



Australian Government

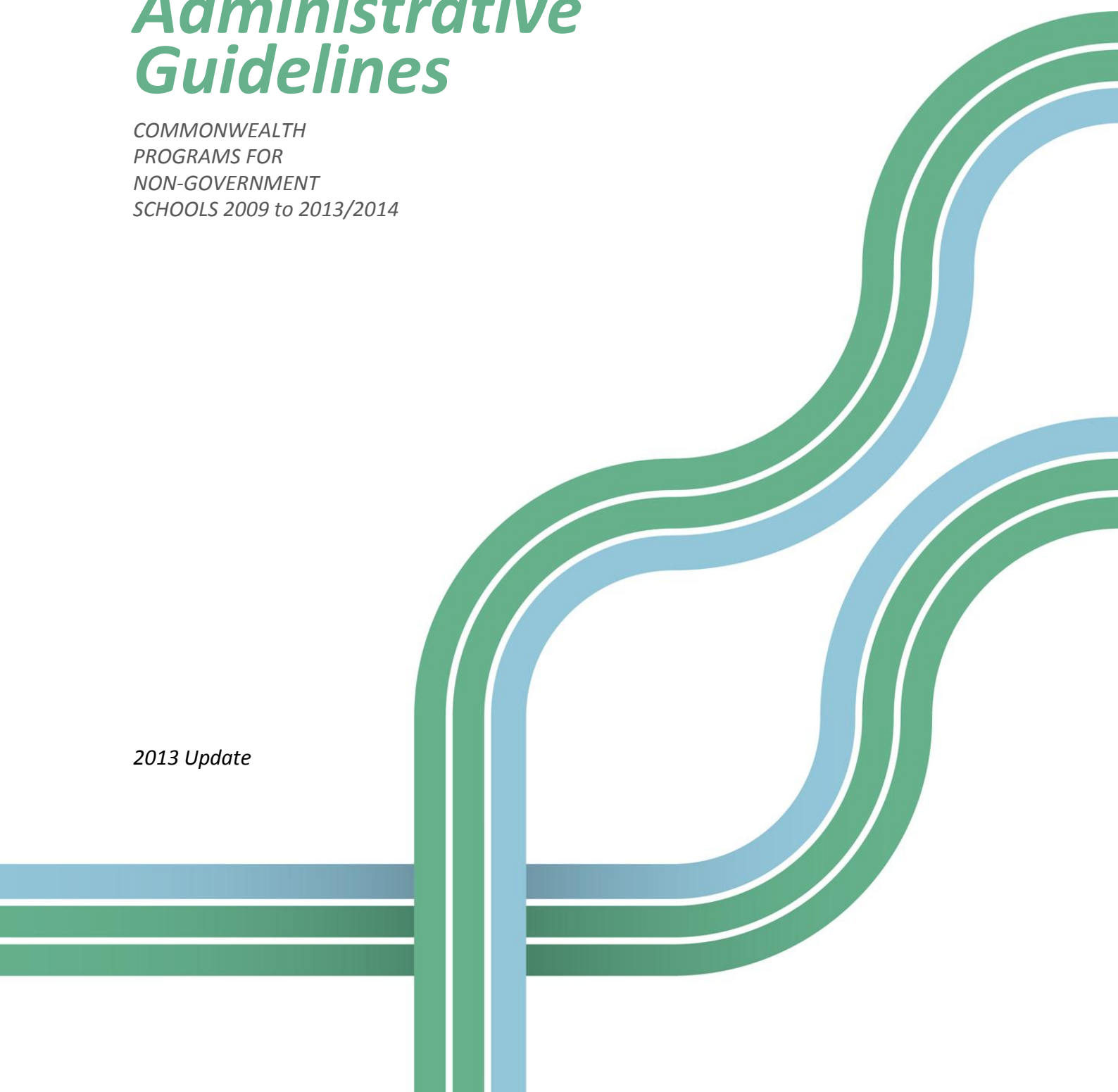
Department of Education, Employment  
and Workplace Relations

*Schools  
Assistance  
Act 2008*

# *Administrative Guidelines*

COMMONWEALTH  
PROGRAMS FOR  
NON-GOVERNMENT  
SCHOOLS 2009 to 2013/2014

*2013 Update*





## Summary of key changes made to the 2013 Update of the Administrative Guidelines

SECTION HEADING	CHANGES	PARAGRAPH NO. 2013 Update	PARAGRAPH NO. 2012 Update
Part 1: Introduction	Updated	8, 9, 11, 18, 20, 24, 25, 27, 33, 34, 46, 47, 48, 49, 50	8, 9, 11, 18, 20, 24, 25, 27, 33, 34, 46, 47, 48
	New information	49	
	Removed		49
Part 2: Grants for Recurrent Expenditure	Updated	77, 79, 81, 83, 85, 87, 95a, 98, 100, 103, 108, 109, 126-127, 129-130, 134h	76, 78, 80, 82, 84, 86, 94a, 97, 99, 103, 106, 107, 124, 125, 127, 127, 128, 132h
Part 3: Grants for Capital Expenditure	Updated	154c, 154h, 154k, 156 158, 163 Table 3.1, 164, 176b(iv), 183	152c, 152h, 152k, 154, 156, 162 Table 3.1, 162, 174 b(iv), 181
Part 4: Grants for Targeted Expenditure	Updated	210, 220, 223, 245, 246, Table 4.1, Table 4.2, 252, 256, 258, 259, 266, 267, 274, 283, 293, 297b, 297c, 303, 307, 313 Tables 4.3 and 4.4, 322, 335	208, 218, 221, 243, 244, Table 4.1, Table 4.2, 250, 254, 256, 257, 266, 267, 274, 283, 293, 297 b, 297c, 303, 307, 313 Tables 4.3 and 4.4, 322, 335
	Removed		261, 262
Part 5: References	Updated	5.1, 5.2 sub-heading, 342, 344, 345, 349	5.1, 5.2 sub-heading, 341, 343, 344, 348
	New	341	

## Key changes to Appendices

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# PART 1: INTRODUCTION

1. The *Administrative Guidelines for Commonwealth Programs for Non-government Schools* (the Guidelines) provide an overview of the funding arrangements for non-government schools for 2009-2013/2014 and details about key aspects of the performance and accountability framework.
2. Each major category of funding provided for under the *Schools Assistance Act 2008* (the Act) is discussed in a separate section of the Guidelines to provide interested parties with the required information to understand and apply the processes governing funding support. Funding that is not provided under the Act is not discussed in these Guidelines.
3. The Act has been amended to extend the existing funding arrangements, including indexation arrangements, for grants for recurrent and targeted expenditure until the end of 2013, and for grants for capital expenditure until the end of 2014.

## Education Revolution

4. The Australian Government's Education Revolution involves greater collaboration and sharper focus on improving outcomes as students move through school. Reform involves collaboration across the government and non-government sectors and a genuine partnership involving parents, children, students, employers and all levels of government.
5. The Government's commitment to delivering its Education Revolution is underpinned by a funding framework for schools which came into effect on 1 January 2009. The framework comprises:
  - the National Education Agreement (NEA) between the Commonwealth and state and territory governments that defines Commonwealth and state and territory roles and responsibilities, objectives, outcomes, performance benchmarks and indicators
  - the *Schools Assistance Act 2008* that confirms the government's financial support for the non-government school sector for the 2009 to 2013/14 program years and sets out the transparency and accountability requirements for non-government primary and secondary education.
6. Commonwealth funding for the states and territories for government schools from 2009 is appropriated separately as part of the Commonwealth-State financial arrangements for Specific Purpose Payments (including schools funding) through the *Federal Financial Relations Act 2009*. The Commonwealth Department of the Treasury administers these arrangements.
7. The *Schools Assistance Act 2008* appropriates funding for non-government schools over 2009 to 2013/2014 in a way that will give funding certainty, focus on quality and apply transparency and accountability requirements that are consistent with those for government schools under the NEA. The Act also makes important changes to funding for Indigenous students in non-government schools.

8. The educational outcomes of all schools, regardless of sector, will be monitored through the Ministerial Council<sup>1</sup> which will report to the Council of Australian Governments' Reform Council (CRC). CRC will monitor the pace of activity in progressing the Council of Australian Governments' (COAG) agreed reform agenda.

9. On 28 November 2012, the Prime Minister, the Hon Julia Gillard MP, introduced into the Parliament the Australian Education Bill 2012. This Bill:

- a. establishes a national vision for schooling reform, based on the *National Plan for School Improvement*
- b. outlines the following core reform directions: quality teaching; quality learning; empowered school leadership; transparency and accountability; meeting student need and a fairer school funding model
- c. commits the Commonwealth to work collaboratively with the states and territories and the non-government schools sector to achieve these goals, and over the coming months the Government will discuss the details of the Plan and future school funding arrangements with these education authorities
- d. if passed, will come into effect on 1 January 2014, with a transition period to give all schools time to prepare and adjust to the new arrangements.

The Australian Government will work collaboratively with all parties through 2013 to implement the new schools funding arrangements. Further information about the Australian Government's Plan is available on the *Better Schools* website at [www.betterschools.gov.au](http://www.betterschools.gov.au).

## Funding for non-government schools

10. The Act provides the legislative framework for Commonwealth financial assistance for non-government primary and secondary education for 2009 to 2013/14, including:

- a. recurrent and capital funding for non-government schools
- b. continuation of current indexation arrangements, with indexation of recurrent and targeted funding based on Average Government School Recurrent Costs (AGSRC), and indexation of capital funding based on an index of building prices and wage costs
- c. maximum recurrent funding for non-government schools with significant proportions of Indigenous students
- d. Indigenous Supplementary Assistance (ISA) and Indigenous Funding Guarantee (IFG) for Indigenous students

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<sup>1</sup> Ministerial Council means the Council of Commonwealth, State and Territory Ministers, as it exists from time to time, with responsibility for school education. The current Ministerial Council is the Standing Council on School Education and Early Childhood (SCSEEC), which was established on 18 January 2012, and took over the schools education functions of the former Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA). MCEECDYA was established on 1 July 2009 and took over the schools education functions of the former Ministerial Council on Education, Employment, Training and Youth Affairs.

- e. Targeted programs:
  - i. Short Term Emergency Assistance to support the operation of schools that have been affected by unforeseen, emergency circumstances
  - ii. Country Areas Program which assists geographically isolated children
  - iii. School Languages Program to improve learning outcomes of students learning languages other than English
  - iv. English as a Second Language – New Arrivals (ESL-NA) Program to assist newly arrived students of non-English speaking backgrounds
  - v. Literacy, Numeracy and Special Learning Needs (LNSLN) Program which assists the most disadvantaged students including students with disabilities.

11. The Act can be accessed at: <http://www.comlaw.gov.au/Details/C2008A00153>.

### Funding conditions

12. The Act prescribes the general conditions on which financial assistance is to be paid in respect of non-government schools. Under the Act, payments to authorities for non-government school systems, non-government schools and non-government bodies cannot be made until those authorities have each signed a funding agreement with the Commonwealth. Funding agreements list the conditions with which authorities must comply in order to receive funding. In brief, these conditions include:

- a. national school performance and transparency requirements
- b. grant acquittal and reporting requirements
- c. monitoring, evaluation and compliance
- d. other provisions.

13. If an authority does not fulfil a condition, the Minister may seek repayment of an amount or reduce other amounts payable to the authority or delay making any further payment to the authority.

14. If an authority has been paid an amount that was not properly payable, the Minister may seek repayment from the authority or reduce another amount payable to the authority.

### Transparency: Performance Information and Reporting Framework

15. Commonwealth financial assistance to both government and non-government schools includes a set of reporting requirements which focus on ensuring transparent reporting to government, parents and the community.

16. The Act and the *Schools Assistance Regulations 2009* (the Regulations) set out the reporting requirements for non-government schools and school systems and are consistent with those required of government schools under the National Education Agreement (NEA).

17. As outlined in the relevant sections of the Act, the national school performance and transparency requirements encompass the following elements:



- a. participation in national testing;
- b. participation in national reports on the outcomes of schooling;
- c. provision of individual school information;
- d. provision of plain language student reports to parents; and
- e. annual reporting to the community by schools.

18. The Australian Curriculum, Assessment and Reporting Authority (ACARA) was established in 2008 and plays a key role in delivering the Government's transparency agenda. ACARA is the statutory authority responsible for the national assessment program and the collection, management, analysis and publication of school data, including the implementation and maintenance of the My School website. ACARA developed and published a new version of the framework titled the Measurement Framework for Schooling in Australia (2010). The framework defines the national key performance measures, specifies the data sources for these measures and outlines the reporting cycle for 2010 to 2015. The direction and forward work program expected of ACARA is set by the Ministerial Council through the ACARA Charter.

19. Details in relation to the five reporting requirements are summarised below.

### Participation in national testing

20. All schools and school system authorities must ensure that the national student assessments specified in the Regulations are carried out for each school or, in the case of sample assessments, for each school selected in the sample. Regulations prescribe the assessments already agreed to by Education Ministers and published in the Measurement Framework for Schooling in Australia 2010, which include:

- National Assessment Program – Literacy and Numeracy (NAPLAN) assessments in reading, writing, language conventions (spelling, grammar and punctuation) and numeracy, to be carried out each year (2009-2013) by all schools, for all students in Years 3, 5, 7 and 9
- National Assessment Program (NAP) sample assessments, on a 3-yearly rolling cycle, at selected schools, for selected students in Years 6 and 10. These cover Year 6 Science Literacy (in 2009 and 2012), Year 6s and 10 Civics and Citizenship (in 2010 and 2013), and Year 6s and 10 Information and Communication Technologies (ICT) Literacy (in 2011)
- four international assessments - the Organisation for Economic Co-operation and Development (OECD) Programme for International Student Assessment (PISA) in reading, mathematical and scientific literacy for 15 year olds in 2009 and 2012, the Trends in International Mathematics and Science Study (TIMSS) at Years 4 and 8 in 2010, Progress in International Reading Literacy Study (PIRLS) at Year 4 in 2010 and the International Computer and Information Literacy Study (ICILS) at Year 8 in 2013.

21. A school cannot obtain exemption from this requirement. Individual parents may, however, wish to withdraw their child from assessments that they feel are inappropriate for their child. This is a matter for consideration by individual parents and must be requested in writing to the school. Schools must keep a copy of the request on file.

22. The Measurement Framework for Schooling in Australia 2010 is available on the ACARA website at <http://www.acara.edu.au/default.asp>. Information on the schedule of national student assessments is available at [http://www.nap.edu.au/Information/Key\\_Dates/index.html](http://www.nap.edu.au/Information/Key_Dates/index.html).

23. NAPLAN assessments managed by ACARA will be conducted in accordance with the National Protocols for Test Administration, which are available at [http://www.nap.edu.au/NAPLAN/School\\_support/National\\_protocols/index.html](http://www.nap.edu.au/NAPLAN/School_support/National_protocols/index.html).

24. Breaches of the [National Protocols for Test Administration](#) and allegations of cheating or improper behaviour will be investigated, managed and reported in accordance with the processes in the Guidelines for Managing Test Incidents in Schools, available at [http://www.nap.edu.au/verve/\\_resources/Guidelines\\_for\\_Managing\\_Test\\_Incidents\\_in\\_Schools.pdf](http://www.nap.edu.au/verve/_resources/Guidelines_for_Managing_Test_Incidents_in_Schools.pdf).

25. Test administration authorities in each jurisdiction are responsible for the implementation of the NAPLAN tests. Contacts for test administration authorities are as follows:

Jurisdiction	Website Link	Organisation	Contact
NSW	<a href="#">Board of Studies NSW</a>	Board of Studies NSW	Ms Robyn Roberts (02) 9367 8131
VIC	<a href="#">Victorian Curriculum and Assessment Authority</a>	Victorian Curriculum and Assessment Authority	Ms Cathy Boldiston 1800 648 637
QLD	<a href="#">Queensland Studies Authority</a>	Queensland Studies Authority	Ms Lee Willett (07) 3864 0481
WA	<a href="#">Department of Education</a>	Department of Education, WA	Ms Marilyn McKee (08) 9442 9460
SA	<a href="#">Department of Education and Child Development</a>	Department of Education and Child Development, SA	Mr Kym Linke (08) 8226 1340
TAS	<a href="#">Department of Education</a>	Department of Education, Tasmania	Mr Paul Becker (03) 6233 6957
NT	<a href="#">Department of Education and Children's Services</a>	Curriculum, Teaching and Phases of Learning, NT	Ms Natalie Ede (08) 8944 9245
ACT	<a href="#">Department of Education and Training</a>	ACT Department of Education and Training	Mr Simon Tiller (02) 6205 9317

Updates to contacts for test administration authorities are available at <http://www.nap.edu.au/contacts/contact-test-administration-authorities.html>.

### Participation in national reports on the outcomes of schooling

26. Under section 18 of the Act, non-government schools and school systems are required to participate in preparing national reports on the outcomes of schooling. In addition to meeting the performance reporting requirements in the Regulations, non-government school authorities are expected to meet any other reporting requirements in the NEA relating to participation in national reports - that is, the annual national report on the

outcomes of schooling in Australia and COAG reports including the report *Overcoming Indigenous Disadvantage*.

27. The performance measures specified in the Regulations are those agreed by Education Ministers and published in the Measurement Framework. They cover:

- NAPLAN literacy and numeracy assessments at Years 3, 5, 7 and 9
- other learning area assessments (NAP sample assessments, PISA and TIMSS) vocational education and training in schools
- student participation.

28. Data from NAPLAN assessments at Years 3, 5, 7 and 9, along with parent background information, will be provided to ACARA by the relevant test administration authority on behalf of schools and education authorities for national reporting purposes. This information can be used for general performance analysis, as well as for calculating the Index for Community Socio-Educational Advantage (ICSEA). ACARA may seek additional parent background information from schools or systems for any given year. This information may relate to students who were or were not assessed in NAPLAN in that year. Such information is required to calculate a school's ICSEA score where existing records are insufficient for this purpose. Supply of additional parental background information is not required under the Act is therefore voluntary.

29. Student background characteristics are also specified in the Regulations. Reporting of performance measures disaggregated according to student background characteristics is critical to monitoring the equity aspects of student outcomes.

30. The reporting of performance measures for NAPLAN and other NAP assessments is required by the following characteristics of students: sex, Indigenous status, socioeconomic background, language background, geographic location and disability (see paragraph 32). Reporting on student attendance is by school sector, school grade, sex and Indigenous status.

31. The relevant definitions for reporting are those agreed by Education Ministers and published in the 2010 Data Standards Manual, which is available at [http://www.mceecdya.edu.au/mceecdya/data\\_standards\\_manual\\_2010,30011.html](http://www.mceecdya.edu.au/mceecdya/data_standards_manual_2010,30011.html).

32. Reporting against the characteristic of disability is a new requirement. The relevant process and definitions for reporting have yet to be agreed, but once these details have been agreed, reporting against the characteristic of disability will be required and will be prescribed in the Regulations.

33. Requirements in the NEA which are not specified in the Regulations include reporting on Year 10 completion by Indigenous students, and reporting the numbers of students with a disability and students from non-English speaking backgrounds (including newly-arrived migrants and refugees) who are provided with additional support. Definitional and other work needs to be agreed through the Ministerial Council before these collections can commence; in the meantime, non-government schools provide some of this data. Non-government school authorities are also expected to continue to provide information on Indigenous employment in schools and professional development by Indigenous education

workers currently required for the biennial COAG report *Overcoming Indigenous Disadvantage*.

34. Where appropriate, regulations will be amended to reflect decisions made by the Ministerial Council regarding the collection and publication of school data.

### Provision of individual school information

35. All schools and system authorities must provide to the Minister, or to a person or body determined by the Minister, the individual school information for each school as specified in Regulation 4. The Minister has determined that the information will be provided to ACARA. Some of this individual school information will be published on ACARA's *My School* website at <http://www.myschool.edu.au/>. The requirement to provide individual school information applies to all schools, both government and non-government.

36. The information to be provided covers three classes of indicators identified by Ministers:

- a. contextual - factors that contextualise student outcomes, e.g. a school's student intake (population), spread of student socioeconomic status (SES), proportion of Indigenous students
- b. capacity - a school's capability, e.g. school finance information, teacher workforce
- c. outcomes - a school's outcomes, e.g. literacy and numeracy test results, Year 12 attainment, school opinion survey results.

37. Full details of the individual school information requirements are provided at [Appendix N](#). These requirements are the result of advice provided to Ministers by the then School Reporting Working Group, an advisory group that included representatives from the Commonwealth, States and Territories, the National Catholic Education Commission (NCEC) and the Independent Schools Council of Australia (ISCA).

38. Much of the information listed in the Regulations that schools are required to provide is available through existing data collections. To limit the reporting burden on schools, information will be collected from existing collections, wherever possible.

39. Collection and reporting of individual school information will be in accordance with the Principles and Protocols for Reporting on Schooling in Australia, agreed by Education Ministers in June 2009 and available at:

[http://www.mceecdya.edu.au/verve/resources/Principles\\_and\\_Protocols\\_2009.pdf](http://www.mceecdya.edu.au/verve/resources/Principles_and_Protocols_2009.pdf).

### Provision of plain language student reports to parents

40. As required by the Act and the Regulations, all school and system authorities must provide plain language student reports to the parents or carers of each child from Years 1-10 inclusive at least twice a year that:

- are readily understandable to those responsible for the student and give an accurate and objective assessment of the student's progress and achievement
- include an assessment of the student's achievement against any available national standards

- include, for subjects studied, an assessment of the student’s achievement
  - reported as A, B, C, D and E (or an equivalent five-point scale), clearly defined against specific learning standards
  - relative to the performance of the student’s peer group at the school.

41. The intention of comparative performance reporting is to provide parents with an indication of the achievement of their child relative to other students in the cohort. There is no requirement to provide the comparison, either by quartiles, or on a “bell curve”. For example, all students in a cohort could be given the same grade if they all meet the appropriate assessment requirements.

42. A school cannot obtain exemption from this A-E reporting requirement. Individual parents may elect not to receive A-E reporting for their child via a written request to the school. Schools must retain a copy of all such written requests on file.

### Publication of school annual reports

43. All schools and system authorities must make publicly available, within six months of the end of each program year, a school annual report that includes information on a set of indicators about the school. Aimed at parents and the community, this report will include the following information, specified in the Regulations:

- contextual information about the school, including the characteristics of the student body
- teacher standards and qualifications as mandated in the relevant jurisdiction
- workforce composition, including Indigenous composition
- student attendance at school, including:
  - rates of attendance for the whole school and for each year level
  - a description of how non-attendance is managed by the school
- senior secondary outcomes, including the percentage of year 12 students:
  - undertaking vocational or trade training
  - attaining a Year 12 certificate or equivalent vocational education and training (VET) qualification
- student outcomes in standardised national literacy and numeracy testing
- parent, student and teacher satisfaction with the school
- post-school destinations
- school income broken down by funding source.

44. The Regulations require that this information must be made publicly available on the Internet with provisions for parents without internet access. These requirements are comparable to those required for state government schools under the NEA.

45. Note: The Annual Report publication described in this section is a separate requirement to the provision of data to ACARA for publication on the *My School* website.

## Australian Curriculum

46. The Government is committed to the development of a rigorous and world-class Australian Curriculum from Foundation\* to Year 12, starting with the learning areas of English, mathematics, science and history. An Australian Curriculum is also being developed for the learning areas of geography, languages, the arts, health and physical education, civics and citizenship, technologies, and economics and business.

47. ACARA is overseeing the development of the Australian Curriculum. ACARA was established in 2008 and is responsible for curriculum, assessment and reporting at a national level. The membership of the ACARA Board includes representatives from the non-government sector.

48. The new Australian Curriculum provides agreement on the curriculum content that all young Australians should be taught. It also provides explicit advice on the achievement standards that all Australian students should be meeting. Beyond the core requirements, there continues to be flexibility for innovation and creativity that allows schools and teachers to deliver the Australian Curriculum in appropriate ways at the local school level. In December 2010, Education Ministers, through the Ministerial Council, agreed that the Australian Curriculum in English, mathematics, science and history for F-10 would be implemented by states and territories from 2011, with substantial implementation to be completed by the end of 2013.

49. In collaboration with state and territory curriculum authorities, ACARA has developed a national recognition process for well-established alternative frameworks, such as the International Baccalaureate, Montessori and Steiner. The outcomes for organisations that submit alternative frameworks to ACARA for assessment are published on the ACARA Recognition Register at [www.acara.edu.au](http://www.acara.edu.au). ACARA's recognition process does not replace state and territory school registration processes, which continue to apply.

50. Section 6A.1 of the *Schools Assistance Regulations 2009* prescribes the national curriculum for implementation in non-government schools, being either the Australian Curriculum or a curriculum recognised by ACARA, and that the curriculum must be implemented by the later of the date it is implemented in government schools in the same jurisdiction or the date authorised by the Ministerial Council.

\*Note: The term Foundation Year has been used as a nationally consistent term for the year of schooling prior to Year 1 for the purpose of the Australian Curriculum. It does not replace the equivalent terms used in states and territories – Kindergarten (NSW/ACT), Preparatory (QLD/VIC/TAS), Pre-primary (WA), Reception (SA) and Transition (NT).

## Financial Viability

51. The Act requires a school or school system authority to be financially viable as a condition of the grant of financial assistance to a State for a non-government school or another non-government body.

52. Section 15 of the Act enables the Minister to refuse to authorise, or to delay, a payment to a State for a non-government body (including a non-government school) or the relevant school system authority of such a body, if the Minister considers:

- a. that the liabilities of the body or authority are greater than its assets (subparagraph 15(1)(b)(i))  
or
- b. the body or authority is (and is likely to continue for a substantial period to be) unable to pay its debts as and when they fall due for payment (subparagraph 15(1)(b)(ii)).

53. Section 15 of the Act allows the Minister to refuse or delay a payment where the audit opinion:

- a. is expressed to be qualified (subparagraph 15(1)(c)(i))  
or
- b. expresses concern about the financial viability of the body or authority (subparagraph 15(1)(c)(ii)).

54. The Commonwealth has an obligation to ensure that advice from auditors is acted upon. A qualified audit certificate alerts the Department that there are issues in the school which may require attention. Delaying payments to a school will only occur where there are substantial concerns about the way in which the school is operating. This section in the legislation informs the funding recipient and the public in an open and transparent way of the arrangements for monitoring a school's financial health. Section 15 of the Act includes a provision to ensure that where the Minister elects to refuse or delay a payment because of the audit report, the Minister's determination will be a disallowable instrument for the purposes of section 46B of the *Acts Interpretation Act 1901*.

55. Schools or school system authorities are required to provide:

- data by submitting an annual Financial Questionnaire and a Census return, in accordance with the requirements of the funding agreement for recurrent assistance
- financial reports, including documents and information as requested, under Clause 12.1 of the Funding Agreement.

56. To ensure appropriate use of public funding, it is important for the Government to be satisfied of the financial standing of schools. To meet this objective, an approach to monitor the financial standing of schools that supplements current approaches is being considered by the Commonwealth and may be introduced following consultation with the non-government schools sector.

57. School and system authorities are required to comply with the Department's processes for managing financial risk.

# PART 2: GRANTS FOR RECURRENT EXPENDITURE

## 2.1 Recurrent Grants Program

Note: Recurrent Grants (RG) Program includes Distance Education and Remoteness Loading.

58. The RG Program assists non-government schools with the recurrent costs of providing school education. These guidelines are provided to assist relevant authorities for non-government schools and approved school systems in determining the level of funding support that may be available from the Commonwealth and the criteria used in assessing applications.

59. Funding is calculated on a school by school per student basis. The primary and secondary percentages for each SES funding level are set out in [Appendix H](#). The rates applicable to these percentages (except for guaranteed year 2008 funding) are adjusted annually to reflect movements in Average Government School Recurrent Costs (AGSRC), as described in [Appendix K](#). Estimated RG Funding provided for non-government schools for the current year is provided at [Appendix I](#).

### Legislative Authority

60. RG funding for non-government schools for the 2009-2013 funding period is provided under Part 4 of the Act. Non-government schools and school systems in each state and territory which claim RG funding must comply with all the requirements of the Act.

### Eligibility

61. To be eligible for grants for recurrent expenditure, a school must be approved as a non-government school by the Minister and the approved authority for the school must enter into a funding agreement with the Commonwealth. The funding agreement governs the relationship, including the use that may be made of the funding by the authority, between the school and the Commonwealth. A current list of approved non-government schools can be found at:

[https://ssp.deewr.gov.au/ssp/help/html/ses/funding\\_09\\_12/ses\\_scores.html](https://ssp.deewr.gov.au/ssp/help/html/ses/funding_09_12/ses_scores.html)

62. Approved non-government schools must provide one or two levels of education – the primary level of education and/or the secondary level of education.

63. All students in approved schools are eligible to attract grants for recurrent expenditure for a particular level of education at an approved location other than:

- a. Pre-school students (in Western Australia, Pre-Year 1 is called Pre-primary. Students in this year are eligible to attract recurrent funding)
- b. non-exempt overseas students and certain classes of temporary residents
- c. students who are enrolled but have a formal arrangement where they will not attend daily. For example they may receive home schooling and therefore only



attend once a month. There is discretion to treat students as attending on a daily basis if special circumstances can be shown.

64. New schools, existing unfunded schools and approved schools undergoing certain changes in operation need to apply to receive grants for recurrent expenditure or in respect of approved schools, to change grant arrangements. Applications should be provided by the approved authority or the responsible body (whichever is applicable) of the school or system. If an approved school intends on changing its Constitution in a way which affects the school's ability to comply with the Funding Agreement, the school is required to notify the Department.

## Payment Arrangements

65. RG payments are made in accordance with the payment schedule shown at Table H.1 in [Appendix H](#).

## Use of Funding

66. Conditions governing the use of funding are set out in the funding agreement between the authority and the Commonwealth. RG funds are to be used for meeting operating expenditure incurred by approved non-government system and school authorities. RG funds can be applied to:

- a. teaching and ancillary staff salaries
- b. professional development of teachers
- c. curriculum development
- d. maintenance and general operation provisions.

## How to Make an Application

67. An Approved Authority (or responsible body as the case may be) must complete an application form before the Minister can grant approval. The approved authority's school must also be recognised as a school for the level/s of education and the location/s by the state or territory jurisdiction in which it is located. Application forms are available at:

<http://www.deewr.gov.au/Schooling/RecurrentGrants/NonGovSchools/Pages/Forms.aspx>.

68. Applications must be in writing and set out details of the new school or the proposed change in operations and the year from which funding is sought. Unless the Minister accepts exceptional circumstances, funding will not commence any earlier than the year in which the application is made. The Minister has discretion whether or not to approve an application.

## New School System Application

69. School systems play an important role in developing new schools and supporting existing schools. Systemic arrangements ensure the viability and sustainability of schools by sharing financial responsibility, and assist the Commonwealth by providing one point of contact for a number of schools.

70. Under section 129 of the Act, the Minister can approve new school systems. Schools wanting to apply for approval of a new school system must send to the Department an application in writing before 1 July of the year before proposed commencement of the system.

71. The application requirements for new school systems are set out in [Appendix D](#).

72. The operational requirements for approved school systems are set out in [Appendix E](#).

### New School Application (includes Amalgamations and Separations)

73. An Approved Authority (or responsible body as the case may be) must apply to the Minister for approval of the proposal. Applicants should complete the “Application Form for New Schools” available at:

<http://www.deewr.gov.au/Schooling/RecurrentGrants/NonGovSchools/Pages/Forms.aspx>.

74. Under the Act the application must:

- a. be in writing
- b. set out the details of the proposal including:
  - i. the name of the school
  - ii. each location of the school
  - iii. each level of education at the school
  - iv. state if the school is to be a member of an approved school system
- c. state the earliest year in which the proposal is to take effect (that is, the year from which funding is sought)
- d. state if there are exceptional circumstances that justify the approval applying to the program year preceding the program year in which the application is made.

75. While there is no formal requirement to give advance notice where the new school proposal involves a proposed new school or an existing school not already an approved school, it is desirable the school proponents contact the Department in advance to obtain information about the requirements they must meet. All requirements must be met prior to the School’s Census Day of the year in which funding is sought.

### Advance Notice

76. Advance notification is required for changes involving approval of an amalgamation, separation and a change in status where approved schools join or end membership of approved systems. These changes in operation will take effect from the commencement of the following year. Schools and systems are required to notify the Department **no later than 1 July** of the year **before** the change is to take place.

## Change of Systemic Status Application

### Proposal for a non-systemic school to become a member of an approved school system

77. Either the approved authority of the school or the approved authority of the system must apply to the Minister for approval of a proposal to become a member of an approved school system. Applicants should complete the “Application Form for Schools Undertaking Changes in Operation” form available at:

<http://www.deewr.gov.au/Schooling/RecurrentGrants/NonGovSchools/Pages/Forms.aspx>.

78. Under the Act, the application must:

- a. be in writing
- b. set out particulars of the school and the approved school system
- c. provide evidence that the approved authority of the approved school system agrees to the school becoming a member of the system
- d. state the earliest year in which the proposal is to take effect (that is, the year from which funding is sought)
- e. if there are any obligations of the approved authority of the school to the Commonwealth under the Act (or the previous Act) that have not been fulfilled, state whether the approved authority of the approved school system agrees to fulfil those obligations (this requirement relates in particular to the agreement the approved authority of the school will have entered into with the Commonwealth).

79. The Commonwealth will generally require that 78.e above is met by entering into a Deed of Novation between the approved authority of the school (the existing approved authority), the approved authority of the system (the proposed approved authority) and the Commonwealth.

### Proposal for a systemic school to end membership of an approved school system

80. Either the responsible body of the school or the approved authority of the system must apply to the Minister for approval of a proposal for a systemic school to end membership of an approved school system. The responsible body should have the power, control or management of the school. This could be satisfied, for example, by evidence showing that the approved authority of the system has transferred ownership of the school to the new body, or if this is not the case, the new body has management or control of the school and has a secure long term right to use the school buildings.

81. Applicants should complete the “Application Form for Schools Undertaking Changes in Operation” form available at:

<http://www.deewr.gov.au/Schooling/RecurrentGrants/NonGovSchools/Pages/Forms.aspx>.

82. Under the Act, the application must:

- a. be in writing
- b. set out particulars of the school and the responsible body
- c. provide evidence the approved authority of the approved school system agrees to the school ending membership of the system

- d. state the earliest year in which the proposal is to take effect (that is, the year from which funding is sought)
- e. if there are any obligations of the approved authority of the approved school system under the Act (or the previous Act) in relation to the school that have not been fulfilled, state whether the new body that is to be principally responsible for the school agrees to fulfil those obligations (this requirement relates in particular to the agreement the approved authority of the system will have entered into with the Commonwealth).

83. The Commonwealth will generally require that 82.e above is met by entering into a Deed of Novation between the approved authority of the school (the proposed approved authority), the approved authority of the system (the existing approved authority) and the Commonwealth.

### Change of Approved Authority

84. Either the responsible body of the school or the approved authority of the system must apply to the Minister for approval of a proposal for change of approved authority. The responsible body should have the power, control or management of the school. This could be satisfied, for example, by evidence showing that the approved authority of the system has transferred ownership of the school to the new body, or if this is not the case, the new body has management or control of the school and has a secure long term right to use the school buildings.

85. Applicants should complete the “Application Form for Schools Undertaking Changes in Operation” form available at:  
<http://www.deewr.gov.au/Schooling/RecurrentGrants/NonGovSchools/Pages/Forms.aspx>.

86. Under the Act, the application must:
- a. be in writing
  - b. set out particulars of the school or system and the proposed body
  - c. state the earliest year in which the proposal is to take effect (that is, the year from which funding is sought)
  - d. if there are any obligations of the approved authority of the school under the Act (or the previous Act) that have not been fulfilled, state whether the approved authority of the school agrees to fulfil those obligations (this requirement relates in particular to the agreement the approved authority of the school will have entered into with the Commonwealth).

87. The Commonwealth will generally require that 86.d above is met by entering into a Deed of Novation between the approved authority of the school (the proposed approved authority), the approved authority of the system (the existing approved authority) and the Commonwealth.

## Assessment

### SES Funding Levels

88. Non-government schools' funding entitlements are assessed according to the SES of their school community. A table of SES scores and the applicable current SES funding level as a percentage of the AGSRC amounts is at Table H.5 in [Appendix H](#).
89. The funding of school systems is based on the aggregate entitlement of their constituent member schools.
90. For 2009-2013, the following arrangements apply:
- a. schools with a 2009-2013 score that is the same as their score for 2005-2008 continue to receive per capita funding entitlements at the same rate of AGSRC
  - b. schools with a 2009-2013 SES score that is lower than their 2005-2008 score attract a higher per capita funding rate from 2009 unless the school continues to be funding maintained or is already in receipt of maximum funding (Part 4, Division 4 of the Act)
  - c. schools that were funding maintained for 2005-2008, continue to be funding maintained for 2009-2013 unless their 2009-2013 SES score results in increased overall funding for the school
  - d. schools with a 2009-2013 SES score that is higher than their 2005-2008 score have had their 2008 per capita dollar amounts guaranteed (or frozen) until annual supplementation brings the value of the 2009-2013 SES score equal to, or greater than, their 2008 per capita entitlements unless the school continues to be funding maintained or is already in receipt of maximum funding.

### Maximum SES Funding

91. A non-government school may receive maximum SES funding without regard to an SES score if it is a:
- a. Special School
  - b. Special Assistance School
- or
- c. Majority Indigenous Student School.

### Special School Payments

92. Non-government Special Schools have an SES funding level of 70 per cent of the relevant AGSRC amount which is the highest funding level (see Table H.5 in [Appendix H](#)). The following conditions apply:
- a. students aged 4-11 on 1 July of the current program year will attract a grant at the primary rate
  - b. students aged 12-21 years on 1 July of the current program year will attract a grant at the secondary rate.

## Special Assistance School Payments

93. Non-government Special Assistance Schools have an SES funding level of 70 per cent of the relevant AGSRC amount which is the highest funding level.

## Majority Indigenous Student School Payments

94. Non-government Majority Indigenous Student Schools have an SES funding level of 70 per cent of the relevant AGSRC amounts which is the highest funding level.

95. To be considered a Majority Indigenous Student School in any program year, a non-government school must have 80 per cent or more Indigenous enrolments, or be a very remote school with 50 per cent or more Indigenous enrolments.

- a. a very remote school is a school whose campus or campuses are located in a very remote area. The Remoteness Structure is used to classify campuses as per the application of the remoteness loading.
- b. the proportion of Indigenous enrolments for the purpose of the definition is calculated as a proportion of the total number of students receiving primary or secondary education at the school as counted on the schools Census day of the year before the given program year.

96. A school may be considered a Majority Indigenous Student School in one program year of the 2009-2013 funding period but not for others. A school will return to its funding level (current SES, maintained or guaranteed) applicable under the Act if it is no longer considered to be a Majority Indigenous Student School.

## Remoteness Loading

97. Non-government schools which have one or more school campuses that are defined for the purposes of the Act as a 'moderately accessible school campus', 'remote school campus' or 'very remote school campus', will receive a remoteness loading for each student receiving a level of primary or secondary education at relevant campuses. The loading is 5 per cent, 10 per cent or 20 per cent respectively of a school's current SES funding level (regardless of whether a school has a maintained funding level or a guaranteed funding level). In a year when a school is a maximum SES funded school, its current SES funding level is 70 per cent of AGSRC and the remoteness loading will be based on this funding level. The loading is not provided for distance education students.

98. School campuses are classified as 'moderately accessible', 'remote' or 'very remote' if the location of the campus (on the school campus Census day) is categorised under the Remoteness Structure as 'Outer Regional Australia', 'Remote Australia' and 'Very Remote Australia' respectively. The Remoteness Structure for the 2009-2013 funding period is the ABS Remoteness Structure under the Australian Standard Geographical Classification based on the 2006 Census of Population and Housing using 2006 Census Collection District boundaries. The remoteness areas are defined using the Accessibility/Remoteness Index of Australia (ARIA+) which measures remoteness in terms of the physical road distance between populated localities and service centres.

99. Schools do not need to apply separately for this loading as it is a component of the grant provided for recurrent expenditure. The remoteness loading provided to a school

system may not be re-distributed to constituent member schools that are not eligible to receive the loading under the requirements of the Act.

100. In January each year, schools are paid 50 per cent of their estimated remoteness loading for the year (based on the number of students receiving a level of primary or secondary education at a school campus which is a 'moderately accessible school campus', 'remote school campus' or a 'very remote school campus', as at the school campus Census day in the previous year).

101. Schools are paid the remaining remoteness loading for the calendar year in October, based on the actual number of the school's students who are receiving a level of primary or secondary education at a school campus which is a 'moderately accessible school campus', 'remote school campus' or a 'very remote school campus', as at the school campus Census day in that year. If the number of students at the relevant school campuses on the school campus Census day in the current calendar year is different to the number of students at the relevant school campuses on the school campus Census day in the previous year, the total amount of remoteness loading the school is entitled to will be the amount calculated using the current year's school Census day student numbers.

102. For a new school opening after 1 January, the school will be paid any remoteness loading in October based on the number of students at the relevant school campuses as at the school campus Census day in that year. Where a school is eligible for the remoteness loading in the current year and opens after 1 January, the remoteness loading will be paid on a pro-rata basis.

## Distance Education

103. Distance education funding is payable in respect of primary or secondary distance education students in a non-government school provided that:

- the school is already approved to receive recurrent grant funding
- the school is registered by the State or Territory to provide distance education
- the school receives State or Territory funding for students enrolled at the school who receive distance education from the school
- the distance education students reside in the State in which their school is located
- the distance education students are not home education students

104. Eligible schools or systems receive distance education funding for their eligible distance education students at the base rate of 13.7 per cent of the primary or secondary AGSRC amounts on a Full Time Equivalent (FTE) basis. That is, the school authority will receive funding having regard to the nature of the course load those students are undertaking and the time they are actually receiving distance education from the school.

## SES Review Process

105. Under section 76 of the Act, the approved authority of a school with an SES score may seek a review of a school's SES score if it considers that the SES score:

- has not been determined correctly - 76(1)(a)

- does not reflect the socioeconomic circumstances of the school's community - 76(1)(b)
- or
- is no longer accurate because of a significant change in the school's circumstances - 76(1)(c).

106. Where a school considers that its SES score has not been determined correctly or is no longer accurate because of a significant change, (for example, a new intake of students or a decline in enrolments), a review will be undertaken on the basis of the geocoding of the residential addresses of the students at the school at the time of the application for a review. Details and guidelines for the review process are available at [Appendix B](#).

107. Where a school considers that its SES score does not reflect the socioeconomic circumstances of the school's community, a reassessment of the school's SES score will be undertaken by an Independent Appeals Committee. Details and guidelines for the appeals process are available at [Appendix C](#).

108. Schools wishing to apply for a review should contact:

The Director  
Schools Grants Section  
Department of Education, Employment and Workplace Relations  
Location C50MA9  
GPO Box 9880  
CANBERRA ACT 2601

109. Applications for a review of SES score under section 76 of the Act must be lodged with the Department, in writing, **by 1 July of the program year**.



## 2.2 Indigenous Supplementary Assistance

### Legislative Authority

110. Indigenous Supplementary Assistance (ISA) funding for non-government schools for the 2009-2013 funding period is provided under Part 4, Division 9 of the Act. Approved non-government schools and school systems in each state and territory in receipt of ISA funding must comply with all the requirements of the Act.

111. The *Schools Assistance Amendment Regulations 2011 (No. 1)* specify an increase in ISA funding for non-remote non-government boarding schools with more than 50 Indigenous boarding students from remote Indigenous communities receiving primary or secondary education at the school.

### Funding

112. From 1 January 2009, ISA for approved non-government system and school authorities replaced several recurrent funding elements for Indigenous students previously available under the *Indigenous Education (Targeted Assistance) Act 2000*. For more background information, see the 2009 [Administrative Guidelines](#).

113. Eligible schools do not need to apply separately for this funding as it is a component of the grants provided for recurrent expenditure.

114. Payments are calculated using a formula that takes into account the level of schooling (primary and secondary) and the remoteness of the school campus location. The Act provides for a primary and secondary rate for *non-remote school campuses* and a primary and secondary rate for *remote and very remote school campuses*. These rates are adjusted annually to reflect movements in the AGSRC as described in [Appendix K](#).

115. From 2011, non-remote non-government boarding schools with more than 50 Indigenous boarding students from remote Indigenous communities receive the higher primary and secondary rate for *remote and very remote school campuses*, in respect of each eligible Indigenous student. These rates are also adjusted annually in line with movements in the AGSRC.

### Program Objectives

116. The specific objective of ISA is to provide funding to assist schools with the delivery of high quality educational programs for their Indigenous students.

### Eligibility

117. Approved schools or school systems in receipt of RG funding with Indigenous students (but not including Indigenous distance education students) are eligible to receive ISA.

118. The Department determines the eligibility of non-remote non-government boarding schools for increased ISA after Schools Census each program year. Schools with more than

50 Indigenous boarding students are invited to submit to the Department the residential address of each Indigenous boarding student. The Department geocodes these addresses to determine which students come from remote Indigenous communities. Those schools with more than 50 Indigenous boarding students from remote Indigenous communities receiving primary or secondary education at the school are eligible for increased funding in respect of those students.

## Payment Arrangements

119. ISA payments are made in accordance with the payment schedule shown at Table H.1 in [Appendix H](#).

120. Increased ISA payments for eligible non-remote non-government boarding schools are made in October of each program year.

## Use of Funds

121. ISA is to be used for meeting operating expenditure incurred by approved non-government system and school authorities in implementing strategies to meet the Program objectives. ISA can be used for:

- a. teaching and ancillary staff salaries
- b. professional development of teachers
- c. curriculum development
- d. maintenance and general operation provisions.

## 2.3 Indigenous Funding Guarantee

### Legislative Authority

122. The Indigenous Funding Guarantee (IFG) for approved non-government schools and school systems for the 2009-2013 funding period is provided under Part 4, Division 10 of the Act. Approved non-government schools and school systems in each state and territory in receipt of IFG funding must comply with all the requirements of the Act.

### Objective

123. The specific objective of the IFG is to ensure approved non-government schools and school systems receive an amount of recurrent assistance funding (including Indigenous Supplementary Assistance (ISA) funding) that is at least comparable to their actual 2008 recurrent funding including funding received for Indigenous students under the previous funding arrangements, taking into account actual funded enrolments in any program year.

124. IFG does not insulate approved non-government schools and school systems from any fall in enrolments, ceasing to be a Majority Indigenous Student School for the purposes of Part 4, Division 6 of the Act, or where entitlements to a Remoteness Loading under Part 4, Division 8 of the Act changes, as these are normal business considerations.

### Eligibility

125. Eligibility for the IFG has been determined by comparing either the total amount (Total School Approach) or the per capita amount (Per Capita Approach) of combined recurrent grants (RG) and Indigenous funding in 2008 with the total or per capita amount of combined RG and ISA funding in subsequent program years. The approach identified as most beneficial in 2009 determines whether IFG entitlements are calculated on a Total School or Per Capita basis.

126. In deciding whether to authorise an IFG payment for the 2013 program year under the Total School Approach, the Minister will take into account the combined amount of RG and ISA funding received for the 2012 program year compared with the combined amount of RG and Indigenous funding received for the 2008 program year. If the 2008 total funding amount is greater than the 2012 amount, an IFG payment will be generated for the 2013 program year. An advance payment of 50 per cent of the entitlement will be made in March and the remaining 50 per cent of the entitlement will be made in October. Refer to Table H.3 in [Appendix H](#).

127. In deciding whether to authorise an IFG payment for the 2013 program year under the Per Capita Approach, the Minister will take into account the combined per capita amount of RG and ISA funding due to be paid for the 2013 program year compared with the combined per capita amount of RG and Indigenous funding received for the 2008 program year. If the 2008 per capita amount is greater than the 2013 per capita amount, an IFG payment will be generated for the 2013 program year. **The full entitlement will be paid in October.** Refer to Table H.4 in [Appendix H](#).

128. For approved school systems, eligibility for IFG is based on the funding entitlement of the system as a whole and not on the basis of the funding entitlements generated by individual schools within the system.

129. Only approved schools or school systems that received IFG in 2012 will be assessed for 2013 funding. If a school or system did not receive IFG in 2012, it will not be considered for assessment for the remainder of the funding period.

## **Calculation of Indigenous Funding Guarantee Entitlements**

130. Where final 2008 entitlements are greater than final 2012 total school or 2013 per capita entitlements, the maximum amount payable for 2013 IFG is the difference between those amounts.

131. As changes due to normal business consideration are not taken into account, maximum IFG entitlements may be adjusted downwards to reflect the impact of any decrease in enrolments.

## **Use of Funds**

132. IFG must be used by recipients to support the delivery of additional education services to their Indigenous students. IFG can be used for:

- a. teaching and ancillary staff salaries
- b. professional development of teachers
- c. curriculum development
- d. maintenance and general operation provisions.

## 2.4 Program Management and Accountability

133. Successful applicants for RG, ISA and IFG (if applicable) are required to enter into a funding agreement with the Commonwealth which governs all aspects of the relationship. An agreement between the Commonwealth and the approved authority of the school must be signed prior to any payments being made. Where a change of status of a school is occurring, the existing approved authority retains responsibility for the school's dealings with the Commonwealth until the new authority enters into an agreement with the Commonwealth.

134. Funds are payable on condition that the approved authority will:

- a. allocate grants for recurrent expenditure (covering RG, ISA and IFG, if applicable), in accordance with the objectives specified in 'Program Objectives' and in the particular program year for which funds have been allocated
- b. for approved school systems, allocate no more than 2 per cent of amounts paid under RG, ISA and IFG (if applicable) for the purpose of meeting administrative expenditure in relation to recurrent expenses incurred by the approved authority in respect of a program year, excluding specialist support staff (as defined in the Schools Census). The Approved Authority is responsible for allocating the funding for the purposes of meeting recurrent expenditure incurred by the systemic schools in the approved system having regard to the respective need of the schools in the approved system.
- c. ensure that proper accounts and records of the financial administration of the school are kept. The accounts and records shall be kept identifiably separate from the accounts and records of other institutions or undertakings which the approved authority conducts or to which it is related.
- d. for all approved non-government schools and school systems, provide in a form approved by the Minister a report (the Financial Questionnaire, including the auditor's report from the school and/or system's audited financial statements for the relevant program year) to the Department by 30 June in the year following the program year (or such other date as the Minister approves). The report must contain particulars on matters which the Department specifies such as all income received and expenditure incurred in operating the school and/or system and providing activities for students in the relevant program year. The auditor's report referred to above must be sourced from the audited financial statements prepared, for the program year, in accordance with the legislation under which the school and/or system operates, i.e. the federal *Corporations Act 2001* for companies limited by guarantee or the state Associations Incorporations Act for associations.

NOTE: the audit report is not the same as the certificate by a qualified accountant referred to in point 'f' below.

- e. when notified in writing by the Department, participate in the Financial Questionnaire Verification Exercise (FQVE). The FQVE is a routine process by which the Department will check that Financial Questionnaire data submitted by non-

government schools and school systems has been correctly drawn from their audited statements. The approved authority may be required to provide, by the date specified in the written notification, financial reports including but not limited to:

- a complete copy of the school and/or system's **audited financial statements for the relevant program year** including all notes to the accounts and the auditor's report
  - a **reconciliation statement** showing how the individual items of income, expenditure and loans from the financial statements are allocated across the various Financial Questionnaire items
  - a **trial balance**, where one is available
  - **details of any net figures** either in the school and/or system's audited financial statements or the Financial Questionnaire
- f. meet their financial accountability requirements with respect to a program year by having a Qualified Accountant submit to the Department on or before 30 June of the following year or such other date as the Minister approves, an electronic Financial Accountability certificate. A Qualified Accountant is:
- a qualified accountant within the meaning of the Corporations Act 2001  
or
  - a person registered (or taken to be registered) as a company auditor under the *Corporations Act 2001*  
or
  - a person approved by the Minister as a qualified accountant for the purposes of the *Schools Assistance Act 2008*.
- g. provide to the Department by a specified date such Census information as the Minister may require. The Minister's requirements are expected to include:
- i. in respect of students attending a school or each school in a system, as the case may be, on Census day in the program year, the number of full-time students and the number and the full-time equivalent of part-time students:
1. who are primary and secondary students
  2. who are primary and secondary overseas students
  3. who are primary and secondary distance education students
  4. who are primary and secondary students with disabilities
  5. who are ungraded students, not being students with disabilities, grouped according to age
  6. who, in the case of a special school, are primary and secondary students with disabilities grouped according to age
  7. who attend school on a daily basis

- 8. who are primary and secondary Indigenous students.
- ii. the number and full-time equivalent of teachers and other persons engaged either in a full-time or a part-time capacity at schools and, in the case of systems, associated administrative bodies in the school system that provided primary or secondary education in each year
- iii. the number and full-time equivalent of teachers and other persons engaged either in full-time or a part-time capacity at schools and, in the case of systems, associated administrative bodies in the school system that provide primary or secondary education in each year who are Indigenous Australians
- h. provide to the Department by a date determined by the Minister, a statement in writing in a form approved by the Minister which provides in respect of students attending a school, details of their residential addresses (but not names), whether they are full time or, if part time, their full time equivalent, and their grade level. Before furnishing the statement to the Department, a school must send a copy of the Privacy Notice (see paragraph 341) to each person whose student or students are included in the statement
- i. meet the financial accountability and financial reporting requirements of the Act
- j. meet the requirements in relation to the Performance Information and Reporting framework and the Australian Curriculum
- k. meet the administrative requirements specified in these Guidelines.

135. Where the approved authority does not meet a condition of the agreement, the Minister may determine that the approved authority shall repay an amount, and/or reduce other amounts payable to the authority and/or delay making further payments under the agreement.

136. The Minister may also determine that the approved authority shall repay an amount, reduce other amounts payable to the authority or delay making further payments if:

- a. the authority is a body corporate and is being wound up
- b. the affairs of the authority are under any form of external control (for example, the control of a manager) under a law of the Commonwealth or a State
- c. the Minister considers that:
  - i. the liabilities of the authority are greater than its assets  
or
  - ii. the authority is, and is likely to continue for a substantial period to be, unable to pay its debts as and when they fall due for payment  
or
- d. a law of the Commonwealth or a State requires the authority to be audited and the relevant audit:
  - i. is expressed to be qualified  
or

- ii. expresses concern about the financial viability of the body or authority  
(with any decision under (d) to be a disallowable instrument for the purposes of section 46B of the *Acts Interpretation Act 1901*).

137. In making payments to a State in respect of an approved non-government authority, the Commonwealth will advise the State that the approved authority has entered into an appropriate agreement with the Commonwealth.

## Access to school records and school site

138. Section 25 of the Act provides that the agreement must require the authority, where the Minister authorises a person for the purpose, to allow access to any records of, or in possession of, the approved authority relating to information provided under the agreement. The approved authority will allow any authorised person to have access to and to take copies of any such records. Records requested would only be those directly relating to the matter under consideration and would remain confidential.

139. The approved authority must allow an authorised person to have access to each campus of the school, or each school in the system, to be able to access records or undertake a reasonable inspection of the campus and of the students at the campus, including an inspection for the purpose of counting the number of students at the campus.

## Funding amounts – Grants for Recurrent Expenditure

140. Grants for recurrent expenditure, including ISA and IFG, are paid on a calendar year basis. A school's entitlement for a year is calculated by multiplying the payment rate applicable to the school's funding level by the number of eligible students (FTE) at Schools Census day in that year. Advances made in January and July are calculated on the previous year's Census enrolments. Special arrangements are made for commencing schools and schools with substantial enrolment variations. The October payment is adjusted for current year Census enrolments and to allow for movements in AGSRC (if known – see [Appendix K](#) for further information). If AGSRC is not known prior to the October payment, an adjusting payment will be made in the month immediately following the confirmation of AGSRC. If negative entitlements are calculated, thresholds apply for automatically offsetting the overpayment against future entitlements.

## Significant increases to school enrolments

141. Non-systemic schools in which the enrolments at the start of a school year are at least 15 per cent higher than the previous year's Schools Census should notify the Department by **15 March** of that program year, so that an adjustment can be made to the school's recurrent funding payment, which will then be based on enrolments at the end of February of the current program year. For this purpose, 'Statement of School Enrolments' forms are available at:

<http://www.deewr.gov.au/Schooling/RecurrentGrants/NonGovSchools/Pages/Forms.aspx>.

142. For an increase in enrolments advised to the Department by 15 March, the payment adjustment will be processed in April. Any later notification of increases will be dealt with as part of the October payment. The new entitlement will be calculated and applied for the



current program (school) year. It will not be backdated to the previous program (school) year even if the increase in enrolments occurred in that previous year after the Schools Census.

## Significant decreases to school enrolments

143. Non-systemic schools in which the enrolments in the school year are at least 15 per cent lower than the previous year's Schools Census are required to notify the Department within 10 working days of the change. This will ensure that the school does not receive funding in excess of its entitlement, necessitating a repayment. All decreases in enrolments will be dealt with as they are advised.

144. A significant decrease in school enrolments just prior to the last Schools Census will not constitute grounds for special consideration – Grants for Recurrent Expenditure payments will be based strictly on the number of students legitimately included in the Schools Census.

## Payment procedures

145. Eligibility for grants for recurrent expenditure will commence from the date that all requirements for receipt of recurrent funding have been met. The requirement for State recognition is considered to be met on the date of effect rather than the date the decision is made. Payments will commence as follows:

- a. if all requirements are met on or before the last day in February, the school will be funded for the full year, i.e. from 1 January
- b. if all requirements are met after the last school day in February and before the schools Census day for the year, the school will be funded on a pro rata basis, i.e. funding will be calculated from the latest date that all requirements were met
- c. if all requirements are not met on or before the schools Census day for the year, the school **will not** be funded for that year.

## Non-Government Schools Data Collections

146. All schools and school systems are required under their funding agreements to provide to the Department in a form approved by the Minister each year the Financial Questionnaire and Financial Accountability Certificate (see [Appendix J](#)) for Non-Government Schools and the Census of Non-Government Schools. Further information is available at [Appendix G](#).

# PART 3: GRANTS FOR CAPITAL EXPENDITURE

## Legislative Authority

147. Capital Grants Program (CGP) funding for non-government schools for the 2009-2014 funding period is provided under Part 5 of the Act. Non-government schools, school systems and school authorities in each state and territory which receive Capital funding must comply with all the requirements of the Act.

## Objectives

148. The objectives of the CGP are to:

- a. provide and improve school capital infrastructure, particularly for the most educationally disadvantaged students
- b. ensure attention to refurbishment/upgrading of capital infrastructure for existing students, while making provision for needs arising from new demographic and enrolment trends
- c. pursue the Commonwealth's other priorities and objectives for schooling
- d. account for all capital funding provided under the Act to meet the expectations of the auditors.

149. Payment of financial assistance under the Program will be in accordance with funding agreements which set out the purpose of the payment and the conditions applying to it. Commonwealth grants are supplementary to funds provided by non-government school authorities, who have the primary responsibility for providing, maintaining and upgrading school facilities, and to funds provided by state and territory education authorities. The Commonwealth seeks to improve educational outcomes by assisting in the provision of school facilities, particularly in ways that contribute most to raising the overall level of educational achievement of Australian school students.

## Use of Funds

150. Grants for capital expenditure, including expenditure as defined in Section 83(1) of the Act<sup>2</sup>, must be used for the following:

- a. investigation of the need for schools, buildings, parts of buildings, other facilities or equipment
- b. the purchase of land, with buildings or parts of buildings, or in special circumstances, without buildings

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<sup>2</sup> [http://www.comlaw.gov.au/ComLaw/legislation/act1.nsf/0/B102162DDE9537D2CA25752200036F07/\\$file/1532008.pdf](http://www.comlaw.gov.au/ComLaw/legislation/act1.nsf/0/B102162DDE9537D2CA25752200036F07/$file/1532008.pdf)

- c. the planning, erection, alteration, extension, demolition (including asbestos removal) or refurbishment of a building, part of a building or other facility including student residential accommodation, and attached supervisors' quarters
- d. the development or preparation of land for building or other purposes
- e. the installation or upgrading of water, electricity or any other services
- f. the provision of furniture or equipment, including information technology equipment, which should be part of a broader capital project unless special circumstances exist
- g. the provision of library materials and the goods for cataloguing a library
- h. the payment to a Block Grant Authority for its administrative expenses associated with capital works including the funding of capital works
- i. teacher accommodation in rural areas
- j. capital grants to assist students with disabilities
- k. to supplement the construction of projects funded through other Commonwealth programs
- l. such other projects as the Minister may approve.

151. Funds are not available for facilities:

- a. which have religious worship as a principal purpose
- b. in a co-educational school where those facilities will not, as far as practicable, be equally available to male and female students at the school  
or
- c. where retrospective approval is sought.

152. Commonwealth assistance to non-government schools in relation to capital is provided through Block Grant Authorities (BGAs), as defined in Section 83 (1) of the Act. BGAs are third party legal entities which have been established to receive and assess applications, make recommendations to the Minister about various matters and administer non-government capital grants for participating schools. The Administrative Arrangements under which the BGAs administer the Capital Grants Program are detailed in a separate document, Administrative Arrangements for BGAs, available at:

<http://www.deewr.gov.au/Schooling/Programs/Pages/SchoolsAssistanceAct2008.aspx>.

153. There are two BGAs in each State, one Catholic and one Independent. There is a joint Catholic/Independent BGA in each of the Northern Territory and the Australian Capital Territory. Non-government schools wishing to apply for Commonwealth grants must join the relevant BGA.

## Eligibility

154. Unless determined otherwise by the Minister, in order to be eligible to apply for grants for capital expenditure, a non-government school must:

- a. be a participant, or prospective participant, in a BGA

- b. be in receipt of Grants for Recurrent Expenditure; or have good prospects of receiving approval for Grants for Recurrent Expenditure funding in respect of all locations, levels of education and students to which a capital project relates. For the purpose of this clause, the school authority should provide the following:
  - i. submission of the Recurrent Assistance Funding Application Form for New Schools 2009-2012 Funding Quadrennium (excluding information on enrolment data at Section D), or the Recurrent Assistance Funding Application Form for Schools Undertaking a Change in Operations 2009-2012 Funding Quadrennium (excluding information on enrolment data at Section D) for new campuses
  - ii. evidence that the school authority is incorporated as a non-profit body in the case of non-systemic schools
  - iii. the constitution of the incorporated Body in the case of non-systemic schools (including power to run a school and appropriate wind up clauses)
  - iv. evidence that the school has good prospects of being recognised as such by the relevant State or Territory Minister. Such evidence may include:
    - 1. a statement from the approved school system authority providing the basis on which the authority understands the school has good prospects of being recognised as such by the relevant State or Territory Minister, and the likely timing of such recognition
    - 2. in the case of non-systemic schools, written evidence from the relevant state or territory authority that the school has good prospects of being recognised as such by the relevant State or Territory Minister, and the likely timing of such recognition.

Schools may apply for capital funding prior to receiving State or Territory government recognition.

- c. be able to demonstrate to the BGA that it is financially viable, that is, the school must be likely to remain financially solvent and be able to, and intend to, continue to be eligible to receive Commonwealth recurrent funding at the site of the proposed project for the foreseeable future.
- d. demonstrate to the BGA a financial need for the grant (that is, show that it and its supporting community do not have the capacity to meet the total cost of the project)
- e. demonstrate to the BGA that the project will contribute to the objectives of the Program
- f. demonstrate to the BGA that the school has an appropriate maintenance plan in place
- g. demonstrate to the BGA that adequate insurance is held over its school buildings
- h. be proposing a project that is consistent with sound educational planning, within both the school and the environment within which it is operating, especially in relation to the cost, size and use of facilities to be funded

- i. be proposing a project that will not adversely affect the condition of a place in the Register of the National Estate in terms of the provisions of the *Australian Heritage Council Act 2003*.

155. Relevant authorities for schools must enter into appropriate funding agreements before any payment under the program will be made. Grant payments will not be made to schools that are not formally bound to grant conditions. Grant conditions require that the grantee must:

- a. spend the grant only on the approved project as described in the grant offer
- b. obtain prior BGA approval for any variations to the approved project
- c. contribute at least the amount specified as the school contribution in the grant offer. Where the cost of an approved project, following the acceptance of tenders, is less than the estimated cost upon which the Commonwealth grant offer is based, the grant will normally be reduced by the amount by which the project cost has decreased
- d. enter into a legally binding commitment (e.g. sign a contract with a builder) to proceed with the project before the end of the year in which the first instalment of the grant is payable unless, in exceptional circumstances, the Department gives prior approval for a later commitment date, or the BGA varies the year of funding and advises the Department
- e. spend grant payments, including any interest earned on grant payments, as soon as possible, and not later than six months after the date of receipt
- f. ensure that the project is completed to a satisfactory standard and within a reasonable time in accordance with the grant description and with all, relevant, local government requirements
- g. within a specified period after the completion of the project, provide to the BGA accountability information prepared by architects and accountants which certifies the total expenditure and grant received for the project, that the project is completed in accordance with the approved project description and that the grant monies were spent only on the approved project
- h. unless otherwise specified, use the funded facilities for the purpose of providing school level education services for locations, levels of education and students that have been recognised by the relevant State or Territory government and are included in the list of schools approved to receive Commonwealth recurrent funding
- i. allow the BGA and/or the Commonwealth to inspect the completed project
- j. meet Commonwealth requirements for recognition of Commonwealth funding. These requirements include:
  - i. acknowledging Commonwealth funding in all announcements and other publicity of all school capital projects to which the Commonwealth is contributing funds

- ii. installing building plaques on all completed projects, irrespective of cost, which acknowledge Commonwealth funding. Where a facility is opened by a Commonwealth representative, the name of the person opening the facility must be affixed to new and refurbished buildings. Wording on plaques acknowledging Commonwealth funding must be of similar size and style to wording acknowledging other funding sources
- iii. ensuring that school communities are advised directly about assistance received from the Commonwealth by such means as school newsletters
- iv. arranging an official opening ceremony of funded facilities within seven months of the physical completion of the project, unless otherwise agreed by the Commonwealth, where the Commonwealth contribution is equal to or exceeds \$1.0 million irrespective of the year in which the funding was approved, or where the school or the Commonwealth requests an opening
- v. providing to their BGA a statement of any forthcoming school openings well in advance of each quarter
- vi. If there is to be an official opening ceremony the following conditions apply:
  1. the Commonwealth Minister or the Minister's representative must be invited to speak at all official openings of capital projects to which the Commonwealth has contributed funding
  2. the Commonwealth Minister or the Minister's representative must be invited to open those projects for which an official opening is being arranged

In the case of an opening with other sources of funding, e.g. State contribution, the Minister or the Minister's representative must be invited to open those projects to which the Commonwealth contribution is greater than 50 per cent of the project cost.

- k. in the case of grants greater than \$75,000, notify its BGA if the school ceases to use the facilities funded principally for the approved purpose or sells or otherwise disposes of the facilities within a period of twenty years following completion of the project; and, upon request by the Commonwealth, pay to the Commonwealth or the BGA all or part of the grant monies, as explained in Commonwealth Right to Repayment at paragraphs 171-174
- l. comply with any other conditions under which the grant is made
- m. repay to the BGA as much of the grant as the Commonwealth requires if it, the grantee, has failed to comply with a condition upon which the grant was made.

156. A school which has been approved for a capital grant for a project relevant to levels of education or locations which are not yet included in the Commonwealth list of schools approved to receive recurrent funding, will not receive payment of the grant until it has actually been included in the list.

157. Payment of financial assistance to a school for capital expenditure at a location and level of education for which the school is not included in the list of non-government schools may be considered in strictly limited circumstances where:

- a. the school is already included in the list in respect of other locations or levels of education; or
- b. the school is a new school and it is being established as part of an existing and well established school system; and in both cases
- c. the school or system accepts, as a condition of the capital grant, an obligation to repay the whole of the grant amount advanced, if the school is not included in the list by a specified date, and can satisfy the Commonwealth that it has the capacity to fulfil the condition, if and when required.

158. BGAs should apply for advancement of financial assistance on behalf of schools to:

Director  
 Capital Grants Section  
 Infrastructure and Delivery Group  
 Department of Education, Employment and Workplace Relations  
 GPO Box 9880  
 CANBERRA CITY ACT 2601

159. Whether or not to advance funds in such a case will be decided by the Commonwealth on the merits of the case, taking into account relevant criteria.

160. Any additional conditions which relate only to individual projects will be contained in the grant offers.

## Conditions of Funding

161. As a condition of receiving funds the BGA must include in its agreement with the Commonwealth a statement that it will meet the accountability and performance requirements outlined in The Administrative Arrangements for BGAs documents.

162. BGAs must provide with the recommendations for funding a statement that none of the capital works that are proposed could adversely affect the national estate value of a place in the Register of the National Estate.

## Funding Available

163. Capital funds for non-government schools under the Capital Grants Program are allocated to BGAs on the basis of enrolments. Table 3.1 (below) shows the initial distribution of non-government funds for the Capital Grants Program for the current program year.

**Table 3.1: Initial distribution of non-government funds to BGAs for the Capital Grants Program - 2013**

State	Catholic \$'000	Independent \$'000	Joint \$'000	Total \$'000
NSW	27,918	14,484		42,402
VIC	22,578	11,925		34,503
QLD	15,117	10,895		26,013
WA	7,735	5,959		13,694

SA	5,575	4,793		10,368
TAS	1,745	1,047		2,792
ACT			2,927	2,927
NT			1,128	1,128
<b>Total</b>	<b>80,668</b>	<b>49,102</b>	<b>4,055</b>	<b>133,827</b>

\*Totals may not add due to rounding.

## Payment Procedures

164. Supplementation for capital expenditure is calculated annually by applying movements for the previous calendar year in the *Producer Price Index Non-Residential Building Construction, Australia*, a fixed weight index produced by the Australian Bureau of Statistics (Index No. 3020). The index covers non-residential new construction using a component cost method, close as possible to market prices, which reflect labour, material, plant input costs, and subcontractors' margin. Supplementation will be paid as soon as possible following the making of a regulation under the Act. Refer to [Appendix K](#).

165. Starting in February, grants are paid in eleven monthly instalments to BGAs, which are then responsible for making payment to individual schools for approved projects. Payments are subject to sufficient grants having been approved and BGAs complying with all conditions applying to the payment at the time it is made.

166. BGAs must manage the timing of payment to schools to minimise paying out funds ahead of expenditure actually being incurred on projects so that the possibility of funds not being used on projects is minimised and so that BGAs can use interest earned on Commonwealth funds for the purposes of the Capital Grants Program. If, at a point in time, a BGA has insufficient funds on hand to pay all claims, it must give priority to those schools that can least afford to wait for payment.

167. On advice from the Department that a participating school is in breach of any condition applying to its receipt of Commonwealth schools program funds, the BGA must stop payment to that school until advised by the Department that payment may recommence.

168. No Capital Grants will be paid to a BGA under an Agreement made under the Act after 31 December 2014.

## Administrative Expenses

169. BGAs may use up to 3 per cent of program funds (or a specified figure, agreed by the Department, for small BGAs) to meet the costs of administering the Program, unless otherwise agreed. Funds not used for this purpose are available for capital projects in schools.

## No Prior Commitment

170. Schools seeking Commonwealth capital funding must not commit themselves to proceeding with a project (e.g. by signing a contract) prior to being advised by their BGA that the Minister has approved the project. Grants will not be approved where a



commitment has already been made to proceed with the project. Subject to their BGA's agreement, schools may proceed to prepare working drawings and to call tenders prior to project approval, but the Commonwealth does not accept liability for the costs of doing so in the event of the project not being approved.

## Commonwealth Right to Repayment

171. The Commonwealth retains a right to repayment from non-government bodies of grants of more than \$75,000 for a designated period from the date of completion of a project as determined by the grant amount and the date of the BGA Agreement offering a grant to the school. Schools may be required to repay the entire grant provided for facilities, or a portion of it, should they, within the designated period, sell or otherwise dispose of the facilities or cease to use the facilities principally for the purpose approved by the Commonwealth. BGA participant schools should advise their BGA if these circumstances arise.

172. The amount of funds repayable for projects is dependent on the grant amount, the date of the BGA Agreement offering a grant to the school, the value of equipment purchased under the grant and the number of years the facility was used for the purpose approved by the Commonwealth. Refer to the Administrative Arrangements for BGAs document, under the section Commonwealth Right to Repayment for further details.

173. If there is evidence that a school has used grant money for facilities outside the scope of the approved project without BGA approval, the Minister may require the school to repay a portion of the grant to the Commonwealth. Repayment obligations will be set out in detail in the relevant funding agreements.

174. The agreement entered into with the BGA or other nominated authority under the Act requires that if the BGA or other nominated authority does not fulfil an obligation under an agreement the Commonwealth may recover funds, reduce further payments or delay any further payments.

## Applications

### School Level

175. Schools wishing to apply for capital grants should contact their BGA for application forms and information about closing dates. A list of BGA contact details is available at: <http://www.deewr.gov.au/Schooling/Funding/CapitalGrantsProgram/Pages/BlockGrantAuthorityContactDetails.aspx>.

## Assessment of Applications

### Block Grant Authority Level

176. BGAs will assess applications for eligibility. Eligible projects will then be placed in order of priority for funding on the basis of:

- a. primarily:
  - i. the relative educational disadvantage of students at the schools

- b. secondarily:
- i. the appropriateness of the cost, size and use of the facilities to be funded, in relation to sound educational planning. In determining the 'appropriateness' of a proposed project, BGAs shall use a subjective assessment that may take into consideration geographic and future demographic trends, local area cost pressures and appropriate state or territory area standards
  - ii. the relative contributions of the projects to the Program's objectives
  - iii. the condition and suitability of existing facilities in relation to the level of facilities needed
  - iv. where relevant, the extent to which the projects are cost effective through the shared provision of educational or recreational services otherwise provided independently by State governments, local governments and non-government schools
  - v. the extent to which the school is making adequate and regular provision for the upkeep of its facilities.

\* Note that facilities funded under the Commonwealth Local Schools Working Together initiative, the Trade Training Centres in Schools Program and/or the Building the Education Revolution are not to be considered as part of any assessment of the appropriateness or the size of a proposed facility to be funded under the Capital Grants Program.

177. For the purposes of the Capital Grants Program, if the necessary data or methodologies to assess relative educational disadvantage are not available to a BGA, it may rely on assessment of student background variables, such as socioeconomic disadvantage, that are strongly correlated to relative educational disadvantage.

178. BGAs are required to submit to the National Office of the Department, by 30 September each year, recommendations for capital expenditure under the Program for the Minister's approval. BGAs will normally be advised by the Department by early December which capital projects have been approved for funding. While project recommendations must be submitted at this time as a general rule, urgent projects may be accepted out of round, where it is not practicable for the applicant to meet the normal timetable.

## Finalisation of Recommended Grants

179. In negotiating with applicants the nature of each project to be recommended for funding, BGAs should aim for a minimum viable project that:

- a. is based on sound enrolment projections for the period closely following project completion
- b. meets the major educational needs in a way that is cost effective over the life of the facilities
- c. avoids design features (e.g. inefficient siting of buildings) that make no significant educational contribution and that may increase construction, maintenance or operating costs

- d. takes appropriate account of the contribution which aesthetically pleasing design and good quality materials can make to school morale and to the care with which students treat their environment.

180. In determining the size of grants recommended, BGAs must assess all sources of funds available to schools (including funding available from their supporting communities and State governments) and require schools to make the maximum contribution possible (including through borrowings) without preventing the provision of an adequate level of recurrent resources nor jeopardising schools' financial viability.

## Appeal Process

181. Where applications are not recommended for approval, BGAs must provide reasons for rejection to the applicant schools and afford these schools the opportunity to have their applications reviewed by a process independent of the original assessment process and mutually acceptable to the BGA and its participating schools. This may be done prior to, or in parallel with, submission of recommendations to the Department.

## National Code of Practice for the Construction Industry

182. It is Australian Government policy that the National Code of Practice for the Construction Industry (the Code) and the Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry (the Implementation Guidelines) will be applied to all construction projects indirectly funded by the Australian Government where:

- the value of Australian Government contribution to a project is at least \$5 million and represents at least 50 per cent of the total construction project value  
or
- the Australian Government contribution to a project is \$10 million or more, irrespective of the proportion of Australian Government funding.

183. BGAs must include with their schedule of recommended projects for funding a statement confirming that the Code and Implementation Guidelines are being applied (where appropriate) in respect of school construction projects indirectly funded by the Australian Government where the projects fall under the funding parameters above.

Further information about the Code and Guidelines is available at:

<http://www.fwbc.gov.au/national-code>.

## Accountability

184. The Commonwealth is accountable to the Parliament and people of Australia for the expenditure of the public funds it provides for school education. To meet its accountability obligations, the Government requires that recipients account for their use of the grants financially.

185. Non-government schools must, within a specified period after a project has been completed, submit to the Block Grant Authority (BGA) documents prepared by architects and an independent accountant confirming the final expenditure of the project, that the

project was completed as approved and that the grant monies were spent only on the approved project.

186. Each BGA is required to give the Commonwealth, by 30 June in the next program year, the financial accountability and performance information documentation specified in the Administrative Arrangements for BGAs document. The Administrative Arrangements include a requirement for BGAs to provide at least those schools that have applied for funding within the last three years, with selected information about the distribution of grants. Other participant schools may obtain this information from their BGA upon request.

187. In addition, the Department may audit the administrative practices of any BGAs. Schools participating in a BGA should be able to view any final audit report on that BGA upon request to the BGA.

### Financial Accountability

188. BGAs will meet their financial accountability for the program by submitting to the Department by 30 June in the next program year or such later date as the Minister approves, an electronic financial accountability certificate, in the name of a Qualified Accountant. A Qualified Accountant is:

- a. a qualified accountant within the meaning of the *Corporations Act 2001*  
or
- b. a person registered (or taken to be registered) as a company auditor under the *Corporations Act 2001*  
or
- c. a person approved by the Minister as a qualified accountant for the purposes of the Act.

## Provision of Employment, Training and Business Opportunities for Indigenous Australians and the Involvement of Indigenous Australian Communities in Submission Evaluation

189. The Indigenous Opportunities Policy states:

For the purpose of promoting employment and training opportunities for Indigenous Australians, where projects involve expenditure over \$5 million (\$6 million for construction) in regions where there are significant Indigenous populations, officials must:

- Consult with the Department of Education, Employment and Workplace Relations, the Commonwealth Indigenous Coordination Centres or equivalent Commonwealth Office, and community council or group, as appropriate, in the planning stages of those projects.
- In each procurement process under those projects, require each tenderer to submit as part of their tender a plan for providing training and employment opportunities to local Indigenous communities, and for the use of local Indigenous suppliers that are small and medium enterprises.

## Employment and Training Opportunities

190. Commonwealth capital grants for non-government schools are offered on the condition non-government schools receiving capital grants must allow DEEWR, and/or other relevant agencies wishing to encourage the provision of employment or training or business opportunities, or all, for Aboriginal and Torres Strait Islander peoples, access to those tendering for the work. Grantees are not required to initiate contact in this regard, but if they are contacted must provide reasonable assistance including provision of the relevant project details and contact details about relevant tenderers. Grantees should advise tenderers that they may be contacted by DEEWR or other relevant agencies in relation to Aboriginal and Torres Strait Islander peoples' employment, training and business opportunities.

## Involvement of Indigenous Australian Communities in Submission Evaluation

191. Commonwealth capital grants for non-government schools are also offered on the condition that, where the capital works associated with the grant are undertaken specifically for an Indigenous Australian community, the grantee must use best endeavours to involve that community in the evaluation of quotations or submissions. The community should be encouraged and assisted to be involved in the planning, submission process and execution of the projects so that there can be genuine community participation in the process. In this context, the term 'Indigenous Australian community' signifies a group of Indigenous Australians who live in a distinct geographical location and interact on a day to day basis as a social group.

192. Where members of an Indigenous Australian community wish to bid for a contract, conflict of interest must be avoided. Where a community member participating in the evaluation of a bid has a conflict of interest, he or she must disclose the interest and may be required to divest themselves of the interest or to withdraw from the evaluation process. The intention of involving the community is to ensure that the design and the construction of the project are appropriate to community needs, however, this does not overtake normal selection criteria and there is no conflict intended with standard procurement guidelines.

## PART 4: GRANTS FOR TARGETED EXPENDITURE

193. Targeted grants are provided for:

- short term emergency assistance
- education in country areas
- languages education
- teaching English to new arrivals
- the literacy, numeracy and special learning needs of students who are educationally disadvantaged.

194. A requirement in a funding contract for targeted expenditure which requires the contracting authority to make payments to schools means, with respect to systemic schools, a payment to the approved authority for the relevant school system, and in respect of non-systemic schools, a payment to the approved authority for the school.

195. This part of the Guidelines sets out the requirements for each targeted program above.

### 4.1 Short Term Emergency Assistance

#### Legislative Authority

196. Short Term Emergency Assistance (STEA) funding for non-government schools for the 2009-2013 funding period is provided under Part 6, Division 2 of the Act. Non-government schools and school systems in each state and territory which receive STEA funding must comply with all the requirements of the Act.

#### Objectives

197. The purpose of this part of the Guidelines is to provide prospective STEA applicants with information and a better understanding in relation to:

- a. the STEA application process, including indicative timeframes
- b. the STEA Application Form, available on the Department's website:  
<http://www.deewr.gov.au/Schooling/Funding/Pages/ShortTermEmergencyAssistance.aspx>.
- c. the need for supporting documents
- d. how the information in the STEA Application Form and the supporting documents will be used to determine the outcome of the application.

198. Provision of STEA funding requires schools to demonstrate eligibility to apply and to satisfy all four specific **STEA criteria** which ensure that the provision of STEA funding is in accordance with the purpose of the program. Applicants must demonstrate that:

- a. the circumstance was unexpected such that it could not reasonably have been foreseen by a competent school administration
- b. the circumstance has led to severe financial difficulty such that the school will have to cease a major part of its educational activities or significantly lower the quality of its educational services
- c. the financial difficulty is short-term such that the school will be able to resume operating satisfactorily within two years of receiving STEA funding
- d. the school's requirement for assistance qualifies as special need in that all other options for financial remediation, including alternative sources of funding have been exhausted and there is still a need for Australian Government funding to address the school's immediate financial difficulties.

199. To be considered for STEA funding, the school must submit a written application which will be assessed by DEEWR. In addition to satisfying all four STEA criteria, the school needs to provide an estimate and justification for the amount of STEA funding sought, as well as a Business and Recovery Plan which outlines the school's strategy for addressing the financial difficulty. Other supporting information on the school's governance, financial management, enrolments and staffing will be assessed to determine the extent to which it:

- a. substantiates the school's claims against the STEA criteria
- b. enables DEEWR to develop a thorough understanding of the school's financial situation and the underlying causes of the school's financial difficulty
- c. validates the school's Business and Recovery Plan.

## Eligibility

200. STEA funding is available to both systemic and non-systemic non-government schools. In the case of systemic schools, however, it is expected that applicants have advised their system about their financial difficulty prior to applying for STEA funding. The substantial resources available to a system make it more likely that a systemic school could obtain alternative assistance without need to resort to the Australian Government for STEA funding.

201. Similarly, it is expected that those non-systemic schools that are members of a peak body have advised the relevant peak body prior to applying for STEA funding and sought appropriate financial information and advice.

202. The applicant must be the approved school authority for a non-systemic school or the approved authority for the school system for a systemic school.

## Exclusions

203. Schools will not be eligible for assistance under the STEA Program where:

- a. the school is not fully compliant with all requirements of its current funding agreement for the provision of recurrent funding under the Act
- b. the school proposes to use the STEA funds to cover unpaid Australian Taxation Office debts, including Pay As You Go (PAYG) or Goods and Services Tax (GST)

- c. the school proposes to use the STEA funds to assist with the establishment of a school which has been operating for less than five years
- d. the school intends to use STEA funding solely to lower its level of indebtedness
- e. the school intends to use STEA funding for expenditure of a capital nature, or where a loss results from inadequate insurance cover for capital facilities
- f. the school is likely to experience long-term financial difficulties  
or
- g. the school is likely to close or is in the process of winding down. However, where a school can demonstrate that the educational welfare of the students is likely to suffer severely if they could not stay until the end of the school year, and there is no other educationally adequate, alternative school or service available to them, STEA may be available for a school to continue to operate until the end of the current school year.

## The Application

204. Each application for funding must demonstrate that it is from an eligible applicant, that the requirement for STEA funding is in accordance with the purpose of the program and provide documentation as specified which substantiates the school's circumstance and claims. The following information is provided as a guide to preparing an application for funding under the STEA Program.

205. The application for STEA must be made by the approved authority for a non-systemic school, or the approved authority for the school system for a systemic school. All applications for STEA must be made in writing using the pro-forma STEA Application Form available on the Department's website:

<http://www.deewr.gov.au/Schooling/Funding/Pages/ShortTermEmergencyAssistance.aspx>

206. Before assessment can commence, the applicant must provide the Department with the complete application (the signed original plus one copy, both unbound) as outlined in the Application Requirements section below.

207. Failure to provide DEEWR with a complete application within three months of initial lodgement, will result in the application lapsing. Under this circumstance, the Department will advise applicants in writing that the application has lapsed.

208. Applicants should note that in providing the Department with any reports, certificates, statements, acquittals or any other information pursuant to the requirements of this program, giving false or misleading information is a serious offence.

## Application Requirements

209. Applicants for STEA funding should read and comply with the guidelines below to ensure that their application includes all of the information required by the Department for assessment. A complete application for STEA must comprise of a completed and signed Application Form and supporting documents detailed in Item (i) of the Application form.

### a. Applicant details



- i. Details relating to the school including contact information
  - ii. Authority for the Department to communicate with the listed contact person if they are not an authorised signatory of the approved authority. If required, this authority must be signed by an authorised signatory.
- b. **Amount of STEA funding sought** – an estimate of the total amount of STEA funding sought to address the financial difficulty must be provided. The estimate must:
- i. be soundly calculated, itemise all major components and reflect as nearly as possible the anticipated sum required
  - ii. be accompanied by a narrative which outlines the basis of the estimation and provides a justification for the amount sought
- c. **Statement addressing the STEA criteria** – a statement outlining how each of the four STEA criteria applies specifically to the present circumstance. All four criteria must be addressed by applicants.
- i. **Unexpected** – description of the nature of the unexpected circumstance that has affected the school and led to the application for STEA. A circumstance is only considered unexpected where it could not have been foreseen by a competent school administration. A competent school administration is expected to be alert to prevailing social, demographic and economic conditions that may affect the school’s viability and overall operation.
  - ii. **Severe Financial Difficulty** – detailed description of how the unexpected circumstance has led to severe financial difficulty for the school and how this impacts on one or both of the following:
    - delivery of the school curriculum and other educational activities; and/or
    - the quality of its educational services.

Severe financial difficulty is only considered to exist where a school is facing the real prospect of having to cease a major part of its educational activities or lower the quality of its education services to a level where it would be in breach of its obligations under the relevant State/Territory legislation, regulations and/or policy.
  - iii. **Special Need** – detailed description of the options that the school has considered, implemented or pursued in an attempt to address the current severe financial difficulty (e.g. rescheduling payment of debts/capital expenditure, seeking alternative sources of funding from State, Federal or commercial entities, sponsors, parents etc and other means of income generation such as increased fees or fund raising activities).
- To satisfy this criterion, applicants must demonstrate that they have exhausted all alternative financial remediation options and yet there is still a need for STEA funding from the Australian Government.
- Applicants must provide documentary evidence (e.g. copies of letters/ e-mails etc seeking assistance and responses) that support the applicant’s claims that all other options for financial assistance have been exhausted.

Systemic Schools Only: In addition to addressing the STEA Special Need criterion, applications from systemic schools must also include a statement from their system authority explaining why assistance for the present financial difficulty is not available from within the system and which substantiates the need for STEA funding from the Commonwealth.

- iv. **Short-term** – Explanation of how, with STEA funding, the school can overcome its severe financial difficulty and resume satisfactory operations within a two year timeframe.
  - Applicants must provide a 5 year Business and Recovery Plan which must detail the steps that the school has taken, and will take, to address the severe financial difficulty and its underlying causes. The plan should cover a minimum five year period following on from the most recently available audited financial statements and show that the school is able to recover from its financial difficulty within two years of receiving STEA funding and that the school is sustainable in the longer term.

**d. Financial Viability Questionnaire**

- i. Organisational details are required to ensure that, if the Department determines eligibility and proceeds to enter into a contract, it can identify and contract with the correct legal entity. For example, if the school operates with a trust structure then it is necessary to provide the names of both the trust and trustees. The Department may use and/or disclose this information to obtain further information about the organisation or any named office bearers from the Department's own records and databases or from publicly available records of the Australian Securities and Investment Commission and/or a credit rating agency.
  - ii. The purpose of the Questionnaire is to obtain information in order to assess, in the opinion of the Department, the school's financial viability and ability to meet project obligations should STEA funding be awarded. This Financial Viability Questionnaire will assist identification of whether the requirements of the Act for payment of STEA have been met.
- e. Governance and financial management** – the governance and financial management information will assist DEEWR to develop an understanding of the school's governance structures and internal financial management procedures. It should include:
- i. a description of the school's governance structure
  - ii. membership of the school board
  - iii. eligibility criteria for membership of the school board
  - iv. how often the board meets
  - v. a description of the board's role and responsibilities
  - vi. a description of the school's internal financial control mechanisms
  - vii. a description of how the school budgets are determined

- viii. a description of the procedures in place to monitor the school's financial performance.
- f. **School financial information** – Information and supporting documentation relating to the school's finances will assist DEEWR to assess the validity of the school's claims against the STEA criteria and the robustness and feasibility of the school's Business and Recovery Plan. This documentation must include each of the following:
- i. School Fee Collection Rates for the current year and preceding three years. Applicants must complete the table in the Application Form and expand on the reasons for any differences between total possible fees and actual fees collected (e.g. unpaid fees, number of students on reduced fees, family discounts etc).
  - ii. Summary of Loans Outstanding and Other Liabilities. Applicants must complete the table in the Application Form, including details of any liabilities to the Australian Tax Office or other Government Agencies and payment arrangements.
  - iii. All current and forecast capital works and associated costs. Applicants must provide a list of all current and forecast capital works in the Application Form. The Department will also access its own database to identify any existing BGA capital works projects.
  - iv. Two sets of projected financial statements for the next two years:
    - One set based on receipt of STEA funding and another set based on no STEA funding.
    - Statements should include projected monthly budgets or cash flow statements and must incorporate actual data where this is available.
  - v. Audited Financial Statements conforming to Australian Accounting Standards for the preceding three years. Audited Financial Statements should include:
    - Balance Sheet (or Statement of Financial Position)
    - Income and Expenditure Statement (or Statement of Financial Performance)
    - Statement of Cash Flows
    - Notes to and forming part of the Financial Statements (including details of all investments held by the school)
    - Full disclosure of all related party transactions
    - Directors' Statement
    - Directors' Report
    - Auditor's Report
  - vi. Interim management style financial statements including a balance sheet and profit and loss statement must be provided for the current year. These statements are not required to be audited.

- vii. Approved School Budgets for the current year and preceding three years. Budgets should include breakdowns for curriculum, recurrent, capital and maintenance, and details of loans and repayments.
- g. **Staffing and enrolments** – this information will assist the Department to determine the longer-term sustainability of the school by examining staffing levels and trends in pupil enrolments.
- i. An itemised list of all employees of the school including information on annual positions, salaries, fringe benefits and allowances.
- This list must not contain the names of employees, but applicants should ensure that they can identify each employee if requested to do so by the Department.
- ii. Actual and projected enrolments. Applicants must complete the table in the Enrolment Form showing enrolments for the current year, preceding three years and projected enrolments for the next four years. Applicants should expand on any issues affecting enrolments and reasons for any differences in actual and projected enrolment figures.
- In addition to reviewing general trends in projected and actual student enrolments to gauge the accuracy of historical enrolment projections and add weight to future projections, the Department will use information from its own annual school Census to estimate pupil/teacher ratios (PTRs).
- h. **Signed declaration** – each application must be accompanied by the declaration at Item (h) of the Application Form. It must be signed by an authorised signatory of the applicant’s approved authority in the presence of another person.
- i. **Attachments** – the completed and signed Application Form must be accompanied by supporting documentation. These documents are listed at Item (i) of the Application Form.
- j. **Signed application checklist** – Applicants must complete the STEA Program Application Checklist located at Item (j) of the Application Form. The form must be signed to verify that all required information and supporting documents have been included with the application.

## Submission of Application

210. Completed applications (**original plus one copy, both unbound**) should be addressed to:

STEA Program Manager  
Schools Assurance Section (Location C50MA9)  
Department of Education, Employment and Workplace Relations  
GPO Box 9880  
CANBERRA ACT 2601  
Fax: (02) 6250 4445

211. The Department may disclose information and documentation contained in an STEA application to a State/Territory registration authority and/or peak body and consult with the

authority or body regarding the applicant's registration status, financial viability or other relevant matters.

212. It is probable that personal information about individuals will be collected for the STEA Program. For example, the STEA Application Form requires the provision of details of all directors, partners, office bearers and other relevant persons in the organisation. DEEWR may use information provided in the STEA Application to obtain further information about the organisation and/or any named individuals from DEEWR's own records and databases, publicly available records of the Australian Securities and Investment Commission and/or a credit rating agency. This information will only be used by DEEWR for the purpose of verifying information provided by the applicant and to identify any adverse information that has not been disclosed, or that may adversely affect the organisation's ability to meet its contractual obligations should STEA funding be awarded.

213. In administering the STEA Program DEEWR is bound by the provisions of the *Privacy Act 1988*. Section 14 of the Privacy Act contains the Information Privacy Principles (IPPs) which prescribe the rules for handling personal information.

## Assessment and Notification of Outcome

214. The assessment process commences only once the complete application has been received by the Department. The case for STEA funding is assessed on the basis of the information provided by the applicant with regard to satisfying all four of the STEA criteria and an assessment of the Business and Recovery Plan which is made in the context of the supporting information relating to the school's governance, financial management and longer term viability. Following this assessment, a recommendation is made to the Minister or the Minister's delegate with regard to the provision of STEA funding. Apart from payment of the assistance amount sought, or refusal of STEA funding, the scope of the recommendations may include:

- a. payment of a lesser amount; and/or
- b. staged payments to ensure satisfactory progress and attainment of key milestones; and/or
- c. the provision of funding to contract a financial consultant or other professional to provide assistance with the development and implementation of a school financial recovery plan.

215. The final decision on whether to approve funding of a STEA application is made by the Minister or the Minister's delegate.

216. On completion of the assessment and approval process, all applicants for STEA funding will be advised of the outcome in writing. Successful applicants will receive information relating to the amount of STEA funding offered and conditions with regard to its use and acquittal (see below for more information). Unsuccessful applicants will receive feedback on the reason(s) that their application for STEA funding was not successful.

217. The time taken for completion of the STEA assessment process varies and is to a large extent dependent on the complexity of the individual school's circumstance. Typically however, applicants are advised of the outcome of their application for STEA funding within 12 weeks of receipt of the completed application by DEEWR. When the information

provided by the applicant is incomplete, or the school's circumstance is particularly complex and requires verification of information provided or additional information, the time taken to assess the application may be extended. The Department will advise applicants of the progress of their application in writing if the assessment process extends beyond 12 weeks.

### Information for successful applicants

218. In order to receive STEA funding, the applicant must enter into an agreement with the Commonwealth (through the Department) by way of a Schedule which will be an attachment to the school's existing Funding Agreement for the Provision of Funding under the Act for 2009-2013. The conditions associated with the award of STEA funding will vary depending on the individual circumstances of the applicant, but will include such conditions as the Minister or the Minister's delegate consider appropriate.

219. Schedules will detail the appropriate use of STEA funding, reporting processes and STEA expenditure monitoring and acquittal requirements. In those cases where an STEA recipient's recovery is staged, an assessment of the success of the first stage may be required before funds are committed to a second or subsequent stage.

220. While STEA funding is not a loan and therefore does not need to be repaid, the funding agreement will make provision for suspension or recovery of funds if conditions of the funding agreement are not met. If appropriate, recovery of funds may be effected through offsets against recurrent funding entitlements. Residual or unspent funds will also be recovered.

### Financial Accountability

221. Approved authorities will meet their financial accountability requirements for STEA with respect to a program year by having a Qualified Accountant submit to the Department on or before 30 June of the following year or such other date as the Minister approves, an electronic Financial Accountability certificate.

222. A Qualified Accountant is:

- a qualified accountant within the meaning of the *Corporations Act 2001*  
or
- a person registered (or taken to be registered) as a company auditor under the *Corporations Act 2001*  
or
- a person approved by the Minister as a qualified accountant for the purposes of the *Schools Assistance Act 2008*.

### Further Information and Enquiries

223. Enquiries about the program should be directed to the STEA Program Manager on 1800 677 027, option 1, then option 2 or by emailing: [schools.assurance@deewr.gov.au](mailto:schools.assurance@deewr.gov.au).

## 4.2 Country Areas Program

### Legislative Authority

224. Country Areas Program (CAP) funding for non-government schools for the 2009-2013 funding period is provided under Part 6, Division 3 of the Act. Non-government schools and school systems in each state and territory which receive CAP funding must comply with all the requirements of the Act.

### Program Objectives

225. CAP funds help schools and school communities improve the educational outcomes and opportunities of students who are educationally disadvantaged because of their geographic isolation. CAP helps isolated students to obtain similar learning outcomes to those students in less isolated areas.

226. CAP funding will be provided to non-government education authorities in the states and the Northern Territory for distribution to eligible schools.

### Eligibility

227. State and Northern Territory non-government education authorities are eligible for funding under CAP.

228. CAP funding is available for projects which enhance the educational achievements and increase the opportunities and choice available to students disadvantaged by geographic isolation. These students are located in the following institutions:

- a. non-government primary and secondary schools located in geographically isolated areas, or non-government distance education facilities servicing these areas and/or
- b. non-government special schools or non-government schools with special units for students with disabilities that meet the above criteria are eligible for support.

229. Note: Boarding schools which are not located in geographically isolated areas are not eligible for support.

### Use of Funding

230. CAP funds are intended to enable projects to be conducted to meet the particular needs of geographically isolated students.

231. CAP funds are not to be used as a substitute for funding resources or services, which are the responsibility of education systems, other agencies or providers.

232. State and Northern Territory non-government education authorities must only use CAP funds for projects that support:

- a. curriculum enhancement
- b. information and communication technology

- c. professional development
- d. promotion of CAP
- e. school support.

### Curriculum enhancement

233. Funds can be used for activities which complement, support and enrich the curriculum for geographically isolated non-government primary and secondary school students such as:

- a. Excursions and hosting visits where the costs associated with excursions and visits are greater because of geographic isolation
- b. Provision of support for subjects such as languages, music and attendance at sporting events
- c. Additional costs associated with activities which support secondary students in making the transition to further education, training and work (post school pathways) including VET in schools and work experience.

### Information and Communication Technology

234. In respect of Information and Communication Technology (ICT), funds can be applied to enable geographically isolated students to be confident, creative and productive users of new technologies, particularly ICT and understand the impact of these technologies on society. CAP's role is to enhance education system responsibilities in the application of technology to teaching and learning. Where non-government education authorities have made a commitment to roll out ICT equipment to all schools over several years, projects purchasing ICT equipment would need to clearly demonstrate that they are a necessary addition within the long-term planning of the sector's rollout.

### Professional Development

235. Professional development and support involves addressing particular development needs of teachers in geographically isolated areas. The provision of professional support may help to attract and retain teachers. CAP funds may be used to cover course costs, the supply of relief staff and travel costs. Given that responsibility for professional development of teachers rests with non-government education authorities and schools and that the Commonwealth makes a significant contribution to the professional development of teachers through the Commonwealth's Quality Teacher Program, projects in this area would need to demonstrate they are a necessary addition to what is the usual responsibility of the education authority/school. Projects of this type should keep in mind what would be normal for teachers in metropolitan areas and only address any additional costs to teachers due to their rural location.

### Promotion of CAP

236. Funds can also be used for the promotion of information to inform CAP school communities including the evaluation, documentation and dissemination of information regarding program activities with emphasis, as appropriate, on best practice. Note that it is a requirement that all information dissemination, including information on non-government



education authority websites, include acknowledgement that CAP is a Commonwealth initiative.

## School Support

237. Where sectoral costs associated with CAP program development and delivery (for example, salary costs of professional staff such as CAP co-ordinators and advisers) are necessary for the effective delivery of CAP, these should be treated as projects.

## Purchase of Tangible Items

238. Where a school can satisfy itself that the purchase of equipment (such as a computer, musical instruments, tools, library books etc) is consistent with the purpose of the Program, it may expend up to \$5,000 on such items.

239. CAP funds may be used for the purchase of capital items. For items of \$5,000 or over, recipients must keep a register of assets in the following form.

Asset No.	Details of Asset	Purchase Price	Date of Purchase	Disposal Date	Sale Price	Depreciation Rate

*Note: sufficient detail must be included under 'Details of Asset' to enable identification of the Asset, e.g. make, model, colour, serial number, engine number, registration number etc.*

240. The register must be available for inspection by DEEWR, if requested.

241. CAP supplementation funds may be used for any projects that are consistent with the objectives and purposes of the CAP program as set out in the Act and Guidelines.

## Assessment for the allocation of CAP Funds

242. The non-government education authorities in each state and the Northern Territory may allocate CAP funds as they deem most appropriate. To ensure maximum use of Commonwealth funding, administrators need to consider the following principles:

- a. to ensure flexibility, projects may vary in size according to the number and needs of students
- b. projects should be regularly reviewed to ensure effectiveness. A balance must be achieved between new and recurrent projects so that CAP remains innovative and dynamic, building on existing best practice and developing innovative approaches
- c. projects should be complementary to the curricula and be part of an integrated approach to improving learning outcomes
- d. projects should promote the importance of education to parent and community groups and foster the involvement of parents, communities and community agencies
- e. where possible, the funds should be maximised by the effective utilisation and sharing of local resources across school communities to supplement, complement and develop CAP initiatives.

243. CAP funds provided for administration purposes must not exceed 5 per cent of the total annual CAP allocation to non-government education authority in each State or the Northern Territory.

244. Assessment and disbursement of CAP projects must be undertaken on a transparent basis and with appropriate targeting, including arrangements for consulting with and ensuring the participation of key stakeholders in the planning and delivery of the program. State and Northern Territory non-government education authorities are encouraged to consult and cooperate with each other in the administration and operations of the program.

## Project Management and Accountability of CAP Funds

245. Funding of \$6.278 million in 2013 is provided for CAP, under section 88 of the Act. Funding is supplemented annually in line with movements in the Average Government School Recurrent Costs (AGSRC) Index. Refer to [Appendix K](#).

246. In 2013, CAP funds will be distributed as follows:

**Table 4.1: Country Areas Program Funding Allocations for 2013**

STATE	CATHOLIC SECTOR	INDEPENDENT SECTOR
NSW	\$1,656,101	\$696,868
VIC	\$684,750	\$336,195
QLD	\$857,315	\$289,525
WA	\$507,559	\$248,895
SA	\$253,955	\$243,558
TAS	\$145,359	\$74,938
NT	\$371,372	\$112,610
<b>Sub Total</b>	<b>\$4,476,411</b>	<b>\$2,002,589</b>
<b>Grand Total</b>	<b>\$6,479,000</b>	

247. State and Northern Territory non-government education authorities will receive four payments over the period January-December.

**Table 4.2: Payment Schedule 2013 - Country Areas Program - State and Northern Territory non-government education authorities**

Payment	Month	Proportion of grant paid
1	January	Payment is one quarter of entitlement
2	April	Payment is one quarter of entitlement
3	July	Payment is one quarter of entitlement
4	October	Payment is one quarter of entitlement

248. CAP funding is supplemented annually in line with movements in the AGSRC Index. Supplementation will be paid as soon as possible following the making of a regulation under the Act (refer to [Appendix K](#)).

## Financial accountability

249. Authorities will meet their financial accountability for the Country Areas Program for a program year by submitting to the Department on or before 30 June each subsequent (or following) year or such other date as the Minister approves, an electronic Financial Accountability certificate.

250. The certificate is to be submitted by a Qualified Accountant. A Qualified Accountant is:

- a. a qualified accountant within the meaning of the *Corporations Act 2001*  
or
- b. a person registered (or taken to be registered) as a company auditor under the *Corporations Act 2001*  
or
- c. a person approved by the Minister as a qualified accountant for the purposes of the *Schools Assistance Act 2008*.

251. Where an authority submits an overall financial accountability certificate as required in their Funding Agreement with the Department, detailing funding across multiple programs, it does not then need to provide an individual financial accountability certificate to each targeted program area.

## Further Information and Enquiries

252. For additional information about the Country Areas Program, please use one of the following media:

**Written correspondence:**

Director

Education Access and Engagement Team

Student and Parental Engagement Branch

Youth and Inclusive Education Group

Department of Education, Employment and Workplace Relations

GPO Box 9880

CANBERRA ACT 2601

**Website:** <http://deewr.gov.au/country-areas-program>

## 4.3 School Languages Program

### Legislative Authority

253. School Languages Program (SLP) funding for non-government schools for the 2009-2013 funding period is provided under Part 6, Division 4 of the Act. Non-government schools and school systems in each state and territory which receive SLP funding must comply with all the requirements of the Act.

### Objective

254. SLP funding is payable to help non-government schools improve the learning outcomes of students who are learning languages other than English.

### Eligibility

255. School students from Kindergarten (or equivalent) to Year 12 in non-government schools.

256. To benefit from SLP funding, students must be enrolled in a non-government school which attracts recurrent funding.

257. Final eligibility for SLP funding is determined by the non-government school education authorities in each state and territory.

### Funding

258. Initial funding of \$14.762 million in 2013 will be provided for the SLP, under section 91 of the Act. Funding is supplemented annually in line with movements in the AGSRC Index. Refer to [Appendix K](#).

259. A proportion of non-government SLP funds will be set aside for national projects, where the sole or principal object of a project is to foster the learning of languages other than English.

260. The majority of funding for the SLP is paid to non-government school education authorities in each state and territory, which are responsible for administering program funds.

261. The distribution of annual supplementation will be based on a non-government school authority's student per capita entitlement, according to current ABS school enrolment data. Supplementation will be distributed to education authorities as follows:

- a. Non-government school education authorities currently receiving the per capita entitlement of SLP funds will be maintained at their initial 2009 level until their per capita entitlement is reached. They will then receive supplementation consistent with their entitlement, proportional to the supplementation available
- b. Non-government school education authorities currently receiving less than a per capita entitlement of SLP funds will receive annual supplementation based on their per capita entitlement proportional to the supplementation available.

## Use of Funding

262. SLP funding may be used to support languages education at any level from Kindergarten (or equivalent) to Year 12, including Asian, European, Aboriginal and Torres Strait Islander languages and Auslan.

263. Funds may be used for the purchase of minor capital items (which may include, but not limited to, items such as interactive whiteboards, language specific software, DVD players, TVs etc) up to \$5,000 per school for explicit use in the delivery of languages education programs.

264. Funds may not be used for:

- a. major capital purposes
- b. programs which are predominantly religious or political.

## Administration and Reporting

265. Non-government education authorities are required to submit a report by 31 January each year that provides the information with respect to the languages activities conducted within their sectors in the preceding calendar year.

266. Reporting on 2012 SLP activities is to be done in accordance with the following template:

### Contact Details:

Education Authority	
SLP Contact Officer:	
Telephone:	
Email address:	

## Funding

SLP Program Year	2012
Total 2012 Funds received	
Total 2012 Funds spent	
Total 2012 Funds committed	

### Program Activities supported through 2012 SLP funds

- (a) How much School Languages Program funding was used to support Aboriginal and Torres Strait Islander languages programs and activities; how the funds were used and the outcomes of those activities.

Funding used to support Aboriginal and Torres Strait Islander languages programs and activities  (\$)	How the funds were used	Outcomes

(b) The number of school students by year level, where possible, studying Aboriginal and Torres Strait Islander languages, Arabic, Chinese (Mandarin), French, German, Greek, Indonesian, Italian, Japanese, Korean, Vietnamese, and Spanish

Language	Kinder/ Prep	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Aboriginal and Torres Strait Islander languages													
Arabic													
Chinese (Mandarin)													
French													
German													
Greek													
Indonesian													
Italian													
Japanese													
Korean													
Spanish													
Vietnamese													

Further information in relation to smaller candidature languages in your state/territory may be included in your report if relevant.

(c) Where available, the number of qualified school teachers available to teach Aboriginal and Torres Strait Islander languages, Arabic, Chinese (Mandarin), French, German, Greek, Indonesian, Italian, Japanese, Korean, Vietnamese, and Spanish. To avoid duplication of numbers, please indicate in the Comments field in instances where a teacher may be teaching across a number of grades.

Language	Kinder/ Prep	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Comments
Aboriginal and Torres Strait Islander languages														
Arabic														
Chinese (Mandarin)														
French														
German														
Greek														
Indonesian														
Italian														
Japanese														
Korean														
Spanish														
Vietnamese														

Further information in relation to smaller candidature languages in your state/territory may be included in your report if relevant.



267. Once completed, reports should be forwarded to:

The Director  
Languages and Asian Studies and Literacy Section  
Australian Curriculum Branch (Location C50MA10)  
Curriculum Assessment and Teaching Group  
Department of Education, Employment and Workplace Relations  
GPO Box 9880, CANBERRA ACT 2601

## Accessing Funds

268. For information about accessing funds under the SLP, non-government schools should contact their respective non-government school education authority in their state or territory.

## Financial accountability

269. Authorities will meet their financial accountability for the SLP for a program year by submitting to the Department on or before 30 June each subsequent (or following) year or such other date as the Minister approves, an electronic Financial Accountability certificate.

270. The certificate is to be submitted by a Qualified Accountant. A Qualified Accountant is:

- a. a qualified accountant within the meaning of the *Corporations Act 2001*  
or
- b. a person registered (or taken to be registered) as a company auditor under the *Corporations Act 2001*  
or
- c. a person approved by the Minister as a qualified accountant for the purposes of the *Schools Assistance Act 2008*.

271. Where an authority submits an overall financial accountability certificate as required in their Funding Agreement with the Department, detailing funding across multiple programs, it does not then need to provide an individual financial accountability certificate to each targeted program area.

## Payment Procedures

272. There will be one payment to non-government school education authorities made annually in March. Supplementation payments, if applicable, will be made towards the end of each calendar year.

273. National Projects payments can be made at any time during the year, as new projects are approved by the Commonwealth Minister for Education.

274. For further information and enquiries contact:

The Branch Manager  
Australian Curriculum Branch (Location C50MA10)  
Curriculum, Assessment and Teaching Group  
Department of Education, Employment and Workplace Relations  
GPO Box 9880  
CANBERRA ACT 2601

## 4.4 English as a Second Language – New Arrivals Program

### Legislative Authority

275. Australian Government ESL-NA funding for non-government schools for the 2009-2013 funding period is provided under Part 6, Division 5 of the Act. Non-government education authorities in each state and territory which claim ESL-NA funding must comply with all the requirements of the Act.

### Objective

276. The ESL-NA Program provides Australian Government funding to state and territory non-government education authorities to assist with the cost of delivering intensive English language tuition to eligible newly arrived migrant primary and secondary school students.

277. The Program aims to improve the educational opportunities and outcomes of students who have recently arrived in Australia, whose first language is not English and whose proficiency in the English language is determined, at the local level, to require intensive assistance to enable them to participate fully in mainstream classroom activities.

### Eligibility

278. Eligible students must be assessed by non-government education authorities as needing education assistance through an intensive ESL course.

279. At the time of enrolling in the initial course of intensive English language instruction, the person must be undertaking primary or secondary education at a non-government school or have enrolled at a non-government school as a primary or secondary student.

280. If entering the first year of primary schooling, the student must have enrolled in an intensive English course funded under this Program within 18 months of either arriving in Australia or being issued with a temporary visa under the Australian Government's Humanitarian Program.

281. If entering any other year of schooling (i.e. other than the first year of primary schooling), the student must have enrolled in an intensive English course funded under this Program within six months of arrival in Australia or within six months of being granted a temporary visa under the Australian Government's Humanitarian Program.

282. Whilst undertaking an intensive English language course, the person must be either:

- a. of typical schooling age and holds a non-humanitarian visa or a humanitarian visa as specified by the Minister; or
- b. not of typical schooling age but be accepted as a primary or secondary school student by a non-government education authority due to their specific educational needs and hold a permanent humanitarian visa as specified by the Minister.

283. Eligible students are either categorised as *an eligible new arrival* or *an eligible humanitarian new arrival*. These students must also satisfy the requirements as detailed in paragraphs 278 – 282 of these Guidelines in order to receive funding. These two categories receive different levels of funding.

284. For the purpose of this program, *'Eligible new arrival'* refers to a person:

- a. whose first language is not English; and
- b. who satisfies requirements determined by the Minister (see paragraphs 227 to 231 of these Guidelines – above); and
- c. to whom one or more of the following subparagraphs applies:
  - i) the person is an Australian citizen or holds permanent residency status; or
  - ii) the person holds or is included in a permanent visa in force under the *Migration Act 1958*;
  - iii) the person has his or her permanent home in the Territory of Christmas Island or in the Territory of the Cocos (Keeling) Islands; or
  - iv) that the person holds an approved visa sub-class as determined by the Minister under the authority of the Act.

285. For the purposes of this program, *'Eligible humanitarian new arrival'* refers to a person who:

- a. meets the definition of an *'eligible new arrival'* (see above); and
- b. holds a humanitarian visa as specified by the visa under the act
- c. if they are the holder of a permanent humanitarian visa as specified by the Minister under the authority of the Act, someone who is accepted as a primary or secondary student by a non-governmental educational authority due to their specific educational needs; or
- d. if they are the holder of a temporary humanitarian visa as specified by the Minister under the authority of the Act, someone who is a minor.

286. Students who do not meet the eligibility criteria set out above will not attract ESL-NA Program funding but may be included in programs/courses organised for eligible students.

### Information on visas and migration matters

287. The Australian Government Department of Immigration and Citizenship (DIAC) sets Australia's immigration policies which determine entry to, and conditions of, residence in Australia. DIAC is the appropriate agency to contact in relation to immigration matters, including the issuing of visas. DIAC may be contacted on Freecall 131 881 or visit the website at: <http://www.immi.gov.au/>.

### Use of Funding

288. Eligible students are expected to receive a minimum amount of intensive English language tuition, that is:

- a. a minimum of 6 months for new arrivals

or

- b. a minimum of 12 months for humanitarian new arrivals.

289. Intensive English language tuition may be provided in intensive language centres/units or in schools. Where tuition is provided in schools, it is expected that students will be provided with a minimum of ten hours of ESL assistance per week. The amount and duration of assistance to be provided for individual students is a matter for education authorities to determine.

290. ESL-NA funds may be used at the discretion of the educational authority for such purposes as:

- a. the employment of specialist teachers, including bilingual teachers, to teach ESL in a variety of situations, including but not restricted to:
    - i. intensive and part-time withdrawal instruction
    - ii. parallel and team teaching
    - iii. assistance to regular teachers to enable them to attend more effectively to English language development across the curriculum for ESL learners
  - b. the employment of advisory staff, interpreters, translators, bilingual welfare officers, teachers aides and school-community liaison workers
  - c. curriculum development and the provision of ESL teaching and learning materials
  - d. the provision of small items of equipment such as teaching aids. (Funds may not otherwise be used for capital purposes)
- or
- e. the provision of ESL in-service courses for ESL specialists as well as mainstream teachers.

## **Administration and applying for assistance**

291. Non-government education authorities in each state and territory are responsible for the detailed administration of the ESL-NA Program.

292. For information on ESL-NA Program funding, Catholic schools should contact the Catholic Education Office in their State or Territory and Independent schools should contact the Association of Independent Schools in their State or Territory.

## **Funding**

293. The Australian Government will provide per capita funding to education authorities in respect of each eligible student from 1 November 2012. The two initial rates of funding for 2013 are:

- a. \$6,927 per eligible new arrival
- b. \$13,851 per eligible humanitarian new arrival.

294. The funding provided is a once-only payment for each eligible student and is paid to the education authority responsible for the provision of the student's initial course of intensive English instruction.

295. Education authorities should lodge claims for funding with the Department twice a year:

- a. by the second Friday in August (covering the period from 1 November in the previous year to 30 June in the current year)
- b. by the last Friday in November (covering the period 1 July to 31 October in the current year).

296. The Australian Government requires details of the number of eligible students, including Australian citizens and other residents by visa subclasses (permanent and temporary) and under the existing categories of male and female and primary and secondary levels. This information is provided in claims for funding. Where no students are claimed for a period, a NIL return should be submitted.

## Payment arrangements

297. Three payments are made to education authorities each year:

- a. January: An advance payment totalling 50 per cent of the payment made for the previous program year will be made in respect of the estimated number of eligible students for the previous program year. Advance payments will only be made where eligible students numbered five or more in the previous program year.
- b. August: in respect of the actual number of eligible students for the period 1 November 2012 to 30 June 2013, taking into account any advance that may have been paid in January
- c. December: in respect of the actual number of eligible students for the period 1 July 2013 to 31 October 2013.

298. ESL-NA Program funding is supplemented annually in line with movements in the AGSRC Index. Supplementation is included in the second period payment to the non-government education authorities in each state and territory. Refer to [Appendix K](#).

## Accountability and Reporting Requirements

### Educational accountability

299. By 30 June of a given program year, education authorities are required to provide the Australian Government with information on the assessment tools to be used to assess English language proficiency for the previous program year. These include:

- a. the level of proficiency to access the intensive language training program
- b. the level of proficiency to exit the intensive language training program (and any subsequent changes should be advised when they occur).

## Financial accountability

300. Authorities will meet their financial accountability for the English as a Second Language – New Arrivals Program for a program year by submitting to the Department on or before 30 June each subsequent (or following) year or such other date as the Minister approves, an electronic Financial Accountability certificate.

301. The certificate is to be submitted by a Qualified Accountant. A Qualified Accountant is:

- a. a qualified accountant within the meaning of the *Corporations Act 2001*  
or
- b. a person registered (or taken to be registered) as a company auditor under the *Corporations Act 2001*  
or
- c. a person approved by the Minister as a qualified accountant for the purposes of the *Schools Assistance Act 2008*.

302. Where an authority submits an overall financial accountability certificate as required in their Funding Agreement with the Department, detailing funding across multiple programs, it does not then need to provide an individual financial accountability certificate to each targeted program area.

## Further Information and Enquiries

303. For additional information about the ESL-NA Program, please use one of the following media:

**Written correspondence:**

Director  
Education Access and Engagement Team  
Student and Parental Engagement Branch  
Youth and Inclusive Education Group  
Department of Education, Employment and Workplace Relations  
GPO Box 9880  
CANBERRA ACT 2601

**Email:** [eslna@deewr.gov.au](mailto:eslna@deewr.gov.au)

**Telephone:** (02) 6240 5299

**Website:**

<http://deewr.gov.au/english-second-language-new-arrivals-program>

## 4.5 Literacy, Numeracy and Special Learning Needs Program

### Legislative Authority

304. LNSLN funding for non-government schools for the 2009-2013 funding period is provided under Part 6, Division 6 of the Act. Non-government schools and school systems in each state and territory which receive LNSLN funding must comply with all the requirements of the Act.

### Objectives

305. LNSLN Program assists non-government education authorities to improve the learning outcomes of educationally disadvantaged students, including students with disabilities, particularly in literacy and numeracy, by contributing funding for additional teaching and learning assistance.

306. Funding under the LNSLN Program, including the students with disabilities payment, is not intended to be the only support for educationally disadvantaged students. LNSLN funding is only one source of funding available to non-government schools to meet the needs of educationally disadvantaged students.

### Eligibility

307. Funding under the LNSLN Program can be targeted to students in schools and special schools that are eligible for the Recurrent Grants Program (refer to paragraph 61).

308. Funding is targeted at the most educationally disadvantaged school students, including special school students, from kindergarten (or equivalent) to Year 12 who may face barriers to effective participation at school and who:

a. are not achieving or are at risk of not achieving a national minimal standard of literacy and/or numeracy or other appropriate standard of achievement and/or

b. require additional assistance to reach an appropriate standard of achievement.

309. Educational disadvantage may be associated with a range of factors such as a disability or learning difficulty, a language background other than English, Aboriginal or Torres Strait Islander background, low socioeconomic background or geographical isolation.

### Use of Funding

310. Funds may be used for system, sector or school strategies which directly contribute to achieving the LNSLN Program's objectives.

311. It is expected that school education authorities, in administering this funding in their systems and schools, will take account of relevant national initiatives and agreements and areas of importance to the Commonwealth.



312. LNSLN Program funding is not to be used for major capital works expenditure.

## Project Management and Accountability

### Funding Arrangements

313. LNSLN funding consists of two components:

- a. Schools grants component (see Table 4.3)
- b. Students with disabilities component (see Table 4.4).

Table 4.3: LNSLN (Recurrent) - Schools Grants component - 2013 Allocations

State	Catholic Schools \$	Independent Schools \$	Total \$
NSW	41,108,299	20,923,767	62,032,066
VIC	29,821,370	16,097,048	45,918,418
QLD	15,915,395	12,507,361	28,422,756
WA	8,675,931	7,053,965	15,729,896
SA	8,820,377	6,122,095	14,942,472
TAS	2,528,633	1,362,153	3,890,786
ACT	1,058,964	792,058	1,851,022
NT	1,469,508	790,510	2,260,018
<b>Total</b>	<b>109,398,477</b>	<b>65,648,957</b>	<b>175,047,434</b>

Table 4.4: LNSLN 2013 per capita Strategic Assistance amount per student with disabilities

Non-Government
\$1023

314. As there is no agreed national definition that would cover all students with special needs, the mechanism for allocating funds to non-government school education authorities is intended to provide levels of support commensurate with the sector's size and other indicators of need where these are available and suitable to use on a national basis.

315. The Commonwealth uses a composite allocative mechanism for determining funding allocations to non-government school education authorities. The composite allocative mechanism is made up of the following four elements:

- socioeconomic disadvantage
- Language Background Other than English
- enrolment share
- number of students with a disability.

## Schools Grants component

316. Approximately 38 per cent of LNSLN funding is allocated using a mechanism of socioeconomic disadvantage which uses the ABS Index of Relative Socio-Economic Disadvantage (IRSED) and ABS school enrolment data for the 125,000 most disadvantaged students.

317. Approximately 28 per cent of LNSLN funding is allocated using a Language Background Other than English (LBOTE) mechanism which uses ABS Census data of students with LBOTE characteristics.

318. Approximately 26 per cent of LNSLN funding is allocated to sectors on the basis of their share of non-government enrolments.

319. Below is an explanation of how each of the elements that make up the Schools Grants component of the LNSLN funding is derived:

a. Socioeconomic disadvantage mechanism

- i. the mechanism of socioeconomic disadvantage examines the distribution of socioeconomic disadvantage between Catholic and independent schools. The mechanism uses information from the IRSED, of the ABS Socio-economic Indexes for Areas (SEIFA) in conjunction with the latest (2006) ABS Census school enrolment data. Allocations for each education authority are derived from calculations at the national level of the distribution of the 125,000 most disadvantaged students between sectors.
- ii. education authorities' funding allocations are based on calculated percentage shares of the total amount of funding available for distribution using this element of the mechanism. Allocations for each education authority are derived from calculations at the national level of the distribution of the 125,000 most disadvantaged students between sectors.
- iii. the IRSED assigns collection districts with an index score. IRSED and ABS enrolments by sector are linked by collection district and the IRSED scores are sorted from the lowest to the highest. Student enrolment numbers for each collection district are used to identify the collection districts with the 125,000 most disadvantaged students. ABS Census data on the number of student enrolments by type of school for each collection district enable a calculation of the percentage of those 125,000 students enrolled in each sector for each State or Territory.

b. Language Background Other than English (LBOTE) mechanism

- i. the LBOTE mechanism distributes funding between Catholic and Independent education authorities based on the proportion of enrolments of students with LBOTE characteristics. Education authorities' funding allocations are based on calculated percentage shares of the total amount of funding available for distribution using this element of the mechanism.
- ii. the methodology for calculating percentage shares using the LBOTE mechanism is based on the latest (2006) ABS Census school enrolment data relating to the non-English speaking background of students of school age. The population is

categorised under three main groups, with differential weightings for each group:

1. home language other than English, weighted most heavily
  2. country of birth of the student deemed a non-English speaking country, weighted less
  3. one or both parents born in a non-English speaking country, weighted least
- iii. the percentage share for each education authority is calculated from the totalled weighted student numbers for each category of need for each type of school attended
- c. non-government sector funding pools
- i. the non-government sector funding pool is allocated to non-government sectors on the basis of their latest (2006) share of non-government enrolments. A fixed percentage share is used to distribute funding between Catholic and independent education authorities.
  - ii. a funding guarantee applies to this 26 per cent portion of LNSLN funds that is the subject of the new allocative arrangements. It ensures that no sector receives less (annual) funding under this portion of LNSLN than the amount it received in 2004
    1. if a sector's notional annual allocation under this portion of funding is less than their 2004 funding, the sector will receive its 2004 level of funding
    2. this will continue until the sector's funding allocation, calculated under the new arrangement as a share of the total pool, (noting that the total pool increases annually with supplementation), is greater than its 2004 level of funding

### **Students with disabilities component**

320. For the purposes of determining eligibility, a student with disability means a student who is in a non-government school and who has been assessed by a person with relevant qualifications as having intellectual, sensory, physical, social/emotional or multiple impairments to a degree that satisfies the criteria for enrolment in special education services or programs provided by the State or Territory in which the school or centre is located. (A student whose only impairment is a specific learning difficulty or for whom remedial education or remedial support is appropriate is not an eligible enrolment for the purposes of calculating per capita funding).

321. Approximately 8 per cent of LNSLN funding is per capita payment for students with disabilities which is calculated using the formula:

$$\text{Assistance amount} \quad \times \quad \text{Number of eligible students with disabilities for the year immediately before the program year}$$

322. Below is an explanation on how the students with disabilities component of the LNSLN funding is derived:

- a. Students with disabilities (per-capita) portion of funding:

- i. LNSLN funding includes a students with disabilities payment based on the number of eligible students with disabilities within the non-government sector for the year immediately before the program year
- ii. the assistance amount per student for 2013 is \$1023 under section 96 of the Act.

323. The supplementary information below is intended for state and territory non-government school education authorities responsible for administering the LNSLN funding.

- a. in administering the LNSLN funding for eligible schools, relevant authorities are required to ensure that these schools receive their students with disabilities entitlement
- b. at the beginning of each year, the Commonwealth will provide administering authorities with details of the number of eligible students with disabilities in each school in their sector. This information will enable administering authorities to provide the correct students with disabilities amount to each school in their sector.
- c. in addition to the students with disabilities amount, the authority will also have the flexibility to use the broad banded pool of funds provided under LNSLN funding to determine the total level of assistance appropriate for a school in the context of needs across the system or sector.

### Supplementation arrangements

324. LNSLN funding is supplemented annually in line with movements in the AGSRC Index. The AGSRC Index is applied in accordance with the Act under sections 98 and 101 for Schools Grants and sections 96(3) and 101 for students with disabilities. Refer to [Appendix K](#).

### Payment procedures

325. Non-government school education authorities receive four payments under the LNSLN program over the period January-December for each program year (being made in January, April, July and October) of which each payment is one quarter of entitlement.

### Financial accountability for program funding

326. Non-government school education authorities in each state and territory are responsible for the detailed administration of the LNSLN funding in their systems and schools.

327. School education authorities have the flexibility to make decisions on which schools, including special schools, have the greatest need for additional assistance for educationally disadvantaged students and to determine appropriate funding amounts for those schools. Schools have the flexibility to use funding innovatively to meet the needs of their students.

328. The Commonwealth requires education authorities to take the following three principles into account in all aspects of managing the LNSLN funding:

- a. equity (ensuring resources are targeted to students in greatest need);

- b. effectiveness (ensuring that resources are used to support effective instructional approaches); and
- c. efficiency (ensuring that resources are not consumed in administrative procedures). This includes taking account of outcomes measures in a strategic way as part of the process for managing funding.

329. Authorities will meet their financial accountability for the LNSLN Program for a program year by submitting to the Department on or before 30 June each subsequent (or following) year or such other date as the Minister approves, an electronic Financial Accountability certificate.

330. The certificate is to be submitted by a Qualified Accountant. A Qualified Accountant is:

- a. a qualified accountant within the meaning of the *Corporations Act 2001*  
or
- b. a person registered (or taken to be registered) as a company auditor under the *Corporations Act 2001*  
or
- c. a person approved by the Minister as a qualified accountant for the purposes of the *Schools Assistance Act 2008*.

331. Where an authority submits an overall financial accountability certificate as required in their Funding Agreement with the Department, detailing funding across multiple programs, it does not then need to provide an individual financial accountability certificate to each targeted program area.

### Information to be provided to the Commonwealth

332. Non-government school education authorities may from time to time be required to provide supplementary material in areas to be determined. Any such requirement would be incorporated into the annual update of program guidelines throughout the 2009-2013 funding period.

333. The Commonwealth requires details of enrolments of students with disabilities eligible for LNSLN funding.

334. Data on students eligible for students with disabilities payment will be obtained from the non-government schools Census data conducted in August of the year prior to the program year.

335. Further Information and Enquiries:

Director  
Education Access and Engagement Team  
Student and Parental Engagement Branch  
Youth and Inclusive Education Group  
Department of Education, Employment and Workplace Relations  
Location C50MA8  
GPO Box 9880  
CANBERRA ACT 2601

# PART 5: REFERENCES

## 5.1 Acronyms

ABS	Australian Bureau of Statistics
ACARA	Australian Curriculum, Assessment and Reporting Authority
AGSRC	Average Government School Recurrent Costs
BGA	Block Grant Authority
CAP	Country Areas Program
CD	Census Collection District
COAG	Council of Australian Governments
CRC	COAG Reform Council
DEEWR	Department of Education, Employment and Workplace Relations
DIAC	Department of Immigration and Citizenship
ESL	English as a Second Language
ESL-NA	English as a Second Language – New Arrivals
FOI	Freedom of information
FTE	Full Time Equivalent
ICILS	International Computer and Information Literacy Study
ICSEA	Index for Community Socio-Educational Advantage
ICT	Information and Communication Technology
IEA	International Association for the Evaluation of Educational Achievement
IFG	Indigenous Funding Guarantee
IPPs	Information Privacy Principles
IRSED	Index of Relative Socio-economic Disadvantage
ISA	Indigenous Supplementary Assistance
LBOTE	Language Background Other than English
LNSLN	Literacy, Numeracy and Special Learning Needs Program
MCEECDYA	Ministerial Council for Education, Early Childhood Development and Youth Affairs (formerly MCEETYA)
MCEETYA	Ministerial Council on Education, Employment, Training and Youth Affairs
NALSSP	National Asian Languages and Studies in Schools Program

NAP	National Assessment Program
NAPLAN	National Assessment Program – Literacy and Numeracy
NEA	National Education Agreement
OECD	International Organisation for Economic Co-operation and Development
PIRLS	Progress in International Reading Literacy Study
PISA	Programme for International Student Assessment
RG	Recurrent Grants
SCSEEC	Standing Council on School Education and Early Childhood
SEIFA	Socio-economic Indexes for Areas
SES	Socioeconomic status
SLP	School Languages Program
STEA	Short Term Emergency Assistance
TIMSS	Trends in International Mathematics and Science Study
VET	Vocational Education and Training

## 5.2 Additional Information

### Privacy

336. The Department is bound in administering its Programs by the provisions of the *Privacy Act 1988* (Privacy Act). Section 14 of the Privacy Act contains the Information Privacy Principles (IPPs) which prescribe the rules for handling personal information held by the Department.

337. The IPPs set out how the Department must collect, store, handle, use and disclose personal information, as well as providing individuals with certain rights to access their personal information and correct errors.

338. The Privacy Act defines ‘personal information’ as “information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion”.

339. Funding recipients may be contractually required to comply with the IPPs when doing any act or engaging in any practice in relation to personal information for the purposes of the relevant Funding Agreement, as if the funding recipient were an agency as defined in the Privacy Act.

340. Funding recipients may, depending on their level of annual turnover within the meaning of the Privacy Act, also be required to comply with the National Privacy Principles set out in the Privacy Act when handling personal information collected for the purposes of that scheme/program. Funding recipients will also be required to comply with any applicable State or Territory privacy laws.

341. As required by the Privacy Act, where residential addresses are to be disclosed by a school to the Department, the school must first have sent a Privacy Notice (as provided to the school by the Department) to the parents or caregivers whose residential addresses are to be disclosed.

342. Funding recipients should seek their own independent legal advice regarding the application of the Privacy Act and other relevant laws to their activities.

343. More information about the Privacy Act can be obtained from the Office of the Australian Information Commissioner’s website at: <http://www.oaic.gov.au/>.

### Privacy Complaints and Advice

344. Complaints about breaches of privacy are to be referred to the Department’s National Office at [privacy@deewr.gov.au](mailto:privacy@deewr.gov.au) or at the following address:

Privacy Contact Officer  
Freedom of Information, Privacy and People Branch  
Legal and Investigations Group  
DEEWR – Loc C12MT1  
GPO Box 9880  
CANBERRA ACT 2601



345. Privacy complaints can be made directly to the Office of the Australian Information Commissioner. However, the Commissioner generally prefers that the Department be given an opportunity to deal with the complaint in the first instance.

## Freedom of information (FOI)

346. All documents in the possession of the Department, including those in relation to its Programs, are subject to the *Freedom of Information Act 1982* (FOI Act). Decisions regarding requests for access will be made by the authorised FOI decision-maker in accordance with the requirements of the FOI Act.

347. The FOI Act creates a general right of access to documents in the possession of the Department and this right of access is limited only by the exceptions and exemptions necessary for the protection of essential public interests, and the privacy and business affairs of persons in respect of whom the information relates.

348. To the extent required by the FOI Act, where access to documents would involve the disclosure of personal information, affect the business, commercial or financial affairs of third parties, the Department will consult with affected third parties prior to making any decision on access to such documents.

349. All FOI requests are to be referred to the Department's National Office at [foi@deewr.gov.au](mailto:foi@deewr.gov.au) or at the following address:

FOI Team Leader  
Freedom of Information, Privacy and People Branch  
Legal and Investigations Group  
DEEWR – Loc C12MT1  
GPO Box 9880  
CANBERRA ACT 2601

350. Further information about funding recipients' obligations under the FOI Act will be set out in detail in agreements with successful applicants.

# PART 6: APPENDICES

## Appendix A: Guidelines for Calculating an SES Score

### Introduction

Under section 72 of the Act, the Guidelines for Calculating a School SES Score are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

### Definitions

In these Guidelines, definitions and important concepts apply as set out in sections 4 to 10 of the Act. In addition, the following definitions apply:

**Australian Bureau of Statistics** means the Australian Bureau of Statistics (ABS) established under section 5 of the *Australian Bureau of Statistics Act 1975*

**CD number**, for a CD, means the number attributed to the CD by the ABS for the purposes of the Census

**Census** means the 2006 Census of Population and Housing conducted by the ABS

**Census Collection District** (or **CD**) means an area designated by the ABS as a Census Collection District for the purposes of the Census

**geocoding**, for a student residential address included in a statement of addresses for a school, means the process of assigning that address to a CD

**school** means a non-government school;

**SES dimension** means any of the following dimensions:

- a. Occupation
- b. Education
- c. Household Income
- d. Household Income based on Families with Dependent Children ('Family Income')

**SES dimension score** for a CD, means the number, rounded to four (4) decimal places, derived from data for each SES dimension collected by the ABS for the purposes of the Census

**statement of addresses** for a school, means a statement:

- a. that contains student residential addresses for the school for the calendar year specified in the statement
- b. that is provided by the approved authority of the school to the Department.

**student residential address** for a school, means the residential address of a student receiving primary education or secondary education at the school other than a student:

- a. who is an overseas student

or

- b. who is receiving primary distance education or secondary distance education at the school.

## **PART 1: Schools other than Special Assistance Schools and Special Schools**

### **SES index**

The SES Index, from which the SES scores for schools are derived, comprises the following dimensions - Occupation, Education and Income ( $\frac{1}{2}$  Household Income /  $\frac{1}{2}$  Family Income).

### **SES dimension scores**

SES dimension scores for CDs for 2009-2013, derived by the Department from ABS Census data, are published at:

[https://ssp.deewr.gov.au/ssp/help/html/ses/funding\\_09\\_12/dimension\\_scores.html](https://ssp.deewr.gov.au/ssp/help/html/ses/funding_09_12/dimension_scores.html).

### **Geocoding of students' residential addresses**

Each student residential address contained in the statement of addresses for a school is to be geocoded unless it is not reasonably practicable to geocode that address. A minimum of 95 per cent of total student residential addresses must be geocoded in order to calculate a school's SES score.

### **Methodology for calculating a school SES score**

It is possible for a CD not to have an SES dimension score for the complete set of the four dimensions. This is because the ABS will not release data which could potentially identify an individual. In the 2006 Census this was the case for about three per cent of CDs in Australia. If these CDs were omitted altogether from the calculation of the school SES score, the score would not be truly representative of the school community and this could either advantage or disadvantage the school.

So that every geocoded address contributes to the school SES score, the score is based on the four individual dimensions of the SES index for each CD. The worked example in Table A.1 shows a school SES score calculated using CDs with missing SES dimension scores.

The methodology for calculating a school SES score is as follows:

- a. take the SES dimension scores of the CD to which each student residential address on a school's statement of addresses has been geocoded
- b. calculate to four (4) decimal places the average value for each of the Occupation, Education, Household Income and Family Income dimensions. The total for a dimension is averaged only by the number of addresses containing data for that dimension. If an address has not been geocoded to a CD, the address is not included in the calculation
- c. calculate the school raw SES score to four (4) decimal places using the following formula:

$$\begin{aligned} \text{School SES Score} = & \text{Occupation dimension} / 3 \\ & + \text{Education dimension} / 3 \\ & + \text{Household Income dimension} / 6 \\ & + \text{Family Income dimension} / 6 \end{aligned}$$

d. round the school raw SES score to the nearest whole number.

For example: 95.4567 is rounded to 95

95.5123 is rounded to 96.

A practical example of how a school SES score is calculated is shown in Table A.1.

Table A.1: Example of calculation of the SES score for a school

SRN	Address	CD	Occupation Dimension	Education Dimension	Household Income Dimension	Family Income Dimension
1	5 Smooth St Curcurl NSW 2000	2587415	140.2584	126.6541	132.2541	131.8956
2	4 Rough St Flattown NSW 2000	2587416	69.0125	78.2569		
3	7 Wavy St Ziptown NSW 2000	2587345		58.2143	85.2569	
4	2 Red St Red Town NSW 2000					
5	1 Flat Street, Flattown NSW 2000	2587417	51.2698	25.1587		41.3658
(a) Total of the SES dimension scores			260.5407	288.2840	217.5110	173.2614
(b) Total number of geocoded student residential addresses with a score for that dimension			3	4	2	2
Average value of dimension [(a) divided by (b)]			86.8469	72.0710	108.7555	86.6307
Occupation dimension/3 + Education dimension/3 + Household Income dimension/6 + Family Income dimension/6					86.8469 / 3 + 72.0710 / 3 + 108.7555 / 6 + 86.6307/6	
=					28.9490 + 24.0237 + 18.1259 + 14.4385	
School's raw SES score (to 4 decimal places)						85.5371
School's SES score (rounded)						86

Also refer to the SES funding information provided at: <https://ssp.deewr.gov.au/ssp/help/html/ses/index.html>.

## PART 2: Special Assistance Schools and Special Schools

Special Assistance Schools and Special Schools are not required to submit a statement of addresses. These schools receive maximum SES funding under Division 6 of the Act.

The SES score for Special Assistance Schools and Special Schools will be the score that, for the purposes of the table in Schedule 1 of the Act, has an associated current SES funding level of 70 per cent of Average Government School Recurrent Costs.

### **PART 3: Majority Indigenous Student Schools**

In a program year where Division 6 (maximum SES funding) applies to a school meeting the definition of Majority Indigenous Student School, the SES score for the school will be the score that, for the purposes of the table in Schedule 1 of the Act, has an associated current SES funding level of 70 per cent of Average Government School Recurrent Costs.

## Appendix B: Review of Non-government Schools' SES Scores

Application process for change proposals under section 76(1)(a) and (c), Part 4, Division 11 of the Act

### Purpose

The SES score shows the relative capacity of a school community to support its school. The SES score represents the average socioeconomic profile of the community supporting a school.

This Appendix provides information on:

- what a school can do if it considers that its SES score has not been determined correctly or is no longer accurate because of a significant change in the school's circumstances
- the procedure for reviewing a school's application to change its funding level.

### Power under the Act

SES scores for a school are determined by the Minister under section 72 of the Act. Pursuant to section 76(1)(a) and (c) of the Act, the approved authority of a school with an SES score may seek a review of a school's SES score if it is considered that the SES score:

- has not been determined correctly
- or
- is no longer accurate because of a significant change in the school's circumstances.

The Minister has a power to determine a different SES score pursuant to section 80 of the Act on condition that a school meets the requirements set out in section 76 and the Minister is satisfied that the school's old SES score has not been determined correctly or is no longer accurate because of a significant change in the school's circumstances.

### What can a school do if it considers that its SES score has not been determined correctly or is no longer accurate because of a significant change in the school's circumstances?

A school can submit an application to the Department if it considers that its SES score has not been determined correctly or is no longer accurate because of a significant change in the school's circumstances.

A school must ensure that the application meets the following requirements as set out in section 77(2). The application must:

- be in writing
- set out the name and address of the school and of the approved authority of the school

- if the school is a systemic school – set out the name of the approved school system
- set out the reasons why the approved authority considers the SES score should be changed.

## How will the application be processed?

A review will be undertaken on the basis of the geocoding of the residential addresses of the students at the school at the time of the application for a review.

A school's score must change by at least one whole number before it will receive additional funding or have its funding reduced. An SES score is a whole number, determined by rounding to the nearest whole number. The score on which a change of funding is judged is a school's raw SES score, not its rounded score. For example, a school with a raw calculated SES score of 95.4567 would have its SES score rounded to 95. Its raw score would have to decrease to 94.4567 or lower before it would be eligible to receive additional per capita funding. Similarly, for the same school, the SES score before rounding would have to increase to 96.4567 or higher, before it would be liable to have its per capita funding reduced.

A funding maintained or a funding guaranteed school that believes that its SES score has decreased to the extent that it would receive a higher rate of per capita funding if it were funded on the basis of the SES score of its school community may apply for a review of its SES score.

Reviews during the 2009-2013 funding period will be based on ABS 2006 Census of Population and Housing data.

## What is the procedure for reviewing a school's application?

A school will be permitted one funding review in any program year.

A school requesting a review of its SES score must provide the Department with a written application that sets out the name and address of the school, the name of the system if it is a systemic school, and the name and address of the approved authority of the school. All applications must be received **by 1 July of the relevant program year**. Applications received after this date will not be considered.

A school seeking a review must provide the addresses of all currently enrolled eligible students and a covering Statutory Declaration declaring that the addresses supplied to the Department are true and correct, and that a Privacy Notice has been sent to the parents / legal guardians of each student whose address is submitted. In order to geocode the student address data effectively, the Department requires that these addresses be submitted in the format specified by the Department. A new SES score will be calculated following the geocoding of the student addresses.

Following the acceptance of a written application which includes the student address data, the Department will consider the school's application. The school may be required to provide additional information and documentation in relation to its student residential addresses before the Department can forward a recommendation to the Minister.

## **Outcome of review**

The school will receive written notification of the outcome of the review when the Minister has considered the Department's recommendation. Where, as an outcome of the review, it is accepted that the school should have a different SES score to its current SES score, new funding will be determined based on the recalculated SES score.

The outcome of the review determines an SES score as the funding level for the school. The school will not be able to retain its former funding level (i.e. previous SES funding level, funding maintained level or funding guaranteed level), even if that funding is more favourable.

## **Date of effect**

If the outcome of a review is favourable, in that the school receives a different SES score which entitles it to an increase in recurrent grant funding, then the date of effect of the change in funding will be no earlier than 1 January in the program year in which the review application, including the appropriate data, was lodged with the Department.

If the outcome of a review is unfavourable, in that the school receives an SES score which would result in a decrease in recurrent grant funding, the change in funding will be no earlier than 1 January of the year following that in which the school lodged its application.



## Appendix C: Appeal of Non-government Schools' SES Scores

Application process for change proposals under section 76(1)(b), Part 4, Division 11 of the *Schools Assistance Act 2008* (the Act)

### Purpose

The socioeconomic status (SES) score shows the relative capacity of a school community to support its school. The SES score represents the average socioeconomic profile of the community supporting a school.

This Appendix provides information on:

- what a school can do if it considers that its SES score does not reflect the socioeconomic circumstances of the school's community; and
- the procedure for assessing a school's application to change its funding level.

### Power under the Act

SES scores for a school are determined by the Minister under section 72 of the Act. Pursuant to section 76(1)(b) of the Act, the approved authority of a school can apply to change its level of funding if a school considers that the SES score does not reflect the socioeconomic circumstances of the school's community.

The Minister has a power to determine a different SES score pursuant to section 80 of the Act on condition that a school meets the requirements set out in section 76 and the Minister is satisfied that the school's old SES score does not reflect the socioeconomic circumstances of the school's community.

### What can a school do if it considers that its SES score does not reflect the socioeconomic circumstances of the school's community?

A school can submit an application to the Department if it considers that the SES score does not reflect the socioeconomic circumstances of the school's community.

A school must ensure that the application meets the following requirements as set out in section 77(2). The application must:

- be in writing
- set out the name and address of the school and of the approved authority of the school
- if the school is a systemic school – set out the name of the approved school system
- set out the reasons why the approved authority considers the SES score should be changed.

In relation to section 77(2)(d), a school should provide empirically-based evidence which demonstrates how the SES score does not reflect the socioeconomic circumstances of the school's community. In other words, demonstrate:

- how the circumstances of the community have changed significantly since the 2006 ABS Population Census and how this has affected the school. For example, a high proportion of families at the school may have been financially disadvantaged by the closure of a major industry
- or
- that there is an identifiably unique characteristic of the families at the school which affects the school community's capacity to support the school. For example, a survey of parents at the school would show the disproportionate impact on the school of a particular social characteristic.

This evidence must be attached to the application. This may include specific data such as evidence of the number of students who come from families holding a health care card or the proportion of unemployed parents. A school must provide any additional information that the Department requests.

A school must also provide with the application a statement declaring that at least 95 per cent of the families of students at the school would be willing to complete a survey to determine the income, occupation and education levels of parents with children attending the school. These surveys, to be undertaken by the Department if the school's application is deemed to have merit, will enable a School Community Profile to be constructed.

## How will the application be processed?

The Department will convene a committee which will consist of a senior Departmental officer, an independent statistician and a person independent of both the Department and the school.

The Committee's role will be to assess a school's application and determine whether a school has sufficient grounds to show that its SES score does not reflect the socioeconomic circumstances of the school's community. Before making its assessment, the Committee may, at its discretion, request a school to provide further information in relation to its application.

If a school does demonstrate sufficient grounds to show that its SES score does not reflect the socioeconomic circumstances of its community, the Committee will compare the School Community Profile with the profiles of all non-government schools in the Benchmark Data Set.

The Benchmark Data Set consists of profiles for every non-government school. These profiles have been constructed using income, education and occupation data derived from the unit record files of the ABS 2006 national Census.

For an application to be successful, the School Community Profile must differ significantly from the profiles of schools with similar SES scores in the Benchmark Data Set.

The Committee will consider each application according to its merits, ensuring that a school receives a fair and impartial assessment of its case.

Once the Committee has made its assessment, it will make a recommendation to the Minister.

The Minister will then review the Committee's recommendation, the information provided in the school's application, the School Community Profile and any other relevant information to determine whether he/she is satisfied that the SES score should be changed.

## What is the procedure for assessing a school's application?

The procedure for assessing a school's application involves the following steps:

- A school lodges an application with the Department. The Department will forward the application to the Committee for assessment. All applications must be received by **1 July** of the relevant program year.
- The Committee will review the application to ensure it meets the requirements of section 77 and by following the Assessment Process set out below.
- The Committee will provide a recommendation to the Minister. The Minister will determine whether he/she is satisfied that the school has met the requirements of subsection 79 (b).
- If a school's application complies with the requirements of section 77 and the Minister is satisfied under subsection under 79 (b) that the SES score is no longer accurate, the Minister must make the determinations provided for in section 80.
- If a school's application does not satisfy the Minister under section 79 (b), the Minister must refuse the application.

## How will the Committee assess the application?

The Committee will assess whether the application: (1) complies with section 77 of the Act, and (2) whether, in its view, a school has provided sufficient reasons why it considers that the SES score should be changed.

If the Committee considers that a school's application meets the requirements of section 77 and provides sufficient reasons as set out in the above paragraph, the Committee will ask the Department to collect the necessary information to construct a School Community Profile based on actual parent data.

The School Community Profile will be constructed from information about income, education and occupation collected from parents of students attending the school and any other information the Department considers necessary or relevant. Where the appeal is based on the size of families attending the school, the profile will be constructed solely on the basis of income, with the education and occupation information used to validate the income data.

The school will be given the opportunity to review its School Community Profile, along with comparison information from the Benchmark Data Set, to determine whether it will proceed with its appeal.

The School Community Profile will be compared with the profiles of all non-government schools in the Benchmark Data Set in order to measure whether, in the Committee's opinion, it differs significantly from the profiles of schools with similar SES scores.

Taking into account the results of the School Community Profile, the Committee will provide a recommendation and reasons to the Minister about section 79 (b): whether or not the SES score reflects the socioeconomic circumstances of the school's community.

The Minister must then review the Committee's recommendation and any other relevant information.

If the Minister is satisfied that the school's application meets the requirements of subsection 79(b), then the Minister must adjust the SES score by making the relevant determinations provided for in section 80 of the Act.

The adjusted score will apply:

- in the program year the variation is made if the current SES funding level is equal to or greater than the percentage of Average Government School Recurrent Costs (AGSRC) relating to the school's old SES score

or

- in the program year immediately after the program year the variation is made if the current SES funding level is less than the percentage of AGSRC relating the school's old SES score.

If the Minister is not satisfied as described above, then the school's SES score is not changed.

## Appendix D: Process for Approving New Non-government School Systems

Applications for the formation of new school systems under section 129, Division 4 of the *Schools Assistance Act 2008 (the Act)*

### Purpose

This Appendix provides information on the application and approval process for:

- a body wishing to form a new school system
- an approved school to become a member of that new school system.

### Power under the Act

Under section 129 of the Act, the Minister may, by determination:

- a. approve a body as an approved school system
- b. approve an approved school (or schools) as a member (or members) of the system.

### Application requirements for the formation of a new school system

A body wishing to form a new school system must submit an application to the Department by **1 July** in the funding year prior to the proposed commencement of the proposed school system.

The body must ensure that the application meets the following requirements for the formation of new school systems. The application must:

- a. be in writing
- b. set out the name and address of the proposed school system and its nominated approved authority
- c. set out the name and address of the proposed member schools
- d. be accompanied by evidence that the approved authority of proposed member schools agree to become members of the proposed school system
- e. state the earliest program year to which the proposal relates
- f. state whether the approved authority of the proposed school system agrees to fulfil the obligations (if any) under this Act or the former Act of proposed member schools.

The following criteria will be considered when assessing an application to form a new school system:

- the proposed school system must consist of a minimum of 20 approved schools which are in receipt of Commonwealth recurrent expenditure funding
- each approved authority of proposed member schools must formally agree, in writing, to become part of the new system

- the proposed school system must demonstrate common ownership or ethos of the proposed member schools.
- the proposed school system must provide a written assurance that member schools will operate in accordance with a common set of educational policies and standards.
- the proposed school system must nominate an approved authority.
- the approved authority of the proposed school system must be a body corporate. The memorandum and articles or other instruments by which information is effected must:
  - include the power of the incorporated body to conduct schools
  - provide for the non-profit status of the body and for a requirement that any surpluses generated by the authority be used for the purposes of the authority and not be transferred to any other activity that the body is authorised to undertake
  - state that, if the body is wound up, the net assets remaining after all obligations have been met (including any Commonwealth right to repayment) must be donated to a non-profit body within the Commonwealth of Australia which provides related educational services to school-age children or students, for the purposes of those services
  - not be inconsistent with the Commonwealth’s right to recovery of Commonwealth grants in certain circumstances.
- the proposed school system must undertake to be the point of contact for the Commonwealth for its member schools.

## Procedure for assessing the application

The procedure for assessing an application to form a new school system is set out below:

- a. the Department will assess the application to ensure that it complies with each of the criteria set out above for the approval of new school systems
- b. the Department will check that each proposed member school is an approved school under the Act and currently in receipt of recurrent expenditure funding
- c. the Department will consult with existing approved school systems to ensure that the rights and responsibilities of existing systems are not compromised
- d. the Department may consult with any other appropriate non-government school organisations
- e. when all conditions set out in the Administrative Guidelines have been met, the Department will provide recommendations to the Minister’s delegate regarding the application
- f. if the application for a new school system is approved, the Minister’s delegate will also approve a body as the approved authority of the system under section 151 of the Act

- g. the approved school system determination for the approved school system will contain:
  - i. the name of the approved school system
  - ii. the name of each member of the system.

The Department will advise the proponent if any of the conditions set out in the Administrative Guidelines have not been met. If additional information is requested, this must be provided before the application will be considered further.

If the application does not comply with all the conditions set out in the Administrative Guidelines, the Minister (or delegate) may refuse the application.

A new system will only be recognised from the beginning of the funding year following the application.

The operational requirements for approved school systems are set out in [Appendix E](#).

## **Appendix E: Operational Requirements for Approved School Systems**

The Commonwealth recognises school systems on the basis that they play an important role in developing new schools and supporting existing schools. Systemic arrangements ensure the viability and sustainability of schools by sharing financial responsibility, and assist the Commonwealth by providing one point of contact for a number of schools.

The Commonwealth recognises the school systems which were approved school systems immediately before the commencing day of the Act.

The approved authority of the system must allocate no more than two per cent of total amounts paid for recurrent expenditure under the Act to meet administrative expenditure incurred by the approved authority in respect of a program year, excluding specialist support staff as defined in the Schools Census. The remaining proportion is to be allocated for the purpose of meeting recurrent expenditure incurred by member schools in the approved system having regard to the respective needs of those schools.

The approved authority of the system has the overall responsibility for the distribution between member schools of the total financial and other resources of the system. It has the responsibility to distribute those resources between member schools differentially according to need within overall Commonwealth policy objectives.

The approved authority of the system must accept responsibility for the long-term viability of member schools as well as any liabilities to the Commonwealth incurred by those schools.

The Commonwealth will support this systemic role by ensuring that all funding provided under the Act (grants for recurrent, capital and targeted expenditure) for the system's member schools is directed to these schools via the approved authority of the system.

The approved authority of the system must remain non-profit and must remain a body corporate.

The system must meet the conditions required to be observed by all schools.

The system is responsible for developing policies with respect to educational standards within the system.

The system and its individual member schools must have separate financial statements.

The approved authority of the system must arrange for all required reports and information to be provided to the Commonwealth on or before the due date.



## Appendix F: Grants for Recurrent Expenditure - Contact Details of State/Territory School Registration Boards

For commencing schools and schools undertaking changes, it is necessary to have State/Territory registration/recognition in order to receive Australian Government Grants for Recurrent Expenditure for the new school or change.

Listed below are state registration contacts:

STATE	CONTACT DETAILS
NEW SOUTH WALES	<p>Senior Administrative Officer            Registration and Accreditation Branch            Board of Studies New South Wales            GPO Box 5300            SYDNEY NSW 2001            Ph (02) 9367 8113</p> <p>Email: <a href="mailto:schoolrego@bos.nsw.edu.au">schoolrego@bos.nsw.edu.au</a>            Internet: <a href="http://www.boardofstudies.nsw.edu.au/">http://www.boardofstudies.nsw.edu.au/</a></p>
VICTORIA	<p>School Registration Officer            Victorian Registration and Qualifications Authority (VRQA)            GPO Box 2317            MELBOURNE VIC 3001            Ph (03) 9637 2806</p> <p>Email: <a href="mailto:vrqa@edumail.vic.gov.au">vrqa@edumail.vic.gov.au</a>            Internet: <a href="http://www.vrqa.vic.gov.au/">http://www.vrqa.vic.gov.au/</a></p>
QUEENSLAND	<p>Executive Officer            Non-State Schools Accreditation Board Secretariat            Department of Education, Training and Employment            PO Box 15347            CITY EAST QLD 4002            Ph (07) 3237 9947</p> <p>Email: <a href="mailto:enquiries@nssab.qld.edu.au">enquiries@nssab.qld.edu.au</a>            Internet: <a href="http://www.nssab.qld.edu.au/">http://www.nssab.qld.edu.au/</a></p>
WESTERN AUSTRALIA	<p>Principal Registration Officer            Non-Government Schools            Department of Education Services            PO Box 1766            OSBORNE PARK WA 6916            Ph (08) 9441 1942</p> <p>General Email: <a href="mailto:des@des.wa.gov.au">des@des.wa.gov.au</a>            Internet: <a href="http://www.des.wa.gov.au/Non-government_schools/Registration">http://www.des.wa.gov.au/Non-government_schools/Registration</a></p>

SOUTH AUSTRALIA	Non-Government Schools Registrar Office of Non-Government Schools and Services GPO Box 1811 ADELAIDE SA 5001 Ph (08) 8226 1006 Email: <a href="mailto:decsregboard@sa.gov.au">decsregboard@sa.gov.au</a> Internet: <a href="http://www.ongss.sa.edu.au/">http://www.ongss.sa.edu.au/</a>
TASMANIA	Registrar Schools Registration Board of Tasmania GPO box 169 HOBART TAS 7001 Ph (03) 6233 7795 Email: <a href="mailto:registrar@srb.tas.gov.au">registrar@srb.tas.gov.au</a> Internet: <a href="http://www.schools.education.tas.gov.au/srb/default.aspx">http://www.schools.education.tas.gov.au/srb/default.aspx</a>
NORTHERN TERRITORY	Director Planning, Research and Non Government Schools Northern Territory Department of Education and Children's Services GPO Box 4821 DARWIN NT 0801 Ph (08) 8901 4944 Email: <a href="mailto:joanne.schilling@nt.gov.au">joanne.schilling@nt.gov.au</a> Internet: <a href="http://www.det.nt.gov.au/parents-community/schooling/ngs">http://www.det.nt.gov.au/parents-community/schooling/ngs</a>
AUSTRALIAN CAPITAL TERRITORY	Manager Liaison Unit ACT Education and Training Directorate GPO Box 158 CANBERRA ACT 2601 Ph (02) 6205 9301 Email: <a href="mailto:det.ngso@act.gov.au">det.ngso@act.gov.au</a> Internet: <a href="http://www.det.act.gov.au/school_education/non-government_education">http://www.det.act.gov.au/school_education/non-government_education</a>

## Appendix G: Non-government Schools Data Collections

To support the financial assistance provided under the Act, non-government schools are required to provide the following to the Department: the Financial Questionnaire (including the auditor's report), the Census of Non-Government Schools and a Financial Accountability certificate.

The Financial Questionnaire must be drawn from audited accounts **based on the program year**, and a copy of the auditor's report must be submitted to the Department. The Financial Questionnaire will collect data in respect of the previous program year. Schools and school system authorities are required to submit their Financial Questionnaire data via the Department's Schools Service Point internet application. The data and the auditor's report must be submitted and declared **no later than 30 June** (or such other date as the Minister approves).

The auditor's report referred to above must be sourced from the audited financial statements prepared, for the program year, in accordance with the legislation under which the school and/or system operates, i.e. the federal *Corporations Act 2001* for companies limited by guarantee or the state Associations Incorporations Act for associations.

NOTE: the audit report is not the same as the certificate by a qualified accountant referred to in [Appendix J](#). The Financial Questionnaire is an element of the Department's financial accountability regime and is used by the Department for policy development and analysis. It also provides statistical information for national education publications, reports and national bodies, e.g. the ABS, ACARA and OECD.

The annual Census date is the first Friday in August for all States and Territories. The return date for the Statutory Declaration covering the Census data will be one week after the Census date. The census data are used to calculate the annual entitlement in respect of schools receiving RG funding, Indigenous students funded under the ISA and IFG programs, and students with disabilities receiving funding under the Literacy, Numeracy and Special Learning Needs program. It forms part of the National Schools Statistics Collection, the official statistical description of schooling in Australia.

Schools and systems are required to submit both the Census and Financial Questionnaire data via the Department's Schools Service Point internet page using the 'Census on the Internet' or 'FQ on Internet' applications. The address for these applications is <https://ssp.deewr.gov.au/Controller.aspx>.

The Minister may delay and/or reduce payment of grants and/or require repayment to the Commonwealth of grants if the Financial Accountability Certificate, the Financial Questionnaire (including the auditor's report) is not submitted on time or if there are undue delays in providing the Department with additional information needed to finalise the data. Payment will be delayed, reduced or recovered if the Census information is submitted late or there are undue delays in finalising the Census data.

Schools/Systems must satisfy themselves that the data are accurate, before submitting the Census Statutory Declaration and the Financial Questionnaire Declaration. In particular, they must ensure that schools' financial accounts are audited early enough to ensure that the Financial Questionnaire data are drawn from these audited accounts. Once data have been certified as accurate and final by School or System Authorities (and payments have been processed in relation to Census data) amendments will be made only in exceptional

circumstances, and then only after the provision of independent evidence (e.g. additional information from the auditor). Census amendments should be advised prior to mid-December of that year for the change to be considered. Errors detected during Census post-enumeration or Financial Questionnaire verification, however, will be corrected (these affect only a small number of schools each year, and form part of the RG financial management strategy).

Schools/Systems may be notified in writing by the Department, they have been selected to participate in the Financial Questionnaire Verification Exercise (FQVE). The FQVE is a routine process by which the Department will check that Financial Questionnaire data submitted by non-government schools and school systems has been correctly drawn from their audited statements. The approved authority may be required to provide, by the date specified in the written notification, financial reports including but not limited to:

- a complete copy of the school and/or system's **audited financial statements for the relevant program year** including all notes to the accounts and the audit report
- a **reconciliation statement** showing how the individual items of income, expenditure and loans from the financial statements are allocated across the various Financial Questionnaire items
- a **trial balance**, where one is available
- **details of any net figures** either in the school and/or system's audited financial statements or the Financial Questionnaire.

Also refer to [Appendix J](#), Accountability Requirements.

## Appendix H: Funding Tables and Payment Procedures

Outlined below are the funding tables and payment procedures for funding programs referred to in other parts of these Guidelines.

Under the *Intergovernmental Agreement on Federal Financial Relations* between the Commonwealth and the states and territories, payments are made from the Commonwealth Treasury to state and territory treasuries on the seventh day of the relevant month.

Details of supplementation arrangements can be found at [Appendix K](#).

### Grants for Recurrent Expenditure

Funding is supplemented annually in line with changes to the AGSRC. Supplementation will be paid as soon as possible following the making of a regulation under the Act.

**Table H.1: Payment Schedule for Recurrent Grants, Distance Education, Indigenous Supplementary Assistance and Increased Indigenous Supplementary Assistance for Non-remote Boarding Schools**

Payment	During the month of	Proportion of entitlement paid	Enrolments
First advance	January	50% of estimated entitlement	Previous year's Census
Second advance	July	75% of estimated entitlement less payments made	Previous year's Census
Adjustment	October	100% of actual entitlement less payments made	Current year's Census
Full entitlement	October	100% of actual entitlement Increased Indigenous Supplementary Assistance (Boarding)	Current year's Census

**Table H.2: Payment Schedule for Remoteness Loading**

Payment	During the month of	Proportion of entitlement paid	Enrolments
First advance	January	50% of estimated entitlement	Previous year's Census
Adjustment	October	100% of actual entitlement less payments made	Current year's Census

**Table H.3: Payment Schedule for Indigenous Funding Guarantee (Total School Approach)**

Payment	During the month of	Proportion of entitlement paid	Enrolments
First advance	March	50% of estimated entitlement	Previous year's Census
Adjustment	October	100% of actual entitlement less payments made	Previous year's Census

**Table H.4: Payment Schedule for Indigenous Funding Guarantee (Per Capita Approach)**

Payment	During the month of	Proportion of entitlement paid	Enrolments
Full entitlement	October	100% of actual entitlement	Current year's Census

Table H.5: SES funding levels for Non-government Schools

SES score	SES funding level (% of AGSRC)	SES score	SES funding level (% of AGSRC)
130 or greater	13.7	107	42.5
129	15.0	106	43.7
128	16.2	105	45.0
127	17.5	104	46.2
126	18.7	103	47.5
125	20.0	102	48.7
124	21.2	101	50.0
123	22.5	100	51.2
122	23.7	99	52.5
121	25.0	98	53.7
120	26.2	97	55.0
119	27.5	96	56.2
118	28.7	95	57.5
117	30.0	94	58.7
116	31.2	93	60.0
115	32.5	92	61.2
114	33.7	91	62.5
113	35.0	90	63.7
112	36.2	89	65.0
111	37.5	88	66.2
110	38.7	87	67.5
109	40.0	86	68.7
108	41.2	85 or less	70.0

## Short Term Emergency Assistance

Table H.6: Non-government Schools - Short Term Emergency Assistance, 2013

2013 (\$'000)
1,265

Funding is supplemented annually in line with movements in the AGSRC Index. Supplementation will be paid as soon as possible following the making of a regulation under the Act. Refer to [Appendix K](#).

## Appendix I: Summary Table of Funding for 2013

The base assistance for the 2013 program year appropriated under the Schools Assistance Act 2008 for non-government schools is provided in the table below.

Note: Where the Act provides for per capita amounts (\*), an estimated level of the program year base assistance has been provided.

Sector/Program	Initial 2013
<b><i>Schools Assistance Act 2008</i></b>	<b>\$</b>
Recurrent Grants (Including distance education and remoteness loading) (*)	7,404,463,000
Indigenous Supplementary Assistance (*)	75,499,000
Indigenous Funding Guarantee	3,500,000
Capital Grants	133,827,000
Short Term Emergency Assistance	1,265,000
Country Areas Program	6,479,000
School Languages Program	14,762,000
English as a Second Language – New Arrivals (*)	12,121,000
Literacy, Numeracy & Special Learning Needs – School Grants	175,287,827
Literacy, Numeracy & Special Learning Needs – students with disabilities (*)	45,627,000

## Appendix J: Accountability Requirements

### Financial Accountability

Approved Authorities will meet their financial accountability requirements for a program year by submitting to the Department by 30 June of the following year or such other date as the Minister approves, an electronic Financial Accountability certificate which covers:

- a. Grants for Recurrent Expenditure
- b. Short Term Emergency Assistance
- c. Targeted Assistance (CAP, School Languages Program, ESL NA and LNSLN).

The certificate in respect of the program year is to be submitted by a Qualified Accountant. A Qualified Accountant is:

- a. a qualified accountant within the meaning of the *Corporations Act 2001*  
or
- b. a person registered (or taken to be registered) as a company auditor under the *Corporations Act 2001*  
or
- c. a person approved by the Minister as a qualified accountant for the purposes of the *Schools Assistance Act 2008*.

The Qualified Accountant is to submit the certificate on the basis that the financial records of the Approved Authority of the school have been examined and the opinion is formed that the amounts equal to the amount or sum of the amounts of financial assistance provided and paid for that year has been spent (or committed to be spent) in respect of that year for the purpose or purposes for which the assistance was granted.

Non-government authorities must provide information on the distribution to beneficiaries of recurrent funding. For school systems, this will include details of amounts passed on to particular schools within the system and amounts held to cover the cost of administering the system. This will also be collected electronically.

### National school performance and transparency requirements

Part 1 of these Guidelines explains the performance information and reporting requirements in the Act, the Regulations and funding agreements. These requirements apply to the following programs funded under the Act:

- a. Grants for Recurrent Expenditure
- b. Short Term Emergency Assistance
- c. Targeted Assistance (CAP, School Languages Program, ESL NA and LNSLN).



## **Providing reports on financial assistance**

The Act requires non-government school education authorities to provide the Minister with reports as required about financial assistance provided under the Act. Non-government school education authorities would be contacted directly where such reports were necessary.

## Appendix K: Supplementation Arrangements

The Act provides for annual supplementation for the following:

- a. Grants for recurrent expenditure (excluding IFG)
- b. Grants for capital expenditure
- c. Grants for targeted expenditure (including STEA, Country Areas, School Languages, ESL-New Arrivals and LNSLN).

### RG and ISA

The per capita RG for schools provided under the Act are calculated as a percentage of the primary and secondary per capita Average Government School Recurrent Costs (AGSRC) Amounts.

The AGSRC Amounts are changed every year in accordance with sections 36 and 37 of the Act. The AGSRC Amounts are specified in Part 7 of the Regulations. The percentages applied to the AGSRC Amounts to arrive at the per capita funding rates for Recurrent Grants are specified in the Act at Schedule 1.

Initial allocations for the 2013 program year are based on the final 2012 primary AGSRC Amount of \$10,057 and the final 2012 secondary AGSRC Amount of \$12,445. Final allocations for the 2013 program year will be based on the 2013 AGSRC Amounts and final 2013 primary and secondary enrolments.

ISA is provided at per capita rates (refer sections 67(1), 67(1A), 67(2), 69(1), 69(1A) and 69(2) of the Act). These amounts are supplemented annually by movements in AGSRC.

For more information on the AGSRC Amounts, refer to the paragraphs below under AGSRC Amounts and AGSRC Index.

### Capital Grants

In accordance with sections 84 and 85 of the Act, supplementation for capital expenditure is calculated annually by applying movements for the previous calendar year in Index 3020 *Non-Residential Building Construction, Australia*, published by the Australian Bureau of Statistics in Table 15: Selected output of division E construction, of the Time Series Spread sheets in the *6427.0 – Producer Price Indexes, Australia*. The index is a fixed weight composite index of building prices and wage costs produced by the Australian Bureau of Statistics and covers non-residential new construction using a component cost method, as close as possible to market prices, which reflect labour, material, plant input costs and subcontractors' margin.

### Targeted Programs

Commonwealth Targeted Programs for non-government schools provided under the Act are supplemented annually in line with movements in the AGSRC Index. The programs supplemented by the AGSRC Index are Short Term Emergency Assistance, Country Areas, School Languages, ESL-New Arrivals and LNSLN.

The AGSRC Index is applied in accordance with section 101 of the Act to amounts specified in the Act at s.87(2), s.88(2), s.91(1), s.94(2) and s.95(2) and s.96(3) and s.98(1).

## **AGSRC Amounts and AGSRC Index**

Australian Government funding for all Australian schools is provided based on a proportion of the cost of educating a child in a government school. The measure used to establish expenditure in government schools is the Average Government School Recurrent Cost (AGSRC).

DEEWR calculates the AGSRC from financial year data collected by the states and territories as part of the National Schools Statistics Collection (NSSC) under the auspices of the Standing Council on School Education and Early Childhood (SCSEEC) and its predecessors.

The AGSRC is calculated to index Australian Government funding amounts for primary and secondary students. These amounts are based on expenditure by state or territory governments on government schools in the relevant financial years. For example, the 2013 supplementation calculation will be based on the movement in government school expenditures over the 2010-11 and 2011-12 financial year.

Year-to-year changes in the AGSRC amounts form the basis for Australian Government indexation of grants to non-government schools and to calculate the growth factor in payments under the National Schools Specific Purpose Payments to states and territories in respect of government schools.

Targeted programs in the non-government sector are also supplemented annually by movements in the AGSRC Index.

## Appendix L: Information about requirements for funding

Only approved schools, school systems or other educational bodies which meet program eligibility criteria may receive Commonwealth financial assistance under the Act.

Recurrent funding will only be paid for schools which have been recognised for their level/s of education and location/s by the relevant State or Territory in which the school operates.

The Minister must declare a body to be the approved authority for non-government schools and other recipients of grants. Those authorities are responsible for entering into agreements with the Commonwealth, ensuring that grants are properly applied and providing such reports and other information as the Commonwealth may require under the terms of the Act or an agreement.

The approved authorities for all non-systemic schools must be incorporated bodies. The Department recommends that all other grant recipients become incorporated.

The memorandum and articles or other instruments by which incorporation is effected must:

- a. include the power of the incorporated body to conduct a school
- b. provide for the non-profit status of the body including a requirement that any surpluses generated by the school, or recognised group of non-government schools be used for the purposes of the school or recognised group of non-government schools and not be transferred to any other activity that the body is authorised to undertake
- c. if the operator is wound up, net assets of the operator remaining after all obligations arising from the winding up have been satisfied will be donated to another non-profit entity that provides education-related services to primary or secondary students, for the purposes of those services.
- d. not be inconsistent with the Commonwealth's right to recovery of Commonwealth grants in certain circumstances.

Some schools are incorporated through an Act of Parliament or conducted by a religious order, which has a separate body corporate. If the above provisions are difficult to include in the articles or memorandum of incorporation, the trustees or directors of the incorporated body may sign a statutory declaration which addresses the provisions outlined in the previous paragraph.

A client body may request a change of its declared approved authority. Until the replacing authority is approved or recognised, the existing authority retains responsibility for the school's dealings with the Commonwealth. The replacing authority will be required to endorse agreements entered into by the outgoing authority in order for the payment of Commonwealth grants to continue.

The approved authority for the receipt of Commonwealth funding for a non-government school should preferably be the same for all groups of programs (Recurrent, Capital and Targeted) covered by the Act. Approved school authorities can appoint different persons for particular programs to act as agents on behalf of the approved authority. It is the responsibility of the approved school authority to ensure that the Department is informed of the names of agents prior to those persons acting on behalf of the approved authority. In the case of most, but not all, Catholic non-systemic schools, the approved authority under the relevant targeted program will continue to be the Catholic system authority for that State.

## Appendix M: Schools not conducted for profit

Under the Act, Commonwealth financial assistance is only payable for, or in connection with, “non-government schools”. Non-government schools are schools that, amongst other things, are “not conducted for profit”<sup>3</sup>. A school that is conducted for profit cannot be approved by the Minister for the purposes of the Act<sup>4</sup>, and if an approved school starts to be conducted for profit, the Minister must revoke its approval<sup>5</sup>.

The crucial consideration in deciding whether or not a school is being conducted for profit is how the entity that is responsible for the operation of the school (school operator) applies the money it derives from or that relates to its operation of the school. Critically, that money must be applied for the benefit of the school or schools of the operator, and not applied for the benefit of the owners of the operator or any third party.

To provide greater clarity for schools, the information below outlines the factors the Department currently has regard to in deciding whether or not a school is conducted for profit for the purposes of the Act:

- a. the constituent documents of the school operator;
- b. recognition of the non-profit status of the school operator; and
- c. the policies and practices of the school operator with respect to the school.

### Constituent documents of school operator

The constituent documents of a school operator – for example, its corporate constitution, or the legislation under which it is established – should provide that the operator is a non-profit entity, or at least non-profit insofar as its education-related activities are concerned.

Further, those documents should provide that:

- a. surplus income of the operator derived from or related to the operation of its school/s must not be distributed to the owners of the operator or to any third party; and
- b. if the operator is wound up, net assets of the operator remaining after all obligations arising from the winding up have been satisfied will be donated to another non-profit entity that provides education-related services to primary or secondary students, for the purposes of those services.

Ideally, the constituent documents of the school operator will have the following effect:

- a. revenue derived by the operator in relation to its school/s will be used only for the purposes of the school/s; and

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<sup>3</sup> Paragraph (b) of the definition of *non-government school* in section 4 of the Act.

<sup>4</sup> Paragraph 108(c).

<sup>5</sup> Paragraph 122(c).

- b. if the operator is wound up, net assets remaining after all obligations arising from the winding up have been satisfied will be donated to another school operator who is in receipt of, or eligible for, Commonwealth financial assistance for its school/s.

Changes to a school operator's constituent documents can result in a reassessment by the Department of whether it continues to conduct its school/s on a non-profit basis.

## Recognition of non-profit status of school operator

Ideally, a school operator should have its non-profit status recognised in some fashion – for example, registration as a charitable institution or deductible gift recipient for taxation purposes, or registration as a not-for-profit entity under the *Australian Charities and Not-for-profits Commission Act 2012*.

While failure by a school operator to be so recognised will not mean its schools are regarded as being conducted for profit, such recognition provides a measure of assurance that that is not the case. Equally, failure by a school operator to maintain such recognition can result in the Department reassessing whether it continues to conduct its school/s on a non-profit basis.

## Policies and practices of school operator

The most significant factor in determining whether a school operator is conducting its schools for profit is the actual behaviour of the operator with respect to school finances – that is, the policies it implements around the financial management of its school/s and its conduct in receiving and spending money in relation to its school/s.

In particular, in assessing whether a school operator is or is not conducting its school/s for profit, the Department will have regard to such matters as:

- a. the extent to which the school operator has acted in accordance with the restrictions on distribution of surplus funds in its constituent documents;
- b. the extent to which money derived from or related to the operator's school/s have, or have not, been applied to the purposes of its school/s;
- c. whether there has been a direct or indirect distribution of money derived from or related to the operator's school/s to the owners of the operator, or any other entity (e.g. in circumstances indicating profit-taking as opposed to *bona fide* commercial transactions).

## Appendix N: Funding for schools enrolling students on visas

Under the *Schools Assistance Act 2008*, recurrent financial assistance can only be provided to schools in respect of certain students who hold, or are dependents of persons who hold a permanent or temporary visa which permits them to travel to Australia and attend non-government schools. The Minister for School Education's delegate determines the persons or classes of persons according to visa sub-class who are eligible to attract recurrent financial assistance under the Act. The persons who are not eligible to attract recurrent financial assistance are known as Overseas Students for the purposes of the Act.

### Overseas Students

Unless the Minister determines otherwise, an Overseas Student is a person:

- a. who holds a visa in force under the *Migration Act 1958* that permits the person to travel to Australia for the purpose of undertaking a course provided by a body
- b. who is included in such a visa in force under that Act
- c. who is specified in the Regulations as an overseas student.

The Minister has determined that persons covered by certain visa classes are not Overseas Students. Specific details of these visa classes are provided in the Non-Government Schools Census Instructions which can be viewed at:

[https://ssp.deewr.gov.au/ssp/help/html/coi/student\\_definitions.html#Not\\_Overseas\\_Students](https://ssp.deewr.gov.au/ssp/help/html/coi/student_definitions.html#Not_Overseas_Students)

You may also contact the Department on 1800 677 027 - option 1/option 3, or by email [grantsanddata.help@deewr.gov.au](mailto:grantsanddata.help@deewr.gov.au) .



## Appendix O: Individual school information

This Appendix provides information about individual school information as required under the Schools Assistance Regulations.

### Background

All Australian governments and education providers are committed to an education system that pursues excellence for all Australian schools and where every child receives the highest quality education.

To support this commitment and identify accurately where the greatest educational need across the Australian community is located, and to encourage excellence in every school, a basis for fair, consistent and accurate analysis of how different schools are performing is needed. Accurate information on how students are performing will help inform teachers, principals, parents and governments on areas of excellence and areas for improvement.

Under the National Education Agreement (NEA) the Council of Australian Governments agreed to establish a national data repository on individual school information within the Australian Curriculum, Assessment and Reporting Authority (ACARA) to support school evaluation, accountability and resource allocation.

The national data repository supports Education Ministers in their evaluation of system and school performance, assisting in identifying what is working in schools across the country and directing resources to where they are most needed. The creation of this data repository enables Ministers to make informed decisions, based not only on the performance of their own schools / systems, but in comparison to other schools / systems across the country. Best practices can also be identified and shared.

Data from the national repository that is published by ACARA provides the community with information that enables them to understand the performance of schools and the context in which they perform and to evaluate the decisions taken by governments. This helps ensure schools are accountable for the public funding they receive and governments are accountable for the decisions they make.

The requirement to provide individual school information applies to all schools, both government and non-government:

- For government schools, the provision of individual school information to ACARA is an obligation under paragraphs 31-32 of the NEA.
- For non-government schools, the requirement to provide individual school information to ACARA is spelt out in section 19 of the Act, supported by Regulation 4 of the Regulations.

The individual school information requirements are the result of decisions by Education Ministers in April 2009 based on advice provided to them by the then School Reporting Working Group, an advisory group that included representatives from the Commonwealth, States and Territories, the National Catholic Education Commission (NCEC) and the Independent Schools Council of Australia (ISCA). DEEWR provided all non-government schools and school systems with the details of Ministers' decisions in July 2009. There have

been further decisions made by Education Ministers through the Ministerial Council since then, which have been incorporated into individual school reporting requirements.

Collection and reporting of individual school information will be informed by the *Principles and Protocols for Reporting on Schooling in Australia*, agreed by Education Ministers in June 2009 and available at:

[http://www.mceecdya.edu.au/verve/\\_resources/Principles\\_and\\_Protocols\\_2009.pdf](http://www.mceecdya.edu.au/verve/_resources/Principles_and_Protocols_2009.pdf).

## Regulation 4

Under section 19 of the Act, a funding agreement for a non-systemic school must require the school authority to ensure that the school gives the Commonwealth Minister (or another person or body determined by the Minister) reports about individual school information specified by the Regulations. In the case of school systems, the system authority must ensure this is done by each school in the system.

The frequency, timing, format, content and delivery of the school information report must be consistent with the Minister's requirements.

The requirement to provide individual school information is also set out in clauses 10.4 and 10.5 of the recurrent assistance funding agreement for 2009-2013 between the Commonwealth and each non-systemic school and school system.

Regulation 4 of the *Schools Assistance Regulations 2009*, came into effect on 28 November 2009 and is available through the ComLaw website at:

<http://www.comlaw.gov.au/Details/F2011C00744>

Regulation 4 lists the information on each school which must be provided to the Minister or to the person or body determined by the Minister. The Minister has determined that body to be ACARA.

The information listed in Regulation 4 is the data for each school which needs to be collected in order to publish the set of indicators agreed by Education Ministers from April 2009 onwards.

## Individual school information

Education Ministers have previously identified three classes of indicators needed to guide school evaluation, accountability and resource allocation. These are:

- contextual - factors that contextualise student outcomes, e.g. a school's student intake (population), spread of student SES, proportion of Indigenous students
- capacity - a school's capability, e.g. school finance information, teacher workforce
- outcomes - a school's outcomes, e.g. literacy and numeracy test results, school opinion survey results, Year 12 attainment.

To give schools and systems an indication of how collected data are communicated to the community on the ACARA website, Table N.1 below provides a summary of:

- the individual school information to be collected by ACARA (note that data will be collected at the de-identified unit record level)

- the school level information to be published by ACARA
- the collection or authority from which the data are expected to be sourced
- when publishing is expected to commence.

The information contained in Table N.1 is subject to change based on data availability and decisions by Education Ministers.

**Table N.1: Individual school information (see Data Standards Manual for specific requirements)**

Collected	Details to be published	Expected source	Timing of publication
<i>Contextual information</i>			
School information statement	School information statement	Individual Schools	Annually
Whether the school belongs to the Catholic school sector or the independent school sector	School type: Government or Non-government	School Census	Annually
School grades offered by the school	School type: Primary, Secondary, Combined or Special Year range: e.g. K – 12	School Census	Annually
Street address of the school	Geo-location: Metropolitan, Provincial, Remote or Very Remote (MCEECDYA geo-location categories)	School Census	Annually
Total number of students enrolled at the school	Total student enrolments	School Census	Annually
Total full-time equivalent student enrolments at the school	FTE student enrolments	School Census	Annually
Total student enrolments at the school disaggregated by sex	Total student enrolments by sex (girls, boys)	School Census	Annually
Total student enrolments at the school disaggregated by school grade	Nil	School Census	Annually
De-identified residential address of each student enrolled at the school	Socioeconomic profile of student population, % by quartile	DEEWR Socioeconomic Status (SES) funding collection	Annually
Number of Indigenous students enrolled at the school	% Indigenous students	School Census	Annually
Number of students of language background other than English (LBOTE) enrolled at the school	% LBOTE	State and Territory test administration authorities	Annually
Number of students with a disability enrolled at the school	% students with disability	To be advised	To be advised

Collected	Details to be published	Expected source	Timing of publication
<b>Capacity information</b>			
School finance data broken down by sources of funding	School recurrent income and capital expenditure by funding source	DEEWR Financial Questionnaire and information from other parties where required	Annually
Number of teaching staff	Number of teaching staff	School Census	Annually
Number of full-time equivalent teaching staff	FTE teaching staff	School Census	Annually
Number of non-teaching staff	Number of non-teaching staff	School Census	Annually
Number of full-time equivalent non-teaching staff	FTE non-teaching staff	School Census	Annually
Number of teaching staff by level of expertise	Proportions of teachers at each level of expertise under new national teacher registration standards	To be advised	To be advised
<b>Outcomes information</b>			
Rate of student attendance at the school disaggregated by school grade, sex and Indigenous status	% school attendance rate	Ministerial Council national attendance collection	Annually
NAPLAN outcomes	NAPLAN mean score for each year / domain for the school, proportions of students in achievement bands, participation rate %, exemption %, withdrawn from test %, absent from test %	State and Territory test administration authorities	Annually
Secondary school outcomes (Year 12 Results) - Number of senior secondary certificates awarded	Number of senior secondary certificates awarded	State and Territory authorities	Annually
Secondary school outcomes (Year 12 Results)- Number of students who completed senior secondary school	Number of students who completed senior secondary school	State and Territory authorities	Annually

Collected	Details to be published	Expected source	Timing of publication
Secondary school outcomes (VET) - Number of course enrolments and qualifications	Number of course enrolments and qualifications completed for students undertaking vocational education and training by qualification level and (if available) industry area	State and Territory authorities	Annually
Secondary school outcomes (VET) - Number of students who undertook school-based apprenticeships and traineeships	Number of students who undertook school-based apprenticeships and traineeships	State and Territory authorities	Annually
Secondary school outcomes - Tertiary entrance results	To be advised	State and Territory authorities	To be advised
Secondary school outcomes - Destination of each student enrolled at the school after the end of the student's secondary education	To be advised	To be advised	To be advised
Information about the opinions of students, parents and teachers about their school	To be advised	Information from a national collection instrument or as agreed by Ministers	To be advised

\* Where this Table has **"To be advised"**, the specific detail has not been agreed by Education Ministers. Schools and systems will be notified when these decisions have been made.

## Sources of the data

Much of the information listed in the Regulations is available from sources other than individual schools, through existing data collections. To limit the reporting required by schools, information will be collected from existing collections, where possible.

For example, non-government schools provide data on school location, year levels, student enrolments (including Indigenous) and staff via the annual non-government schools Census, managed by DEEWR, which feeds into the ABS National School Statistics Collection. Student NAPLAN results are provided by the State and Territory test administration authorities which carry out the annual NAPLAN assessments.

Where a school or school system has concerns about information on a particular school as it appears on the ACARA website, it should raise these concerns with ACARA.

## Timing

It is expected that individual school information for most indicators will be collected on an annual basis, or as otherwise determined by the Minister.

ACARA commenced publishing individual school information in January 2010. The initial publications in January 2010 and March 2011 included data from the 2008, 2009 and 2010

school years, where available. A further update was released in February 2012 which included 2011 data.

Not all items have been collected or reported initially. Reporting on teacher expertise, student disability, Year 12 attainment, tertiary entrance scores, post-school student destinations and parent, student and teacher opinion surveys will also commence at a later date once the data collection and reporting issues are agreed.

## **Publication of the data**

While the Regulations specify the individual items of data to be provided for the purposes of individual school information, it is important to note that not all of the data collected are for publication in the form provided. For example, ACARA will collect de-identified unit record student results from NAPLAN assessments; however the published information will be at the school level.

## Appendix P: Calendar of Key Dates

Key dates	Activities
January	<p>Grants for Recurrent Expenditure – The first RG Program payment of 50 per cent of estimated annual entitlements based on previous years Census and initial per capita funding rates.</p> <p>Payments of 50 per cent of estimated annual entitlements for Remoteness Loading and ISA will also be processed this month based on previous years Census and initial per capita funding rates.</p> <p>LNSLN – first payment is one quarter of the initial entitlement.</p> <p>CAP – first payment is one quarter of the initial entitlement.</p> <p>ESL-NA – Advance payment is made (50% of previous year's funding allocation.)</p>
31 January	School Languages Program – reporting by non-government education authorities
March	<p>School Languages Program – initial payment made to non-government education authorities following receipt of program report</p> <p>Grants for Recurrent Expenditure – IFG (Total School Approach) payment made to non-systemic schools based on 50 per cent of the estimated annual entitlement.</p>
15 March	<p>Grants for Recurrent Expenditure – Non-systemic school enrolments: If non-systemic school experiences a rise or fall of 15 per cent or more in enrolments in the beginning of the school year, it should notify the Department of its enrolments as at the end of February. Notification of enrolment changes received after 15 March cannot be taken into account prior to the October payment.</p> <p>Reductions in enrolments of 15 per cent or more must be advised to the Department within 10 working days.</p>
April	<p>LNSLN – second payment is one quarter of the initial entitlement.</p> <p>CAP – second payment is one quarter of the initial entitlement.</p>
30 June	<p>Schools and Systems Financial Questionnaire – to be submitted and declared electronically and a copy of the school's auditor's report is to be provided to the Department</p> <p>Financial Acquittal – Acquittal Certificates to be completed on line by the qualified accountant for the school, System or Association of Independent Schools (as applicable).</p>
1 July	<p>Grants for Recurrent Expenditure – Organisations wishing to apply for recognition as an approved school system must apply to the Department by 1 July of the year before proposed commencement.</p> <p>Schools proposing to join or leave existing systems, or schools proposing to amalgamate or separate, must notify the Department by 1 July of the year before the proposed change is to commence.</p> <p>Applications for Review or Appeal of an SES score under section 76, Part 4, Division 11 of the Act must be submitted to the Department by 1 July of the relevant program year.</p>
July	<p>Grants for Recurrent Expenditure – Advance payment of RG and ISA.</p> <p>Second RG Program payment based on 75 per cent of estimated annual entitlement less payments already made for this year.</p> <p>Second payment of ISA Program based on 75 per cent of estimated annual entitlement less payments already made for this year.</p> <p>LNSLN – third payment is one quarter of the initial entitlement.</p> <p>CAP – third payment is one quarter of the initial entitlement.</p>
First Friday in August	Schools Census date for all States.
Second Friday in August	<p>Schools Census Statutory Declarations should be completed and returned to the Department.</p> <p>ESL-NA First Claim Forms Due.</p>

Key dates	Activities
September	ESL-NA First Claim Payment.
October	<p>Grants for Recurrent Expenditure – Balancing RG Program payment: 100 per cent of annual entitlement based on current year's Census data and final per capita funding rates less payments already made for this year.</p> <p>100 per cent of Remoteness Loading entitlement and ISA Program based on current year's Census data and final per capita funding rates less payments already made for this year.</p> <p>100 per cent of entitlement under increased ISA for non-remote non-government boarding schools program.</p> <p>100 per cent of IFG (Total School Approach) entitlement less payments already made for this year.</p> <p>100 per cent of IFG (Per Capita Approach) entitlement.</p> <p>LNSLN – fourth payment is one quarter of the initial entitlement.</p> <p>CAP – fourth payment is one quarter of the initial entitlement.</p>
Early November	School Languages Program – Supplementation payments made annually in line with changes to the AGSRC.
Fourth Friday in November	ESL-NA Second Claim Form Due.
December	<p>LNSLN – additional payment to reflect supplementation.</p> <p>CAP – additional payment to reflect supplementation.</p> <p>ESL-NA – Second Claim Payment, including supplementation.</p>

*NOTE: Information on new programs, funding applications, announcements etc. are made during the year and are available on the DEEWR website at: <http://deewr.gov.au/>.*

Under the *Intergovernmental Agreement on Federal Financial Relations* between the Commonwealth and the states and territories, payments are made from the Commonwealth Treasury to state and territory treasuries on the seventh day of the relevant month.