

## **School sacks staff to pay back money for phantom students**

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*Australian*  
8 June 2011

AUSTRALIA'S showpiece indigenous school must repay at least \$3 million in taxpayers' money and sack more than 20 staff after wrongfully claiming government funding for hundreds of students.

Djarragun College board chairman Brent Kelly yesterday told staff for the first time about the extent of the financial "crisis" into which the school near Cairns had sunk.

Mr Kelly said 23 employees in the school's cleaning, maintenance and vocational training departments would be made redundant to help repay the money.

The school's second campus, at Wangetti between Port Douglas and Cairns, would be effectively shut for the rest of this year, but would reopen next year.

It is the first time a dollar figure has been placed on the amount of state and federal funding over-claimed by the nation's premier indigenous school.

The Australian understands the figure could be much higher than \$3m, but that the school has not yet been formally asked to repay the money. That demand is expected to come later this year.

Djarragun is an independent Anglican school responsible for educating mainly disadvantaged children from Cape York and the Torres Strait.

In March, The Australian reported the concerns of former Djarragun staff that the school had exaggerated enrolment figures to claim more government funding.

State and federal education authorities ordered immediate inquiries and one, an audit by Queensland's Non-State School Accreditation Board, discovered damning evidence that Djarragun had claimed for 250 phantom students over three years.

That finding is now being investigated by the Queensland police fraud squad.

The school's board is seeking independent advice to draw up a crisis financial plan and it has commissioned an independent review of governance.

Mr Kelly yesterday apologised to staff and students and said the decision to sack employees was "painful but unavoidable".