



CATHOLIC EDUCATION WESTERN AUSTRALIA

Catholic Education Commission of Western Australia (CECWA) Australian Government Recurrent Funding Allocation Model

Introduction

In 2017, there were 165 Catholic schools educating over 75,000 students across the four dioceses of the Catholic Church in Western Australia.

All but five Catholic schools in Western Australia were systemically funded. For systemically funded schools, Australian Government Recurrent Funding grants are allocated based on its own needs based funding model approved by the Catholic Education Commission of Western Australia (CECWA)

This guide explains the funding model used by CECWA to allocate the Australian Government Recurrent funding.

CECWA has implemented its own needs based funding model since the 1980s, which facilitated the State-wide distribution to Western Australian Catholic schools.

Following the Gonski review on Funding of schools and the promulgation of the Australian Education Act 2013, CECWA initiated a working party to review the funding allocation of Australian Government Funding based on the following principles:

Principle 1: Core guiding principle

That the CEOWA, on behalf of the CECWA, continue to administer and distribute government funding for the System in line with the intent and spirit of the Bishops' Mandate and the CECWA's Terms of Reference.

Principle 2: General use of funds

That there will be a single pool of funds received from the Australian Government for distribution to schools and that these funds be distributed by the CEOWA in line with the CECWA approved distribution formulae as defined in the new Funding Allocation Model (FAM).

Principle 3: CECWA discretion

That the CECWA determine those System priorities, through appropriate discernment and collaboration with stakeholders, which will require the allocation of Australian Government funds from Co-Responsibility.

Principle 4: Administration expenses

That, in line with previous Australian Government guidelines, the CEOWA retains a total of 2% of the Australian Government recurrent funding to assist with the System's administration costs.

Principle 5: Co-Responsibility pool

- a. That the system's Co-responsibilities, as previously identified by the CECWA, include:
 - Debt Servicing Assistance for existing and new schools;
 - Health Care Card Tuition Fee Discount Scheme;
 - CECWA initiatives, including:
 - Employee Assistance Program;
 - Scholarships;
 - Intensive language support;
 - Catholic Arts;
 - Establishment budgets for new schools;
 - Recurrent funding for new schools; and
 - Other CECWA initiatives.
- b. That the costs of the following CECWA initiatives are directly recovered from specific loading sub-sets defined in the Act, as follows:
 - Aboriginal Fee Concession – from the ATSI Loading;
 - Teacher Housing – from the Location Loading;
 - Remote Area Package – from the Location Loading;
 - Special Education Support – from the SWD Loading;
 - 'Co-Responsibility' schools – from their respective (Primary or Secondary) pool made of Base funding (and possibly SES and Size Loadings).

Principle 6: Agreements with Order-accountable schools and incorporated bodies

That discussions be held with the five Order-accountable schools which are their own Approved Authorities to develop suitable mechanisms that enable the on-going recovery of costs associated with the support and advice that the CEOWA provides to them.

Principle 7: Debt Servicing Assistance

That the CECWA review the percentage of the Australian Government recurrent funding set aside for Debt Servicing Assistance, and engage in appropriate discussions to determine the future plans for expansion of the System.

Principle 8: Health Care Card Tuition Fee Discount Scheme

- a. That the total dollar amount of Australian Government recurrent funding required to run the Health Care Card Tuition Fee Discount Scheme is maintained in 2015.
- b. That the Health Care Card Tuition Fee Discount Scheme undergoes a full review by the Funding of Catholic Schools Working Party, to be incorporated from 2016, as part of the policy review 'School Fees Setting and Collection Policy'.

Principle 9: CECWA Initiatives

That any previously approved CECWA initiatives, continue to be funded from Australian Government recurrent funding in 2015.

Principle 10: 'No school loses a dollar' vs Phasing-in

- a. That the new Funding Allocation Model does not necessarily reflect the assertion of "no school loses a dollar".
- b. That an adequate phase-in period of 3 to 5 years be considered before the new Funding Allocation Model is fully implemented.

Distribution of Australian Government Recurrent Funding

In June 2015, CECWA approved the Funding Allocation Model (FAM) for the distribution of Australian Government Recurrent Funding.

The methodology of the distribution is outlined below.

Receipt of Funds and Co-responsibilities

1. The Australian Government Recurrent funding is received for distribution in one pool.
2. A maximum of 2% administration costs are deducted from the total funding pool, with any changes to this percentage requiring approval from CECWA.
3. CECWA system initiatives and co-responsibility items be prescribed and percentages set at:

HCC Discount System Assistance	1.50%
Debt Servicing contribution to interest repayments	2.00%
Recurrent Funding for New Schools and CARE schools	1.00%
Contingency to assist with transition and school funding	0.75%
Establishment Budgets for New Schools	0.10%
Leading Lights	0.40%
Current Approved System Initiatives:	
- Employee Assistance Program for group funded schools	} 0.40%
- Scholarships	
- Catholic Arts	
- Other Current Approved Initiatives	

4. Any changes to the set percentages be approved by CECWA after consultation with the relevant stakeholders.
5. New schools no longer receive funding from the CECWA system initiatives and co-responsibilities when they receive enough funding for recurrent operational purposes in the FAM.
6. Any new CECWA initiatives or co-responsibilities be approved by CECWA after consultation with relevant stakeholders.

7. Any excess funds not utilized from the CECWA system initiatives and co-responsibilities be distributed through the Base and Loadings on a percentage generated basis.

The Base Allocation

8. That after Administration Costs and CECWA System initiatives and Co-responsibilities are deducted, the Base amount in the Funding Allocation Model is distributed into a Primary Pool and Secondary Pool, as a 'percentage generated' of the total funding.
9. That before school funding is distributed; school support staff and school based support initiatives deductions be actioned from their respective base amount pools.
10. That new CEWA staffing or initiatives deducted from the primary or secondary base amount pools require consultation and input from relevant stakeholders including the Catholic Primary Principals Association (CPPA) and Catholic Secondary Principals Association (CSPA).
11. That the Base amount be set at a minimum of 95% of the School Resourcing Standard (SRS) are outlined in the Australian Education Act.
12. In calculating the Base amount, the State Government per capita funding, school's capacity to contribute, and Australian Government recurrent funding make up the 95%.
13. That the CECWA Capacity to Contribute (CtC) table, outlined in Table A, be adopted in calculating the Private Income component for the Base amount in the Funding Allocation Model. It is noted that this Capacity to Contribute table does not mimic the percentages of the Australian Education Act 2013, but is different as it acknowledges the Catholic Education system as a low fee paying system providing a Catholic Education for all who wish to receive one.
14. It is also acknowledged that a number of high SES schools in the Catholic Education system in WA would need to increase their fees over time to meet their CECWA determined capacity to contribute.
15. That the Australian Government Recurrent funding (AGRF) component for schools of the Base amount shall be calculated as:

AGRF Base = SRS - State per Capita amount - PI as per CEWA CtC

Table A : The CEWA Funding Allocation Model Capacity to Contribute

SES	Primary		Secondary	
	CtC	2015 SRS \$9,605	CtC	2015 SRS \$12,631
85 or lower	5.00%	\$480.24	5.00%	\$631.60
86	5.25%	\$504.25	6.00%	\$757.92
87	5.50%	\$528.26	7.00%	\$884.24
88	5.75%	\$552.27	8.00%	\$1,010.56
89	6.00%	\$576.29	9.00%	\$1,136.88
90	6.25%	\$600.30	10.10%	\$1,275.83
91	6.50%	\$624.31	11.24%	\$1,419.83
92	6.75%	\$648.32	12.38%	\$1,563.84
93	7.00%	\$672.33	13.52%	\$1,707.84
94	7.25%	\$696.34	14.66%	\$1,851.84
95	8.00%	\$768.38	15.80%	\$1,995.85
96	8.75%	\$840.42	16.94%	\$2,139.85
97	9.50%	\$912.45	18.08%	\$2,283.56
98	10.25%	\$984.49	19.22%	\$2,427.86
99	11.00%	\$1,056.52	20.36%	\$2,571.86
100	11.75%	\$1,128.56	21.50%	\$2,715.87
101	12.50%	\$1,200.59	22.64%	\$2,859.87
102	13.25%	\$1,272.63	23.78%	\$3,003.88
103	14.00%	\$1,344.67	24.92%	\$3,147.88
104	14.75%	\$1,416.70	26.06%	\$3,291.89
105	16.25%	\$1,560.77	27.20%	\$3,435.89
106	17.75%	\$1,704.84	28.34%	\$3,579.89
107	19.25%	\$1,848.92	29.48%	\$3,723.90
108	20.75%	\$1,992.99	30.62%	\$3,867.90
109	22.25%	\$2,137.06	31.76%	\$4,011.91
110	23.75%	\$2,281.13	32.90%	\$4,155.91
111	25.25%	\$2,425.20	34.04%	\$4,299.92

Table A (cont): The Funding Allocation Model Capacity to Contribute

SES	Primary		Secondary	
	CtC	2015 SRS \$9,605	CtC	2015 SRS \$12,631
112	26.75%	\$2,569.27	35.18%	\$4,443.92
113	28.25%	\$2,713.34	36.32%	\$4,587.92
114	29.75%	\$2,857.41	37.46%	\$4,731.93
115	31.25%	\$3,001.49	38.60%	\$4,875.93
116	33.12%	\$3,181.10	39.74%	\$5,019.94
117	34.99%	\$3,360.70	40.88%	\$5,163.94
118	36.86%	\$3,540.31	42.02%	\$5,307.94
119	38.73%	\$3,719.92	43.16%	\$5,451.95
120	40.60%	\$3,899.53	44.30%	\$5,595.95
121	42.48%	\$4,080.10	45.44%	\$5,739.96
122	44.36%	\$4,260.67	46.58%	\$5,883.96
123	46.24%	\$4,441.24	47.72%	\$6,027.97
124	48.12%	\$4,621.81	48.86%	\$6,171.97
125 or higher	50.00%	\$4,802.38	50.00%	\$6,315.97

Loadings

16. Once the Base component has been calculated, the remainder shall be distributed to schools as loadings on a percentage generated basis (i.e. the percentage amount brought into the model as defined by the Australian Education Act calculations).
17. The loadings are defined as:
 - Aboriginal and Torres Strait Islander (ATSI) Loading
 - Students with Disability (SWD) Loading
 - Size Loading
 - Location Loading
 - Low English Proficiency (LEP) Loading
 - Socio-educational disadvantage Loading
18. Loadings shall be distributed on its own needs based models determined by CECWA, and is outlined below.

ATSI Loading

19. That the ATSI Loading be used to centrally administer and distribute to schools the following System Initiatives:
- a. Aboriginal scholarships including the payments to schools for students from Djooraminda;
 - b. the Aboriginal cadetship and traineeship program;
 - c. the Aboriginal Teaching Assistants Employment and Scholarship program, The Kimberley Learning Performance Coordinators program;
 - d. other previous minor system initiatives such as the Cross Cultural Induction Program, the Aboriginal Teachers Network, ASAC support document
 - e. other previous minor system initiatives such as the Cross Cultural Induction Program, the Aboriginal Teachers Network, ASAC support document, the Aspirations Program, the Kimberley Calling program and the Awards of Excellence.
20. That the ATSI Loading be used for payment of:
- the operational costs of CEAC; and
 - the salary and operational costs of the CEWA Aboriginal Education Team, the salary and operation costs of Aboriginal programs run from the Broome regional office.
21. That any remainder after the above ATSI loading amount is calculated and distributed, the remainder of ATSI Loading be distributed to schools on a 'percentage-generated' basis.

SWD Loading

22. That the SWD Loading be used to centrally administer the following items:
- a. funding for Special Education Centre Teachers and Disability Support coordinators (for approved schools);
 - b. early intervention programs;
 - c. transition to work for Year 11 and 12 programs;
 - d. database and license costs;
 - e. contingency allocation;
 - f. payment of recoveries of the SWD Team.
23. That after the above is calculated, the funding to students be in accordance with the current CEWA SWD distribution model.

Location Loading

24. That the following CECWA system administration costs be recovered from the Location Loading:
- a. Teacher housing; and
 - b. Remote Area Package.
25. That after the figure from the Point 24 is calculated, the remainder of the Location Loading be distributed to schools on a 'percentage generated' basis.

Size Loading

26. To fully reflect the cost of operating small schools in the Catholic Education system in Western Australia, the Size Loading is distributed as per Table B for Primary Schools and Table C for Secondary Schools.
27. The Size Loading generated by the Australian Education Act does not fully cover the operating costs required, so funds from the Base and other loadings are used to fund the Size loading to meet the guidelines outlined in Tables B & C.

Table B: Size Loading Distribution Table - Primary Schools

Band #	Enrolment Low	Enrolment High	Maximum Loading \$
1	0	50	\$450,000
2	51	100	\$450,000 - \$300,000
3	101	150	\$300,000
4	151	200	\$300,000 - \$200,000
5	201	300	\$200,000
6	301	400	\$200,000 - \$0

Table C: Size Loading Distribution Table - Secondary Schools

Band #	Enrolment Low	Enrolment High	Maximum Loading \$
1	0	200	\$750,000
2	201	400	\$750,000 - \$450,000
3	401	700	\$450,000
4	701	900	\$450,000 - \$0

LEP Loading

28. That the LEP Loading be used to fund:
- an intensive language support programme, covering the cost of one FTE teacher position plus on costs in each of the following four schools:
 - Majella Catholic Primary School, Balga;
 - St Gerard's Primary School, Westminster;
 - Mercy College, Koondoola;
 - Aranmore Catholic College, Leederville.
 - a new arrivals program providing financial support to schools enrolling newly arrived migrant primary and secondary students.

Socio-educational Disadvantage Loading

29. That the Socio-educational disadvantage loading be distributed to schools on a 'percentage generated' basis.

Transitional Adjustment Funding

Whilst the core guiding principle 10 outlines that the new Funding Allocation Model does not necessarily reflect the assertion of "no school loses a dollar", since the inception of the FAM, CECWA has determined that all schools receive a minimum amount of funding to ensure services are maintained without putting too much undue pressure on school fees.

The following minimum per capita increases in Australian Government Recurrent Funding were implemented:

- 2016 3%
- 2017 2.75%

In June 2017, the amendment to the Australian Education Act 2013 was promulgated providing funding certainty to the Catholic Education system in WA. It outlined for our system how the actual Australian Government recurrent funding level will be transitioned to 80% of the SRS by the end of 2023.

CECWA made the decision in August 2017 that moving forward, each school would still receive a minimum of 1% indexation on their previous year's total funded per capita rate to ensure school services were maintained. Over this time until the end of 2023, with the minimum 1% indexation of total per capita funding, most schools will reach their transition figure.