



Adventist Education in North New South Wales

Seventh-day Adventist Schools (North New South Wales) Limited

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Purpose:

To provide clear guidelines on the method of distributing the commonwealth recurrent grants as an *Approved System Authority* from 1 January 2018. This is to comply with section 78(5) of the *Australian Education Act 2013 (the Act)*.

Background information:

Prior to the 2014 funding cycle recurrent Commonwealth government grants were received by the trust and distributed to the schools as apportioned by the government. This was in accordance with the legislative arrangements at the time. The grants were calculation by the government based on the schools SES score or a funding maintained SES score where applicable to preserve a schools existing funding.

In 2014 the funding cycle introduced some significant changes in how our recurrent grants were calculated and received and as an *Approved System Authority* from that date we were able to determine the distribution grant funding amongst our schools. We were also given the ability to receive the recurrent grants based on a System Weighted Average SES score. While we received the funds on the System Weighted Average SES score, we allocated the funding to each individual school based on their individual SES score. The small difference between the Weighted Average Score funding and the individual SES Score Funding (0.66% of the total funding including allowances) was also distributed to the individual schools based on needs as determined by the System Authority.

From 1 January 2018 the funding cycle again brought substantial changes to the school funding arrangement which saw the removal of the System-Weighted Average SES score funding and all schools receiving funding based on their individual SES scores with a requirement that *Approved System Authorities* distribute their funding allocation through the use of their needs-based funding arrangement that complied with section 78(5) of the Act.

The Act requires that our needs-based funding arrangement:

- Provides an amount per student (base funding amount) that
 - Represents the recurrent resources required to support a student with minimal educational disadvantage to achieve expected educational outcomes.
 - Takes into account efficiencies that can be realised while improving educational outcomes.
- Provides loadings to students and schools with additional needs to support student achievement.
- Is publicly available and transparent.

Each of our schools are funded based on their individual SES score and the funding consists of several components as follows:

- Base amount – This takes into account:

- The number of students at the school
- The SRS funding amount for the year for a student at the school
- The capacity of a schools community to contribute financially to the school, the SES score of a school or system impacts the capacity to contribute
- A loading for students with disability (SWD)
- A loading for Aboriginal and Torres Strait Islander students
- A loading for students with low socioeconomic status
- A loading for students who have low English proficiency
- A loading for schools that are not in major cities
- A loading for schools that are not large schools

Procedure:

We distribute the full amount of base funding and allowances received from the Federal Department of Education and Training as determined by the Commonwealth recurrent grant calculation to each individual school.

As a System Authority we consider the SES score to be an appropriate reflection of capacity of the parents in an area to afford private education and support the use of this basis for school base funding distribution.

All loadings for our individual schools relate to specific circumstances and students at the individual schools as reported by the school to the Commonwealth through the Census process. We consider it important that these schools have the funding that relates to those unique circumstances. These funds are readily identifiable and easily attributable to each school.

It should be noted that the trust operates a shared service centre which supports corporate functions such as finance, marketing, ICT, workplace health and safety, corporate applications, quality assurance and compliance. The shared service is supported by a levy from each school and recorded as an operating expense in each individual school operating budget and like all other operating expenses is funded out of their operating income which is combination of Federal recurring grant funding, State Grant recurring funding as well as private income from parents from tuition and other income sources such as interest income.

No Federal or State funding is withheld by the *Approved System Authority* level for administrative purposes.