

Commonwealth Recurrent Grant Implementation

Purpose

To provide clear guidelines on the method of distributing the Commonwealth Recurrent Grants as we are an *approved system authority* from 1 January 2014. This is to comply with section 61 of the *Australian Education Regulation 2013*

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.

The 2014 funding cycle sees some significant changes in how our recurrent grants are calculated and received:

1. We are seen as an *approved system authority* and are able to determine the distribution of grant money amongst the schools in our system. We are required to have clear guidelines on the method by which we will distribute Commonwealth recurrent funding
2. Several grants previously paid separate to the recurrent money is now bundled together with our recurrent grant. The grant now consists of several components, these are as follows:
 - Base amount – This takes into account:
 - o The number of students at the school
 - o The SRS funding amount for the year for a student at the school
 - o 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
3. The ability to receive the recurrent grants based on a weighted average SES score rather than by individual school SES scores

Procedure

The method for distributing the base amount has considered that the SES score (now Capacity to Contribute or CTC score) is a reflection of the parents in an area to afford private education and this should have a major impact on how the grants are distributed. It is also seen as important to preserve an equivalent funding for those schools who had a funding maintained status so that no school in our system receives less income than previous funding arrangements.

The base funding for schools shall be shared in a ratio equivalent to what their individual funding would have been using their own CTC or equivalent funding maintained SES score.

All loadings for schools shall be distributed to those schools as determined by the Commonwealth recurrent grant calculation. All loadings relate to specific circumstances and students at the individual schools and it is considered important that these schools have the funding that relates to these unique circumstances. These funds are readily identifiable and easily attributable to each school.

Seventh-day Adventist Schools (Greater Sydney) Ltd – Commonwealth recurrent grant implementation policy

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 percentage of funds from grants and self-generated income.