



ISLAMIC COLLEGE OF BRISBANE

**NOTICE OF COMMUNITY MEETING TO PRESENT A RESPONSE TO A COMMONWEALTH  
GOVERNMENT COMPLIANCE NOTICE**

THURSDAY 03 DECEMBER AT 7.00pm IN THE COLLEGE MULTI-PURPOSE HALL

AsSalaamu Alaikum Wr. Wb.,

**1. INTRODUCTION**

The Islamic College of Brisbane Board received a Compliance Notice from the Australian Government Department of Education and Training on Friday 13<sup>th</sup> November, 2015 and has been given until Friday 11<sup>th</sup> December to respond. The Notice relates to audits by the Department and Deloitte's auditors in relation to Governance and Administration matters at ICB over the period 1<sup>st</sup> January 2012 to 31<sup>st</sup> May 2015.

**2. MAJOR FINDINGS**

- a. The Board must deal with the issue of control and influence by AFIC in a comprehensive and lasting manner.
- b. The Board did not have sufficient or effective governance arrangements in place regarding administration of Commonwealth funding and is therefore not a "fit and proper" body.
- c. The policies and practices in place for the Board were inconsistent with the basic requirement for the Board to be "not-for-profit".
- d. Deficiencies were found in record keeping for monitoring compliance in the areas of student and staff census data, accounting practices to separately identify Commonwealth funds expenditure and other related matters.

**3. WHAT HAS BEEN DONE TO ADDRESS THE FINDINGS**

- a. To lessen the control and influence of AFIC a "Draft" Constitution prepared with legal advice was tabled at the September 17<sup>th</sup> meeting of the Board. A decision on this constitution will be made at the December 2<sup>nd</sup> Board meeting.
- b. To address governance concerns:
  - i. A new Board has been formed following the draft constitution format (Chair, 2 AFIC, 5 elected members and 1 CPAC) and will meet on December 2<sup>nd</sup>.
  - ii. At the September 17<sup>th</sup> meeting of the Board it was resolved that once the new Board was in place that Board Training in Governance procedures would take place. This board training will address the Deloitte audit concern that although there are clearly documented policies and procedures in place relating to expenditure there is lack of evidence that these policies have been properly implemented.

- c. To address "not-for-profit" concerns:
  - i. ICB has established an accounting function separate from AFIC.
  - ii. Discussion will take place on an appropriate auditor for the ICB accounts at the December 2<sup>nd</sup> board meeting.
  - iii. The Board Chair is entering into negotiations with AFIC regarding provision of appropriate documentation for Loan, Rent and Service agreements.
- d. To address record keeping for monitoring compliance concerns:
  - i. In August 2015 the recommendations from the audits of 2012 and 2014 student census data submissions were implemented.
  - ii. Now that ICB has a separate accounting function arrangements are being made with the Independent Schools of Queensland Association through its Director to adopt a system used by other schools that would satisfy Commonwealth requirements. The budget for 2016 will have its format changed to accommodate the new system.

#### 4. RELATIONSHIP TO KEY RECOMMENDATIONS OF DELOITTES AUDIT

The actions taken so far demonstrate that the three key recommendations of the Deloittes audit are being addressed:

- a. The Constitution be changed to provide independence to the approved authority, Board and Principal.
- a. The Board holds the records relating to the operation of the school on the school premises.
- b. Loan and other commercial arrangements (e.g. Rent and Service agreements) with AFIC should be made transparent to demonstrate the commercial terms on which they are made and provide appropriate documentation.

#### 5. PURPOSE OF THE COMMUNITY MEETING

To enable the provision of the latest and fullest information and to seek input an ICB Community Meeting will be held on Thursday December 3<sup>rd</sup> following the Board meeting of Wednesday December 2<sup>nd</sup>. In the meantime please rest assured that much has been done, is being done and will be done to ensure the continued provision of an excellent education for students of families in our community.

WaAlaikum AsSalaam Wr. Wb.,



Ismail Cajee (Board Chair)



Dr Ray Barrett (Principal)