



# Non-government school payments

The Australian Government provides significant recurrent school funding to support students at nongovernment schools. Funding is provided under the *Australian Education Act 2013*. This is a general guide on how the Australian Government Department of Education (the department) provides funding for nongovernment schools.

### How does the Australian Government pay schools?

Australian Government school funding is calculated for a school on a calendar year basis. This funding is provided to the approved authority which is responsible for the administration and operation of the school(s). Legislation requires school payments to be made to approved authorities via the state or territory government where the school is located.

Please note: states and territories have their own processes and timeframes for passing payments on. The department is unable to advise when your state or territory will pass a payment on.

#### When are school payments made?

Standard non-government school payment arrangements are:

Month	Amount	Basis of calculation
January	50% advance of the <b>estimated</b> entitlement for the school year	Previous year student numbers (from last year's Non-government schools census [the census]), with
July	75% advance of the <b>estimated</b> entitlement for the school year (less funds already paid) Note: For schools where entitlement does not change from the January estimate, this is 25%.	this year's capacity to contribute (CTC) and schooling resource standard (SRS) amounts.
October	100% of the <b>actual</b> entitlement for the school year (less funds already paid)	Current year student and funding information (from this year's census and other data sources)

Occasionally, the department determines that individual schools may have different payment schedules (for example quarterly or monthly instalments). Approved authorities will be advised if this occurs.

# Unscheduled payments

Ad hoc (top-up) payments for schools may happen if there is a change to a school's current or previous year's entitlement. There are many situations when this may occur. Common examples include:

Situation	Consequence	Payment timing
A school is approved to deliver an additional year level	The change in students and/or characteristics may increase a school	Payment generally made in the next available payment
A new school location (campus) opens		
A school has more students than last year and requests additional up-front funding*	entitlement **	

\*Approved authorities will be required to provide a business case to support the request for recalculations of entitlement. In general, recalculations for approved system authorities are not considered due to the ability to redistribute funding to schools in line with their needs-based funding arrangement.

\*\* Approved authorities are encouraged to use the SchoolsHUB Online Estimator tool to understand the impact to recurrent funding entitlements, as an increase in students may not result in additional funding due to student/school characteristic changes. See page 3 for further information on how to access payment and funding information.

#### Decreases in student enrolments

To avoid the possibility of an overpayment, if a school is aware their actual entitlement is likely to significantly decrease from the estimated amount (i.e. following a decrease in enrolments) then an approved authority representative **must contact the department immediately**.

#### Recovery of overpayments

There are also situations when a change decreases a school's current, or previous year entitlement. Common examples include:

Situation	Consequence	Recovery timing
	October payment may be less than school expects	N/A
School census in August identifies a large <b>drop in enrolments</b> compared to previous year	If current year entitlement is less than 75% of last year, school may have already been overpaid	If overpaid, no October payment will be made, with recovery to come from payments in future years.
	If a school is found to have been overpaid by a significant amount	Overpayment is offset from future payments

Situation	Consequence	Recovery timing
<u>Census Post Enumeration</u> (PE) finds a change to funded student characteristics (i.e. NCCD students with disability change	If a school is found to have been overpaid	Overpayment is recovered as a single or multiple number of offsets from future payments, depending on the amount overpaid
from Substantial to QDTP) which reduces a school's entitlement	If a school is found to have been underpaid	Payment will be made in the next available payment following the decision to change the entitlement.

#### Other changes which may affect funding

Situation	Payment timing
Changes to a school community's capacity to contribute (CTC) to the ongoing costs of running the school*	Applied to the January payment as determined for a school (at the end of the previous year) following the Student Residential Address Collection
Changes to the number of students in the first and second Socio-Educational Disadvantage quartiles	<i>Early in the year</i> Prior year values are used to estimate the school's likely funding entitlement
Changes to the number of students with Language Backgrounds other than English	From October that year Current year values are used to calculate a school's actual entitlement

\* CTC does not apply to government schools, special schools, special assistance schools, majority Aboriginal and Torres Strait Islander schools, or soleprovider schools.

#### How to access payment and funding information?

School payment documentation (detailing school entitlement calculations, payments and GST information) are available, on demand, to staff with **Authorised Representative** or **Finance Officer** access in <u>SchoolsHUB</u> located under the Finance tab.

The Online Estimator is also available for schools to identify the potential effect of student and school changes on funding to help schools understand what impact the changes in student numbers and characteristics will have on funding calculations. Current student and school entitlement information is available through the Online Estimator under the **Finance** tab.

Historical funding and payment documentation is also available through the **Downloads** section under the **Finance** tab of SchoolsHUB.

# Want more information?

Visit the Help and Support sections of <u>SchoolsHUB</u> for more information on recurrent funding, managing your organisation, and upcoming data collections.

A range of other information about Australian Government school payment arrangements is available on the department's <u>website</u>.

#### We're here to help

If you have questions about school payments:

- email <u>schools@education.gov.au</u>
- call 1800 677 027
- send a support request through SchoolsHUB.