours ECE maximum of six hours per day and 20 hours per week per child.

## Definition of a donation

A donation is a voluntary payment. There is no obligation to pay and there is no enforcement of payment.

## Services may request donations

When requesting donations, services must ensure that donations are not described as fees, or by any other term that implies that they are compulsory.

## Definition of optional charges

Optional charges are a request for a payment that parents may choose whether or not to make for a specific purpose, which can be one-off or ongoing, that:

is for the education and care of the child; and  
is above what is required to meet the regulated standards; and  
can be separated out and measured.

Optional charges should reflect the real and actual costs of the additional item or activity.

Parents must have a choice about whether they want to pay for the additional item or activity covered by the optional charge. They must be informed in writing that agreeing to an optional charge is not compulsory, and they must not be penalised for choosing not to pay an optional charge.

## Services may request optional charges

Optional charges are a request for a payment that parents may choose whether or not to make for a specific purpose, which can be one-off or ongoing.

## Non-compulsory

Parents must be informed in writing that agreeing to an optional charge is not compulsory and services must not make agreement to pay optional charges a condition of initial or continued enrolment.

## Agreement to optional charges

When a parent agrees to pay an optional charge, the specific items covered by the charge, and the agreement to pay the charge must be part of the enrolment process and recorded on the enrolment agreement.

An agreement to pay ongoing optional charges must include information about how long the agreement will last and/or what the rules are about making changes to the agreement.

Once an agreement to pay has been reached then services may enforce payment.

## Acceptable optional charges

Optional charges can **only** be requested for:

aspects of provision that are not required by regulation  
additional staff beyond the minimum regulated adult/child ratios  
items that parents may either provide for their own children, or pay for the service to provide.

Services must ensure that the activity or item offered exceeds/is over and above what is required by regulation.

For example:

specific teaching resources such as a dance or music teacher  
excursions and entrance fees  
transport  
sunscreen lotion  
clothing items such as sun hats  
food.

Optional charges cannot be requested for the administration of 20 Hours ECE, wage administration for Home-based educators, home management or 'payment top-ups'. Further information on this can be found at the [Education.govt.nz](https://www.education.govt.nz) website.

Following the reintroduction of the 100% funding band on 1 January 2021 services will no longer be able to request additional payments from parents to help contribute the cost of having more than 80% certificated teachers.

## Requesting optional charges for excursions and transport

An optional charge should only be requested for excursions if:

- i. There is a direct cost associated with the excursion (e.g. an entry fee); and/or
- ii. Travel is required to get to the destination, specifically any distance greater than what could be considered reasonable to reach by walking

Any optional charge for an excursion must be for the education and care of the child, and be able to be separated out and measured.

Costs must be itemised so parents can see how the optional charge is to be spent. Requesting a nominal hourly rate for unspecified excursions and transport does not meet the intent of an optional charge.

Optional charges can be requested at any time after enrolment. Therefore, if requested at the time of planning the excursion, the charge can reflect real and actual costs.

## Unacceptable optional charges

Optional charges can **not** be a condition of initial or continued enrolment, or requested for:

aspects of provision that are required by legislation  
general contributions towards the cost of high quality education and care provided by the service or due to the service being well regarded  
home management (in the case of ECE provided in the child's own home)  
wage administration

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wage top-ups  
administration of 20 Hours ECE  
excursions that do not meet the criteria for excursions and transport.

Following the reintroduction of the 100% funding band on 1 January 2021 services will no longer be able to request additional payments from parents to help contribute the cost of having more than 80% certificated teachers.

For more information can be found at the [Education.govt.nz](https://www.education.govt.nz) website.

## Enforcement of payment

Once a parent has agreed to pay an optional charge, the service may enforce the payment as they would enforce a fee.

## Parents who choose not to pay optional charges

If a parent chooses not to pay an optional charge, the only action a service can take is to withhold the additional feature(s) covered by the optional charge. By choosing not to pay an optional charge, parents are agreeing to not have access to that additional activity or item.

Parents who choose not to pay an optional charge must receive at least the standard of service required by the regulations. It is the responsibility of the service providing 20 Hours ECE to ensure parents do not pay a fee for hours covered by 20 Hours ECE, either to the service provider or the educator (in the case of a Home-based service).

## Changing optional charge agreements

Services must allow reasonable opportunities for parents to review their decisions regarding optional charges. Either party may initiate a change to the agreement, but both parties must agree on the changes.

Any change to agreements on optional charges is a change to the enrolment agreement.

## 4-4 Record keeping requirements

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### 20 Hours ECE record keeping requirements

Services must keep records of fees, donations and optional charges received from parents. Records must show the type of payment received – fee, donation or optional charge.

Services **must** also continue to meet the requirements for recording enrolment, attendance and absence in [Chapter 6](#), and the record keeping requirements in [Chapter 11](#).

### Enrolment Agreement Form

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The sections marked with this symbol ♦, in the Ministry of Education's sample Enrolment Agreement Form must be included in the service's Enrolment Agreement Form. Wording cannot be changed, except to add relevant details for your service.

For more information on enrolment records see [Chapter 6](#) of this Handbook.

### Recording parent contributions

Services must keep the following records of fees, donations and optional charges received from parents:

records of optional charge agreements must be part of the Enrolment Agreement Form

records of fees and donations may be kept on Enrolment Agreement Form or invoices

records should show the type of payment received – fee, donation or optional charge.

### Home-based ECE services

When the parent directly pays the home-based educator, services must keep a record of all payments made for 20 Hours ECE that occur between any of the following parties: parent, educator and service provider.

## 4-5 Beginning or ceasing to offer 20 Hours ECE Funding

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### Introduction

This section is for services beginning, or ceasing to offer 20 Hours ECE.

### First Advance of 20 Hours ECE

The table below shows the funding process for services claiming their first advance of 20 Hours ECE funding.

Information on completing the *EC20 Transitional Advance Form* is in [Section 7-9](#) of this handbook.

STAGE	DESCRIPTION
1	The service requests an EC20 Transitional Advance Form from the Ministry of Education, <a href="mailto:ece.funding@education.govt.nz">ece.funding@education.govt.nz</a>
2	The service completes and returns the EC20 to the ECE Operational Funding Team on <a href="mailto:ece.funding@education.govt.nz">ece.funding@education.govt.nz</a>

STAGE	DESCRIPTION
3	The Ministry calculates the service's advance payment based on:  the number of days the service will be open <b>and</b> the calculated funded child hours for each day during a selected week for Under Twos Two and Overs not receiving 20 Hours ECE 20 Hours ECE Plus 10 ECE hours <b>and</b> the date the service will begin offering 20 Hours ECE.
4	The Ministry makes an advance payment to the service on the next available major payment date.
5	The advance payment is washed-up against actual funded child hours on the next RS7 Return and 20 Hours ECE funding becomes part of the normal funding cycle.

### Ceasing 20 Hours ECE

Services that decide to stop offering 20 Hours ECE funding should contact the ECE Operational Funding team on [ece.funding@education.govt.nz](mailto:ece.funding@education.govt.nz) to discuss how to adjust their future funding.

## 4-6 The EC20 Form

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### This section removed

This section was removed in April 2015.

Please see [Section 7-9](#) for information on the *EC20 Transitional Advance Form*.

## Chapter 5: Other ECE funding

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## Overview

### Introduction

In addition to the ECE Funding Subsidy and 20 Hours ECE, services may receive an Annual Top-Up for Isolated Services.

All licensed ECE services are eligible to receive this funding (provided additional criteria are met).

### In this chapter

This chapter contains the following topics:

- [Annual Top-Up for Isolated Services: 5-1](#)
- [Support Grant for Provisionally Registered Teachers \(removed April 2015\): 5-2](#)

## 5-1 Annual Top-Up for Isolated Services



### Introduction

The Annual Top-Up for Isolated Services (ATIS) assists small licensed services in isolated areas to maintain access to ECE.

Funding is targeted to services with a limited capacity to generate Funded Child Hours due to isolation.

### Eligible services

All licensed ECE services are eligible for the ATIS if they meet the following criteria:

An Isolation Index<sup>1</sup> of 1.65 or greater **and**

Generation of between \$5,000-\$19,999.99 in ECE Funding Subsidy, 20 Hours ECE funding and Equity Funding payments between 1 June and 31 May each year.

<sup>1</sup> A statistical index that rates a service's relative isolation according to its distance in kilometres from services of three different population sizes.

### Ineligible services

Services not eligible for ATIS include:

casual education and care services

hospital services **and**

other services funded on notional rolls.

### Structure of the ATIS

The ATIS is a 'two-tier' entitlement system:

IF YOUR SERVICE GENERATES...	YOU WILL BE TOPPED UP TO...
\$5,000-\$10,000.99 in ECE Funding Subsidy, 20 Hours ECE funding and Equity Funding payments between 1 June and 31 May	\$15,000
\$10,001-\$19,999.99 in ECE Funding Subsidy, 20 Hours ECE funding and Equity Funding payments between 1 June and 31 May	\$20,000

### Applications

Applications for the ATIS are not necessary. The Ministry identifies eligible services using the Isolation Indices and funding data. Eligible services will be advised of their receipt of ATIS on the ECE Funding Notice that accompanies their July funding payment.

### Payment date

The ATIS is paid annually in arrears with the July funding payment.

### GST inclusive

All ATIS payments are GST inclusive.

### Service providers

The ATIS is intended as a top-up for the specified service only. Isolated services that are grouped under one service provider may choose to combine several ATIS payments if this better ensures their sustainability.

**Centralised use of funding should only take place with the full agreement of the service to which the ATIS is due.**

Services that believe they have received less than their full ATIS entitlement should contact their service provider.

### Reporting requirements

Services must report on the ATIS as part of their financial reporting on the ECE Funding Subsidy.

See [Chapter 12](#) for information on financial reporting requirements.

## 5-2 Support Grant for Provisionally Registered Teachers



### This section removed

This section was removed in April 2015.

## Chapter 6: Recording Enrolment, Attendance and Absence



## Overview

### Introduction

For funding to be delivered accurately and fairly, the following three records must be maintained:

- enrolment records
- attendance records
- absence records.

There are additional recordkeeping requirements for services offering 20 Hours ECE. These can be found in [Chapter 4](#).

The requirements in this chapter do not apply to hospital-based services. Requirements for hospital-based services can be found in [Chapter 3](#).

### Incorrect records

Services must not state that a child:

- is enrolled when they are not enrolled or
- attended when they did not attend.

In the event of a funding claim audit, funding claimed incorrectly will be recovered by the Ministry.

### In this chapter

This chapter contains the following topics:

- [Enrolment records: 6-1](#)
- [Conditional enrolment 6-2 \(removed May 2016\)](#)
- [Attendance records: 6-3](#)
- [Absence rules: 6-4](#)
- [Three Week Rule for Continuous Absence: 6-5](#)
- [Three Week Rule: extension for extended non-operation: 6-6](#)
- [The Frequent Absence Rule: 6-7](#)
- [The Frequent Absence Rule \(examples\): 6-8](#)
- [Funding for make-up days: 6-9](#)

## 6-1 Enrolment records



### Introduction

Early childhood education services **must** keep enrolment records for **all** children who attend the service **including children who attend the service on a casual basis or conditional basis**.

The enrolment records must distinguish and identify children who are permanently enrolled and those who may attend on a casual or conditional basis.

See the [Glossary](#) for definitions of casual, conditional and permanent enrolment.

## Records

The age of each child enrolled in a service is important in determining at which funding rate each funded child hour (FCH) will be paid. The number of hours for which each child is enrolled is important in determining the number of hours for which funding can be claimed.

Enrolment records provide evidence that services and parents/guardians agree on the age of each child, and the number of hours for which each child is enrolled.

## Storage of records

Enrolment records **must** be kept for seven years.

## Funding for absences

The Ministry will fund the enrolled hours of permanently enrolled children who are absent up to certain limits. The limits are defined by two absence rules the Three Week Rule for Continuous Absence ([Section 6-5](#)) and the Frequent Absence Rule ([Sections 6-7 and 6-8](#)) to be read along with Chapter 6-3.

In the event of a funding claim audit, funding claimed for absent children who do not have an enrolment agreement will be recovered by the Ministry.

Please refer to the [Glossary](#) for more information about permanent enrolments.

## Funding for casual and conditional children

Funding for casual and conditional children is based on attendance only.

Absences **cannot** be claimed for casual or conditional children who do not attend.

In the event of a funding claim audit, funding claimed for casual or conditional children who did not attend will be recovered by the Ministry.

## All records must include

For funding purposes the enrolment record for each child **must** include:

the child's official name, date of birth, and home/residential address, and the child's preferred surname and first name (if any)

the date the child commenced attendance at the service and their finish date

the days and times each child is expected to attend, and details of any later changes to the agreement **signed and dated by at least one parent/guardian**

attestation by the child's parent/guardian of the hours the child is enrolled at another service (including none if appropriate) **and** a dated **signature** of at least **one parent/guardian** to attest to the accuracy of the enrolment record.

Children may be enrolled into a service even if a parent/caregiver cannot provide identity documentation.

It is important to ask for identity documentation, and if a parent/caregiver can provide it, please state in the enrolment form which documentation you sighted.

Each child must have a National Student Number (NSN). For children not already assigned an NSN, allocating the NSN requires the child's full name (including middle names), date of birth and gender as recorded on the child's official identification document (e.g. birth certificate or passport) or the enrolment form if no identification has been provided.

If you are unable to sight the child's official identification document, you will need to call the Ministry of Education immediately on 0800 ECE ECE to have an unverified NSN created. The unverified NSN can be verified once official identification documentation is provided.

For guidance on allocating NSNs see our website: National Student Numbers (NSN) – Education in New Zealand.

If the child is enrolled to receive education and care at a homebased ECE service the enrolment form must include a signed declaration to indicate whether the educator who will be providing education and care for the child is a member of that child's family.

This declaration is part of the Enrolment Agreement Form sample and can be found on the Ministry's website.

Services are required to keep other information on enrolment records for health and safety purposes. Please see the Education (Early Childhood Services) Regulations 2008 or contact your Ministry local office for further details.

Sections marked with this symbol ♦ in the Enrolment Agreement Form sample must be included by services in every Enrolment Agreement form. (20 Hours ECE sections are not applicable if the service does not offer 20 Hours ECE.).

Wording cannot be changed, (e.g privacy statement) except to add relevant details for your service. The Enrolment Agreement Form with the required wording can be found in **Appendix 2** of this Handbook, or on [Education.govt.nz\(external link\)](https://www.education.govt.nz/external-link)

### **Records for children receiving 20 Hours ECE**

Enrolment records for children receiving 20 Hours ECE **must also** include:

the 20 Hours ECE Attestation section of the Enrolment Agreement Form completed by the parent/guardian if the child is to receive 20 Hours ECE at this service, and  
the Optional Charges Agreement section of the Enrolment Agreement Form to be completed by the parent/guardian.

### **Additional requirements for casual children's records**

Enrolment records for casual children **must also** include:

the days and times of each child's intended attendance, and details of any later changes **signed and dated** by at least **one parent/guardian**  
attestation by the child's parent/guardian that the child is not enrolled at another service for the time the child will be attending the service casually **and**

an indication that the child will be attending on a casual basis **signed and dated** by at least **one of the child's parents/guardians**.

### **Additional requirements for conditional children's records**

Enrolment records for conditional children **must also** include:

an indication that the child will be attending on a conditional basis **signed and dated** by at least **one of the child's parents/guardians**  
which part of the enrolment is conditional. It can be the entire enrolment or specific days and/or hours **and**  
attestation by the child's parent/guardian that the child is not enrolled at another service for the time the child will be attending the service conditionally.

Any change must be signed and dated by the parent/guardian. Funding for the attendance of a conditionally enrolled child must not be claimed until the parent/guardian has signed this record.

If a conditionally enrolled child's enrolment form does not indicate which part of the enrolment is conditional, no funding can be claimed for attendance.

### **Recording special arrangements**

Where applicable, enrolment records **must** include details of any transitional school visits (see [Section 7-8](#) for details) and details of Correspondence School enrolment (see [Section 3-A-1](#) for details).

### **Individual enrolment agreements**

Services **must** keep a separate enrolment agreement for **each** child.

Each sibling or other relative must have their own enrolment record, signed by their parent/guardian.

### **Changes to records**

All changes to enrolment records **must** be dated and signed by a parent/guardian of the child.

Changes that have not been signed by a parent/guardian will not be considered changed for funding purposes.

Services **must** keep a paper copy of any changes to enrolment records which are held electronically. This will enable changes to be signed by

parents/guardians.

## 6-2 Conditional enrolment



### This section was removed

This section was removed in June 2016.

## 6-3 Attendance records



### Introduction

An attendance record must be kept for each child attending the early childhood education and care service.

Attendance records **must** be kept for seven years.

### Records

Attendance records serve a number of purposes for funding. They:

support claims for funded child hours (FCHs)

support claims for quality funding rates (for parent/whānau led services) that require enhanced staff:child ratios

help keep track of absences so that the absence rules can be applied **and**

help keep track of hours of attendance that can be claimed for children attending casually.

Attendance records also ensure that licence maximums are not exceeded.

### Incorrect records

Services must not state that a child has attended an early childhood service when they did not attend for **any** reason.

In the event of a funding claim audit, funding claimed incorrectly will be recovered by the Ministry.

### Changes to records

Changes to attendance records **must not** be 'whited out'. Changes should be made by crossing out the incorrect entry and rewriting.



This will ensure that funding claims are accepted by the Ministry in the event of a funding claim audit.

Services that keep only electronic records for recording attendance **must** use a software package or other electronic means of recording attendance that has provision for noting and referencing any changes in a manner that is transparent for staff, parents and the Ministry.

## Records must include

Attendance records may be kept in a form to suit the service. However, all services **must** include **all** of the following:

separate sections or columns for children aged under two and for children aged two and over

the first and last name of each child, clearly identified

days and times of **actual** attendance for each child

a record of any absence, with an 'a' when a child does not attend at a time for which they are enrolled

when a child's attendance is casual or conditional

notes and explanations about attendance, such as when a child is away sick or has attended for more/less hours than they were enrolled **AND**

attendance registers that have been marked by staff on a twice daily basis (or once a day for services that operate only one session).

Services **must** also keep evidence (e.g. a signed attendance register) that a parent/guardian of each child has regularly examined and confirmed the attendance record.

This needs to be completed:

ONCE A MONTH FOR...	ONCE A WEEK FOR...
Sessional teacher-led centre-based services. Parent/whānau-led services.	All-day teacher-led centre-based services. Home-based education and care services.

## Electronic Attendance Records Criteria

ECE Services may use electronic means of verification of attendance records to satisfy the requirements of this handbook.

If using electronic means to verify attendance records you must meet the criteria below. How the criteria are met is up to each individual service.

### Security

1. Authorised signatories are linked with only one electronic signature. The means of creating each individual electronic signature is linked only to its authorised signatory or any system administrators and to no other person.
2. If usernames and passwords are used, the system must record who created them and when they were created.
3. If usernames and passwords are used, there must be adequate controls to ensure that these are not used by anyone other than the linked authorised signatory.
4. Only a parent or guardian who is an authorised signatory can verify attendance records electronically. A parent or guardian must only use their own electronic signature to verify attendance records.
5. Any alteration made to any information, is evident (including who made the changes and when). This includes alterations to electronic signatures and confirmation of attendance. This also includes daily sign in and out if it is used.

### Verification of Records

6. The verification process must:

Clearly identify the parent or guardian who verified the record.

Indicate the signatory's approval of the information to which the signature relates.

Log the time and date of when the record was verified.

This might, for example, include an item on the record which states:

---

Verified by: Wanda Maximoff

Verification: I confirm that the attendance details for William Kaplan 19/12/2019 – 23/12/2019 are correct.

Date & Time: 23/12/2019 – 2:15pm

---

### **Attendance registers**

7. For services that use daily electronic sign in and out to track attendance, the system must not default to marking children as present. This includes not defaulting to marking children's attendance as per the time booked on their enrolment agreement.

8. If a service uses daily electronic sign in and out then the system must record who signed the child in and out, and what day and time this happened. It is recommended that only authorised signatories sign a child in or out.

9. Services that use daily electronic sign in and out must have a process for ensuring these records are accurate each day. For example, where a child's parent or guardian is unable to, or fails to, sign a child in on a day they are attending then a specified staff member will sign the child in and record the circumstances of the sign in for verification by a parent or guardian.

### **Retention and Inspection**

10. Electronic attendance records must be retained for 7 years without any loss of integrity.

11. All records are readily accessible so as to be usable for subsequent inspection by Ministry staff as required.

12. All records can be extracted into an appropriate format for reporting purposes.

### **Tip**



Daily sign-in/sign-out records are recommended as best practise.

They are useful for:

recording days and times of actual attendance for each child (as described above)

keeping track of attendances by children who attend on a casual basis

keeping track of variations in attendance that might indicate a Frequent Absence (see **section 6-7**).

Meeting the attendance record requirement for "evidence that a parent/guardian of each child has regularly examined and confirmed the attendance record" for all service types.

A template for sign-in/sign-out records is included in [Appendix 2](#).

## **6-4 Absence rules**



### **Introduction**

Absence rules allow services to claim funding for hours that permanently enrolled children do not attend, providing that certain conditions are met.

Absence rules recognise that absences do occur and services should not be unreasonably penalised because of this.

### Claiming funding for absences

Funding can **only** be claimed for the absence of a permanently enrolled child if the situation falls within one of the following absence rules:

Three Week Rule for Continuous Absence (**Section 6-5**).

Three Week Rule: extension for extended non-operation (**Section 6-6**), or

The Frequent Absence Rule (**Section 6-7**).

Please refer to the [Glossary](#) for more information about permanent enrolments.

### Funding for casual or conditional children

Services may claim funding for children who attend casually or conditionally.

Funding for conditional or casual children is based on attendance only. Services **must not** claim for conditional or casual children who book for a session or day and do not attend.

In the event of a funding claim audit, funding claimed for casual children who did not attend will be recovered by the Ministry.

Please refer to the [Glossary](#) for more information about casual and conditional enrolments.

### Funding for absence and casual or conditional child

Funding **must not** be claimed for both an absent permanently enrolled child under an absence rule and for the conditional or casual child who fills the absent child's place.

### Claiming 20 Hours ECE and absence

Services **must not** claim 20 Hours ECE funding for an absence and charge fees to a conditional or casual child who directly fills the absent child's place.

This will occur only when the service is filled to its licensed maximum capacity and the conditional or casual child is directly replacing an absent child who is receiving 20 Hours ECE.

Where a 20 Hours ECE child is absent and that child's place is filled with a conditional or casual child who has been charged fees, the service **must** claim subsidy funding, not 20 Hours ECE funding.

## 6-5 Three Week Rule for Continuous Absence



### Introduction

The Three Week Rule for Continuous Absence (Three Week Rule) limits the period of time that the Ministry will fund continuous absences, to three weeks.

This section explains the Three Week Rule, and how to apply it.

## Three Week Rule

Services may claim funding for all sessions/days a child was enrolled to attend, but was absent from, within a three week period. The three week period begins on the first day of absence.

Services **must not** claim funding for absences that continue into the fourth week and beyond.

Funding resumes when the child returns to the service.

**Services must not claim funding following notification from a parent/guardian that a child will not be returning to the service – even if the three week period has not ended. Funding claimed beyond this point will be recovered.**

## Rationale

The ECE Funding Subsidy is payable to services on the basis of child enrolments. This enables services to claim funding for children who are absent. Some children are absent for lengthy periods of time. On occasion, children who appear 'absent' will have left the service.

The Ministry wishes to maintain a reasonable level of funding for children who will return to the service. A level of security in funding allows services to budget more effectively.

Services should not be penalised if they are unaware that an absent child will not be returning to the service. However, the Ministry cannot fund absences indefinitely.

## Special needs exemptions

Children with special needs or health problems may need to be absent for more than three weeks. Services can apply for an exemption to the Three Week Rule for these children.

See [Section 7-7](#) for details on how to apply for an exemption.





## Examples

The examples on the next two pages illustrate how the Three Week Rule can be applied to children enrolled for one, three or five sessions per week.

In all cases, funding can be claimed for **all sessions the child was absent from within a three week period**. The three week period begins on the first day of absence.

## Key for examples

Use the key below to understand the shading and letters used in the examples:

	Days the child was not enrolled to attend.
	Days the child was enrolled to attend and was absent and funding <b>can</b> be claimed.
	Days the child was enrolled to attend and was absent and funding <b>cannot</b> be claimed.
	Days the child attended.

## Example 1

The example below illustrates how the Three Week Rule can be applied to a child enrolled for **one session or day per week**:

---

**Example 2**

The example below illustrates how the Three Week Rule can be applied to a child enrolled for **three sessions or days per week**

**Example 3**

The example below illustrates how the Three Week Rule can be applied to a child enrolled for **five sessions or days per week**

## 6-6 Three Week Rule: extension for extended non- operation



### Introduction

The Three Week Rule: extension for extended non-operation allows services to suspend the Three Week Rule for Continuous Absence (Three Week Rule) during an extended period of non-operation.

### Rule for extended non-operation

Services that do not operate for a continuous period of **two weeks or more** may claim funding for enrolled children who are absent before and after the break.

The Three Week Rule will be suspended on the date of the child's last session before the service closes.

The Three Week Rule will restart from the first date the child is enrolled to attend after the centre re-opens.

### Examples of 'extended non- operation'

Some examples of extended non-operation where the Three Week Rule can be suspended are:

Christmas holidays  
'end of term' holidays  
when a service is closed for renovations.

If you are unsure if your service can suspend the Three Week Rule during a period in which your service will not be operating, please contact your [Ministry regional office](#) for guidance.

### Examples:

The examples on the next page illustrate how the Three Week Rule Extension for Extended Non-Operation can be applied to children who have been absent for different periods prior to the period of non-operation.

### Key for examples



Days the child was not enrolled to attend.

a	Days the child was enrolled to attend and was absent and funding <b>can</b> be claimed.
a	Days the child was enrolled to attend and was absent and funding <b>cannot</b> be claimed.

#### Example 1 – enrolled one day per week

The example below illustrates how the Three Week Rule Extension for Extended Non-Operation can be applied to a child enrolled for **one session or day per week**:

#### Example 2 – enrolled three days a week

The example below illustrates how the Three Week Rule Extension for Extended Non-Operation can be applied to a child enrolled for **three sessions or days per week**:

#### Example 3 – enrolled five days a week

The example below illustrates how the Three Week Rule Extension for Extended Non-Operation can be applied to a child enrolled for **five sessions or days per week**:

## 6-7 The Frequent Absence Rule



### Introduction

The Frequent Absence Rule ensures that enrolment agreements match attendance patterns as closely as possible, so that funding can be delivered fairly and accurately.

This section:

explains the Frequent Absence Rule **and**  
describes when and how to apply the Frequent Absence Rule.

For examples of the Frequent Absence Rule, please refer to [Section 6-8](#).

### Frequent Absence Rule

A child's attendance **must** match their enrolment agreement for at least half (i.e. 50 per cent or more) of each calendar month.

## Rationale

Enrolment agreements can become outdated. Parents or guardians might not notify services when their child's attendance will be changing, or attendance patterns may evolve over time.

The Frequent Absence Rule helps services identify absence patterns that suggest a change in enrolment may be needed. By keeping enrolment agreements up-to-date, services can ensure that their funding is calculated accurately.

## When to apply the Frequent Absence Rule

The Frequent Absence Rule must be applied in these three situations:

- when a child is absent **on the same enrolled day or days of the week** for more than half of these days in a calendar month **or**
- when a child **attends for fewer days per week** than they are enrolled to attend, in more than half of the weeks in a calendar month **or**
- when a child attends **fewer hours** than they are enrolled to attend, on a daily basis, on more than half of their enrolled days in a calendar month. **Note:** this does not apply to sessional services.

## How to apply the Frequent Absence Rule

To apply the Frequent Absence Rule, you must check child attendance patterns at the end of each month.

Follow the instructions in this table (and the examples on the following pages) to apply the Frequent Absence Rule:

STEP	ACTION
1	At the end of each month <b>check</b> the attendance pattern of each child in your service.
2	<b>If...</b>  a. a child has been absent <b>on the same enrolled day or days of the week</b> for more than half of these days in the month <b>OR</b> b. a child has attended <b>fewer hours</b> than they were enrolled to attend, for more than half of their enrolled days in the month <b>OR</b> c. a child <b>attends for fewer days per week</b> than they are enrolled to attend, for more than half of the weeks in the month.  <b>Then...</b>  note down that the child's absences <b>must</b> be monitored in the following month <b>AND</b> claim funding for the child's absences.
3	At the end of the next month <b>check</b> the absence pattern of the frequently absent child again (as part of checking the absence patterns for all children in your service).
4	<b>If the child's absence pattern...</b>  is the same as in the previous month  <b>Then...</b>  you <b>must</b> reconfirm the child's enrolment agreement with their parent/guardian, and claim funding for the child's absences.
5	Funding for absences in the third month <b>must</b> only be claimed if the child's enrolment agreement has been <b>reconfirmed</b> (see next page).  If the child's enrolment agreement is not reconfirmed, funding for absences in the third month must not be claimed.
6	Funding for absences in the fourth month <b>must</b> not be claimed and the enrolment agreement must be changed to match the child's attendance.

## Extension for periods of extended non-operation

Services that do not operate for a period of two weeks or more may extend the Frequent Absence rule where a child has already been frequently absent in the previous month.

The Frequent Absence Rule must be continued from the next full month of operation after the period of non-operation.

For example, if a pattern of frequent absence first occurred in the month of December, this would be **month one**. If a service did not operate in January for a period of **two weeks** or more and February was the next full month of operation, February would be **month two**.

Some examples of extended non-operation where the Frequent Absence Rule can be suspended are:

Christmas holidays  
'End of term' holidays  
When a service is closed for renovations

## Examples

[Section 6-8](#) works through several examples of the Frequent Absence Rule.

Please refer to this section for an illustration of how to apply the Frequent Absence Rule.

## Reconfirming an enrolment agreement

To reconfirm an enrolment agreement you **must either** have the enrolment agreement **signed and dated** by the child's parent/guardian, confirming that the enrolment agreement remains valid **or** change the child's enrolment agreement to include new days and times that the child is expected to attend **and** have the changes **signed and dated** by the child's parent/guardian.

## Exemptions from the Frequent Absence Rule

Children with **special needs or health problems may be absent more frequently**. Services may apply for an exemption to the Frequent Absence Rule for these children.

See [Section 7-7](#) for details on applying for an exemption.

## 6-8 The Frequent Absence Rule - examples



### Introduction

This section illustrates how the Frequent Absence Rule can be applied in the three different situations outlined in the previous section.

These are not the only situations where the Frequent Absence Rule should be applied.

### If you are unsure

Please contact your [Ministry regional office](#) or the Resourcing Contact Centre if you are unsure whether you are applying the Frequent Absence Rule correctly.




### Example key

Use the key below to understand the shading and letters used in the example:



Days the child was **not** enrolled to attend.



	Days the child was enrolled to attend.
	Days the child attended their normal enrolled hours.
	Days the child was enrolled to attend and was <b>absent</b> .

### Example 1 – absence on a particular day






Kristen is enrolled to attend an early childhood service five days a week.

Below is the August attendance register for Kristen:

THE FREQUENT ABSENCE PROBLEM IS...	THE EARLY CHILDHOOD SERVICE MUST...	FUNDING <u>MAY</u> BE CLAIMED FOR...	FUNDING <u>MAY NOT</u> BE CLAIMED FOR...
Kristen was absent for more than half of the Fridays in August.	monitor Kristen's attendance in September and if Kristen is absent for more than half of the Fridays in September, her enrolment agreement will need to be reconfirmed at the end of September.	Kristen's <b>enrolled hours</b> in August and September <b>and</b> Kristen's <b>enrolled hours</b> in October <b>if</b> her attendance pattern returns to normal in October <b>or</b> Kristen's enrolment agreement is changed or reconfirmed.	Kristen's Friday absences in October if she continued to be absent for more than half of the Fridays in September <b>and</b> her enrolment agreement <b>is not</b> reconfirmed or changed.

### Example key

Use the key below to understand the shading and letters used in the example:

	Days the child was <b>not</b> enrolled to attend.
	Days the child was enrolled to attend.
	Days the child attended his or her normal enrolled hours.
	Days the child attended for <b>fewer hours</b> than enrolled (and the number of hours the child attended).
	Days in the previous or following month.

### Example 2 – Fewer hours per day






Sione is enrolled to attend an early childhood centre for four hours a day on Monday, Wednesday and Friday.

Below is the number of hours Sione attended each day during November:

THE FREQUENT ABSENCE PROBLEM IS...	THE EARLY CHILDHOOD SERVICE MUST...	FUNDING <u>MAY</u> BE CLAIMED FOR...	FUNDING <u>MAY NOT</u> BE CLAIMED FOR...
Sione has attended for fewer than 4 hours a day on more than half of his enrolled days in November.	monitor Sione's attendance in December <b>and</b> if Sione attends for fewer than 4 hours on more than half of his enrolled days in December, Sione's enrolment agreement will need to be reconfirmed at the end of December.	Sione's <b>enrolled hours</b> in November and December <b>and</b> Sione's <b>enrolled hours</b> in January <b>if</b> his attendance pattern returns to normal in December <b>or</b> his enrolment agreement is reconfirmed or changed.	the hours Sione was absent in January if he continued to attend for less than 4 hours per enrolled day on more than half of his enrolled days in December <b>and</b> his enrolment agreement <b>is not</b> reconfirmed or changed.

### Example key

Use the key below to understand the shading and letters used in the example:

	Days the child was <b>not</b> enrolled to attend.
	Days the child was enrolled to attend.
	Days the child attended their normal enrolled hours.
	Days the child was enrolled to attend and was <b>absent</b> .
	Days in the following month.

### Example 3 – fewer days per week

Vijay is enrolled to attend an early childhood centre for five days a week.

Below is the February attendance register for Vijay:

THE FREQUENT ABSENCE PROBLEM IS...	THE EARLY CHILDHOOD SERVICE MUST...	FUNDING <u>MAY</u> BE CLAIMED FOR...	FUNDING <u>MAY NOT</u> BE CLAIMED FOR...
Vijay has attended for fewer than five days a week in more than half of the weeks in February.	monitor Vijay's attendance in March and if Vijay does not attend for five days a week for more than half of the weeks in March, his enrolment agreement will need to be reconfirmed at the end of March.	Vijay's <b>enrolled hours</b> in February <b>and</b> March and Vijay's <b>enrolled hours</b> in April <b>if</b> his attendance pattern returned to normal in March <b>or</b> his enrolment agreement is reconfirmed or changed.	Vijay's absences in April if he continues to attend less than five days a week for more than half of the weeks in March <b>and</b> his enrolment agreement <b>is not</b> reconfirmed or changed.

## 6-9 Funding for make-up days

A



### Description

Children who are absent on an enrolled day may have their booking transferred to another day.

This is known as a 'make-up day'.

### Service discretion

The availability of a make-up day is at the discretion of the service.

Services **must** ensure that licence maximums are not exceeded when children are attending a make-up day.

### Funding for make-up days

Funding **must not** be claimed for both the absence and the make-up day when the child is only fulfilling their enrolment expectation.

## Chapter 7: Special Circumstances

A



### Overview

#### Introduction

The Ministry has made some exceptions to the funding rules to reflect services' need for flexibility. In these cases the Ministry requires additional information to ensure that funding is delivered accurately.

This chapter explains how to ensure that funding continues when the need for flexibility arises.

#### In this chapter

This chapter contains the following topics:

- [Funding for new services: 7-1](#)
- [Completing the RS3 Form: 7-2](#)
- [Estimating the proportion of Certificated Teacher Hours: 7-3](#)
- [Notional rolls: 7-4](#)
- [Emergency closure: 7-5](#)
- [Substitute days and hours: 7-6](#)
- [Absence rule exemptions: 7-7](#)
- [Transitional school visits: 7-8](#)

- [The EC20 Transitional Advance Form: 7-9](#)

## 7-1 Funding for new services



### Introduction

This section is for new ECE services. It explains:

the *RS3 Initial Application for Funding for an Early Childhood Service*  
the funding process for new services  
when new services can expect their first funding payment.

### RS3 Form

The *RS3 Initial Application for Funding for an Early Childhood Service* (RS3 Form) is the key funding form for new services.

New services **must** complete the *RS3 Form* to receive their first ECE Funding Subsidy entitlement.

[An example RS3 form can be found in Appendix 2](#)

### Funding process

The table below describes the funding process for newly licensed services:

STAGE	DESCRIPTION
1	The new service is licensed.
2	The new service completes the <i>RS3 Form</i> .
3	The new service returns the <i>RS3 Form</i> to their Ministry regional office.
4	The Ministry calculates the service's first payment based on: the number of days the service will be open <b>and</b> the funded hours that the service will be open <b>and</b> the average number of children in each age group and the hours they are expected to attend the service during the advance period <b>and</b> the estimated percentage of regulated (ratio) staff hours that will be covered by certificated teachers ( <b>education and care services, hospital-based services only</b> ) <b>and</b> whether a service attests to paying at or above certain minimum salary levels (education and care services and hospital-based services only).
5	The Ministry makes an advance payment to the new service on the next available payment date.
6	The service becomes part of the normal funding cycle. Funding continues as for all services (see <a href="#">Section 2-5</a> for further details).

### Bank account details

Every funded service **must** have a bank account into which ECE funding can be paid.

The bank account number **must** be verified by:

two signatories on the *RS3 Form* **and**  
a bank verification stamp on the *RS3 Form* **or**

attaching a pre-printed bank deposit slip to the *RS3 Form* **or**  
attaching a document printed on bank letterhead, with the bank account number visible, to the *RS3 Form*.

### Service Providers

If a service provider operates more than one service, funding for all services will be paid to the bank account of the service provider.

All funding correspondence will be sent to the funding contact person for the service provider.

### Services affiliated to a school

New services that are affiliated to, or located on the grounds of, a state or integrated school **must** ensure they are a separate legal entity, and have a separate management structure and bank account to that of the school.

Boards of trustees of state or integrated schools wishing to open an early childhood education (ECE) service **must** establish a separate legal entity for the ECE service.

### Tip



A good business practice for community groups wanting to start a new ECE service (e.g. a university or church) is to open a separate bank account for the ECE service.

This keeps the financial records of the community group and the ECE service separate.

### First payment

New services are eligible for funding from the day that they are licensed and operating.

To find out when you will receive your first payment, please contact your [Ministry regional office](#).

Services should budget to ensure funds are available to cover the period between starting to operate and receiving their first payment.

### Warning: to avoid overpayment of funding

The Ministry retains the right to reduce any advance funding due to be paid to you where it deems the claimed numbers on the RS3 to be over-estimated.

The Ministry retains the right to request proof and evidence to support the numbers claimed on the *RS3 form*.

Any overpayments that occur due to over-claims on this *RS3 form* are repayable to the Ministry immediately.

## 7-2 Completing the RS3 Form



### Completing the advance days

Use a calendar to count up the number of days your service will be open and operating during the next five months.

Advance funding is calculated separately for the days your service is operating as All-Day and operating as Sessional. Complete only the advance days column relevant to the service's operating structure.

Advance funding can only be paid up to the end of the current advance funding period. Refer to [Section 2-4](#) for details on the funding cycle. Your [Ministry regional office](#) can also assist with further details.

While the number of operating days in the first five months is collected on the RS3 form, new services do not necessarily receive advance funding for five months in their first payment.

For information on advance funding please refer to [Chapter 2](#) of this Handbook.

### Advance funding exceptions

Playcentres choosing to take up 20 Hours ECE in their centres cannot claim initial advance funding for 20 Hours ECE.

### Start date

Enter the date of the first day of operation. This is the date on which your funding will begin.

### Estimating your ECE Funding Subsidy

Follow the steps below to estimate your children and hours for the ECE Funding Subsidy.

Remember: you may claim up to **six hours per day** and **30 hours per week** for each licensed child-place.

Children receiving any 20 Hours ECE at your service must not be included in the Two and Overs estimate. Count them separately as your 20 Hours ECE funding.

STEP	ACTION
1	For each day of the week estimate the number of under two- year- old children that will be permanently enrolled in your service.
2	For each day of the week estimate the total number of Under Two Funded Child Hours you will claim.
3	Complete the above steps for the children who are Two Years and Over. <b>Note:</b> Exclude three-year-olds, four-year-olds and five-year-olds that will be receiving 20 Hours ECE at your service.

### Estimating 20 Hours ECE funding

Use the table below to calculate your 20 Hours ECE funding.

Remember:

Your service may claim up to six hours per day and 30 hours per week of funding per child.

Up to 20 hours per week may be claimed as 20 Hours ECE for eligible children for whom a parent/caregiver has provided a signed attestation.

Remaining hours up to the 30<sup>th</sup> hour may be claimed as Plus 10 ECE.

STEP	ACTION
1	For each day of the week estimate the number of children receiving 20 Hours ECE that will be permanently enrolled in your service. This is the total number of three-year-olds, four-year-olds and five- year-olds you estimate will receive 20 Hours ECE.
2	For each day of the week estimate the number of 20 Hours ECE hours each child will claim. You must not claim more than six hours per day and 20 hours per week of 20 Hours ECE hours per child. Total the daily 20 Hours ECE hours for all children.

STEP	ACTION
3	<p>For each day of the week estimate the number of hours each child is permanently enrolled in your service. For each child use the lower of the enrolled hours or six hours per day up to a maximum of 30 hours per week.</p> <p>Total these by day for all children. This is the total hours that can be claimed.</p>
4	<p>For each day of the week deduct the 20 Hours ECE hours (step 2) from the Total Hours (step 3). This is the Plus 10 ECE hours you will claim.</p>

## Tip



The following is a list of things you may like to consider when estimating how many funded hours you will claim for Under Two, and Two and Over:

Estimate how many children you think will permanently enrol in your service.

Look at how many children are already permanently enrolled to attend your service when it opens.

If your service is to offer 20 Hours ECE, only count your two-year-olds as Two and Over hours. Count your three-year-olds, four-year-olds and five-year-olds separately in the 20 Hours ECE hours row. **This is necessary so that your three-year-olds, four-year-olds and five-year-olds are not double-counted.**

## Help with estimating

For further help completing your *RS3 Form*, contact your [Ministry regional office](#).

## Completing the Attestation for Certificated Teachers' salaries

Higher funding rates are available to education and care services that agree to pay all employed certificated teachers at or above certain minimum salary levels.

To confirm what minimum salary levels your service intends to meet, the Attestation for Certificated Teachers section asks:

*Once open, what step of the salary scale described in the ECE Funding Handbook will your service be using to determine the minimum salaries paid to all employed ECE and primary qualified certificated teachers?*

To answer this question your service must choose one of four options:

No Salary Scale (No Step)

Base Salary Scale (Step 1)

Parity Salary Scale (Step 1 to 6)

Extended Parity Salary Scale (Partial Step 1 to 11 + Partial Management Step)

Full Parity Salary Scale (Full Step 1-11 + Full Management Steps)

When selecting an option, your service is identifying what range of the Minimum Salary Scale for Certificated Teachers and the Minimum Salary Scale for Management Positions your service will use to pay the minimum salary for all employed certificated teachers. This selection is used to determine your initial funding rate.

The following table outlines how responses to the Attestation of Certificated Teachers' Salaries link to the funding rate a service would receive:

Attestation Option	Funding Rate
No Salary Scale (No step)	0 – 24% Base Funding Rates

Base Salary Scale (Step 1)	Base Funding Rates Funding Band determined by the proportion of Certificated Teacher Hours
Parity Salary Scale (Step 1-6)	Parity Funding Rates Funding Band determined by the proportion of Certificated Teacher Hours
Extended Parity Salary Scale (Partial Step 1-11 + Partial Management Step)	Extended Parity Funding Rates Funding Band determined by the proportion of Certificated Teacher Hours
Full Parity Salary Scale (Full Step 1-11 + Full Management Steps)	Full Parity Funding Rates Funding Band determined by the proportion of Certificated Teacher Hours

#### Caution when completing the Attestation for Certificated Teachers' salaries

**It is critical that your answers to the attestation questions match the salaries actually paid to your certificated teachers.**

If your initial funding rate is **higher** due to your attestation response, you may receive a significantly reduced wash-up payment.

If your initial funding rate is **lower** due to your attestation response, your advance funding may not adequately subsidise the cost of employing your certificated teachers.

## 7-3 Estimating the proportion of Certificated Teacher Hours (teacher-led centre-based services)

E



### Introduction

This section provides additional details on estimating the proportion of Certificated Teacher Hours for an ECE service **for teacher-led centre-based education and care services only**.

#### Read Section 7-1 first

The information provided in **Section 7-1 and 7-2** also applies to teacher-led centre-based services.

Please read [Section 7-1](#) and [7-2](#) before reading this section.

#### Proportion of Certificated Teachers

New teacher-led centre-based services must estimate the number of Certificated Teacher Hours and Other Teacher Hours for the first five months the service is open and operating.

See Section [3-B-2](#) for information on Certificated and Other Teacher Hours.

#### Caution when estimating



**It is critical that your estimated proportion of certificated teachers is as accurate as possible.**

If your initial funding rate is **higher** than your actual teacher hour entitlement, you may receive a significantly reduced wash-up payment.

If your initial funding rate is **lower** than your actual teacher hour entitlement your advance funding may not adequately subsidise the cost of employing a larger proportion of certificated teachers.

### Help with estimating

The following page provides an example of how to estimate your proportion of certificated teachers.

Contact your [Ministry regional office](#) for further assistance.

Use this example to see how you can estimate the proportion of certificated teachers for your service:

**If your service operates a mixture of All-Day and Sessional days, you will have to estimate the proportion of certificated teachers for both separately.**

STEP	ACTION	EXAMPLE	EXAMPLE CALCULATION
1	<p>Calculate the number of staff your service will need each day to meet your ratio requirements over the next five months.</p> <p>This is your <b>regulated (ratio) staff</b>.</p>	<p>Kowhai Street Childcare Centre needs three staff members to meet their licensed maximum ratio requirements.</p> <p>They have employed six staff members to ensure their ratio requirements are met at all times.</p> <p>Only three staff members will be counted towards regulated (ratio) staff at any one time.</p>	3
2	<p>Add up the number of hours that certificated teachers will be working on each day – <b>when they are being counted as regulated (ratio) staff</b>.</p> <p><b>These are your Certificated Teacher Hours .</b></p>	<p>Kowhai Street has two certificated teachers.</p> <p>Each certificated teacher will be counted towards regulated (ratio) staff for eight hours of each day.</p>	8+8 = 16 Certificated Teacher Hours per day
3	<p>Multiply your answer in step 2 by the number of operating days in each of the following five months.</p>	<p>Kowhai Street opened in July. They must complete their <i>RS3 Form</i> for:</p> <p>July – 22 operating days  August – 22 operating days  September – 22 operating days  October – 22 operating days  November – 22 operating days.</p>	<p>July = 22 operating days x 16  Certificated Teacher Hours = 352</p> <p>August = 22 operating days x 16  Certificated Teacher Hours = 352</p> <p>September = 22 operating days x 16  Certificated Teacher Hours = 352</p> <p>October = 22 operating days x 16  Certificated Teacher Hours = 352</p> <p>November = 22 operating days x 16  Certificated Teacher Hours = 352</p> <p><b>Total Certificated Teacher Hours = 352+352+352+352+352 = 1760</b></p>
4	<p>Add up the number of hours that Other Teachers will be working on any day – <b>when they are being counted as regulated (ratio) staff</b>.</p> <p>These are your <b>Other Teacher Hours</b>.</p>	<p>Kowhai St. has four teachers counted as Other Teachers:</p> <p>One teacher will be counted for eight hours each day.  One will be counted for four hours of each day.  Two will be counted for one hour of each day.</p>	8+4+1+1= 14 Other Teacher Hours per day

STEP	ACTION	EXAMPLE	EXAMPLE CALCULATION
5	Multiply your answer in step 4 by the number of operating days in each of the following five months.	Kowhai St opened in July. They must complete their RS3 Form for: July – 22 operating days August – 22 operating days September – 22 operating days October – 22 operating days November – 22 operating days.	July = 22 operating days x 14 Other Teacher Hours = 308  August = 22 operating days x 14 Other Teacher Hours = 308  September = 22 operating days x 14 Other Teacher Hours = 308  October = 22 operating days x 14 Other Teacher Hours = 308  November = 22 operating days x 14 Other Teacher Hours = 308  <b>Total Other Teacher Hours = 308+308+308+308+308 = 1540.</b>
6	Add your answers from step 3 and step 5 together.  This is your total regulated (ratio) staff hours.		1760 Certificated Teacher Hours + 1540 Other Teacher Hours = 3300 regulated (ratio) staff hours.
7	Divide your answer in step 3 by your answer in step 6.		1760 Certificated Teacher Hours / 3300 regulated (ratio) staff hours = 0.53.
8	Multiply your answer from Step 7 by 100.  <b>This is your proportion of Certificated Teacher Hours.</b>		0.53 x 100 = 53%.
9	Write your answer in the 'Proportion of Certificated Teachers' box of your <i>RS3 Form</i> .	Kowhai Street writes 53% on their RS3 Form.	

## 7-4 Notional Rolls



### Introduction

Some ECE services have significantly different operating models and erratic patterns of enrolment and/or attendance due to their special function in the community.

These services may require a different approach to funding so that continued viability of the service is ensured.

The Ministry can approve funding on a notional roll in recognition of the special function of the service.

Consideration of ECE services for notional rolls is both limited and at the Ministry's discretion.

## Examples

Examples of special services that may be eligible for notional rolls are:

women's refuge centres  
mobile kindergartens  
hospital-based services.  
ECE services that support Teen Parent Units.

## Notional rolls

Services on a notional roll are funded on **average actual attendance** for a specified period. The Ministry's initial calculation of average actual attendance is based on past RS7 Returns.

Services funded on notional rolls receive the same funding rates as other services. They do not receive additional funding (except where eligible for equity funding).

**Services cannot be funded on a notional roll and claim funding for normal funded child hours (FCHs) generated.**

## Getting approval

Contact your [Ministry regional office](#) for further details.

## Applying for funding

Services funded on a notional roll claim their full notional roll figure for each day of operation, instead of entering their actual funded child hours on their RS7 Return. This means that services on a notional roll do not apply the Frequent Absence Rule when claiming funding.

Notional rolls will be reviewed regularly against average actual attendance to ensure funding can be delivered fairly and accurately.

ECE services on notional rolls must submit paper-based RS7 Returns

Teacher-led services operating on a notional roll must keep Staff Records, and enter the Staff Hour Count in the usual way **calculating regulated (ratio) staff hours based on the children who actually attend.**

## Reviews

Notional Rolls are reviewed once each funding period for the first 12 months, and then at least once every 12 months after that.

Following a review, the notional roll may be adjusted, or the ECE service may be returned to normal funding if it no longer meets the criteria for a notional roll.

ECE services using a notional roll will need to submit their actual attendance data with their RS7 Returns (e.g. attendance data could be exported or printed from a Student Management System).

## Record keeping

Services funded on a notional roll **must** keep the same records (e.g. enrolment records, attendance records and staff records) as other services (see [Chapter 11 Record Keeping](#)).

## 7-5 Emergency Closure





## Introduction

An emergency closure occurs when circumstances beyond the control of individual services cause temporary closures.

Closures are normally for one or two days only.

## Funding continuity

Funding will continue where a service was forced to close for a short time, in an emergency only when funding approval for the emergency closure is obtained from the [Ministry regional office](#).

### Example: emergency

The following are examples of emergencies where funding will continue:

extreme weather conditions  
interruptions to essential services  
non-controllable health and safety issues  
civil defence emergencies.

### Example: non-emergency

The following examples are **not** emergencies:

lack of staff  
person responsible is absent  
funerals in the community<sup>1</sup>  
A&P show.

The Ministry will not fund closures caused by these circumstances.

<sup>1</sup> There may be exceptions to this. Contact your [Ministry regional office](#) for further details.

## Approval required

If your service is forced to close in an emergency:

STEP	ACTION
1	Contact your Ministry regional office at the first available opportunity.
2	The Ministry regional office will approve/not approve funded emergency closure and confirm this to the service by letter.

## Record Keeping Requirements Record keeping requirements

If your service was given Ministry regional office written approval for an emergency closure confirmed by letter or email and you are submitting an **electronic RS7 Return**:

- Keep the approval letter or email for your records.
- Record the Emergency Closure in your system
- Record all children as absent for the day of the emergency closure. Funding may be claimed for the hours that children have a permanent enrolment subject to the funding maximums of the ECE Subsidy and 20 Hours ECE.
- Calculate the FCH claim using the actual booked hours for the day(s) of emergency closure.

If a service was given Ministry regional office written approval for an emergency closure confirmed by letter or email and you are submitting a **paper-based RS7 Return**:

Keep the approval letter or email for your records

Record all children as absent for the day of the emergency closure. Funding may be claimed for the hours that children have a permanent enrolment subject to the funding maximums of the ECE Subsidy and 20 Hours ECE.

Note the Emergency Closure on your RS7 Return using the code "EC" in the Staff Hour Count column on the day of closure

Calculate the FCH claim using the actual booked hours for the day(s) of emergency closure.

If your service was **not** given Ministry regional office approval for an emergency closure funding cannot be claimed during the closure. Record the days of closure as "Service Closed" in your system your RS7 Return.

## 7-6 Substitute days and hours



### Introduction

Services can get special permission to be open at times for which they are not usually licensed. This can be for a substitute day, or a number of substitute hours.

For the definition of a 'substitute day' refer to the [Glossary](#) in this Handbook.

### Approval required

Services **must** contact their [Ministry regional office](#) for approval to operate at times other than those for which they are licensed.

### Examples

A service might request a substitute session when their afternoon session conflicts with a community event (e.g. the A&P show).

A service might request a substitute day when there is a special event or hui taking place.

### Funding

Funding is only available for a substitute day or hours if approved by the [Ministry regional office](#). You must keep a copy of the regional office approval letter at the service and this must be available on request to authorised persons.

Funding for a substitute day or hours is on the basis of **attendance only**.

Attendance **must** be recorded as casual because attendance on this day will differ from the child's permanent enrolment agreement.

Absences cannot be claimed for children who do not attend the substitute day or hours.

### Recording substitute days

Record the FCH for the substitute session on the day on which it would normally have taken place. See the following example in which an afternoon session which normally takes place on a Friday (180 FCH) is run on the Thursday afternoon as an approved substitute day. The 180 FCH is still recorded on the Friday as usual.

## 7-7 Absence rule exemptions



### Introduction

Permanently enrolled children with special needs or health problems may be exempt from the Frequent Absence Rule or funded for continuous absences beyond the three week period.

This section explains the criteria for exemption from the absence rules, and how services can apply for an exemption.

For more information on the absence rules refer to [Chapter 6](#) of this Handbook.

### Criteria

A child will qualify for an exemption from the absence rules if:

**Either** the child has been identified as having an ongoing special need, and this is supported by:

an Individual Development Plan (IDP) issued within the previous six months by the Ministry's Group Special Education or an alternative accredited early childhood special education provider **or**

a completed *EC13 (Medical Reasons for Exemption to Use Early Childhood Absence Rule for Children with Special Health Needs)* **or** Child Disability Allowance documentation

**Or** the child has a short term illness or condition that is supported by an *EC13 Form*, and this specifies the period of the exemption.

### Not eligible

Children without special needs or health problems but who have parents or siblings with special needs or health problems are **not** eligible for an exemption from the absence rules.

### Application

Services seeking an exemption from the absence rules **must** complete an [EC12 Form \[PDF, 141 KB\]](#) (and [EC13 \[PDF, 43 KB\] Form](#) where applicable).

These forms, along with supporting documentation, **must** be retained by the service.

Services **must** provide these documents to the Ministry or its Resourcing Auditors on request.

### Limits of exemption - general

Absence rules exemptions apply only to the specific enrolment agreement for each child with special needs or health problems.

Children with special needs or health problems who are enrolled at two services for the same hours of attendance cannot be funded for absences at both services.

### Limits of exemption – Three Week Rule

Services may claim funding for all the sessions/days a child was enrolled to attend, but was absent from, within a 12 week period. The **12 week** period begins on the first day of absence.

No funding may be claimed for any continuous absences from the 13<sup>th</sup> week onwards.

### Filling the child-place

Another child may **attend** in the permanently enrolled absent child's place (provided licence maximums are not exceeded), but funding **must not** be claimed for this child if funding is being claimed for the absent child.

For more information on filling child-places refer to [Section 6-2](#) of this Handbook.

## 7-8 Transitional school visits



### Introduction

Some early childhood services choose to offer a 'transition' period between early childhood education and school attendance.

### General funding rule

The ECE Funding Subsidy **must** only be claimed for children less than six years of age who are not enrolled in school.

Once a child is enrolled at school, no funding can be claimed by an ECE service.

### Transitional school visits funding rule

Children under six years of age who are enrolled at an ECE service may attend school as part of a transitional school visit.

The service will be funded for the child's permanently enrolled hours at the ECE service, as per the usual funding system.

### Recording school visits on the enrolment agreement

Transitional school visits **must** be specifically noted on the child's enrolment agreement.

As a **minimum**, records should include the:

date the transition arrangement began  
signature of a parent/caregiver (dated).

### Recording school visits on attendance records

When a child is away from your service on a transitional school visit, you **must** record "SV" (for school visit) on the attendance record.

### Recording absences

Children who are absent on a day when a school visit was planned should be recorded as absent with an 'a', as usual.

The normal absence rules apply to these absences.

For more information on the absence rules refer to [Chapter 6](#) of this Handbook.

### Exemption from Frequent Absence rules

School visits recorded on the attendance record with 'SV' will not be counted towards the Frequent Absence Rule.

School visits counted towards the attendance will be recorded on the attendance record.

If the school visit is not recorded, then the absence rules will be applied.

### Example

Sione currently attends Huia Playcentre from 8:00am to 11:00am on Mondays, Wednesdays, and Fridays.

Huia Playcentre arranges for Sione to visit James Cook Primary School from 8:30am to 11:00am every Wednesday for one month before he begins attending James Cook Primary School.

Huia Playcentre marks their attendance register with 'SV' each Wednesday when Sione is on a school visit. Funding may be claimed for Sione's enrolled hours as per the normal funding system.

If Sione is absent from Huia Playcentre on a day when he would usually go on a school visit, his absence must be marked with an 'a' on the attendance register. The normal absence rules apply to this absence.

## 7-9 The EC20 Transitional Advance Form



### EC20 Form

Services that wish to apply for a recalculation of their advance funding should contact the ECE Operational Funding team on [ece.funding@education.govt.nz](mailto:ece.funding@education.govt.nz) to discuss their situation and to obtain an *EC20* form if appropriate.

The *Transitional Advance Form (EC20)* is used to calculate, or recalculate, advance funding for services in a number of situations such as:

services beginning, or ceasing, to offer 20 Hours ECE  
licence mergers or increases  
significant increases or decreases in enrolments

Existing services can opt into 20 Hours ECE at any time but will only be advance funded for 20 Hours ECE on one of the major funding runs1(**March, 1 July, and 1 November**).

Completed *EC20* forms must be returned to the ECE Operational Funding team.

The Ministry will use the information provided on the *EC20* to calculate the advance funding. Timing of that payment will be discussed with service providers when an application is received. Submission of an *EC20* form does not guarantee a recalculation of a service's advance funding.

The next funding payment will include accurate wash-up funding based on actual funded child hour data submitted on the RS7 Return.

### Effective date for the change

This is the date from which the change of circumstances takes effect. For example, the date on which the service begins offering 20 Hours ECE, or the date on which the licensed maximum number of children increased.

### Funded Child Hours

For each day of an average week in the advance period, services provide the number of funded child hours they would claim as:

Under Two  
Two and Over  
20 Hours ECE hours  
Plus 10 ECE hours.

Services may claim:

up to six hours per day, and 30 hours per week for each child eligible for 20 Hours ECE (made up of 20 Hours ECE hours and Plus 10 ECE



hours)

up to six hours ECE Funding Subsidy (Under Twos and Two and Overs) per licensed child-place per day.

Services must provide evidence to support their claim. This could be in the form of **actual** enrolment and attendance numbers.

If the number of funded child hours provided on the EC20 is **higher** than the actual entitlement claimed on the RS7 Return, the service will receive a reduced wash-up in the next funding payment.

If the number of funded child hours provided on the EC20 is **lower** than the actual entitlement claimed on the RS7 Return the service will receive the remainder of its full entitlement in the wash-up payment.

### Advance days

If the effective date for the change occurs during any month in the advance period, services must count the number of advance days they will claim funding for before and after that date. This allows the Ministry to calculate the correct advance from the effective date.

For more information on claiming advance funding see [Section 9-5 Calculating Advance Days](#).

### Warning: To avoid overpayment of funding

The Ministry retains the right to reduce any advance funding calculated from an *EC20* where it deems the claimed numbers on the *EC20* to be over-claimed.

Services are required to provide evidence to support the numbers claimed on the *EC20* form. This could be in the form of **actual** enrolment and attendance numbers.

Any overpayments that occur due to over-claims on the *EC20* form are recovered by the Ministry in the next available wash-up payment. If a service is not due to receive sufficient funding to cover the overpayment, the Ministry will invoice the service for the funding owed and payment is due immediately.

### Tip



For services applying for a first advance of 20 Hours ECE:

Under Twos will remain unchanged

Count as Two and Over hours all hours you would claim for two year olds

and any three-year-old, four-year-old or five-year-olds that will not receive 20 Hours ECE at your service (for example children who are already receiving their 20 hours of 20 Hours ECE at another service)

20 Hours ECE hours are the hours you would claim for three-year-olds, four-year-olds and five-year-olds. The signed attestation part of the enrolment agreement must be completed for each child

Plus 10 ECE hours are the hours you would claim for the three-year-olds, four-year-olds and five-year-olds who are claiming 20 Hours ECE and are permanently enrolled for more than 20 hours per week. Up to **10** further hours per week may be claimed in this category, depending on each child's enrolment, bringing the maximum total to 30 hours per week.

## Chapter 8: Changing Your Service Details



### Overview

#### Introduction

---

It is important that the Ministry of Education has the most current contact and payment details for your service.

Three situations where out-of-date information may affect when or to whom your service's funding is paid are:

- when your service's bank account number has changed
- when your service has had a change of service provider (ownership)
- when your service will be closing.

### In this chapter

This chapter contains the following topics:

- [Changing bank account details: 8-1](#)
- [Change of service provider: 8-2](#)
- [When your service is closing: 8-3](#)

## 8-1 Changing bank account details



### Introduction

Changes to a service provider bank account **must** be made using an *RS2 Change of Bank Account Form*

### Completing the RS2 Form

Follow these steps to complete the *RS2 Form*:

STEP	ACTION
1	Enter the name and contact details of your ECE service.
2	Tick one of the boxes with the reason for the bank account change.
3	Enter bank account details on the RS2 Form.
4	Attach a pre-printed deposit slip from your bank showing the bank account number <b>or</b> Get the bank associated with the service to write in the new bank account details <b>and</b> sign and stamp the <i>RS2 Form</i> <b>or</b> Attach a bank printed notice on your bank's letterhead that has been signed and stamped by your bank, and which shows your service's bank account number and name.
5	Have the <i>RS2 Form</i> certified by two signatories – one of whom must be the treasurer/secretary or licensee of your service. If there is only one signatory, please indicate that on the form.
6	Return the <i>RS2 Form</i> to ECE Operational Funding.

### Service Providers

If your service has joined a larger group of services under a service provider, you may be contacted by the Ministry to confirm the exact service provider name (if this is not obvious from the new bank account).

### Important Information

ECE Operational Funding **must** receive the completed *RS2 Form* **at least two weeks** before your next payment is due to be made.

## 8-2 Change of service provider



### Introduction

This page contains change of service provider (ownership) information for funding purposes.

Contact your [Ministry regional office](#) for further details regarding a change of service provider or for other licensing requirements.

### Funding for new ownership

The new service provider **must** contact their [Ministry regional office](#) so that the change of service provider can be verified.

Funding payments to the new owners will not be made until the change of service provider has been verified by a Ministry regional office.

### New bank account

If the service will have a different bank account under the service provider, an *RS2 Form* **must** be completed by the new service provider of the service and returned to ECE Operational Funding.

**Funding payments will not be made to the new bank account until the *RS2 Form* has been received by ECE Operational Funding.**

See [Section 8-1](#) for instructions on completing the *RS2 Form*.

### Split payments

The Ministry will not split payments between parties.

Any split of funding payments should be negotiated between past and present ownership. Legal and financial advisers should assist negotiations.

## 8-3 When your service is closing



### Introduction

A service intending to close **must** notify the [Ministry regional office](#) of the date the service will close.

### Final payment

You will need to provide the Ministry with your final funded child hours (FCH) and Certificated Teacher Hours (if applicable).

Your service will receive a wash-up payment if it is due.

If your service owes money to the Ministry of Education, an invoice will be issued.

Contact your [Ministry regional office](#) for further details.

### Service provider

When a closed service is part of a group of services operated by one service provider, any overpayment will be deducted from the next payment to the service provider.

## Chapter 9: Completing the RS7 Return



### Overview

#### Introduction

The *RS7 Early Childhood Funding Return* (the RS7 Return) is the main funding return for early childhood education (ECE) services.

All ECE services (or the administrators of a service provider) **must** complete the RS7 Return in order to receive funding.

#### In this chapter

This chapter contains the following topics:

- [Service profile information \(removed April 2015\): 9-1](#)
- [Calculating the ECE Funding Subsidy: 9-2](#)
- [Calculating the 20 Hours ECE Funding: 9-3](#)
- [Calculating the Staff Hour Count: 9-4](#)
- [Calculating advance days: 9-5](#)
- [Attestation of certificated teachers' salaries: 9-6](#)
- [Claiming the Support Grant for Provisionally Registered Teachers \(removed April 2015\): 9-7](#)
- [Monitoring progress: teacher registration targets \(removed April 2015\): 9-8](#)
- [Monitoring progress: children receiving 20 Hours ECE \(removed April 2015\): 9-9](#)
- [Declaration: 9-10](#)



#### Purpose of the RS7 Return

The RS7 Return tells the Ministry the number of funded child hours (FCHs) that are funded for each service, and the rate at which each FCH will be funded.

#### Payment cycle

The RS7 Return is completed three times a year:

- February (payment on the first working day in March).
- June (payment on the first working day in July).
- October (payment on the first working day in November).

See [Section 2–4](#) for details of the funding cycle.

### Providing your RS7 Return to the Ministry

Services provide their RS7 Return to Ministry as follows:

**Services connected to ELI** submit their RS7 Return electronically via ELI Web or their Student Management System (SMS).

**Services not connected to ELI**, send their RS7 Return by post, using the paper-based RS7 Return sent to them by the Ministry.

**Note:** Services completing a paper-based RS7 Return **must** complete and sign the forms in pen. Pencil must not be used. Completed RS7 Returns should be sent:

By post to:	By Courier to:	By Email to:
ECE Operational Funding  Ministry of Education PO Box 1666 Wellington Fax: (04) 463 8374	ECE Operational Funding  Ministry of Education  1 The Terrace,  Mezzanine floor  Wellington 6011	<a href="#">ECE Operational Funding Mailbox</a>

### Queries

If you have any questions about the RS7 Return or need help filling it in, please contact the Resourcing Contact Centre:

Phone: (04) 463 8383/ 0800 ECE ECE

ECE Email: [resourcing@education.govt.nz](mailto:resourcing@education.govt.nz)

### What will my RS7 look like?

The RS7 Return consists of several different sections.

The RS7 return will contain **only** those sections relevant to you.

The table below shows the sections of the RS7 return your service will receive and the pages in this Chapter where instructions can be found:

	EDUCATION & CARE SERVICES, HOSPITAL-BASED	SESSIONAL KINDERGARTENS	MIXED <sup>1</sup> & ALL-DAY KINDERGARTENS	HOME-BASED CARE SERVICES	PLAY-CENTRES
ECE Funding Subsidy <a href="#">Section 9-2</a>	yes	yes	yes	yes	yes
20 Hours ECE funding <a href="#">Section 9-3</a>	yes	yes	yes	yes	yes
Staff Hour Count <a href="#">Section 9-4</a>	yes	no	yes	no	no
Attestation of certificated teachers' salaries <a href="#">Section 9-6</a>	yes	no	no	no	no

	EDUCATION & CARE SERVICES, HOSPITAL-BASED	SESSIONAL KINDERGARTENS	MIXED <sup>1</sup> & ALL-DAY KINDERGARTENS	HOME-BASED CARE SERVICES	PLAY-CENTRES
Support Grant for Provisionally Registered Teachers	This section was removed April 2015				
Monitoring progress: teacher registration targets <a href="#">Section 9-8</a>	This section was removed April 2015				
Monitoring progress: children receiving 20 Hours ECE <a href="#">Section 9-9</a>	This section was removed April 2015				
Declaration <a href="#">Section 9-10</a>	yes	yes	yes	yes	yes

- <sup>1</sup> A mixed service is a service licensed to offer a combination of all day and sessional provision

## 9-1 Service profile information



### This section removed

This section was removed April 2015.

## 9-2 Calculating the ECE Funding Subsidy



### Introduction

This section explains how services can calculate the ECE Funding Subsidy.

### Example

Throughout this section there are examples of two services calculating their ECE Funding Subsidy.

Kowhai Street Childcare Centre is an all-day service.  
Huia Playcentre is a sessional service.

## 2.5 hour sessions

A session of 2.5 hours will receive funding for 3 hours.

### Before you begin

Make sure you have:

a copy of the enrolment records for every child who attended your service in the previous four months  
a copy of the attendance records for every child who attended your service in the previous four months  
attendance registers to help work out where the absence rules need to be applied.

**Remember:** You must take into account the Three Week Rule and Frequent Absence Rule when completing your RS7 Return. You can find more information on the absence rules in the sections listed below:

**Three Week Rule for Continuous Absence - 6-5**

**Three Week Rule: extension for extended non-operation - 6-6**

**The Frequent Absence Rule - 6-7**

**The Frequent Absence Rule - examples - 6-8**

**Absence rule exemptions - 7-7**

### Step 1: Under 2s



Follow the steps below to calculate the FCHs for children aged under two:

STEP	ACTION
1	List the daily number of hours of enrolment for each permanently enrolled child under two years of age.
2	If any children under two years of age attended the service on a casual or conditional basis, list the number of hours each of these children attended.
3	List the number of hours that can be claimed for each child. <b>Note:</b> a maximum of six hours can be claimed each day for each licensed child-place.
4	Add together the claimable hours for each day. This is the Under Twos FCHs for the day.
5	Round the total to the nearest whole number. Numbers ending in 0.5 or above should be rounded up to the next whole number. Numbers ending in 0.4 or below should be rounded down to the previous number.
6	Repeat Steps 4–5 for each day in the month.
7	Write the FCHs for each day in the column labelled “Under 2”.
8	Add together the FCHs for Under 2s for the month.

STEP	ACTION
9	Write the total for the month in the box labelled "Total".

### Step 1: all-day example



On 1 September, Kowhai Street Childcare Centre had three children under the age of two enrolled in their service. One child under the age of two attended casually.

### Step 1: sessional example



Huia Playcentre operates two sessions per day, each for 2.5 hours:

**Note:** A session of 2.5 hours will receive funding for 3 hours.

### Step 2: 2 & overs



Repeat Step 1 (above) for children aged two or over **less any hours for children claimed as 20 Hours ECE**

### Step 2: all-day example



On 1 September, Kowhai Street Childcare Centre had six children aged two or over enrolled in their service. Four children aged two or over attended casually.

### Step 2: sessional example





Huia Playcentre operates two sessions per day, each for 2.5 hours:

## 9-3 Calculating 20 Hours ECE funding



### Introduction

This section explains how services can calculate 20 Hours ECE Funding.

Before completing the RS7 Return, ensure that you have read [Chapter 4 20 Hours ECE](#)

### Example

Throughout this section there are examples of two services calculating their 20 Hours ECE funding.

Kowhai Street Childcare Centre is an all-day service.

James Cook Kindergarten is a sessional service.

### 2.5 hour sessions

A session of 2.5 hours will receive funding for 3 hours.

2.5 hours will be claimed as 20 Hours ECE hours and 0.5 hours claimed as Plus 10 ECE hours.

### Before you begin

Make sure you have:

a copy of the enrolment records including 20 Hours ECE attestation for every child who received 20 Hours ECE at your service in the previous four months

a copy of the attendance records for every child who received 20 Hours ECE at your service in the previous four months  
attendance registers to help work out where the absence rules need to be applied.

**Remember:** You must take into account the Three Week Rule and Frequent Absence Rule when completing your RS7 Return. You can find more information on the absence rules in the sections listed below:

**Three Week Rule for Continuous Absence - 6-5**

**Three Week Rule: extension for extended non-operation - 6-6**

**The Frequent Absence Rule - 6-7**

**The Frequent Absence Rule - examples - 6-8**

**Absence rule exemptions - 7-7**

### Calculating 20 Hours ECE entitlement



Follow the steps below to calculate the 20 Hours ECE Funding:

20 Hours ECE funding includes both the 20 Hours ECE hours and the Plus 10 ECE hours.

STEP	ACTION
1	List the daily number of hours of enrolment for each enrolled child eligible for 20 Hours ECE.
2	If any children eligible for 20 Hours ECE attended the service on a casual basis and received 20 Hours ECE, list the number of hours each of these children attended.
3	List the number of hours that can be claimed for each child.  <b>A maximum of six hours per day and 30 hours per week of funding can be claimed per child.</b>  20 Hours ECE hours must only be claimed for up to 20 hours per week for each child. The remainder (up to 30 hours) may be claimed as Plus 10 ECE hours.
4	Add together the claimable hours for each day.
5	Round the totals to the nearest whole number.  Numbers ending in 0.5 or above may be rounded up to the next number. Numbers ending in 0.4 or below should be rounded down to the previous number.
6	Repeat Steps 4-5 for each day in the month.
7	Write the totals for each day in the columns labelled "20 Hours ECE hours" and "Plus 10 ECE hours".
8	Add together the daily totals each month.
9	Write the totals for the month in the boxes labelled "Total".

### All-day example



On 1 September, Kowhai Street Childcare Centre had five children enrolled and receiving 20 Hours ECE.

### Sessional example



James Cook Kindergarten operates two sessions per day. Session 1 is for 3 hours and session 2 is for 2.5 hours.

A session of 2.5 hours will receive funding for 3 hours. 2.5 hours will be claimed as 20 Hours ECE hours and 0.5 hours **must** be claimed as Plus 10 ECE hours.

### Sharing child places





Children may share a child-place during the day.

See [Section 4-2](#) for information on sharing child places and calculating 20 Hours ECE.

## 9-4 Calculating the Staff Hour Count

E



### Introduction

This section explains how you can transfer the Certificated and Other Teacher hour information from your *Early Childhood Staff Record* to your RS7 Return.

### See also

Use the table below to find other information referred to in this section:

TOPIC	SECTION
Certificated teachers	<a href="#">3-B-2</a>
Certificated Teacher Hours	<a href="#">3-B-2</a>
Certificated (ratio) staff	<a href="#">3-B-2</a>
Staff Record	<a href="#">3-B-2</a>
Example Staff Record	<a href="#">Appendix 2</a>

### Mixed and all-day kindergartens

The Staff Hour Count **must** be completed by all kindergartens that operate all-day.

Kindergartens that operate a mixture of all-day and sessional must complete the Staff Hour Count for the days that they operate as all-day.

### Mixed provision services

The Staff Hour Count **must** be completed for all days the service operates as teacher-led.

### Step 1: daily Certificated Teacher Hours

Follow the steps below to calculate the daily actual Certificated Teacher Hours for your service:

STEP	ACTION
1	For the first day of the funding period, use your Staff Record to total the actual hours worked by ECE qualified certificated and New Zealand qualified certificated primary teachers who were being counted towards regulated (ratio) staff.

STEP	ACTION
2	Round the total to the nearest hour.  For example: 68 hours and 30 minutes would be rounded to 69 hours whereas 68 hours and 29 minutes would be rounded to 68 hours.
3	Write the total in the column labelled "yes", in the box for the first day of the funding period.
4	Repeat steps 1-3 for each day in the first month of the funding period.

#### Step 1: all-day example



On 1 September, Rimu Road Crèche had two registered teachers (Hine and Susan) working. Hine was counted towards regulated (ratio) staff for 7 hours and 35 minutes. Susan was counted towards regulated ratio staff for 4 hours.

11 hours and 35 minutes can be rounded to 12 hours.

#### Step 1: sessional example



On 1 September, Moana Valley Preschool held two sessions. At the morning session, two certificated teachers (Chris and Leilani) were working. Each counted towards regulated (ratio) staff for 3 hours.

At the afternoon session, one certificated teacher (Leilani) was working. Leilani was counted towards regulated (ratio) staff for a further 3 hours.

Moana Valley Preschool had 9 Certificated Teacher Hours for 1 September.

#### Step 2: daily Other Teacher Hours



Repeat the formula from Step 1 for the hours worked by Other Teachers who were being counted towards regulated (ratio) staff.

Write the total in the column labelled "No", in the box for the first day of the funding period.

Repeat for each day in the first month of the funding period.

#### Step 3: monthly Certificated Teacher Hours

E



Add together all the Certificated Teacher Hours in the column labelled 'yes' for the first month of the funding period.

Write the total in the box labelled "Total" at the bottom of the "Yes" column.

#### Step 4: monthly Other Teacher Hours

E



Add together all the Other Teacher Hours in the column labelled "No" for the first month of the funding period.

Only count Other Teacher Hours required to meet the **regulated (ratio) staff requirements**.

Write the total in the box labelled "Total" at the bottom of the "No" column.

#### Step 5: complete the rest of the RS7 Return

E



Repeat steps 1 to 4 for each month in the funding period.

The Ministry will calculate the proportion of Certificated Teacher Hours and determine the funding rate for your service.

#### Tip



You may like to calculate the proportion of Certificated Teacher Hours in advance of receiving your funding advice notice. The calculation is:

Total Certificated Teacher Hours for the four month period (rounded)

$\times 100$

Total Certificated Teacher Hours + Other Teacher Hours for the four month period (rounded)

## 9-5 Calculating Advance Days

E





### Description

Advance Days determine the number of days per month for which your service will receive advance funding.

Advance funding is calculated separately for the days your service is operating as All-Day and operating as Sessional. Only complete the advance days column relevant to your service's operating structure.

### Calculating Advance Days

Follow the steps below to calculate the number of days that advance funding will be paid for:

**Do not count public holidays, even if the service will be open. Public holidays are not funded in advance.**

STEP	ACTION
1	Use a calendar to count up the number of days the service <b>will be open and operating as all-day</b> during each of the next four months.
2	Write the number of days the service will be open and operating as all-day for each month in the boxes provided.
3	Use a calendar to count up the number of days the service <b>will be open and operating as sessional</b> during each of the next four months.
4	Write the number of days the service will be open and operating as sessional for each month in the boxes provided.

### Example

There is a maximum of 22 operational days in September.

The Anniversary Day Holiday for Huia Playcentre and Kowhai Street Childcare Centre's region is on September 27. The services cannot claim advance funding for this day.

Huia Playcentre is a sessional service. They claim **21 days** advance funding in the Sessional column.

Kowhai Street Childcare Centre operates all-day on Monday, Wednesday and Friday, and Tuesday and Thursday as sessional. They claim **12 days** in the all-day column, and **9 days** in the sessional column.

## 9-6 Attestation of certificated teachers' salaries



### Policy

Higher funding rates are available to education and care services who pay all employed certificated teachers at least the minimum salaries described in Appendix 4.

Base funding rates which reflect the proportion of certificated teacher hours used are available to services that agree to pay all employed certificated teachers at least the amount specified at Step 1 of the salary scale.

Parity funding rates are available to education and care services who agree to pay all employed certificated teachers according to Step 1 to 6 of the Parity Salary Scale.

Extended parity funding rates are available to education and care services who agree to pay all employed certificated teachers according to Step 1 to 11 + Management Step of the Extended Parity Salary Scale.

Full Parity funding rates are available to education and care services who agree to pay all employed certificated teachers according to Steps 1 to 11 + Management steps of the Full Parity Salary Scale.

### Rationale

Ensuring that certificated teachers are fairly recognised and rewarded for their qualifications and experience in alignment with certificated teachers in kindergarten. This will, among other things, assist with increasing the number of certificated teachers working in early childhood education.

### Attestation on the RS7 Return

The Attestation of Certificated Teachers' Salaries is used to determine the funding rate an education and care or hospital-based service is paid.

In this section respondents will be answering the following question:

*What salary scale described in the ECE Funding Handbook is your service using to determine the minimum salaries paid to all employed ECE and primary qualified certificated teachers?*

To answer this question respondents will choose one of four options:

No Salary Scale (No step)

Base Salary Scale (Step 1)

Parity Salary Scale (Step 1-6)

Extended Parity Salary Scale (Partial Step 1-11 + Partial Management Step)

Full Parity Salary Scale (Full Step 1-11 + Full Management Steps)

When selecting an option, the respondent must ensure that their service has paid all employed certificated teachers at least the minimum salary for the period of the RS7 return.

Services are not required to offer the terms of the Kindergarten Teachers, Head Teachers and Senior Teachers' Collective Agreement.

### Delegated Representatives and the Attestation on the RS7 Return

It is the responsibility of a Service Provider to ensure that any delegated representative, who may complete an RS7 return on their behalf, understand what attestation condition their service has met prior to submitting their service's RS7 return.

### Attestation Period

When completing the Attestation of Certificated Teachers' Salaries section of the RS7 return, a service is confirming what funding conditions they have met for the RS7 return period.

FUNDING PERIOD	ATTESTATION PERIOD
March	October - January
July	February - May
November	June - September

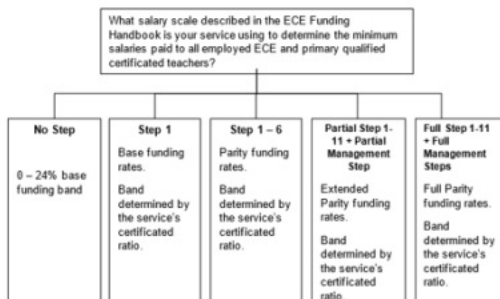
A service's funding rate will be adjusted if they are found to have not met the necessary funding conditions for the entire funding period. Any funding recoveries resulting from this change in funding rates will be made during the next funding payment.

Note: For the November 2023 funding round the attestation period for funding conditions related to Full Parity Salary Scale Steps 1 to 11 + Full Management steps start from November 2023.

### Funding Rate Outcome from Attestation Response

The following diagram represents what funding rates will be paid given the combination of answers to the attestation questions.

**Funding Rate Outcome from Attestation Response** The following diagram represents what funding rates will be paid for each response to the attestation question.



## Example

An example of the required attestation is shown below:

**Example** An example of the required attestation is shown below:

Attestation of Certificated Teachers' Salaries									
Services that want to access higher funding rates must pay all employed ECE and primary qualified certificated teachers at least the amount(s) specified in the salary scale defined in the ECE Funding Handbook available on the Education.govt.nz website.									
What salary scale described in the ECE Funding Handbook is your service using to determine the minimum salaries paid to all employed ECE and primary qualified certificated teachers?									
<input type="radio"/>	<b>No Salary Scale (No step)</b>	<input type="radio"/>	<b>Base Salary Scale (Step 1)</b>	<input type="radio"/>	<b>Parity Salary Scale (Step 1-6)</b>	<input type="radio"/>	<b>Extended Parity Salary Scale (Partial Step 1-11 + Partial Management Step)</b>	<input type="radio"/>	<b>Full Parity Salary Scale (Full Step 1-11 + Full Management Steps)</b>
<p>By answering '<b>No Salary Scale (No step)</b>' to this question, your service is identified as having not met the funding conditions related to <b>the minimum salary scales</b>. Your service will, therefore, be paid at the <b>lowest level of funding</b>.</p> <p>By answering '<b>Base Salary Scale (Step 1)</b>' to this question, your service is identified as meeting the funding conditions for <b>this minimum salary scale</b>. Your service will therefore have access to the <b>base funding rates</b>.</p> <p>By answering '<b>Parity Salary Scale (Step 1-6)</b>' to this question, your service is identified as meeting the funding conditions for <b>this minimum salary scale</b>. Your service will therefore have access to the <b>parity funding rates</b>.</p> <p>By answering '<b>Extended Parity Salary Scale (Partial Step 1-11 + Partial Management Step)</b>' to this question, your service is identified as meeting the funding conditions for <b>this minimum salary scale</b>. Your service will therefore have access to the extended <b>parity funding rates</b>.</p> <p>By answering '<b>Full Parity Salary Scale (Full Step 1-11 + Full Management Steps)</b>' to this question, your service is identified as meeting the funding conditions for <b>this minimum salary scale</b>. Your service will therefore have access to the <b>full parity funding rates</b>.</p>									

## 9-7 Claiming the Support Grant for Provisionally Registered Teachers





**This section removed**

This section was removed in April 2015.

## 9-8 Monitoring Progress: Teacher Registration



**This section removed**

This section was removed in April 2015.

## 9-9 Monitoring progress: number of children



**This section removed**

This section was removed in April 2015.

## 9-10 Declaration



**RS7 Returns must have a completed Declaration**

All RS7 Returns must be accompanied by a completed Declaration. The wording of this Declaration is shown below.

**Declaration**

I certify that, to the best of my knowledge, the information contained on this form is true and correct.

I understand that:

- if I have made a false statement or
- if I have failed to answer all the questions in full or
- if I do not provide documentation supporting the funding claim or
- if I do not make documents available for inspection or
- if I do not tell the Ministry of Education of changes that may affect funding claims or rates

then

- The funding claim may be reviewed and funding withheld and/or
- I will have to pay back the total amount of any overpayment and/or
- I may be prosecuted and fined or imprisoned.

By signing this declaration, I am confirming that this funding claim is made in accordance with the conditions outlined in the current Early Childhood Education Funding Handbook and that the Ministry can withhold all or some of the funding if there is a breach of any of these conditions.

- If you are completing a paper-based RS7 Return, this Declaration will be signed. Paper-based RS7 Returns must be completed in pen and *signed* in order to be processed for funding. Do not use pencil anywhere on your RS7 Return.
- If you are completing an electronic RS7 Return, this Declaration will be *submitted*.

## Chapter 10: Equity Funding



### Overview

#### Introduction

Equity funding is a targeted funding mechanism for all licensed early childhood education (ECE) services.

Equity funding is paid to eligible services in addition to the ECE Funding Subsidy and 20 Hours ECE.

More information can be found on the equity funding page.

[Equity funding for early learning services](#)

#### GST inclusive

All Equity Funding payments are GST inclusive.

#### In this chapter

This chapter contains the following topics:

- [What is Equity Funding?: 10-1](#)
- [Component A: Low socio-economic communities: 10-2](#)
- [Component B: Special needs and non-English speaking backgrounds: 10-3](#)
- [Component C: Language and culture other than English \(including sign language\): 10-4](#)
- [Component D: Isolation: 10-5](#)

## 10-1 What is Equity Funding?



### Equity Funding

Equity Funding is a targeted funding mechanism for all licensed ECE services. Equity Funding is paid to eligible services in addition to the ECE Funding Subsidy and 20 Hours ECE.

#### Key objectives

The objectives of Equity Funding are to:

- reduce educational disparities between different groups in New Zealand communities
- reduce barriers to participation faced by those groups that are under represented in ECE services
- support ECE services in raising their level of educational achievement.

#### Eligible services

Licensed ECE services that meet the criteria outlined in this chapter are eligible.

#### Ineligible services

Certificated Playgroups are not eligible to receive equity funding.

#### Structure of equity funding

Equity Funding consists of four components. Services may be eligible for funding against one or more (or all) components. Each component is described in detail in this chapter, but the following table provides a summary:

COMPONENT	MEASURED BY
A: Low socio-economic communities	Equity Index (EQI)
B: Special needs, and non-English speaking backgrounds (including sign-language)	Equity Index (EQI)
C: Language and culture other than English	Attestation ( <i>EC15 Form</i> )
D: Isolation	Isolation Index

#### When is funding paid

Eligible services will receive funding along with the payment of the ECE Funding Subsidy and 20 Hours ECE (i.e. March, July and November of each year).

#### 'Tagged' funding

Equity Funding is 'tagged'. This means that it is identifiable as an amount additional to a service's ECE Funding Subsidy and 20 Hours ECE.

Equity Funding **must** be spent with the equity objectives for participation and quality in mind. Guidelines for expenditure of each component are listed in the relevant section of this chapter.

#### Reporting requirements

Services are required to report to parents and the local community about how they have spent their Equity Funding.

The specific reporting mechanism is at the discretion of the individual service (or service provider). However, the following **minimum** standards are required:

outline of the amount received under each Equity Funding component  
brief description of the purpose to which the funding was applied (e.g. purchase of goods or services)  
brief outline of the reasons for spending the funding in that way  
the report is included in the service's annual report for presentation at its annual general meeting.

Reports may be subject to external review by the Ministry and/or the Education Review Office (ERO).

## 10-2 Component A: Low socio-economic communities



### Objective

The objective of Component A: Low socio-economic communities is to target funding to ECE services that provide education and care programmes to children from low socio-economic communities.

### The Equity Index

Eligibility for Component A is based on the Equity Index (EQI). This index measures the extent to which a service draws children from low socio-economic communities.

The EQI is worked out on the basis of enrolled children's addresses and information taken from the New Zealand Census 2006. The EQI for casual services is determined using the average for all other ECE services in the same area.

### Eligibility for funding

Licensed ECE services with an EQI of 1, 2, 3 or 4 are eligible to receive Component A Equity Funding.

### Your EQI

Your service's EQI is found on your service's Early Childhood Education Funding Notice.

### How is funding calculated?

The level of funding paid to each eligible service is determined by:

its EQI **and**  
the funded child hours claimed by the service in the RS7 Return process.

Each actual funded child hour is multiplied by the relevant funding rate.

As with the ECE Funding Subsidy, Equity Funding may not exceed six hours per child-place per day (or per child for 20 Hours ECE), to a maximum of 30 hours per child-place per week (or per child for 20 Hours ECE).

### Applications

Applications for Component A are not necessary. The Ministry of Education calculates the EQI for each licensed ECE service and notifies

services that are eligible for funding.

For an EQI to be calculated, each service **must** provide certain details about the children enrolled in the service and their families. This information is collected at two points in the year. The Ministry will contact new services when the information is being collected.

IF YOUR SERVICE HAS...	THEN YOU SHOULD...
recently opened	wait to be contacted by the Ministry of Education.  Your service will automatically be included in the next 'new service' process. You will be contacted by the Ministry with details of the information you will need to provide, and instructions for how to gather this.
had a change of service provider	contact the Resourcing Contact Centre. They will ensure that you are contacted at the time of the next 'new service' process.
previously chosen not to have an EQI calculated, but would now like to.	contact the Resourcing Contact Centre on 0800 ECE ECE (0800 323 323). They will ensure you are contacted at the time of the next 'new service' process.

### Applying for a review of your EQI

A new service can apply for a review of their initial EQI rating once only in their first year of operation either in March or July. Services with an EQI of 2, 3, 4 or 5+ are eligible to apply for a review of their EQI if they are able to provide evidence that:

the service's community profile has changed significantly since their EQI was issued **or**  
the service's individual catchment area has changed significantly since their EQI was issued.

The review of EQI process is available once a year. For more information please contact the Resourcing Contact Centre on 0800 ECE ECE (0800 323 323).

### Expenditure

All Equity Funding is 'tagged' and **must** be spent with the equity objectives for participation and quality in mind.

Below are some suggestions for uses of Component A funding:

purchase additional curriculum resources and an increased range of supplies  
subsidise learning experiences outside the service  
meet children's nutritional needs  
provide assistance to attend the service (e.g. transport assistance)  
provide extra professional development for staff and extra education for families/whānau  
improve learning spaces  
help staff to train or upgrade their qualifications  
reimburse expenses of voluntary helpers  
introduce staff recruitment and retention initiatives  
promote the availability of the service within the community.

These are just some examples of ways that Component A Equity Funding can be used.

## 10-3 Component B: Special needs and non-English speaking backgrounds





## Objective

The objective of Component B is to target funding to services that may have significant numbers of children with special education needs or who are from non-English speaking backgrounds.

## Measurement

Eligibility for Component B is also determined by a service's EQI.

Component B is **combined with** Component A: Low Socio-economic Communities for eligibility and entitlement purposes. This is because there is a prevalence of children from non-English speaking backgrounds in low socio-economic communities.

## Eligibility

Licensed ECE services with an EQI of 1, 2, 3 or 4 are eligible to receive funding under Component B: Special needs and non-English speaking backgrounds.

Eligibility is **not based on individual children**. Your service may have children with low to moderate special needs in attendance, but not be eligible for funding against this component.

## Support for individual children

Some support is available for children with high and moderate special needs. This may include specialist teaching and paraprofessional support for the child, or capability development for teachers and other adults involved with the child.

For more information contact the Special Education Information Line 0800 622 222, or email [special.education@education.govt.nz](mailto:special.education@education.govt.nz).

## How is funding calculated?

The level of funding paid to each eligible service is determined by:

its EQI **and**  
the funded child hours claimed by the service in the RS7 Return process.

## Applications

Applications for Component B are not necessary. The Ministry of Education calculates the EQI for each service and notifies services that are eligible for funding.

Further details of this process are available in [Section 10-2](#) 'Component A: Low socio-economic communities'.

## Applying for a review of your EQI

Services with an EQI of 2, 3, 4 or 5+ are eligible for a review of their EQI, provided certain conditions are met.

Further details are available in [Section 10-2](#).

If a service's EQI is changed through this process, funding for **both** Component A and Component B will be changed.

## Expenditure

All equity funding is 'tagged' and **must** be spent with the equity objectives for participation and quality in mind. Below are some suggestions for uses of Component B funding:

- allow for additional staff time with children and their families/whānau
- purchase specific learning or teaching resources
- provide professional development for staff
- engage specialist professionals

support transition from home to the early childhood service and from the early childhood service to school  
improve staff:child ratios.

These are just some of the ways that Component B equity funding can be used.

## 10-4 Component C: Language and culture other than English (including sign language)



### Description

Component C: Language and culture other than English (including sign language) provides targeted funding to support those services providing bicultural/immersion education and care programmes.

### Eligibility

Licensed ECE services are eligible for funding under this component if they provide early childhood education in a language and culture other than English (including sign language) during **more than half** of the formal education and care programme.

A service qualifies where staff (both paid and unpaid):

plan and evaluate the curriculum for children using the kaupapa/cultural framework associated with the main language of communication **and**  
deliver the curriculum for children using the main language of communication.

Staff (either paid or unpaid) who are **only** on the premises or involved in administration do not count towards eligibility.

### Measurement of eligibility

Eligibility is determined through an attestation process.

Services are required to contact the Ministry if there is any subsequent drop in the use of the main language or if there are changes to the cultural nature of the education programme provided.

### Funding calculation

Funding is a fixed monthly grant. It is not related to the size of the service, nor the number of funded child hours claimed.

### Applications

Applications for Component C require attestation. Services that believe they are eligible for this component should complete the *EC15 Language and Culture other than English (including sign language) Form*.

The *EC15 Form* is available from your [Ministry regional office](#), or from the Resourcing Division Contact Centre on 0800 ECE ECE (0800 323 323).

Once completed, forms should be returned to the Resourcing Division Contact Centre.

### Expenditure

All Equity Funding is 'tagged' and **must** be spent with the equity objectives for participation and quality in mind.

Below are some suggestions for uses of Component C funding:

support teachers/kaiako to improve programme delivery in the language of the service  
provide incentives to retain teachers/kaiako  
improve staff:child ratios  
recruit people with relevant language proficiency  
increase professional development of staff  
increase whānau-based learning  
increase language resources  
pay training fees  
recruit and retain kaumātua for support and advice  
provide assistance to attend the service (e.g. transport assistance).

These are just some of the ways that Component C Equity Funding can be used.

## 10-5 Component D: Isolation



### Description

Component D: Isolation recognises that isolated services will face higher costs when accessing goods and services.

### Eligibility for funding

Licensed ECE services with an Isolation Index of **1.65 or greater** qualify to receive funding.

### The Isolation Index

Eligibility for Component D is based on the Isolation Index. This index rates a service's 'relative isolation'.

A service's Isolation Index is worked out by measuring the service's distance from towns/cities of three different population sizes (5,000, 20,000, and 100,000).

### Your service's Isolation Index

Your service's Isolation Index is found on your service's Early Childhood Education Funding Notice.

### How is funding calculated?

Funding is a fixed monthly grant. There are currently three payment bands, which reflect different levels of isolation. This means that more isolated services receive a higher rate of funding.

Funding is not based on the size of a service nor the number of funded child hours claimed.

### Applications

Applications for Component D are not necessary. The Ministry of Education calculates the Isolation Index for each new service, using census information and the physical location of the service.

Services do not need to provide additional information.

### Isolation Index Review



In general, a service's Isolation Index can only be changed when new data from the census has been obtained.

This is because the Index is based on a service's distance from population centres of different sizes. The Ministry requires population data from the census to determine the population sizes.

If you believe there has been a **significant** error in the value of your service's Isolation Index, please contact the Ministry's Data Management Unit, National Office on 04 463 8000.

#### **Is this different to the ATIS?**

Yes. The ATIS is available to licensed ECE services, with an Isolation Index of 1.65 or greater, which also meet certain income requirements.

It is possible for services to receive **both** Component D equity funding and the ATIS.

Further details on the ATIS are available in [Section 5-1](#).

#### **Expenditure**

All Equity Funding is 'tagged' and **must** be spent with the equity objectives for participation and quality in mind.

Below are some suggestions for uses of Component D funding:

provide assistance to attend the service (for example, transport assistance)  
provide more professional development opportunities for staff  
upgrade resources  
introduce staff recruitment and retention initiatives  
assist in meeting the additional costs of service delivery.

These are just some of the ways Component D Equity Funding can be used.

## **Chapter 11: Record Keeping**



### **Overview**

#### **Introduction**

Early childhood education (ECE) services must meet the conditions of their licence to be eligible for Ministry of Education funding. This includes meeting requirements for record keeping and reporting on the use of funding.

Record keeping also ensures the Ministry of Education can verify funding claims.

#### **In this chapter**

This chapter contains the following topics:

- [Record keeping requirements – 11-1](#)
- [Funding claim audits and record keeping audits – 11-2](#)

### **11-1 Record keeping requirements**

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## Introduction

This section explains what records ECE services must keep to support their funding claims.

### Keeping records

Records can be kept in a form to suit your service as long as the requirements set out in this Handbook are met.

Paper-based enrolment and staffing schedules **must** be maintained in pen. If these documents are electronically generated, alterations and verification **must** be in pen.

Paper-based attendance schedules **must** be maintained and verified in pen. Electronic attendance schedules **must** adhere to the Electronic Attendance Records Criteria outlined in chapter 6-3 of the Funding Handbook.

**Do not** use 'white out' on records maintained in pen. If you need to make changes, do so by crossing out the error and making the corrections in pen.

### Maintaining records

Records can be stored in a form to suit your service but must be available on request to Ministry of Education staff, reviewers from the Education Review Office (ERO), and other authorised personnel.

Whether records are stored in paper-based or electronic format they must meet the following conditions:

- i. *Integrity* – the record is complete, unaltered, and protected against any unauthorised changes.
- ii. *Usability* – the record can be located, retrieved, preserved, and interpreted.

All records required to support funding claims must be retained for a minimum of 7 years.

Services risk losing funding if their records cannot be audited because they are unclear or ambiguous, or are not available for audit.

### Records for all services

All services must keep the records listed in the table on the next page of this chapter.

This information allows the Ministry to ensure that the correct number of funded child hours have been claimed by the service.

See [Chapter 6](#) of this Handbook and the relevant section for your service type (in [Chapter 3](#)) for further information on record keeping requirements.

### All Services





REQUIREMENT	PURPOSE	RELEVANT SECTION	TEMPLATE EXAMPLE
Enrolment records	Enrolment agreements are used by the Ministry to verify the days/sessions that each child is enrolled for and expected to attend.	<a href="#">6-1</a>	Yes
Attendance records	Attendance records are used by the Ministry of Education to verify that the children have attended the service as claimed and to identify when a child is absent, and to verify that the absence rules have been applied correctly.  Hospital-based services have slightly different requirements; this is covered in <a href="#">Section 3-B-3</a> .	<a href="#">6-3</a>	Yes
Enrolment records for children claiming 20 Hours ECE	Services will need to indicate whether a child is receiving 20 Hours ECE, any agreements by parents/caregivers to pay optional charges, and that the attestation section of the enrolment form has been completed by the parents/caregivers.	<a href="#">4-4</a>	Yes
Payment records for 20 Hours ECE	Services must keep records of fees, donations and optional charges received from parents.	<a href="#">4-4</a>	No

### Teacher-led services

Teacher-led services must also keep other records listed in the tables below. Home-based services have other additional requirements, depending on whether they are funded at the standard rate or the quality rate.

See [Section 3-B](#) for further information on record keeping for teacher-led services.

### Additional Requirements for Education and Care services and Hospital-based services



REQUIREMENT	DESCRIPTION	RELEVANT SECTION	TEMPLATE EXAMPLE
Staffing record	The staffing record is used by the Ministry to verify that the correct number of Certificated Teacher Hours has been claimed.	<a href="#">3-B-2</a>	Yes
Copies of practising certificates	Copies of practising certificates are used by the Ministry to: verify the certification status of teachers employed by the service	<a href="#">3-B-2</a>	Yes
Copies of ECE qualifications	Services will need to provide certified copies of their staff's qualifications to verify they are New Zealand ECE qualified.	<a href="#">3-B-2</a>	No
Copies of primary qualifications	Services will need to provide certified copies of their staff's qualifications to verify they are New Zealand qualified primary teachers.	<a href="#">3-B-2</a>	No
Copies of overseas qualifications and NZQA assessment of these	Services will need to provide certified copies of their staff's overseas teaching qualifications and evidence that NZQA has assessed these as equivalent to a New Zealand ECE or Primary teaching qualification.	<a href="#">3-B-2</a>	No

REQUIREMENT	DESCRIPTION	RELEVANT SECTION	TEMPLATE EXAMPLE
Copies of Teaching Council endorsements	Services will need to provide copies of the Teaching Council's endorsement (at ECE or Primary level) for teachers who have achieved certification through the Teaching Council's discretionary pathway.	<a href="#">3-B-2</a>	No
Attestation of certificated teachers' salaries	Services must keep records that verify the pay rate at which each certificated teacher is paid and evidence of how a certificated teacher's initial and current salary was determined.	<a href="#">3-B-2</a> <a href="#">9-6</a>	No

## Additional Requirements for Kindergartens

REQUIREMENT	DESCRIPTION	RELEVANT SECTION	TEMPLATE EXAMPLE
Staffing records	The staffing record is used by the Ministry to verify that the correct number of Certificated Teacher Hours has been claimed.	<a href="#">3-B-2</a>	Yes
Copies of practising certificates	Copies of practising certificates are used by the Ministry to: verify the certification status of teachers employed by the service.	<a href="#">3-B-2</a>	Yes
Copies of ECE qualifications	Services will need to provide certified copies of their staff's qualifications to verify they are New Zealand ECE qualified.	<a href="#">3-B-2</a>	No
Copies of primary qualifications	Services will need to provide certified copies of their staff's qualifications to verify they are New Zealand qualified primary teachers.	<a href="#">3-B-2</a>	No
Copies of overseas qualifications and NZQA assessment of these	Services will need to provide certified copies of their staff's overseas teaching qualifications and evidence that NZQA has assessed these as equivalent to a New Zealand ECE or Primary teaching qualification.	<a href="#">3-B-2</a>	No
Copies of Teaching Council endorsements	Services will need to provide copies of the Teaching Council's endorsement (at ECE or Primary level), for teachers who have achieved certification through the Teaching Council's discretionary pathway.	<a href="#">3-B-2</a>	No

## Requirements for Home-Based Services



IF YOUR HOME-BASED ECE SERVICE...

YOU MUST...

IF YOUR HOME-BASED ECE SERVICE...	YOU MUST...
is funded at the standard funding rate	<p>have enrolment records for each child <b>and</b>  keep attendance records to show the hours each child attended <b>and</b>  have educator timesheets that show the hours worked <b>and</b>  have certified copies of all educator qualifications <b>and</b>  have a master staff record that shows the qualifications of educators and their exit and entry of educators from the licence <b>and</b>  have a monthly record that shows how the service is meeting the percentage qualification requirements each calendar month <b>and</b>  keep records for Christmas coverage when services have been reconstituted over the holiday period.  See section 3-B-4 for further details on the required records for standard-funded home-based services.</p>
is funded at the quality funding rate	<p>have records as for services funded at standard funding rate</p> <p><b>plus</b></p> <p>keep a record of coordinators':  names  qualifications  hours during which they were on duty or on-call  breaks when the coordinator was not on duty <b>and</b>  keep records to show that coverage was maintained at all the required times (e.g. coverage by a relief coordinator) <b>and</b>  keep a record of educators in training and their credits earned, as well as those with full qualifications.  See section 3-B-4 for further details on the required records for quality-funded home-based services.</p>

## 11-2 Funding claim audits and record keeping audits



### Purpose of the funding claim audit

The purpose of a funding claim audit is to:

- verify that the service is claiming and receiving the correct amount of funding
- verify that a service is meeting the record keeping requirements
- provide advice and assistance to services about record keeping requirements.

### Documentation required

You **must** supply the following documentation, for the period for which you are being audited, to the Ministry's Resourcing Auditors as part of the funding claim audit:

RS7 Return

Attendance Registers

Enrolment Records

Staffing Records

Copies of practising certificates and Early Childhood qualifications (Teacher-Led services only)

Copies of New Zealand primary teacher qualifications (Teacher-Led services only)

Copies of overseas qualifications and the NZQA assessment of those qualifications (Teacher-Led services only)

Copies of the letter of registration with an ECE or primary endorsement from the New Zealand Teaching Council (Teacher-Led services only)

Completed EC12 and EC13 Forms

Audited general purpose financial statements or special purpose financial report.

Records that demonstrate the employment relationship and the pay rate of the employed certificated teacher (education and care services and hospital-based services only).

### Services will be audited on

Services of all types will be audited to verify the accuracy of their funded child hour entitlement claims including record keeping requirements for 20 Hours ECE.

Services that are required to keep a Staff Hour Count (education and care services, hospital-based services and all-day kindergartens), will also be audited on:

Certificated and Other Teacher Hour claims  
qualifications of certificated teachers

Education and care services and hospital-based services that attest to paying all employed certificated teachers at least the amount specified in the Base Salary Scale described in Appendix 4 must hold verification of this attestation. This must include copies of signed employment contracts, letter of appointment and letter(s) confirming changes in salaries paid to certificated teachers, including certificated relievers.

Education and care services that attest to paying all employed certificated teachers according to the Parity Salary Scale, the Extended Salary Scale or the Full Parity Salary Scale described in Appendix 4, must hold verification of this attestation and evidence of the factors used to determine a teacher's initial and current salary step. This must include copies of signed employment contracts, letter of appointment and letter(s) confirming changes in salaries paid to certificated teachers, including certificated relievers. It must also include evidence of service recognition, previous relevant work experience, salary progression and other factors used to determine a teacher's initial and current salary step. See Section 3-B-2 for further information.

### The audit visit and report

The Resourcing Auditor will write to your service before the visit takes place, advising the time of the visit and the documentation you will need to have available.

Funding claim audits of home-based care networks will take place in the area in which the network operates.

An audit of a centre will generally take a full day, although sometimes longer periods may be required. The Resourcing Auditor will need a quiet place in which to work and access to a staff member who can answer any questions that arise.

At the end of the visit the Resourcing Auditor will provide a verbal report of the findings to the licensee or the licensee's authorised delegate.

A formal written report will be sent to the service provider contact person. This will usually be within two weeks of the audit.

### Funding and staffing adjustment

If the audit determines the service has been incorrectly funded the service will have their funding adjusted in the next funding cycle.

### Funding and attestation adjustments

Education and care services or hospital-based services who are found to have not met their attestation obligation for the Base Salary Scale

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described in Appendix 4 will have their funding adjusted to the applicable 0 – 24% base funding rate.

Education and care services or hospital-based services who are found to have not met their attestation obligation for Step 1 to 6 of the salary scale described in Appendix 4 will have their funding adjusted to the applicable base funding rate.

The following table details how the funding rate will be determined based on the salary requirements met by the service:

Salary Requirements	Adjusted Funding Rate
No Steps	0 – 24% Base funding rates
Base Salary	Base funding rates
Step 1	Funding band determined by the proportion of certificated teacher hours

Education and care services or hospital-based services who are found to have not met their attestation obligation for Extended Parity Salary Scale described in Appendix 4 will have their funding adjusted.

The following table details how the funding rate will be determined based on the salary requirements met by the service:

Salary Requirements	Adjusted Funding Rate
No Steps	0 – 24% Base funding rates
Base Salary (Step 1)	Base funding rates  Funding band determined by the proportion of certificated teacher hours
Parity Salary Scale (Step 1 to 6)	Parity funding rates  Funding band determined by the proportion of certificated teacher hours

Education and care services or hospital-based services who are found to have not met their attestation obligation for the Full Parity Salary Scale described in Appendix 4 will have their funding adjusted.

The following table details how the funding rate will be determined based on the salary requirements met by the service:

Salary Requirements	Adjusted Funding Rate

No Steps	0 – 24% Base funding rates
Base Salary	Base funding rates  Funding band determined by the proportion of certificated teacher hours
Parity Salary Scale	Parity funding rates  Funding band determined by the proportion of certificated teacher hours
Extended Parity Salary Scale	Extended Parity rates  Funding band determined by the proportion of certificated teacher hours.

Any overpaid funding will be recovered in the next funding cycle.

### Appeals

The service provider contact person is able to appeal any audit findings in the report. The appeal must be filed within 20 working days of the receipt of the audit letter advising of the audit findings.

The letter of appeal should be addressed to the **Manager, Monitoring, Resourcing Division, Ministry of Education**.

## Chapter 12: Financial Reporting



### Overview

#### Introduction

[Section 548 of the Education and Training Act 2020\(external link\)](#) provides for the payment of various subsidies to licensed Early Childhood services.

Services are required to report on how government funds have been spent as a condition of their licence.

This section outlines what kind of financial information a service should send to the Ministry and when to send it.



Services may have funding withheld if they do not complete the financial reporting requirements.

## In this chapter

This chapter contains the following topics:

- [Financial reporting: general information – 12-1](#)
- [Types of financial reports – 12-2](#)
- [Reporting requirements for targeted funding – 12-3](#)
- [Auditing financial reports – 12-4](#)

## 12-1 Financial reporting: general information



### Introduction

A condition of funding is that services report annually to both the Ministry and community (parents, staff and whānau) on how the Ministry's funding has been spent. Services should report on each category of funding received from the Ministry.

Services may choose how they report to their community on the spending of this funding. This can be done by detailing the information in a newsletter, a notice displayed at the service or by publishing their annual financial reports.

This information must be available at the service within **180 days** of the end of the financial year.

### Financial reports required by the Ministry

All services that have been in operation for a full financial year must provide the Ministry with copies of their audited financial reports. Community-based and private services have different reporting requirements. The types of financial reports required is outlined in [12-2: Types of Financial Reports](#).

Services that have not completed a full financial year of operation do not have to provide audited financial reports.

### When to send your financial report

Services have until 30 June each year to send the Ministry their audited financial reports for the previous financial year.

The following table shows an **example** of financial years and when the information should be sent in.

IF YOUR FINANCIAL YEAR WAS...	YOU WILL NEED TO SEND YOUR FINANCIAL INFORMATION TO THE MINISTRY BY
1 April 2016 – 31 March 2017	June 2018
1 July 2016 – 30 June 2017	June 2018
1 October 2016 – 30 September 2017	June 2018
1 January 2017 - 31 December 2017	June 2018
1 April 2017 – 31 March 2018	June 2019

IF YOUR FINANCIAL YEAR WAS...

YOU WILL NEED TO SEND YOUR FINANCIAL INFORMATION TO THE  
MINISTRY BY

### Warning

Your service may have their advance funding withheld if:

it misses the reporting deadline

financial reports are not audited or do not meet the audit requirements. Refer to **Section 12-4**.

audited financial reports do not meet the Ministry's reporting requirements (e.g. equity funding has not been reported separately). Refer to **Section 12-2**.

### Change in requirements from 1 January 2011

An income threshold for financial reporting is being introduced from 1 January 2011.

For the purposes of the income threshold, 'income' is all funding received from the Ministry of Education (inclusive of GST).

Services with an income of less than \$80,000 will not have to provide audited financial reports. Services with an income of more than \$80,000 will still have to provide audited financial reports.

## 12-2 Types of financial reports

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### Introduction

The type of financial report that must be supplied to the Ministry depends on the ownership structure of the service.

This section explains:

the difference between general purpose financial statements and a special purpose financial report

how to decide if your service should provide general purpose financial statements or a special purpose financial report

consolidated reporting, if your service is one which is grouped into a service provider (for funding purposes), or you are a licensee of more than one service.

### Financial information required

Use this table to find out if your service should provide general purpose financial statements or a special purpose financial report:

IF YOUR SERVICE IS...	YOU...
A community-based service, for example an incorporated society, a charitable trust, a registered charity, owned by a community organisation, or considered a Public Benefit Entity under XRB requirements	must provide <b>general purpose financial statements</b> .
A private service, for example a partnership, sole trader, or limited liability company	can choose to provide either general purpose financial statements or a <b>special purpose financial report</b> .

**NOTE:** Where a service meets both definitions, general purpose financial reports are required.

Definitions of community-based and private services are available in the [Glossary](#).

### General purpose financial reports

A **general purpose** financial report should include:

- a statement of accounting policies
- a statement of financial performance (profit and loss account) that includes specific reference to the funding received from the Ministry of Education (including the ECE Funding Subsidy, 20 Hours ECE funding and 'targeted' funding such as Equity Funding and Targeted Funding for Disadvantage)
- a statement of financial position (balance sheet)
- a statement of movements in equity
- the notes to the financial statement should state how each type of funding has been spent (if a service has received more than one type of funding).

Services receiving the Annual Top-Up for Isolated Services (ATIS) must report this as part of their income. They **do not** need to report how it was spent.

### Special purpose financial statements

A **special purpose** financial statement should include:

- a statement of accounting policies
- details of the amount of funding received from the Ministry of Education (including the ECE Funding Subsidy, 20 Hours ECE funding and 'targeted' funding such as Equity Funding, ATIS and Targeted Funding for Disadvantage)
- information on how the funding has been spent.

Services receiving the Annual Top-Up for Isolated Services (ATIS) must report this as part of their income. They **do not** need to report how it was spent.

### Consolidated reports for service providers

Some reporting areas of general purpose financial statements and special purpose audit reports can be consolidated for services that are grouped into a service provider for funding purposes.

The table below outlines the reporting areas that **can be consolidated** and those that **must be itemised** (i.e. reported individually for each service).

REPORTING AREA	TYPE OF SERVICE THAT MUST PROVIDE THIS INFORMATION	REPORTING REQUIREMENT FOR SERVICE PROVIDERS AND LICENSEES OF MORE THAN ONE SERVICE
Statement of accounting policies	All ECE services	May be consolidated (i.e. one statement of accounting policies covering all services)
Statement of financial performance (profit and loss account)	All ECE services except privately owned services	Must be itemised by service
Statement of financial position (balance sheet)	All ECE services except privately owned services	Must be itemised by service
Statement of movement in equity	All ECE services except privately owned services	Must be itemised by service
Special purpose financial report	Privately owned ECE services only	Must be itemised by service
Audit report prepared by a member of the New Zealand Institute of Chartered Accountants	All ECE Services	May be consolidated (i.e. one report covering all services)

### Playcentres

Each **Playcentre** is required to send a copy of their audited financial statement of Receipts and Payments to the Ministry.

In addition, each **Playcentre Association** is required to send a copy of their audited general purpose financial statements to the Ministry.

## 12-3 Reporting requirements for targeted funding



### Introduction

Each service's annual audited general purpose financial statements or special purpose financial report must include information about 'targeted funding' the service has received.

Targeted funding includes:

Equity funding  
Annual Top-Up for Isolated Services (ATIS)  
Targeted Funding for Disadvantage

For further information on these funding types, see [Chapters 5, 10](#) and [13](#) of this Handbook.

### Equity funding

Services must report directly to parents and the local community on how they spend their equity funding.

The reporting mechanism may be decided at the discretion of individual services (or the service provider). Each service must include the following information in their annual audited general purpose financial statements or special purpose financial report:

an outline of the amount received under each component of equity funding  
a brief description of what the funding was spent on  
a brief outline of the reasons for spending the equity funding in that way.

### Annual Top Up for Isolated Services

The value of the ATIS should be included in the service's general purpose financial statements or special purpose financial reports as part of reporting on the ECE Funding Subsidy.

### Targeted Funding for Disadvantage

Each year, services must report to the Ministry on their use of Targeted Funding and how the funding benefited children/tamariki from disadvantaged backgrounds.

[A reporting template is available in Appendix Two](#) This must be submitted in February each year for the funding received for the previous calendar year. Details on how Targeted Funding was used must be provided at the individual service level and specify:

Total amount of Targeted Funding received  
Key objectives for Targeted Funding  
How Targeted Funding was spent  
How Targeted Funding benefited the children within the service

Note that the due date for the Targeted Funding report is different to the due date for general and special purpose financial reports.

## 12-4 Auditing financial reports



### Auditor requirement

All services **must** have their general purpose financial statements or special purpose financial report audited by a chartered accountant who is a member of the Chartered Accountants of Australia and New Zealand (CA ANZ), or CPA Australia Limited.

**Tip:** Services can find an auditor or check whether their auditor is a CA ANZ member by visiting the [Chartered Accountants of Australia and New Zealand website](#)(external link).

### Auditor must not also prepare statements

A service's general purpose financial statements or special purpose financial report may be prepared by an accountant, financial advisor or other person who is associated with the service's management group. The person or entity that carries out the audit **must** be independent of that group.

The person or entity preparing or compiling the general purpose financial statements or special purpose financial report **cannot** also audit the statements or report.

### Basic elements of audit report

Chartered Accountants of Australia and New Zealand (CA ANZ) sets the auditing standards and members can obtain information from their website. In broad terms the basic elements of an audit report are the following:

- The formal name and status (such as charitable trust or incorporated society) of the reporting entity.

- An introductory paragraph identifying the accounting policies used.

- A statement indicating to the reader that it is the service's management group and not the auditor who is responsible for the preparation of the financial report.

- A paragraph indicating that the auditor is responsible for expressing an independent opinion on the financial statements. The auditor should also disclose whether he or she has any personal or professional interests/relationships with the centre other than as auditor.

- A brief explanation of the audit process and what the auditor has done to be able to give an opinion.

The audit report **must** be signed and dated by the auditor.

### Warning

Services must send their audit reports to the Ministry along with their audited general purpose financial statements or audited special purpose financial report.

Reports on 'targeted' funding (i.e. Equity Funding, ATIS and Targeted Funding for Disadvantage), form part of the financial statements and must be audited.

Services may have their funding withheld if they fail to meet the audit requirements.

## Chapter 13: Targeted Funding for Disadvantage

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## Overview

### Introduction

Targeted Funding for Disadvantage (Targeted Funding) is a targeted funding mechanism for licensed early childhood education (ECE) services and ngā kōhanga reo (early learning services).

Targeted Funding is paid to eligible early learning services in addition to the ECE Funding Subsidy, 20 Hours ECE and Equity Funding.

More information can be found on the [Targeted Funding page on the Education website](#).

### GST inclusive

All Targeted Funding payments are GST inclusive.

### In this chapter

This chapter contains the following topics:

- [What is Targeted Funding for Disadvantage? - 13-1](#)
- [Eligibility for Targeted Funding - 13-2](#)
- [How to use Targeted Funding - 13-3](#)
- [Reporting Requirements for Targeted Funding - 13-4](#)

## 13-1 What is Targeted Funding for Disadvantage?

### Targeted Funding

Targeted Funding is a targeted funding mechanism for all licensed early learning services. Targeted Funding is paid to eligible early learning services in addition to the ECE Funding Subsidy, 20 Hours ECE and Equity Funding.

### Key objective

The objective of Targeted Funding is to improve educational equity by improving the quality and affordability of early learning for children/tamariki from disadvantaged backgrounds.

### 'Tagged Funding'

Targeted Funding is 'tagged'. This means that it is identifiable as an amount additional to a service's ECE Funding Subsidy, 20 Hours ECE and Equity Funding.

Targeted Funding **must** be spent on activities, staff or equipment that will benefit children/tamariki from disadvantaged background.

The [Guidelines for Targeted Funding \[PDF, 681 KB\]](#) detail the areas Targeted Funding must be spent within.

### When is funding paid?

Eligible early learning services will receive Targeted Funding in three instalments each year alongside the ECE operational funding payments

(i.e. March, July and November).

### **What period does it cover?**

In 2018, Targeted Funding is provided for the period 1 January 2018 to 28 February 2019.

For all subsequent years, Targeted Funding is provided for the period 1 March to 28/29 February the following year.

### **How is it calculated?**

Targeted Funding is based on an estimate of the number of Funded Child Hours (FCH) generated by children/tamariki from disadvantaged backgrounds in eligible early learning services. These are referred to as **Targeted Hours**.

The 20% of children/tamariki attending early learning services who have spent the largest portion of their life as the dependent of a beneficiary are considered to be from disadvantaged backgrounds. This is for the purpose of the funding calculation only.

All Targeted Hours in eligible early learning services generate a fixed amount of funding. For additional information on the [funding calculation process](#), see our website.

### **When is it calculated?**

Each year, the Ministry will calculate the Targeted Funding entitlement of all eligible early learning services. Any change in funding entitlement will be effective from the start of the next funding period on 1 March.

All early learning services will be assessed for their eligibility each year. There is no application process required.

The Ministry will notify eligible early learning services of their Targeted Funding entitlement in February each year.

## **13-2 Eligibility for Targeted Funding**

### **Eligible services**

Licensed early learning services that meet the criteria outlined in this chapter are eligible to receive Targeted Funding.

Early Learning services that have an estimated 20% or above Targeted Hours as a proportion of total Funded Child Hours (FCH) are eligible for Targeted Funding.

### **Ineligible services**

The following early learning service types are not eligible to receive Targeted Funding:

- Casual education and care services
- Hospital-based services

Certificated Playgroups are not eligible to receive targeted funding.

Early learning services with fewer than six children/tamariki are not eligible to receive Targeted Funding. This is to protect the privacy of children/tamariki considered to be from disadvantaged backgrounds.

### **Early Learning Information (ELI) data**

To complete the eligibility assessment, the Ministry will extract child-level attendance data from ELI. Early learning services should ensure their ELI data is kept up-to-date. Failure to do so may affect their funding entitlement.

Early learning services should ensure they enter the names of children/tamariki correctly and in full into ELI. This should be based on official documentation, such as birth certificates or passports.

## Closures and suspensions

To be entitled to the full amount of Targeted Funding, early learning services must not close or be suspended during the period that Targeted Funding is provided for.

Any over funding of Targeted Funding is repayable by the early learning service to the Ministry.

## 13-3 How to use Targeted Funding

### Targeted Funding

Targeted Funding must be used to improve the early learning experiences of children/tamariki early learning services consider to be from disadvantaged backgrounds.

### Guidelines for Targeted Funding

Services must use Targeted Funding in line with the requirements specified in the [Targeted Funding Guidelines \[PDF, 681 KB\]](#).

The Ministry has identified four areas for spending:

- **Working with families/whānau** - To extend relationships with families and whānau to support learning and development in the home
- **Removing barriers to learning** - To remove barriers to participation in early learning and meet the basic needs of children/tamariki so they are well positioned to develop and learn
- **Enriching learning environments** - To provide rich learning opportunities that support the development of children/tamariki, specifically their oral language and literacy development
- **Tailored teaching approaches** - To support teachers, kaiako and parents to understand and respond to the learning and development needs of children/tamariki

### Planning

The Targeted Funding Guidelines provide exemplars for how early learning services can use Targeted Funding.

They also provide a quality improvement cycle, self-review template and planning questions. These are intended to help early learning services plan for and review their use of Targeted Funding.

Services must spend Targeted Funding in the funding period it was allocated.

### Restrictions on spending Targeted Funding

Targeted Funding cannot be used for general operating expenses or profit.

This includes:

- General property maintenance (for example: painting, heating systems, roofing and gardening)
- Rental costs
- Paying off debt
- General education resources (for example: playground equipment and furniture)
- Investment in a separate account or entity and to accumulate interest or generate profit
- General operating costs (for example: police vetting, teacher certification costs and electricity or water bills)
- Professional development for courses/seminars that are not aimed at improving the outcomes for priority learners
- Marketing and promotional activities/resources.

### Pooling of Targeted Funding

Early learning services can combine their Targeted Funding with other services receiving Targeted Funding.



Service providers, umbrella organisations and Kāhui Ako can only pool Targeted Funding if each individual service agrees and provides written consent that details how much of their Targeted Funding entitlement they wish to pool.

Targeted Funding must be spent on those early learning services that generated the Targeted Funding entitlement.

## 13-4 Reporting requirements for Targeted Funding

### Reporting on Targeted Funding

Each year, early learning services are required to report to parents on how they have spent Targeted Funding and why management chose to use the funding in this way.

How early learning services or service providers choose to communicate this information to parents is at their discretion.

However services must at least specify:

- The total amount of Targeted Funding received
- Their key objectives for Targeted Funding
- How they have spent Targeted Funding
- How Targeted Funding benefited the children in their service.

### Reporting to the Ministry

Each year, early learning services that received \$2,000 or more in Targeted Funding must report to the Ministry on their use of Targeted Funding and how the funding benefited children/tamariki from disadvantaged backgrounds. The Ministry will send you a link via email to complete your reporting in December each year. Reporting must be submitted by February each year for the funding received for the previous calendar year.

If you have any questions, please email us at [ece.statistics@education.govt.nz](mailto:ece.statistics@education.govt.nz)

Services must keep a record of how they have used Targeted Funding. Details on how Targeted Funding was used must be provided at the individual service level.

## Chapter 14: Collection of Information

### Introduction

It is a condition of funding that licensed early childhood services provide information to the Ministry. The Ministry of Education collects and stores a range of information through the ELI system and via paper-based forms. This includes information on enrolled children, teaching and non-teaching staff, as well as some general information on licensed early childhood services.

### Attendance and Enrolment Data

### Collection of attendance and enrolment information as a condition of funding

It is a condition of funding that every service provider of a licensed early childhood service must provide the information listed in this chapter to the Ministry of Education, at the frequency specified, through the ELI system or any alternative method the service provider is authorised by the Ministry to use, to enable the Secretary for Education or the Minister of Education to exercise their powers or carry out their responsibilities under the Act, and as permitted by Privacy Principles 10 and 11.

Services who do not provide this information to the Ministry through the ELI system or an approved alternative method may have their funding withheld in part or in full.

Funding payments will continue once:

complete enrolments and attendance records are submitted to the Ministry, and the monthly confirmation of records is completed on time.

## Child Information Collected

The following child information must be collected and sent to the Ministry:

National Student Number (NSN)  
Official surname and given names (including middle name/s)  
Date of Birth  
Gender  
Ethnicity  
Iwi affiliation (if applicable)  
Residential address/es  
Language/s spoken at home

## Enrolment Information Collected

The following enrolment information must be collected and sent to the Ministry:

Start and end date of enrolment  
Days and time booked (enrolled to attend)  
Hours of 20 hours ECE per week  
Date of Parents Attestation for 20 Hours ECE

## Attendance Information collected

The following attendance information must be sent to the Ministry:

Actual daily attendance dates and times  
Actual daily absence dates and times  
Home-based attendance address

## Service Information Collected

The following service information must be submitted to the Ministry:

Start and end date of service temporary closure  
Service closure temporary reason

## Minimum Submission Frequency

Monthly data is required to be inputted and confirmed as correct by end of the following month.

Licensed early childhood services must begin sending information to the Ministry within 8 weeks of their licence being issued. Enrolment and attendance data should be entered from the date the service's licence was issued.

When changing SMS or to ELI Web, services must begin sending information to the Ministry within 8 weeks from the cutover date. The cutover date is your first day using the new SMS or ELI Web.

Information about changing systems during a funding period can be found at [education.govt.nz\(external link\)](https://education.govt.nz/external-link).

Funding may be withheld in part or in full if the Ministry does not receive information from your service within 8 weeks.

## Monthly Confirmation

Licensed early childhood services must confirm the accuracy and completeness of their ELI records by the end of the following month.

For example, all records for the month of February (including temporary closures) must be confirmed as accurate and complete by 31 March.

### ECE Census

## ECE Census (also known as the ECE Return)

The ECE Census collects information about the operations of an early childhood service during a particular week. This information contributes to a comprehensive information base on early childhood education (ECE) in New Zealand and is used by the Ministry to monitor and forecast ECE expenditure and design new policies.

All licensed early childhood services connected to the ELI system need to complete and submit the ECE Census. Funding may be withheld in part or in full if a service does not submit a complete and accurate ECE Census by the due date.

If your service is not able to connect to ELI, you must complete the RS61 form.

## Collection of ECE Census information as a condition of funding

It is a condition of funding that every service provider of a licensed early childhood service must provide the information listed in this chapter to the Ministry of Education, at the frequency specified, through the ELI system or any alternative method the service provider is authorised by the Ministry to use, to enable the Secretary for Education or the Minister of Education to exercise their powers or carry out their responsibilities under the Act, and as permitted by Privacy Principles 10 and 11.

Services who do not provide this information to the Ministry through the ELI system or an approved alternative method may have their funding withheld in part or in full.

Funding payments will continue once:

complete and accurate ECE Census data is submitted

## Minimum frequency of collection

Licensed early childhood services must submit ECE Census information once per year. The collection date is notified by the Ministry.

## ECE Census Service Information Collected

The following ECE Census Service Information must be submitted to the Ministry:

Waiting time for under one year olds  
Waiting time for one year olds  
Waiting time for two year olds  
Waiting time for three year olds  
Waiting time for four year olds  
Teaching language/s at service  
Teaching language percentages at service

## ECE Census Staff Information collected

The following ECE Census Staff Information must be submitted to the Ministry:

Role  
Gender  
Ethnicity  
Highest ECE or organization qualification held  
Teaching Council certification details  
Staff start and end dates working at service  
Staff start and end dates in role at service  
Staff member age band  
Total Hours worked during the ECE Census week  
Is Full Time flag  
Is Permanent flag  
Is Paid flag  
Previously Worked As Teacher flag (permanent staff only)  
Arrived From Another Service flag (permanent staff only)  
Leaving Teacher Destination (permanent staff only)  
Actual contact hours for teachers/staff (start and end dates and actual contact start and finish times spent teaching children)  
Minimum child age taught (months)  
Maximum child age taught (months)

## Early Learning Information (ELI) System

### Introduction

The Ministry of Education's Early Learning Information (ELI) system collects and stores information on enrolment, attendance and staffing from licensed early childhood services.

Licensed early childhood services, unless specifically exempt, must send complete and accurate information to the ELI system. This includes:

Children's National Student Numbers (NSN)  
Up-to-date child enrolment and attendance information  
The ECE Census (also known as the ECE Return)  
The electronic RS7 Return

Providing data through the ELI system does not replace the enrolment, attendance and absence records required for funding which are defined in [Chapter 6\(external link\)](#).

There are additional record keeping requirements for services offering 20 Hours ECE. These can be found in [Chapter 4\(external link\)](#).

Further information about ELI can be found on [education.govt.nz\(external link\)](https://education.govt.nz(external link))

### Use of information collected

Enrolment, attendance, and absence records collected by the Ministry may be used to enable the Secretary for Education or the Minister of Education to exercise their powers or carry out their responsibilities under the Education and Training Act 2020, and as permitted by Privacy Principles 10 and 11.

### ELI exempt services

The following service types are exempt from providing regular information on enrolments and attendance to the Ministry through ELI:

Casual Education and Care Service  
Hospital Based Services

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ELI exemptions will be given to services where the nature of their operations does not suit the regular collection of enrolment or attendance data.

Services operated by the Te Kōhanga Reo National Trust are temporarily exempt from providing regular information on enrolments and attendance to the Ministry through ELI.

## Sending information to the ELI System

Licensed early childhood services must send information to the ELI system through ELI Web, or a Ministry-approved commercial student management system (SMS).

Typically, a SMS provides more functionality than ELI Web. ELI Web is a free-of-charge Ministry application designed to collect the required data from licensed early childhood services that do not use a SMS.

## Glossary



### 20 Hours ECE

20 Hours Early Childhood Education (ECE) is a higher rate of funding for services to cover the average full cost of providing early childhood education.

20 Hours ECE enables services to provide early childhood education to three-year-olds, four-year-olds and five-year-olds for up to a maximum of **six hours per child per day** and **20 hours per child per week** without charging fees.

Parents must attest on the enrolment agreement form that their child does not receive more than six hours per day and 20 hours per week of 20 Hours ECE as a total across all services the child attends.

***See section: 4-2 20 Hours ECE funding conditions***

### 20 Hours ECE Hours

20 Hours ECE Hours are the fully subsidised hours that the child receives.

Services are eligible to claim up to six hours **per child** per day, to a maximum of 20 hours **per child** per week.

20 Hours ECE funding is based on the child rather than the place they occupy in the service.

20 Hours ECE hours are funded at a higher level to cover the full cost of providing ECE.

***See section: 4-2 20 Hours ECE funding conditions***

### Absence Rules

Rules set by the Ministry to limit funding that may be claimed for children permanently enrolled at a service who are either continuously or frequently absent. Absence funding cannot be claimed for children who are casually or conditionally enrolled.

The two main absence rules are:

the Three Week Rule For Continuous Absence and the Frequent Absence Rule.

***See section: 6-4 Absence rules***

#### **Actual entitlement**

The total amount of funding paid to each licensed service in March, July or November.

A service's actual entitlement is the product of their advance funding for the coming four months, plus their 'wash-up' funding for the previous four months.

***[See section: 2-4 When and how funding is paid](#)***

#### **Advance funding**

The proportion of a service's actual entitlement that is paid on the basis of predicted enrolments for the forth-coming four-month period.

The amount of advance funding paid is based on the average funded child- hours (FCHs) for the previous fourth months, the number of days the service will be operating in the forth-coming four months, and the funding rate at which each FCH will be paid.

Seventy five per cent of this total is paid as the advance payment (or 100 per cent for kindergartens).

***See section: 2-4 When and how funding is paid***

#### **All employed**

The term all employed, in relation to Minimum Salary Levels for Certificated Teachers, means all certificated teachers who are employed to work in the service (i.e., they are working for hire or reward under a contract of service).

Employed certificated teachers could include:

permanent full or part-time teachers  
relief teachers (i.e., short term, long term or employed by an agency), or  
fixed-term contractors (i.e., contract of service is in place).

#### **All-day service**

A service where at least one child attends for more than four hours on any day.

#### **Annual Top-up for Isolated Services (ATIS)**

An income top-up for small, licensed early childhood services, that are located in isolated areas.

All licensed services with an Isolation Index of 1.65 or greater, and that generate less than \$20,000 per annum in ECE Funding Subsidy, 20 Hours ECE

Funding and Equity Funding payments are eligible to receive the ATIS.

***See section: 5-1 Annual Top-up for Isolated Services***

#### **Attest (20 hours)**

Certify that specific information is correct by signing the attestation section of the enrolment agreement form for this purpose.

Parents can attest as part of the enrolment form that their child does not receive more than six hours per day and 20 hours per week of 20 Hours ECE as a total across all services the child attends.

***See section: 4-2 Funding conditions***

#### **Attest (Certificated Teacher Salary)**

Certify what criteria an education and care service or hospital-based service is using to determine the minimum salaries it pays to all employed

certificated teachers.

Education and care services and hospital-based services will confirm what minimum salary criteria they have met when completing their RS7 return.

**See section: 3-B-2 Education and Care Service**

#### **Audit**

An official examination and verification of accounts and records.

**See section: Funding claim audit; record audit in this Glossary**

#### **Attestation (of Certificated Teacher Salaries)**

A declaration that details what salary scale all employed ECE and primary qualified certificated teachers minimum salaries services will be paying.

[See section: 9-6 Attestation of certified teachers' salaries](#)[\(external link\)](#)

#### **Authorised signatory**

A person with a linked unique electronic signature.

#### **Base Funding Rates**

The set of funding rates available to education and care services and hospital-based services that do not pay all employed certificated teachers according to the full salary scale criteria described in [Section 3-B-2](#).

#### **Calendar days**

Consecutive days, including weekends and public holidays.

#### **Calendar month**

All the calendar days in a month, from the first day of the month to the last day e.g. 1 July to 31 July.

#### **Casual education & care service**

A service that operates without a regular roll, for example, services at ski fields.

#### **Casual enrolment**

Enrolments for children who will not be attending a service on a regular, ongoing basis.

A casually-enrolled child is recorded as 'casual' on their enrolment agreement form.

Funding for casual children is based on attendance only.

**See section: 6-1 Enrolment records**

#### **Certificated teacher**

A 'certificated teacher' is a holder of a current practising certificate that has been issued by the Teaching Council, or a letter from the Teaching Council advising that certification has been approved and that the practising certificate will be mailed within four to six weeks.

A practising certificate can be marked:

Tiwhikete Whakaakoranga Tūturu | Full Practising Certificate (Category One)  
Tiwhikete Whakaakoranga Pūmau | Full Practising Certificate (Category Two)  
Tiwhikete Whakaakoranga Tōmua | Provisional Practising Certificate  
Returning to Teaching in Aotearoa New Zealand Practising Certificate

For more information please refer to the [Teaching Council website\(external link\)](#).

**Note:** For ECE funding purposes, 'certificated teachers' must have

A NZ ECE or primary teaching qualification and a current practising certificate, or

An overseas qualification assessed by NZQA as comparable to a NZ ECE or primary teaching qualification and a current practising certificate, or

A letter from the Teaching Council with a clear ECE or primary "endorsement" (where registration has been gained through the Council's discretionary pathway), and a current practising certificate.

### **Certificated Teacher Hours**

The total number of hours worked by certificated teachers in a service when they are counted towards regulated (ratio) staff.

This measure is used for teacher-led centre-based services only.

See section: [3-B-2 Education and care services](#)

### **Certificated playgroup**

A certificated playgroup is a group that has met the curriculum, ratio, premises and facilities, health and safety practices, and administration standards set in the [Education \(Playgroups\) Regulations 2008\(external link\)](#).

### **Child-place**

Each place for a child for which a service is licensed.

Child-places may only be used by one child at a time, but may be used by more than one child during the course of a day. Child places are limited to the maximum number of children noted on the service's licence.

Funding can only be claimed to a maximum of six hours per child-place per day, up to 30 hours per child-place per week.

**See section: 3-A-1 Funding eligibility**

### **Community-based service**

A service that is a community-based service prohibited from making financial gains that are distributed to their members including:

an incorporated society

a charitable, statutory, or community trust

a registered charity

owned by a community organisation (e.g. a city council, church, or university)

considered a Public Benefit Entity under XRB requirements

### **Conditional enrolment**

Enrolments of children who are on a waiting list and that are above the service's licensed maximum number of child-places. Conditionally enrolled children attend in the place of an absent permanently enrolled child provided the licence maximum is not exceeded at any one time.

A conditionally enrolled child is recorded as 'conditional' on their enrolment agreement form.

Use this table to find out if you can fill extra child-places with conditionally enrolled children:

IF YOUR LICENCE IS FOR...	YOU MAY...	YOU MUST NOT...
children aged two and over only	fill empty places with children aged two or over.	fill empty places with children aged under two.
mixed ages	fill empty under two places with children of any age.	fill empty two & over places with children aged under two.

### **Coordinator**



The person who has primary responsibility for overseeing the education and care, comfort, and health and safety of the children in a home-based service, and for providing professional leadership and support to educators within the service.

#### **Discretionary hour**

A discretionary hour is an hour that a service can claim an Other Teacher as a Certificated Teacher for the purposes of the Staff Hour Count.

Services that must complete the Staff Hour Count may record the hours worked by relievers who are Other Teachers as Certificated Teacher Hours for the purposes of the Staff Hour Count for **up to 80 hours** during the funding cycle.

**See section: 3-B-2 Education and care services**

#### **Discretionary situation**

**Either** a situation in a parent/whānau-led service funded at the quality rate when a qualified reliever is not available to replace a qualified parent or whānau member who is absent **or** a situation in a home-based education and care service funded at the quality rate when a coordinator is not available to replace the specified coordinator of the service.

A discretionary 'situation' includes any situation where coverage was not available, including lunch breaks, sessions, or full-days of operation depending on the operating structure of the service.

#### **Donation**

A donation is a voluntary payment. There is no obligation to pay and no enforcement of payment.

#### **Dual enrolments**

Children who are enrolled at more than one early childhood service.

Children must not be enrolled for the same times (e.g. between 9am and 1pm on Mondays) at more than one service.

**See section: 3-A-1 Funding eligibility**

#### **Early Childhood Staff Form**

A form showing the actual hours worked daily by regulated (ratio) staff in an education and care service.

The Early Childhood Staff Form is required to manage the Staff Hour Count.

**See section: 3-B-2 Education and care services**

#### **ECE Funding Subsidy**

The primary form of government funding for early childhood education services.

It is a 'subsidy' because it is paid to assist services in meeting their costs, but is not intended to cover a service's total cost.

**See: Chapter 3 The ECE Funding Subsidy**

#### **Early Learning Information (ELI)**

*The Ministry of Education's Early Learning Information (ELI) system collects and stores information on enrolment and attendance in early childhood education. Licensed early childhood services send information to the Ministry of Education through their Student Management System (SMS) or Ministry's secure ELI Web application. Funding may be withheld in part or in full if a service does not submit a completed and accurate ECE Return by the due date.*

#### **EC11**

Application for Change of Service Quality Rate for Early Childhood Services.

Home-based services and parent/whānau-led services seeking a change from the standard funding rates to quality funding rates (or vice versa) must apply to the Ministry using this form.

[See section: 3-B-4 Home-based ECE services](#) or [3-C-2 Quality funding rates for parent/whānau-led services](#).

#### **EC11/A**

Notification of Change of Qualified Persons for Early Childhood Services.

Home-based services and parent/whānau-led services funded at quality rates must complete this form when there has been a change in home-based care coordinator, or in qualified parents/whānau at a parent/whānau-led service.

[See section: 3-B-4 Home-based ECE services](#) or [3-C-2 Quality funding rates for parent/whānau-led services](#)

#### **EC12**

Application for Exemption from Absence Rule for Special and/or Health Needs.

Services seeking an exemption from the absence rules for a child with special and/or health needs must complete this form.

An EC13 or other supporting documentation may also be required for the exemption to be approved.

**See section: 7-7 Absence rule exemptions**

#### **EC13**

Medical Certificate to support application for exemption from absence rule for Special and/or Health Needs.

This form should be used to document the medical reasons behind an exemption from the absence rules. It must be completed by a registered medical practitioner.

**See section: 7-7 Absence rule exemptions**

#### **EC15**

Application to Receive Equity Funding for Providing Early Childhood Education in a Language and Culture other than English.

Services seeking Equity Funding under Component C: Language and Culture Other than English (including sign language) must complete this form.

**See section: 10-4 Component C: Language and culture other than English (including sign language)**

#### **EC20**

Application for a Transitional Advance.

The *Transitional Advance Form* (EC20) is used to calculate advance funding for services in a number of situations such as:

services beginning or ceasing to offer 20 Hours ECE  
licence mergers or increases  
significant increases in enrolments

**See section: 7-9 The EC20 Transitional Advance Form**

#### **Education and care services**

A teacher-led centre-based service that is not controlled by a kindergarten association. Education and care services are required to operate with high proportions of certificated teachers.

Individual centres can be known by many names, including creches, aoga amata and childcare centres.

#### **Educator**

A person who provides home-based education and care, as defined in the [Education \(Early Childhood Services\) Regulations 2008](#) ([external link](#)).

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### **Electronic signature**

In relation to information in electronic form, used to identify a person and indicate that person's approval or agreement.

### **Emergency closure**

When unexpected emergency circumstances force a service to close temporarily.

**See section: 7-5 Emergency closure**

### **Enrolment record**

The formal written agreement between a parent or guardian and a service that a specific child will attend that service at specified times. An enrolment can be permanent, casual or conditional.

### **Equity Funding**

Equity Funding is targeted funding to improve access to, and participation in quality early childhood education. Equity Funding is available to licensed, early childhood services that meet specific eligibility criteria.

Equity funding is paid to eligible services in addition to the ECE Funding Subsidy and 20 Hours ECE.

**See: Chapter 10 Equity Funding**

### **Equity Index (EQI)**

A statistical index that measures the extent to which an early childhood service draws children from low socio-economic communities. The EQI is used to determine eligibility for Equity Funding.

The EQI is worked out on the basis of enrolled children's addresses and information taken from the New Zealand Census 2006. The EQI for casual services is determined using the average for all other ECE services in the same area.

**See: Chapter 10 Equity Funding**

### **Fee**

A fee is a payment that is required as a condition of enrolment and can be enforced.

**Enforcement** is when a service withholds or withdraws enrolment, or withholds or withdraws parts of their service (for example children not permitted to take part in certain activities), or makes debt recovery.

### **Funding rates**

The dollar amount of funding that a service is paid for each funded child hour (FCH).

### **Funded Child Hour (FCH)**

An occupied child-place that is funded for one hour.

Services may be funded the ECE Funding Subsidy (Under 2 and 2 and Over) for up to six FCHs per child-place per day, to a maximum of 30 FCHs **per child-place** per week.

Services may be funded 20 Hours ECE (20 Hours ECE Hours and Plus 10 ECE Hours) for up to six FCHs per child per day, to a maximum of 30 FCHs per child per week.

**See section: 3-A-2 Funding conditions**

### **Extended parity Salary Scale**

The salary steps required to be attested to in order for a service to receive extended parity funding rates.

### **Funding claim audit**

A type of audit conducted by the Ministry of Education's Resourcing Auditors.

It is an audit of the amount of funding claimed and received by a service.

This audit is known as a 'funding claim audit' because examination of enrolment records and attendance registers against the RS7 Return is a primary component of the audit.

***See section: 11-2 Funding claim audits and record keeping audits***

### **Funding Rate Table**

A table provided by the Ministry which shows the funding rates for all early childhood services.

A copy of the Funding Rate Table can be found in [Appendix 1](#) and will be updated each time there is a change to the rates.

### **Funding rates**

The salary steps required to be attested to in order for a service to receive full parity funding rates.

### **General purpose financial statements**

The style of financial statements that must be completed by community- based services. They should include statements of:

accounting policies

financial performance (profit and loss account) that includes specific reference to the funding received from the Ministry of Education

financial position (i.e. a balance sheet)

movements of equity

notes about equity funding and how this has been spent (when applicable).

***See section: 12-2 Types of financial reports***

### **Home-based ECE services**

Early childhood education services where early childhood education is provided for up to four children in an educator's home, the child's own home or a home nominated by the child's parent.

Home-based services are supervised by coordinators who are certificated teachers.

Homes are grouped together in a service, the person or organization that operates the group of homes is the service provider.

***See section: 3-B-4 Home-based ECE services***

### **Hospital-based ECE services**

A service providing education and care to three or more children under the age of six who are also receiving health services within premises under the control of the Ministry of Health or a district health board.

***See section: 3-B-3 Hospital-based ECE services***

### **Isolation Index**

A statistical index that rates a service's relative isolation according to its distance in kilometres from services of three different population sizes.

### **Kindergarten**

A teacher-led centre-based service controlled by a kindergarten association.

### **Kindergarten Association**

A service provider that controls one or more kindergartens formerly recognised under the Kindergarten Regulations 1959, or that has formed from a free kindergarten association or associations that controlled kindergartens recognised under these Regulations.

### **Kindergarten Teachers, Head Teachers and Senior Teachers' Collective Agreement (KTCA)**

The Kindergarten Teachers, Head Teachers and Senior Teachers' Collective Agreement (KTCA) is an agreement negotiated by members of the New Zealand Education Institute (NZEI) Te Riu Roa and the Secretary for Education.

## **Licence**

A document issued by the Ministry of Education detailing the hours during which an early childhood education service may operate, and the maximum number of child-places the service may fill.

It is illegal to operate any premises as an early childhood education service without a licence.

***See section: 2-1 The link between licensing and funding***

## **Make-up day**

A day that an enrolled child is not normally enrolled to attend, but attends in place of an absent child.

***See section: 6-9 Make-up days***

## **Ministry regional office**

The Ministry of Education office nearest to your service.

## **Mixed Provision Service**

An early childhood education service that offers a mixture of both teacher-led and parent-led education and care sessions.

## **Notional roll**

Funding on the basis of average actual attendance over a specified period.

Some services may be funded on notional rolls in recognition of the special function they serve in a community e.g. women's refuge centres.

***See section: 7-4 Notional rolls***

## **On duty: home-based education and care coordinators**

For funding purposes, home-based education and care coordinators that are "on-duty" are:

mainly focused on and involved in supervising quality environments for educators and children **and** able to instantly respond to educators and parents 'person-to person' (i.e. in person, by telephone or cell phone, or by pager).

***See section: 3-B-4 Home-based ECE services***

## **On duty: parent/ whānau-led services**

For funding purposes, parents and whānau are "on duty" when they are working and involved with the children at the service.

## **Optional charge**

A request for a payment that parents may choose whether or not to make. There must be no penalty for parents who choose not to make the payment. Once an agreement to pay has been reached then services may enforce payment.

Optional charges must apply for a specific purpose, which could be one-off or ongoing.

***See section: 4-3 Fees, donations and optional charges***

## **Other Teacher**

A teacher at a teacher-led centre-based service who does not hold a practising certificate issued by the Teaching Council of Aotearoa, New Zealand (Teaching Council) or does not hold a Teaching Council-approved ECE qualification or New Zealand qualified primary teacher qualification.

***See section: 3-B-2 Education and care services***

### **Parent/ whānau-led services**

A category of early childhood services that:

requires of parent and/or whānau involvement in providing education and care for children  
does not have to meet the teacher certification criteria  
includes licensed playcentres and licensed kōhanga reo  
excludes teacher-led services.

### **Permanent enrolment**

Enrolments that are:

within the service's licensed maximum number of child places; and  
where the child is entitled to attend for the enrolled hours on a regular, ongoing basis.

The attendance of a permanently enrolled child does not depend on the absence of any other enrolled child.

### **Playcentres**

Early childhood education services that belong to an association affiliated Te Whānau Tupu Ngātahi o Aotearoa - Playcentre Aotearoa.

A primary characteristic of playcentres is that families manage and implement the education programme.

### **Plus 10 ECE Hours**

Plus 10 ECE hours are the ECE Funding Subsidy funded hours available per child once that child has used all of their 20 Hours ECE hours.

They are the difference between 30 hours of funding less the 20 Hours ECE Hours, and can be claimed up to six hours per day per child.

***See section: 4-2 20 Hours ECE funding conditions***

### **Parity Salary Scale**

The salary steps required to be attested to in order for a service to receive the parity funding rates.

### **Private service**

A service that is not community-based. It may be owned by a private company, publicly listed company, private trust, partnership, or an individual.

Private services are able to make financial gains and distribute these to their members.

### **Pay Parity Funding Rates**

A higher set of funding rates available to education and care services and hospital-based services who pay all employed certificated teachers according to the salary scales described Appendix 4. This includes Parity, Extended and Full parity funding rates.

### **Public holidays**

New Zealand statutory holidays, e.g. Christmas Day, Labour Day, Waitangi Day, and each region's Anniversary Day.

The Ministry does not fund public holidays in advance.

***See section: 3-A-2 Funding conditions***

### **Quality funding rates**

Higher funding rates for home-based ECE services or parent/whānau-led services that choose to meet additional criteria above what is required in the Education (Early Childhood Services) Regulations 2008.

***[See section: 3-B-4 Home-based ECE services](#) or [3-C-2 Quality funding rates for parent/whānau-led services](#)***

## Record keeping audit

An alternative name for a funding claim audit.

**See section: 11-2 Funding claim audits and record keeping audits**

## Practising certificate

A certificate issued by the Teaching Council of Aotearoa, New Zealand. Holders of a current practising certificate are legally able to teach in New Zealand.

## Registered teacher

A holder of a Teaching Council approved teaching qualification who has been registered by the Teaching Council. Note: A teacher must hold a current practising certificate to be able to teach.

A certificated teacher must hold an early childhood education teaching or New Zealand qualified primary teacher qualification.

**See section: 3-B-2 Education and care services**

## Regulated (ratio) staff

Staff required for your service to meet the minimum regulatory requirements for staff:child ratios.

The requirements are set out in Regulation 44 and the Second Schedule of the [Education \(Early Childhood Services\) Regulations 2008\(external link\)](#).

**See section: 3-B-2 Education and care services**

## Regulated (ratio) staff hours

The total number of hours worked by all regulated (ratio) staff in a service on each day.

This measure is used for teacher-led centre-based services only.

**See section: 3-B-2 Education and care services**

## Regulations

The Regulations including:

the [Education \(Early Childhood Services\) Regulations 2008\(external link\)](#)  
the [Education \(Early Childhood Centres\) Regulations 1998\(external link\)](#) and  
the [1992 Home-Based Care Order\(external link\)](#)

## RS2 Form

The RS2 Change of Bank Account Form.

The Ministry must be informed of changes to a service (or service provider) bank account using this form.

**See section: 8-1 Changing bank account details**

## RS3 Form

The RS3 Initial Application for Funding for an Early Childhood Service.

New services must complete this form to receive their first funding payment.

[See section: 7-1 Funding for new services](#)

## RS7 Return

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The RS7 Early Childhood Funding Return.

All early childhood education services (or the administrators of service provider) must complete an RS7 Return in order to receive a funding payment.

**See: *Chapter 9 Completing the RS7 Return***

### **Salary Scale**

The Salary Scale defines the minimum salary levels for a certificated teacher employed at an education and care service or hospital-based service.

Full Salary Scale – defines the salary steps required to be attested to in order for a service to receive parity funding rates.

**See section: *3-B-2 Education and care services***

### **Service provider**

The service provider is the body, or agency that, or person who operates the early childhood education service. Where a service is part of an association or larger group of services, funding is paid to the service provider.

**See section: *2-4 When and how funding is paid***

### **Sessional service**

A service where no child attends for more than four hours in total on any one day.

### **Special purpose financial report**

A type of financial report. A special purpose financial report includes:

a statement of accounting policies  
details of the amount of funding received from the Ministry of Education  
information on how the funding has been spent.

**See section: *12-2 Types of financial reports***

### **Staff Hour Count**

The method of tracking Certificated and Other Teacher Hours required by the Ministry for funding purposes.

This is a requirement for teacher-led centre-based services and all-day kindergartens only.

**See section: *3-B-2 Education and care services***

### **Standard funding rates**

The minimum funding level for home-based care networks and parent/whānau-led services. Services that meet the requirements of the [Education \(Early Childhood Services\) Regulations 2008\(external link\)](#) or [the Home-Based Care Order\(external link\)](#) (1992 and 1998 Amendment) are eligible for this rate.

### **Substitute days and hours**

A day or hours for which your service is not usually licensed to operate, but for which special permission has been obtained from a Ministry local office to open, in place of opening on a licensed day.

**See section: *7-6 Substitute days and hours***

### **Tagged funding**

Funding that must be used to cover particular expenses or to meet particular objectives e.g. Equity Funding.

### **Targeted Funding for Disadvantage**



Targeted Funding for Disadvantage (Targeted Funding) is a specific funding mechanism for ECE services and ngā kōhanga reo to assist children considered to be from disadvantaged backgrounds. Targeted Funding is available to licensed, early learning services that meet specific eligibility criteria.

Targeted Funding is paid to eligible early learning services in addition to the ECE Funding subsidy, 20 Hours ECE and Equity Funding.

[See Chapter 13: Targeted Funding for Disadvantage](#)

### **Targeted Hours**

Targeted Hours are the estimated number of Funded Child Hours attended by children considered to be from disadvantaged backgrounds.

Targeted Hours are used to calculate services' funding entitlement for Targeted Funding for Disadvantage.

### **Te kōhanga reo**

Te kōhanga reo is a total immersion te reo Māori whānau programme for mokopuna funded as ECE until age six.

**See section: 3-C-4 Te kōhanga reo**

### **Teacher-led services**

A category of early childhood education services where one or more qualified teachers are responsible for the overall programme in the service. They are required to have a person responsible (or home-based care coordinator) who is a qualified, certificated, teacher.

In teacher-led education and care centres and kindergartens, the person responsible may be primary or ECE qualified. In hospital-based and home-based services, only ECE qualified teachers can be a person responsible.

For funding purposes, teacher-led services include:

education and care services

kindergartens

hospital-based services

home-based care services

services that are recognised by the Ministry as meeting the requirements for teacher-led funding rates.

### **Teaching Council of Aotearoa New Zealand**

A crown entity established under the Education Act (1989) and is continued under the Education and Training Act 2020; its functions include:

determining standards for teacher registration and the issuing of practising certificates

establishing and maintaining the qualifications that lead to teacher registration.

### **TeachNZ**

A unit of the Ministry of Education. One of the functions of TeachNZ is to assist with inquiries from members of the public who are interested in gaining teaching qualifications.

You can contact TeachNZ on 0800 832 246 or visit their [website\(external link\)](#).

### **Teaching Council of Aotearoa New Zealand Standards | Ngā Paerewa**

The Standards for the Teaching Profession determined by the Teaching Council of Aotearoa New Zealand that provide a holistic description of what high quality teaching practice looks like and what it means to be a teacher in Aotearoa New Zealand.

Resources on what the Standards | Ngā Paerewa look like can be found on the Teaching Council of Aotearoa New Zealand [website\(external link\)](#).

### **Transitional school visits**

One or more visits by a child under the age of six, who is not enrolled in school, to a primary school as part of a 'transition' period between

early childhood education and primary school.

**See section: 7-8 Transitional school visits**

### Wash-up funding

The proportion of a service's actual entitlement that is paid on the basis of actual funded child hours for the previous four-month period.

Wash-up funding is funding that makes up the difference between the advance payment made in the previous funding payment and a service's actual funding entitlement for the previous four-month period.

Wash-up funding may be a positive (e.g. \$2000.00) or negative (e.g. -\$2000.00) amount. If it is negative, the Ministry deducts the amount from future payments.

**See section: 2-4 When and how funding is paid**

## Appendix 1

### In this appendix

This appendix contains the *Funding Rate Tables* for different service types.

### All-Day Education and Care services and Hospital-based services – Base Funding Rates

Table 1: Base funding rates for all-day education and care services and hospital-based services from 1 January 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2023			RATES FROM 1 DECEMBER 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$14.16	\$8.30	\$13.55	\$15.07	\$8.75	\$14.00
80-99% certificated teachers	\$13.56	\$7.50	\$12.79	\$14.47	\$7.95	\$13.24
50-79% certificated teachers	\$12.28	\$6.47	\$11.65	\$13.19	\$6.92	\$12.10
25-49% certificated teachers	\$9.91	\$5.16	\$10.24	\$10.82	\$5.61	\$10.69
0-24% certificated teachers	\$8.48	\$4.28	\$9.33	\$9.39	\$4.73	\$9.78

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$15.48	\$8.99	\$14.39	\$15.48	\$8.99	\$15.03
80-99% certificated teachers	\$14.87	\$8.17	\$13.61	\$14.87	\$8.17	\$14.22
50-79% certificated teachers	\$13.55	\$7.11	\$12.44	\$13.55	\$7.11	\$12.99
25-49% certificated teachers	\$11.11	\$5.76	\$10.99	\$11.11	\$5.76	\$11.47
0-24% certificated teachers	\$9.64	\$4.85	\$10.05	\$9.64	\$4.85	\$10.49

### All-Day Education and Care Services and Hospital-based services – Parity Funding Rates

Table 2: Parity funding rates for all-day education and care services and hospital-based services from 1 January 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2023			RATES FROM 1 DECEMBER 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$14.66	\$8.60	\$14.02	\$15.57	\$9.06	\$14.48
80-99% certificated teachers	\$14.04	\$7.77	\$13.24	\$14.95	\$8.23	\$13.70
50-79% certificated teachers	\$12.71	\$6.70	\$12.06	\$13.62	\$7.16	\$12.52
25-49% certificated teachers	\$10.25	\$5.34	\$10.60	\$11.16	\$5.80	\$11.06
0-24% certificated teachers	\$8.77	\$4.44	\$9.66	\$9.68	\$4.90	\$10.12

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$16.00	\$9.31	\$14.89	\$16.00	\$9.31	\$15.55
80-99% certificated teachers	\$15.36	\$8.46	\$14.09	\$15.36	\$8.46	\$14.72
50-79% certificated teachers	\$13.99	\$7.36	\$12.87	\$13.99	\$7.36	\$13.44
25-49% certificated teachers	\$11.46	\$5.96	\$11.37	\$11.46	\$5.96	\$11.87
0-24% certificated teachers	\$9.94	\$5.03	\$10.40	\$9.94	\$5.03	\$10.86

#### All-Day Education and Care services and Hospital-based services – Extended Parity Funding Rates

Table 3: Extended parity funding rates for all-day education and care services and hospital-based services from 1 January 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2023			RATES FROM 1 DECEMBER 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$15.88	\$9.32	\$15.19	\$16.79	\$9.77	\$15.64
80-99% certificated teachers	\$15.21	\$8.42	\$14.35	\$16.12	\$8.87	\$14.80
50-79% certificated teachers	\$13.77	\$7.26	\$13.07	\$14.68	\$7.71	\$13.52
25-49% certificated teachers	\$11.10	\$5.79	\$11.48	\$12.01	\$6.24	\$11.93
0-24% certificated teachers	\$9.50	\$4.81	\$10.47	\$10.41	\$5.26	\$10.92

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$17.25	\$10.04	\$16.08	\$17.25	\$10.04	\$16.80
80-99% certificated teachers	\$16.56	\$9.12	\$15.22	\$16.56	\$9.12	\$15.90
50-79% certificated teachers	\$15.08	\$7.92	\$13.90	\$15.08	\$7.92	\$14.52
25-49% certificated teachers	\$12.33	\$6.41	\$12.26	\$12.33	\$6.41	\$12.80
0-24% certificated teachers	\$10.69	\$5.40	\$11.23	\$10.69	\$5.40	\$11.73

## All-Day Education and Care services and Hospital-based services – Full Parity Funding Rates

Table 4: Full parity funding rates for all-day education and care services and hospital-based services from 1 November 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 NOVEMBER 2023			RATES FROM 1 DECEMBER 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$16.19	\$9.48	\$15.46	\$17.97	\$10.37	\$16.35
80-99% certificated teachers	\$15.59	\$8.68	\$14.70	\$17.37	\$9.57	\$15.59
50-79% certificated teachers	\$14.09	\$7.47	\$13.37	\$15.87	\$8.36	\$14.26
25-49% certificated teachers	\$11.32	\$5.93	\$11.68	\$13.10	\$6.82	\$12.57
0-24% certificated teachers	\$9.63	\$4.89	\$10.63	\$11.41	\$5.78	\$11.52

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$18.24	\$10.53	\$16.61	\$18.24	\$10.53	\$17.33
80-99% certificated teachers	\$17.63	\$9.72	\$15.84	\$17.63	\$9.72	\$16.53
50-79% certificated teachers	\$16.11	\$8.49	\$14.49	\$16.11	\$8.49	\$15.12
25-49% certificated teachers	\$13.29	\$6.92	\$12.77	\$13.29	\$6.92	\$13.32
0-24% certificated teachers	\$11.57	\$5.86	\$11.70	\$11.57	\$5.86	\$12.20

## Sessional Education and Care Services and Hospital-based services – Base Funding Rates

Table 5: Base funding rates for sessional education and care services and hospital-based services from 1 January 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2023			RATES FROM 1 DECEMBER 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$12.98	\$6.44	\$7.81	\$13.89	\$6.89	\$8.26
80-99% certificated teachers	\$12.06	\$5.47	\$7.04	\$12.97	\$5.92	\$7.49
50-79% certificated teachers	\$10.96	\$4.89	\$6.39	\$11.87	\$5.34	\$6.84
25-49% certificated teachers	\$8.93	\$4.20	\$5.65	\$9.84	\$4.65	\$6.10
0-24% certificated teachers	\$7.79	\$3.78	\$5.23	\$8.70	\$4.23	\$5.68

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$14.27	\$7.08	\$8.49	\$14.27	\$7.08	\$8.86
80-99% certificated teachers	\$13.32	\$6.08	\$7.70	\$13.32	\$6.08	\$8.03
50-79% certificated teachers	\$12.19	\$5.48	\$7.03	\$12.19	\$5.48	\$7.33

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
25-49% certificated teachers	\$10.10	\$4.77	\$6.26	\$10.10	\$4.77	\$6.53
0-24% certificated teachers	\$8.93	\$4.34	\$5.83	\$8.93	\$4.34	\$6.08

#### Sessional Education and Care Services and Hospital-based services – Parity Funding Rates

Table 6: Parity funding rates for sessional education and care services and hospital-based services from 1 January 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2023			RATES FROM 1 DECEMBER 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$13.44	\$6.67	\$8.08	\$14.35	\$7.13	\$8.54
80-99% certificated teachers	\$12.49	\$5.66	\$7.28	\$13.40	\$6.12	\$7.74
50-79% certificated teachers	\$11.35	\$5.06	\$6.62	\$12.26	\$5.52	\$7.08
25-49% certificated teachers	\$9.25	\$4.35	\$5.85	\$10.16	\$4.81	\$6.31
0-24% certificated teachers	\$8.06	\$3.91	\$5.41	\$8.97	\$4.37	\$5.87

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$14.74	\$7.32	\$8.78	\$14.74	\$7.32	\$9.16
80-99% certificated teachers	\$13.76	\$6.28	\$7.95	\$13.76	\$6.28	\$8.29
50-79% certificated teachers	\$12.59	\$5.67	\$7.27	\$12.59	\$5.67	\$7.58
25-49% certificated teachers	\$10.43	\$4.94	\$6.48	\$10.43	\$4.94	\$6.76
0-24% certificated teachers	\$9.20	\$4.48	\$6.03	\$9.20	\$4.48	\$6.29

#### Sessional Education and Care services and Hospital-based services – Extended Parity Funding Rates

Table 7: Extended parity funding rates for sessional education and care services and hospital-based services from 1 January 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2023			RATES FROM 1 DECEMBER 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$14.56	\$7.23	\$8.75	\$15.47	\$7.68	\$9.20
80-99% certificated teachers	\$13.53	\$6.14	\$7.89	\$14.44	\$6.59	\$8.34
50-79% certificated teachers	\$12.29	\$5.48	\$7.17	\$13.20	\$5.93	\$7.62
25-49% certificated teachers	\$10.02	\$4.71	\$6.34	\$10.93	\$5.16	\$6.79
0-24% certificated teachers	\$8.73	\$4.23	\$5.86	\$9.64	\$4.68	\$6.31

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$15.89	\$7.89	\$9.46	\$15.89	\$7.89	\$9.87
80-99% certificated teachers	\$14.83	\$6.77	\$8.57	\$14.83	\$6.77	\$8.94
50-79% certificated teachers	\$13.56	\$6.09	\$7.83	\$13.56	\$6.09	\$8.17
25-49% certificated teachers	\$11.22	\$5.30	\$6.97	\$11.22	\$5.30	\$7.27
0-24% certificated teachers	\$9.89	\$4.80	\$6.48	\$9.89	\$4.80	\$6.76

### Sessional Education and Care services and Hospital-based services – Full Parity Funding Rates

Table 8: Full parity funding rates for sessional education and care services and hospital-based services from 1 November 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 NOVEMBER 2023			RATES FROM 1 DECEMBER 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$14.84	\$7.36	\$8.91	\$16.62	\$8.25	\$9.80
80-99% certificated teachers	\$13.87	\$6.33	\$8.09	\$15.65	\$7.22	\$8.98
50-79% certificated teachers	\$12.58	\$5.64	\$7.33	\$14.36	\$6.53	\$8.22
25-49% certificated teachers	\$10.20	\$4.83	\$6.44	\$11.98	\$5.72	\$7.33
0-24% certificated teachers	\$8.85	\$4.32	\$5.96	\$10.63	\$5.21	\$6.85

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$16.87	\$8.37	\$9.95	\$16.87	\$8.37	\$10.37
80-99% certificated teachers	\$15.89	\$7.33	\$9.12	\$15.89	\$7.33	\$9.50
50-79% certificated teachers	\$14.57	\$6.63	\$8.34	\$14.57	\$6.63	\$8.68
25-49% certificated teachers	\$12.15	\$5.80	\$7.44	\$12.15	\$5.80	\$7.74
0-24% certificated teachers	\$10.78	\$5.28	\$6.95	\$10.78	\$5.28	\$7.23

### All-day and Sessional Kindergarten

Table 9: Funding rates for all day and sessional Kindergartens from 1 December 2022.

These rates are valid from 1 December 2022 after the The Kindergarten Teachers, Head Teachers and Senior Teachers' Collective Agreement (KTCA) was ratified.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 DECEMBER 2022			RATES FROM 1 JANUARY 2023			RATES FROM 1 JULY 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 DECEMBER 2022			RATES FROM 1 JANUARY 2023			RATES FROM 1 JULY 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$16.59	\$9.65	\$15.47	\$17.02	\$9.90	\$15.88	\$17.23	\$10.00	\$15.98
80-99% certificated teachers	\$16.00	\$8.87	\$14.73	\$16.42	\$9.10	\$15.12	\$16.63	\$9.20	\$15.22
50-79% certificated teachers	\$14.54	\$7.69	\$13.43	\$14.92	\$7.89	\$13.79	\$15.13	\$7.99	\$13.89
25-49% certificated teachers	\$11.85	\$6.19	\$11.79	\$12.15	\$6.35	\$12.10	\$12.36	\$6.45	\$12.20
0-24% certificated teachers	\$10.20	\$5.18	\$10.77	\$10.46	\$5.31	\$11.05	\$10.67	\$5.41	\$11.15
Sessional-100% certificated teachers	\$16.90	\$8.49	\$10.06	\$17.34	\$8.71	\$10.33	\$17.55	\$8.81	\$10.43

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 DECEMBER 2023			RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$17.97	\$10.37	\$16.35	\$18.43	\$10.62	\$16.70	\$18.43	\$10.62	\$17.53
80-99% certificated teachers	\$17.37	\$9.57	\$15.59	\$17.82	\$9.81	\$15.93	\$17.82	\$9.81	\$16.73
50-79% certificated teachers	\$15.87	\$8.36	\$14.26	\$16.30	\$8.58	\$14.58	\$16.30	\$8.58	\$15.32
25-49% certificated teachers	\$13.10	\$6.82	\$12.57	\$13.48	\$7.01	\$12.86	\$13.48	\$7.01	\$13.52
0-24% certificated teachers	\$11.41	\$5.78	\$11.52	\$11.76	\$5.95	\$11.79	\$11.76	\$5.95	\$12.40
Sessional-100% certificated teachers	\$18.29	\$9.18	\$10.80	\$18.76	\$9.41	\$11.06	\$18.76	\$9.41	\$11.63

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 APRIL 2024			RATES FROM 1 DECEMBER 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
100% certificated teachers	\$18.84	\$10.82	\$17.62	\$19.64	\$11.23	\$18.03
80-99% certificated teachers	\$18.23	\$10.01	\$16.82	\$19.03	\$10.42	\$17.23
50-79% certificated teachers	\$16.71	\$8.78	\$15.41	\$17.51	\$9.19	\$15.82
25-49% certificated teachers	\$13.89	\$7.21	\$13.61	\$14.69	\$7.62	\$14.02
0-24% certificated teachers	\$12.17	\$6.15	\$12.49	\$12.97	\$6.56	\$12.90
Sessional-100% certificated teachers	\$19.17	\$9.61	\$11.72	\$19.97	\$10.02	\$12.13

#### Teacher-led home-based ECE services

Table 10: Rates for all day teacher-led home-based ECE services from 1 January 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2023			RATES FROM 1 JANUARY 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
Quality	\$9.41	\$5.05	\$10.51	\$9.91	\$5.32	\$11.07
Standard	\$7.48	\$4.05	\$9.00	\$7.88	\$4.26	\$9.48

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE
Quality	\$9.91	\$5.32	\$11.58
Standard	\$7.88	\$4.26	\$9.92

### Te Kōhanga reo

Table 11: Rates for Kōhanga reo (except those recognised as teacher-led for funding purposes) from 1 January 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE
Quality	\$13.77	\$8.96	\$13.17
Standard	\$12.56	\$8.37	\$12.67

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
Quality	\$14.50	\$9.43	\$13.87	\$14.50	\$9.43	\$14.51
Standard	\$13.23	\$8.81	\$13.34	\$13.23	\$8.81	\$13.95

### Playcentre

Table 12: Rates for playcentres from 1 January 2023.

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2023		
	UNDER 2	2 AND OVER	20 HOURS ECE
Quality	\$10.23	\$5.14	\$6.38
Standard	\$8.95	\$4.50	\$5.74

\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JANUARY 2024			RATES FROM 1 MARCH 2024		
	UNDER 2	2 AND OVER	20 HOURS ECE	UNDER 2	2 AND OVER	20 HOURS ECE
Quality	\$10.77	\$5.41	\$6.72	\$10.77	\$5.41	\$7.03
Standard	\$9.42	\$4.74	\$6.04	\$9.42	\$4.74	\$6.32

### Certificated playgroups and licence-exempt services

Table 13: Rates for certificated playgroups and licence exempt services from 1 July 2020



\$ PER FUNDED CHILD HOUR (INCLUDING GST)	RATES FROM 1 JULY 2020		
	UNDER 2	2 AND OVER	20 HOURS ECE
Playgroups	\$1.83	\$1.83	N/A

## Equity Funding

Table 14: Equity Funding rates for eligible services from 1 January 2022.

EQUITY FUNDING RATES (INCLUDING GST)	RATES FROM 1 JANUARY 2022	RATES FROM 1 JANUARY 2023	RATES FROM 1 JANUARY 2024		
<b>Equity Funding Component A: Low Socio Economic (per funded child hour)</b>					
EQI 1	\$1.06	\$1.09	\$1.15		
EQI 2	\$0.82	\$0.84	\$0.88		
EQI 3	\$0.47	\$0.48	\$0.51		
EQI 4	\$0.22	\$0.23	\$0.24		
<b>Equity Funding Component B: Special Needs Funding (per funded child hour)</b>					
EQI 1	\$0.50	\$0.51	\$0.54		
EQI 2	\$0.31	\$0.32	\$0.34		
EQI 3	\$0.21	\$0.22	\$0.23		
EQI 4	\$0.19	\$0.20	\$0.21		
<b>Equity Funding Component C: Language (monthly)</b>					
Language	\$429.99	\$441.81	\$465.23		
<b>Equity Funding Component D: Isolation (monthly)</b>					
1.65 to 1.83	\$104.62	\$107.50	\$113.20		
1.84 to 2.53	\$157.55	\$161.88	\$170.46		
2.54 and greater	\$304.01	\$312.37	\$328.93		

## Targeted Funding

Table 15: Targeted funding for disadvantage rate for eligible services from 1 March 2022

\$ PER TARGETED HOUR (INCLUDING GST)	RATE FROM 1 MARCH 2022	RATE FROM 1 MARCH 2023	RATE FROM 1 MARCH 2024
Eligible services	\$0.37	\$0.38\$	\$0.40

## Appendix 2: Resources and Examples

This appendix contains resources and examples referred to in this Handbook.

The tables below contain a list of all the resources and examples in this appendix.

RESOURCES FOR ALL SERVICES	FOR MORE DETAILS SEE...
Enrolment Agreement Template	<a href="#">6-1</a>
Sign in/Sign out Template	<a href="#">6-3</a>

RESOURCES FOR TEACHER-LED SERVICES	FOR MORE DETAILS SEE...
Example Staff Record	<a href="#">3-B-2</a>
Example Hospital Based Attendance Record for Enrolled Children	<a href="#">3-B-3</a>
Staff Record Verification Sheet Template	<a href="#">3-B-2</a>

EXAMPLE FUNDING FORMS	FOR MORE DETAILS SEE...
<p><b>These example forms are available as separate PDF documents in 'Reference materials and downloads' below.</b></p>	
<p>RS7 Early Childhood Funding Returns</p> <p><b>Note:</b> These examples contain all the possible sections that may be included in an RS7 Return. Your service's RS7 Return may not include all these sections.</p>	<a href="#">Chapter 9</a>
RS2 Change of Bank Account	<a href="#">8-1</a>
RS3 Initial Application for Funding for an Early Childhood Service	<a href="#">7-1</a> and <a href="#">7-2</a>
EC11 Application for Change of Service Quality Rate for Early Childhood Services	<a href="#">3-C</a>
EC11HB Application for Change of Service Quality Rate for Home-based Early Childhood Services	<a href="#">3-B-4</a>
EC11/A Notification of Change of Qualified Persons for Early Childhood Services	<a href="#">3-B-4</a> and <a href="#">3-C</a>
EC12 Application for Exemption from Absence Rules for Special and/or Health Needs	<a href="#">7-7</a>
EC13 Medical Certificate to Support Application for Exemption from Absence Rule for Special and/or Health Needs	<a href="#">7-7</a>
EC15 Application to Receive Equity Funding for Providing Early Childhood Education in a Language and Culture other than English	<a href="#">10-4</a>
<a href="#">Guidelines for Targeted Funding for Disadvantage [PDF, 681 KB]</a>	<a href="#">13</a>
<a href="#">Reporting template for Targeted Funding for Disadvantage [PDF, 166 KB]</a>	<a href="#">13-4</a> and <a href="#">12-3</a>

## Reference material and downloads

- [Glossary \[PDF, 291 KB\]](#)
- [Appendix One: Funding Rates \[PDF, 278 KB\]](#)
- [Enrolment Agreement Form \[PDF, 413 KB\]](#)
- [Enrolment Agreement Form \[DOCX, 102 KB\]](#)
- [RS7 - Early Childhood Funding Return \[PDF, 452 KB\]](#)
- [RS2 Early Childhood Service/Playgroup Bank Account Form \[PDF, 88 KB\]](#)
- [RS3 - Initial Application for Funding for an Early Childhood Service \[PDF, 299 KB\]](#)
- [EC11 Application for Change of Quality/Standard Funding Rate for EC Services \[PDF, 153 KB\]](#)
- [EC11HB Application for Change of Quality/Standard Funding Rate for Home-based EC Services \[PDF, 234 KB\]](#)
- [EC11A Notification of Change of Qualified Persons for Early Childhood Service \[PDF, 223 KB\]](#)

- [EC12 Application for exemption from absence rule for Special and/or Health Needs](#)[PDF, 141 KB]
- [EC13 Medical certificate to support application for exemption from absence rule](#)[PDF, 43 KB]
- [EC15 Application for ECE Equity Funding language and culture other than English](#)[PDF, 244 KB]

## Disclaimer

Documents are available in PDF format only. If you have any issues accessing these documents please email [ece.info@education.govt.nz](mailto:ece.info@education.govt.nz).

## Appendix 3

This appendix lists the legal names of existing kindergarten associations that currently meet the definition of a kindergarten association in the Glossary.

### Confirmed Legal Name

Ashburton Kindergarten Association  
Auckland Kindergarten Association  
Central Kids Kindergarten Trust  
Counties Manukau Kindergarten Association Incorporated  
Dannevirke Kindergarten Association  
Dunedin Kindergarten Association  
Geraldine District Free Kindergarten Association  
Gisborne Free Kindergarten Association Incorporated  
He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated  
Heretaunga Free Kindergarten Association  
Hutt City Kindergartens Association  
Tauranga Regional Free Kindergarten Association Incorporated  
Northern Auckland Free Kindergarten Association Incorporated  
Northland Kindergarten Association  
Canterbury Westland Kindergarten Association Incorporated  
Taranaki Free Kindergarten Association Incorporated  
Southland Free Kindergarten Association  
Marlborough Kindergarten Association  
Napier Free Kindergarten Association Incorporated  
Nelson District Free Kindergarten Association  
Oamaru Free Kindergarten Association  
Ruahine Kindergarten Association  
South Canterbury Free Kindergarten Association  
South Otago Free Kindergarten Association Incorporated  
Te Aroha Free Kindergarten Association  
Waikato Kindergarten Association  
Waimate Free Kindergarten Association Incorporated  
Westport Kindergarten Association

## Appendix 4

This appendix contains the salary scales for education and care services, including minimum salary scales from 1 January 2023 and updates that will be available from 1 November 2023.

### Minimum Salary Scales before 1 November 2023

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The following salary scales should be used by services with regard to the minimum salary amounts from 1 January 2023 but prior to 1 November 2023. By paying at least these salary amounts to all employed certificated teachers, Education and Care and Hospital-based services are eligible for higher funding rates.

### Minimum Salary Scale for Certificated Teachers

STEP	QUALIFICATION GROUP NOTATIONS	SALARY FROM 1 JANUARY 2023	INDICATIVE HOURLY RATE*
1	P1E, P2E, P3E	\$51,358	\$24.69
2		\$53,544	\$25.74
3	P3+E	\$55,948	\$26.90
4	P4E	\$58,133	\$27.95
5	P5E	\$61,794	\$29.71
6		\$65,776	\$31.62
7		\$68,103	\$32.74
8		\$70,431	\$33.86
9		\$72,758	\$34.98
10	P1M, P2M, P3M	\$75,230	\$36.17
11	P3+M, P4M, P5M	\$79,413	\$38.18

### Minimum Salary Scale for Management Positions

STEP	SALARY FROM 1 JANUARY 2023	INDICATIVE HOURLY RATE*
K2, K3, K4	\$79,413	\$38.18

- Base Funding Rates are available to services who pay at least Step 1
- Parity Funding Rates are available to services who pay at least Steps 1 to 6
- Extended Parity Funding Rates are available to services who pay at least Steps 1 to 11 and the management salary step

Only services who wish to receive the extended parity funding rates are required to pay a minimum salary to certificated teachers employed in a management position.

### Minimum Salary Scales from 1 November 2023

The following four salary scales should be used by services with regard to the minimum salary amounts **from 1 November 2023**:

- Base Salary Scale
- Parity Salary Scale
- Extended Parity Salary Scale
- Full Parity Salary Scale

By paying at least the salary amounts specified in these four salary scales to all employed certificated teachers, Education and Care and Hospital-based services are eligible for higher funding rates. Please note the updated names for the salary scales and the addition of the Full Parity Salary Scale.

#### Base Salary Scale (Step 1)

Education and Care and Hospital-based services who pay all employed certificated teachers at least the amount described in the Base Salary

Scale will be eligible to receive the Base Funding Rates

#### Minimum Salary Scale for Certificated Teachers

STEP	QUALIFICATION GROUP NOTATIONS	SALARY FROM 1 NOVEMBER 2023	INDICATIVE HOURLY RATE*	SALARY FROM 1 DECEMBER 2023	INDICATIVE HOURLY RATE*
1	P1E, P2E, P3E	\$51,358	\$24.69	\$57,358	\$27.58

**Note:** The Base Salary Scale is only effective from 1 November 2023.

#### Parity Salary Scale (Step 1-6)

Education and Care and Hospital-based services who pay all employed certificated teachers at least the amount described in the Parity Salary Scale will be eligible to receive the Parity Funding Rates.

#### Minimum Salary Scale for Certificated Teachers

STEP	QUALIFICATION GROUP NOTATIONS	SALARY FROM 1 NOVEMBER 2023	INDICATIVE HOURLY RATE*	SALARY FROM 1 DECEMBER 2023	INDICATIVE HOURLY RATE*
1	P1E, P2E, P3E	\$51,358	\$24.69	\$57,358	\$27.58
2		\$53,544	\$25.74	\$59,544	\$28.63
3	P3+E	\$55,948	\$26.90	\$61,948	\$29.78
4	P4E	\$58,133	\$27.95	\$64,133	\$30.83
5	P5E	\$61,794	\$29.71	\$67,794	\$32.59
6		\$65,776	\$31.62	\$71,869	\$34.55

**Note:** The Parity Salary Scale is only effective from 1 November 2023

#### Extended Parity Salary Scale (Partial Step 1-11+ Partial Management Step)

Education and Care and Hospital-based services who pay all employed certificated teachers at least the amounts described in the Extended Parity Salary Scale will be eligible to receive the Extended Parity Funding Rates.

#### Minimum Salary Scale for Certificated Teachers

STEP	QUALIFICATION GROUP NOTATIONS	SALARY FROM 1 NOVEMBER 2023	INDICATIVE HOURLY RATE*	SALARY FROM 1 DECEMBER 2023	INDICATIVE HOURLY RATE*
1	P1E, P2E, P3E	\$51,358	\$24.69	\$57,358	\$27.58
2		\$53,544	\$25.74	\$59,544	\$28.63
3	P3+E	\$55,948	\$26.90	\$61,948	\$29.78
4	P4E	\$58,133	\$27.95	\$64,133	\$30.83
5	P5E	\$61,794	\$29.71	\$67,794	\$32.59
6		\$65,776	\$31.62	\$71,869	\$34.55

STEP	QUALIFICATION GROUP NOTATIONS	SALARY FROM 1 NOVEMBER 2023	INDICATIVE HOURLY RATE*	SALARY FROM 1 DECEMBER 2023	INDICATIVE HOURLY RATE*
7		\$68,103	\$32.74	\$74,152	\$35.65
8		\$70,431	\$33.86	\$76,403	\$36.73
9		\$72,758	\$34.98	\$78,715	\$37.84
10	P1M, P2M, P3M	\$75,230	\$36.17	\$81,112	\$39.00
11	P3+M, P4M, P5M	\$79,413	\$38.18	\$85,457	\$41.09

#### Minimum Salary Scale for Management Positions

STEP	SALARY FROM 1 JANUARY 2023	INDICATIVE HOURLY RATE*	SALARY FROM 1 DECEMBER 2023	INDICATIVE HOURLY RATE*
K2, K3, K4	\$79,413	\$38.18	\$85,457	\$41.09

**Note:** The Extended Parity Salary Scale is only effective from 1 November 2023.

#### Full Parity Salary Scale (Full Step 1-11+ Full Management Steps)

Education and Care and Hospital-based services who pay all employed certificated teachers at least the amount described in the Full Parity Salary Scale will be eligible to receive the Full Parity Funding Rates.

#### Minimum Salary Scale for Certificated Teachers

STEP	QUALIFICATION GROUP NOTATIONS	SALARY FROM 1 NOVEMBER 2023	INDICATIVE HOURLY RATE*	SALARY FROM 1 DECEMBER 2023	INDICATIVE HOURLY RATE*
1	P1E, P2E, P3E	\$51,358	\$24.69	\$57,358	\$27.58
2		\$53,544	\$25.74	\$59,544	\$28.63
3	P3+E	\$55,948	\$26.90	\$61,948	\$29.78
4	P4E	\$58,133	\$27.95	\$64,133	\$30.83
5	P5E	\$61,794	\$29.71	\$67,794	\$32.59
6		\$65,776	\$31.62	\$71,869	\$34.55
7		\$70,040	\$33.67	\$76,261	\$36.66
8		\$75,190	\$36.15	\$81,566	\$39.21
9		\$79,413	\$38.18	\$85,915	\$41.31
10	P1M, P2M, P3M	\$85,490	\$41.10	\$92,175	\$44.31
11	P3+M, P4M, P5M	\$90,000	\$43.27	\$96,820	\$46.56

#### Minimum Salary Scale for Management Positions

STEP	SALARY FROM 1 NOVEMBER 2023	INDICATIVE HOURLY RATE*	SALARY FROM 1 DECEMBER 2023	INDICATIVE HOURLY RATE*
K2	\$94,175	\$45.28	\$101,120	\$48.62
K3	\$99,327	\$47.75	\$106,427	\$51.17
K4	\$107,770	\$51.81	\$115,123	\$55.35

**Note:** The Full Parity Salary Scale is only effective from 1 November 2023. Full Parity Funding Rates are a higher set of funding rates available to education and care and hospital-based services who pay all employed certificated teachers according to the Full Parity Salary Scale.

### Entry and Maximum Salary Steps

The Qualification Group notation used in the minimum salary scales denotes the:

- Entry (E) salary step for that qualification group
- Maximum (M) salary step for that qualification group

For the qualification groups please see [Chapter 3-B-2\(external link\)](#)

### Indicative Hourly Rates

The minimum salaries in this appendix represent a yearly salary calculated on the basis of a 40-hour employed week.

Where a teacher generally works more or less than 40 hours per week, the salary should be calculated to ensure the required hourly rate is maintained.

An indicative hourly rate can be found by dividing the minimum salary level by 2080 (40 hours x 52 weeks), rounding is to be applied to at least two decimal places.

**\* Please note, rounding to two-decimal places has been applied to the indicative hourly rates in the Minimum Salary Scales.**