



**MINISTRY OF EDUCATION  
WAIGANI**

Date: 25/1/2021

File: GC5-1-1/CF2-1-2

**MINISTERIAL POLICY STATEMENT NO: 01/2021**

**SUBJECT: GOVERNMENT TUITION FEE SUBSIDY (GTFS) POLICY FOR 2021**

**1. AUTHORITY**

The Ministerial Policy Statement (MPS) is issued under Section 27 (7) of the Education Act 1983 (Consolidated to No.13 of 1995) and should also be read in conjunction with **Secretary's Circular No. 03/2021**.

**2. PURPOSE**

The purpose of this MPS is to inform all parents and stakeholders on the GTFS Policy for academic year 2021 for schools in the General Education component of the national education system.

**3. APPLICATION**

The MPS applies to all public schools in the general education component of the national education system and are eligible for GTFS, namely: Elementary, Primary/Community, Provincial High Schools, Secondary Schools, National High Schools, Vocational Centers, FODE and Special Education Resource Centres (SERC).

**4. GTFS POLICY**

The Government Tuition Fee (GTFS) Policy that started in 2020 is underpinned by a shared responsibility charter between the state and parents with the support of stakeholders including levels of government and parents with collaboration from other stakeholders.

There are two components of the GTFS:

- (a) School Operations and Functional Grant component: 80%.
- (b) The Commodity component: 20%.

The GTFS policy caters for all children irrespective of the socio-economic and geographical background. The Government is committed to quality education provided to all students through an affordable and sustainable education financing policy.

## 5. GOVERNMENT FUNDING IN 2021

The government will provide **K486,351,600** in 2021 to cover the two components of GTFS. All efforts will be made to remit GTFS funds to schools at the start of each term.

## 6. TUITION COST AND NATIONAL EDUCATION BOARD (NEB) MAXIMUM FEE LIMITS

The following table shows the Total fees per NEB Maximum Fee limits for each component and by sector.

**Table 1: Total Tuition Cost and Fee Limits in Kina**

SECTOR	TOTAL TUITION COST	NATIONAL EDUCATION BOARD MAXIMUM FEE LIMIT BY SECTOR		
		SECTOR	BOARDING	DAY
ELEMENTARY	<b>117,227,440</b>	ELEMENTARY		110
PRIMARY	<b>323,151,444</b>	PRIMARY		297
Lower SECONDARY	<b>189,471,480</b>	LOWER SECONDARY	1650	990
Upper SECONDARY	<b>92,389,242</b>	UPPER SECONDARY	1749	1089
VOCATIONAL	<b>48,101,900</b>	VOCATIONAL	1430	990
FODE	<b>6,622,770</b>	FODE		110
SERC	<b>2,246,200</b>	SERC		200
	<b>779,210,476.00</b>			

**NB:** The Approved Permitted Schools are no longer supported by the GTFS Policy.

## 7. GOVERNMENT SUBSIDY AND PARENTAL CONTRIBUTION

The State Contribution component will be **62%** of the total NEB Maximum Fee Limit and parents will pay **38%**. The actual unit fees to be paid by state and parents are based on the **62/38** sharing model per student per sector as explained in the Secretary's Circular 3/2021.

FODE will be free starting this year to give every citizen the right to complete their education.

## 8. OTHER FEES

### (a) Project Fees

Schools are allowed to collect Project Fees but must follow strict approval guidelines.

### (b) Church Agency Fees

Church agency fees are to be paid by each student attending a church agency school as per the Education Act, 1983. Provincial Education Boards will set and approve the fees.

## **9. EDUCATION IS A RIGHT AND NO CHILD IS TURNED AWAY FROM SCHOOL.**

NO school administration or governing board is to refuse any child from enrolling in school or attending classes for non-payment of any form of fees. Special arrangements should be made between the parents and the school to pay the required fees over a period in the school year. No school is to refuse any students from enrolment or attending lessons.

## **10. PARTNERSHIP WITH PROVINCIAL GOVERNMENTS AND DISTRICT DEVELOPMENT AUTHORITIES**

Provincial Governments and District Development Authorities are requested to help their schools, and especially parents who may struggle to pay their 38% component of the fees.

Eight provinces (East New Britain, East Sepik, Eastern Highlands, Enga, Milne Bay, Morobe, New Ireland and Northern have signed MOAs with the National Government to manage national government school fee grants/subsidies. We will honor our commitment and enhance further collaboration and partnership.

## **11. MANDATORY SELF RELIANCE FOR SCHOOLS TO RAISE 10% OF ITS REVENUE**

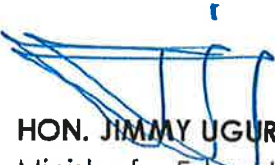
Schools have become too dependent on fees and subsidies in the recent past. Hence per the NEB recommendation at its last meeting, I direct every school to generate 10% of its school budget through self-reliance projects. Schools will comply with this direction in 2021.

## **12. CONCLUSION**

Apart from the GTFS policy funding, the State is committed to education and will pay the bulk of the cost of education for each child through teacher salaries, teacher training, standards assurance, curriculum and examinations, infrastructure, and grants.

I thank all parents and stakeholders for your continuous partnership in sharing the cost of education for our children.

For your information and adherence.

  
HON. JIMMY UGURO, MP  
Minister for Education



**Distribution:**

All members of Parliament

All SSM members

All Provincial Governors

All Chairman of DDAs

All Provincial Administrators

All Provincial Education Advisors

All District Education Administrators

All Superintendents/Directors

All School Inspectors

All Principals of National High Schools, High School and Secondary Schools

All Head Teachers of Primary/Community and Elementary Schools

All Manager/Manageress of Vocational Centres

All Church Education Secretaries.



DEPARTMENT OF EDUCATION  
WAIGANI

**SECRETARY'S CIRCULAR NO: 3/2021**

DATE: 25/01/21  
FILE: CM2-4-2

**TO: ALL CHAIRPERSONS OF PROVINCIAL EDUCATION  
BOARDS  
ALL CHAIRPERSONS OF SCHOOL BOARDS  
ALL PRINCIPALS, MANAGERS AND HEAD TEACHERS  
ALL SCHOOL INSPECTORS  
ALL CHURCH EDUCATION SECRETARIES  
ALL PARENTS AND STAKEHOLDERS**

**SUBJECT: ADMINISTRATION OF GOVERNMENT TUITION FEE  
SUBSIDY POLICY (GTFS) POLICY, 2021.**

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**1. AUTHORITY**

This Secretary's Circular is issued under Section 28 of the Education Act 1983 (consolidated to No. 13 of 1995).

It shall be read in conjunction with the Ministerial Policy Statement No: 01/2021 and Secretary's Circular Instruction No: 07/2018.

**2. PURPOSE**

This Secretary's Circular advises all education boards, school authorities, teachers, parents and stakeholders on the implementation of the GTFS Policy.

**3. APPLICATION**

This Circular applies to all public schools in the general education component of the national education system and are eligible for GTFS, namely: Elementary, Primary/Community, Provincial High Schools, Secondary Schools, National High Schools, Vocational Centers, FODE and Special Education Resource Centres (SERC).

#### **4. BACKGROUND**

The government's GTFS Policy is a deliberate government funding strategy with the support of parents to help schools to implement the school curriculum and meet other operational requirements.

In 2020, the GTFS Policy introduced a shared responsibility and partnership from government and parents to work together to provide quality education for our children.

This collaboration and partnership will continue in 2021 so that schools operate and sustain the teaching and learning programs.

#### **5. GOVERNMENT TUITION FEE SUBSIDY (GTFS) POLICY**

The government is committed to its policy on partnership and makes education a shared responsibility between the national government, provincial governments, DDAs, parents, churches and other stakeholders. Everyone's support for this policy is critical for the education of our children.

#### **6. 2021 BUDGET ALLOCATION**

Consistent with the Policy intent, the total budget allocation of the Government Tuition Fee Subsidy (GTFS) Policy for 2021 is **K486, 351,600**.

The two Components of the policy are;

- (a)** The School Operation and Functional Grant (80%).
- (b)** The Commodity Component (20%).

Component (a) will be remitted to school directed or through decentralized provincial trust accounts. Component (b) will be for the time being managed centrally.

#### **7. THE NATIONAL EDUCATION BOARD (NEB) MAXIMUM SCHOOL FEE LIMITS**

The NEB sets the maximum school fees limits for each sector each year. The total tuition cost based on NEB Maximum Fee Limits for 2021 per sector is as follows:

**Table 1: Total Tuition Cost and Fees in Kina**

SECTOR	TOTAL TUITION COST	NATIONAL EDUCATION BOARD MAXIMUM FEE LIMIT BY SECTOR		
		SECTOR	BOARDING	DAY
ELEMENTARY	117,227,440	ELEMENTARY		110
PRIMARY	323,151,444	PRIMARY		297
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SERC	2,246,200	SERC		200
	<b>779,210,476.00</b>			

## 8. GTFS AND PARENTAL CONTRIBUTION TO TUITION FEES

The State Contribution component will be **62%** of the total NEB Maximum Fee Limit and parents will pay **38%**. The actual unit fees to be paid by state and parents are based on the **62/38** sharing model per student per sector is as shown in Table 1.

**Table 2: 2021 Student Unit Tuition Fees by Sector in Kina**

SECTOR	NATIONAL EDUCATION BOARD MAXIMUM FEE LIMIT BY SECTOR (Kina)		GOVERNMENT SUBSIDY SUBSIDY (62%) (Kina)		PARENTAL CONTRIBUTION (38%) (Kina)	
	BOARDING	DAY	BOARDING	DAY	BOARDING	DAY
ELEMENTARY		110		68		42
PRIMARY		297		184		113
LOWER SECONDARY	1650	990	1025	615	625	375
UPPER SECONDARY	1749	1089	1086	676	663	413
VOCATIONAL	1430	990	888	615	542	375
FODE		110		110		0
SPECIAL ED.		200		124		76

**NB: Private and the Approved Permitted Schools are no longer supported by the GTFS Policy.**

From 2021, FODE is free of tuition fees. Those who wish to complete their education should enroll at the nearest FODE study centre. In 2021, we intend to start rolling out FODE in high/secondary and TVET schools too. We will advise every one of the progress of this intervention.

## 9. PAYMENT SCHEDULE

The Government is intending to fund 25 % of its contribution before school starts and complete its share by Term 3. At the same time parents are urged to pay their components before the end of Term 3. Parents can also pay fees in kind under arrangements with schools. E.g. Parents can bring garden food to the school mess than paying cash.

The State will make all attempts to pay its component in four payments and at the start of each quarter/Term.

## **10. OTHER FEES**

### **10.1. Project Fees**

Schools are allowed to collect Project Fees in 2021. The Provincial Education Board (PEB) is the only authority to approve a project fee for schools. The schools must qualify to charge this fee based on strict guidelines;

- (I) School has a School Learning Improvement Plan (SLIP)
- (II) School has a Project Plan.
- (III) School has a Scope and Budget of selected project.
- (IV) School shows a P&C Association agreement.

Project Fees if collected must be less than 20 percent of the Maximum Fee limit per student rate set by the National Education Board as shown below;

**Table 3: Maximum Project Fee Limit 2021**

Sector	NEB Fee Limit per Student	Maximum Project Fee Limit PEBs approve per Student
Elementary	K110	K20
Primary	K297	K60
Secondary	K1089	K220
Vocational	K990	K200
FODE	K100/subject	K20/subject
Special Education	K200	K40

### **10.2. Church Agency Fees**

Church agency fees are to be paid by each student attending a church agency school as per the Education Act, 1983. Provincial Education Boards will set and approve the fees, but must not be above the maximum limits set below;

- (a) Preparatory/Elementary – K5.00
- (b) Primary – K7.00
- (c) High/Secondary and Vocational – K10.00

## **11. STUDENTS SHOULD NOT BE DENIED THEIR RIGHT TO EDUCATION**

**NO** school administration or governing board is to refuse any child from enrolling in school or attending classes for non-payment of any form of fees. Any non-compliance to this policy must be reported to the immediate education authority and school inspectors or the National School Grants Unit.



Whilst every child has the right to education, schools also need funds to operate, therefore parents are encouraged to cooperate with school boards. Special arrangements should be made between the parents and the school to pay the required fees over a period that is fair for both parents and schools.

## **12. PARTNERSHIP WITH PROVINCIAL GOVERNMENTS AND DISTRICT DEVELOPMENT AUTHORITIES**

- 12.1. Provincial Governments and District Development Authorities are the immediate authorities responsible for the education of students in the general education sector, within their respective jurisdictions. In the spirit of partnership, every Provincial Government and District Development Authority is urged to help their schools, and especially parents who may struggle to pay their **38%** component of the fees.
- 12.2. Eight provinces (East New Britain, East Sepik, Eastern Highlands, Enga, Milne Bay, Morobe, New Ireland and Northern) have signed MOAs with the National Government to manage national government school fee grants/subsidies. The MOU will be implemented and monitored so that funds are remitted to schools on time and are accounted. Provinces must report every month/quarter to the PEBs and the Department of Education on the management of the funds.

## **13. MANDATORY SELF RELIANCE FOR SCHOOLS TO RAISE 10% OF ITS REVENUE**

Self-reliance has been encouraged by the Department so schools can raise additional funds to sustain themselves.

However, schools have become dependent on fees and subsidies in the recent past than raising its own internal revenue. Hence, the National Education Board (NEB) has recommended that 10% of the annual school budget be raised through self-reliance projects. MPS 1/2021 endorses the NEB decision. A separate Circular on self-reliance will be sent to schools soon.

## **14. ACCOUNTABILITY**

All TICs, Head teachers, Managers and Principals are accountable for all funds received by the school. You must maintain financial records and acquit by reporting all school expenditures as required by the Public

Finance Management Act (1995) to parents, community, District authorities and Provincial authorities **every month or quarter**.

All authorities in the Provinces, Districts and Schools are responsible to ensure planning; budgeting and spending of the funding provided under the Government Tuition Fee Subsidy grant are expended in a transparent manner by complying with the following directions:

- (i) Provincial Divisions of Education are accountable to establish processes and control measures to ensure schools spend and acquit funds as instructed by the policy guidelines, other financial instructions and Secretary's Circular Instruction No.7 of 2018.
- (ii) All School Heads and School Boards are accountable for the receipt and expenditure of all public monies including GTFS grants.
- (iii) School Heads are responsible to acquit and provide school financial reports to School Boards, Provincial Education Boards on a quarterly basis. The same report must be provided to parents and citizens.
- (iv) School Inspectors must ensure that they check and go through all school account records whilst on school visits or if there is a need.
- (v) All mismanagement of GTFS monies should be reported to respective Provincial Education Boards for appropriate action.
- (vi) District Education Implementation Committees (DEIC) are accountable to ensure that real time school data is endorsed and submitted through MyPNGSchool Application and to correct mismanagement in schools.
- (vii) School Boards and Administrations ensure that a SLIP (plan) is done and approved to show spending from GTFS and other sources of funding.
- (viii) A compulsory Combined Cash Book (CCB) is to be maintained as the basis for school financial audits in a year.
- (ix) All Financial Reporting should reflect the achievement and non-achievement of approved SLIP plans;
- (x) The Provincial authority working with the Provincial GTFS Coordinator is to submit **quarterly expenditure summary report** to the GTFS Unit of the Department of Education for reporting to NEC and Parliament.

## **15. MISMANAGEMENT OF GTFS FUNDS**

This Secretary's Circular is simple and precise on all schools receiving GTFS funds to report expenditure as required by the Public Finance Management Act 1995 and the Education Act 1983.

Disciplinary actions will be taken against heads of institutions and school boards that fail to meet the acquittal requirements. This may also include referral to Police and/or other administrative disciplinary measures such as withholding GTFS grants by the Department of Education.

To avoid such penalties that may affect children’s learning, all school officials administering and managing the GTFS Grants must comply with the instructions contained herein.

A separate detail guideline will be sent to schools.

## 16. CONTACT FOR QUERIES

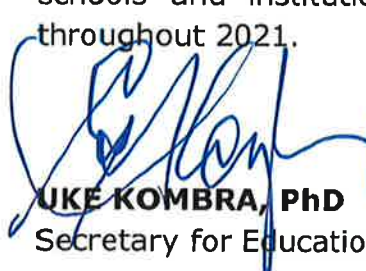
Postal Address	Phone/Email/Website
The Executive Director School Grants Unit Department of Education 7 <sup>th</sup> Floor – Fincorp Haus P.O.Box 446. WAIGANI NCD	Phones: 328 8800 Ext: 661/662 Email: <a href="mailto:tff_help@education.gov.pg">tff_help@education.gov.pg</a> <a href="mailto:betty_napil@education.gov.pg">betty_napil@education.gov.pg</a> <a href="mailto:robert_pelis@education.gov.pg">robert_pelis@education.gov.pg</a> Website: <a href="http://www.education.gov.pg">www.education.gov.pg</a>

## 17. CONCLUSION

The State is committed to education and will pay the bulk of the cost of education for each child through teacher salaries, teacher training, standards, curriculum and examinations, infrastructure, and grants. GTFS policy is an additional commitment to support schools.

The Government’s Tuition Fee Subsidy Policy will continue in 2021 in our endeavor to promote partnership and provide a sustainable education system for our children.

It is important that all education boards, school governing boards, school administrations, parents and stakeholders comply with this Circular to ensure schools and institutions start the year on time and remain operational throughout 2021.

  
**LUKE KOMBRA, PhD**  
Secretary for Education

