



Non-government school payments

The Australian Government provides significant recurrent school funding to support students at non-government 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 non-government 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. Legislation requires school payments to be made to approved authorities via the state or territory government where the school is located.

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?

Table one shows the standard non-government school payment arrangements.

Table 1: Standard non-government school payment arrangements.

Month	Amount	Basis of calculation
January	50% advance of the estimated entitlement for the school year.	Previous year student numbers (from last year's Census), with this
July	75% advance of the estimated entitlement for the school year (less funds already paid). Note: For schools where entitlement does not change from the January estimate, this is 25%.	year's Capacity to Contribute (CTC) and Schooling Resource Standard mounts.
October	100% of the actual entitlement for the school year (less funds already paid).	Current year student and funding information (from this year's Census and other data sources).

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Occasionally, the department determines that individual schools may have different payment schedules (for example quarterly or monthly instalments). The department will advise approved authorities 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. Table 2 shows common examples.

Table 2: Examples of when ad-hoc payments for schools may occur.

Situation	Consequence	Payment timing
A school is approved to deliver an additional year level.	The change in students and/or characteristics increase a school entitlement.	Payment generally made up to 6 weeks following the department's approval of the change.
A new school location (campus) opens.		
A school has more students than last year and needs additional up-front funding.		

Recovery of overpayments

There are also situations when a change decreases a school's current, or previous year entitlement. Table 3 shows common examples.

Table 3: Examples of when a change decreases a school's current or previous year entitlement.

Situation	Consequence	Recovery timing
	October payment may be less than school expects.	N/A
School Census in August identifies a large drop in enrolments compared to previous year.	If current year entitlement is less than 75% of last year, school may have already been overpaid.	If overpaid, there will be no October payment and recovery will 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.
Census Post Enumeration (PE) finds a change to funded student characteristics (i.e. Nationally Consistent Collection of Data students with disability change	If a school is found to have been overpaid.	Overpayment recovered as a single or multiple offsets from future payments, depending on the amount overpaid.
from Substantial to Quality Differentiated Teaching Practice which reduces a school's entitlement.	If a school is found to have been underpaid.	Payment may be made up to 6 weeks following processing of PE changes.

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If a school is aware its 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** to discuss options using the contact details provided under the 'We're here to help' heading.

Other changes which may affect funding

Table 4 outlines the other changes which may affect funding.

Table 4: Other changes which may affect funding.

Situation	Payment timing	
Changes to a school community's 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.	Early in the year – 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 sole-provider schools.

How to access payment and funding information

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

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.

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Want more information?

Visit the <u>Data Collections</u> help and support sections of SchoolsHUB 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>Recurrent funding for schools</u> page.

We're here to help

If you have questions about school payments, contact us by:

- emailing schools@education.gov.au
- calling 1800 677 027
- sending us a support request through the SchoolsHUB Contact page.

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