



CATHOLIC
EDUCATION
WESTERN AUSTRALIA



FUNDING ALLOCATION MODEL

HOW WE FUND OUR SCHOOLS

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Photos: St Cecilia's Catholic Primary School (Port Hedland), Aranmore Catholic Primary School (Leederville), John Paul College and St Mary's Primary School (Kalgoorlie)

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Introduction

The Australian Education Act 2013 (the Act) is the main legislation for Commonwealth funding to Government and Non-Government schools in Australia. The Act commenced on 1 January 2014 and significantly changed how the Australian Education Act Recurrent Funding (AEARF) was generated for CEWA.

In 2014, a Funding Work Party was established, and a needs-based funding model was developed to reflect the Act and its objectives for a needs-based funding approach to schools. The Funding Allocation Model (FAM) is used for allocating AEARF to schools and central offices.

How funding is determined at a system level:

CEWA's system funding entitlement is determined by the annual settings and parameters set out in the Act. Each school generates an individual school entitlement, based on their unique school and student characteristic data, the sum of which CEWA receives on behalf of its schools. Approved Authorities such as CEWA can determine how to allocate and expend the funds across its offices and schools.

How funding is determined at a school level:

During the office budget process, the total AEARF income is estimated. An administration cost deduction is made to assist with operational costs and salaries for office-based staff. Co-responsibility is the principle of schools' collective contribution to system priorities and initiatives. Such items are either (a) spent centrally on behalf of schools or (b) paid to schools in particular need.

(a) Co-responsibility – Central Expenditure

- Salaries for office teams that provide services to schools e.g. marketing and Digital Technology
- Programs run centrally for the benefit of schools e.g. NAPLAN
- External suppliers providing a service to schools e.g. Audit Fee

(b) Co-responsibility – Payments to Schools:

- Funding system specific priorities that are paid to schools based on certain criteria and/or need. Examples include:
 - Debt Servicing Assistance (Interest component)
 - Concession Card Discount Rebate
 - Funding small, new, and CARE schools

These are funded from the total estimated AEARF income. The Base and Loading pools available are then determined by reference to how much each pool has generated as a percentage of the total AEARF funding.

Base Funding

All schools are entitled to a base amount of funding for every Pre-Primary (PP) to Year-12 student. The Schooling Resource Standard (SRS) is a benchmark for how much funding is needed for Primary and Secondary school students, on a per student basis.

The Base pool consists of the Primary pool and Secondary pool, for Primary and Secondary students respectively. Salary recoveries that specifically relate to either the Primary or Secondary pool are deducted. After abovementioned deductions, the FAM calculates the Primary or Secondary Base Rate for a school by using the SRS rate (calculated after deductions), less the State Government per capita funding rate¹, less the parent's capacity to contribute (CtC)² to tuition fees.

CtC is a measure of the capacity of the parents and guardians of students at the school to contribute financially to the operating costs of the school relative to the capacity at other Non-Government schools. The CtC is determined by the Australian Government Department of Education (AGDOE) using the average Direct Measure of Income (DMI) Score of the previous three years. The DMI score for an individual year is calculated by the Australian Bureau of Statistics (ABS) using the median family income of students at the school for that year.

The CtC parameters used in the FAM determine the CtC dollar amount for each school:

- CEWA has adopted the CtC parameters per the Act for Secondary students
- CEWA has adopted modified CtC parameters for Primary students. This is to better align with actual fees collected (after discounts) and support ongoing fee affordability for Primary schools.

Base Rates (per student) are calculated for each school as follows:

Primary Base Rate (per student)	=	Primary SRS Calculated	-	State per Capita Funding ¹	-	Private Income per the CtC ²
Secondary Base Rate (per student)	=	Secondary SRS Calculated	-	State per Capita Funding ¹	-	Private Income per the CtC ²

Total Base Funding is calculated for each school as follows:

Primary Base Funding (Total)	=	Primary Base Rate (per student)	X	PP-Yr6 Students @ August Commonwealth Census
Secondary Base Funding (Total)	=	Secondary Base Rate (per student)	X	Yr7-12 Students @ August Commonwealth Census

¹Refer to Page 5 for State Government Funding

²Refer to Appendix 1 for the 2026 CtC

Loadings

Additional loadings are allocated for schools needing extra support as per the Act. Loading pools are net of the system deductions noted on Page 2.

The loadings are as follows:

- **Students with Disability (SWD)** – funding for students with disability, identified through the Nationally Consistent Collection of Data (NCCD)
- **Low English Proficiency (LEP)** – funding for students from a language background other than English
- **First Nations Students³** – funding for First Nations students
- **Location** – funding for schools in regional and remote locations
- **Low SES** – funding for students from a socio-educationally disadvantaged background
- **Size** – funding for schools deemed to be small in enrolments.

Allocation method:

The percentage generated method is a means of distributing funds available to schools proportionately. The percentage of funds a school generates under the Act calculation is an indication of relative entitlement and need. Therefore, the higher a school's percentage generated entitlement, the more funding they will receive proportionately.

A school's percentage generated entitlement for each loading is calculated as follows:

Percentage Generated Entitlement \$	=	$\frac{\text{School's \$ Loading per the Act}}{\text{Total \$ Loading received by CEWA}}$	X	Loading funds available after deductions
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The SWD loading accounts for loading specific deductions such as salaries recoveries, team costs and programs. Allocations for schools with Education Support Centres are also made to assist with their operational costs, as determined by the SWD team. The remaining funds are then allocated to schools as the SWD NCCD loading using the percentage generated method.

The LEP loading is used for the English as an Additional Language and/or Dialect (EAL/D) program and is currently paid to schools on an applications basis.

The First Nations Students loading has loading specific deductions applied, such as salaries recoveries, team costs and centralised programs. The available funds are then allocated to schools using the percentage generated method.

³Under the Act, this loading is referred to as the Aboriginal and Torres Strait Islander loading



The Location loading contributes towards the Teacher Housing and Remote Area Package programs. The remaining funds are then allocated to remote schools using the percentage generated method.

The Low SES and Size loadings do not have any further loading specific deductions and are allocated to schools using the percentage generated method.

State Government Funding

State grants are provided to schools that are registered with CEWA to receive State funding from the Department of Education Western Australia.

The State per Capita funding provides a per student rate, for every student eligible for funding as recorded in the State February and August census. This funding is to assist with the running costs and operations of the school. Funding is provided for kindergarten through to Year 12.

Additional funding for special education is also provided for students with disabilities.

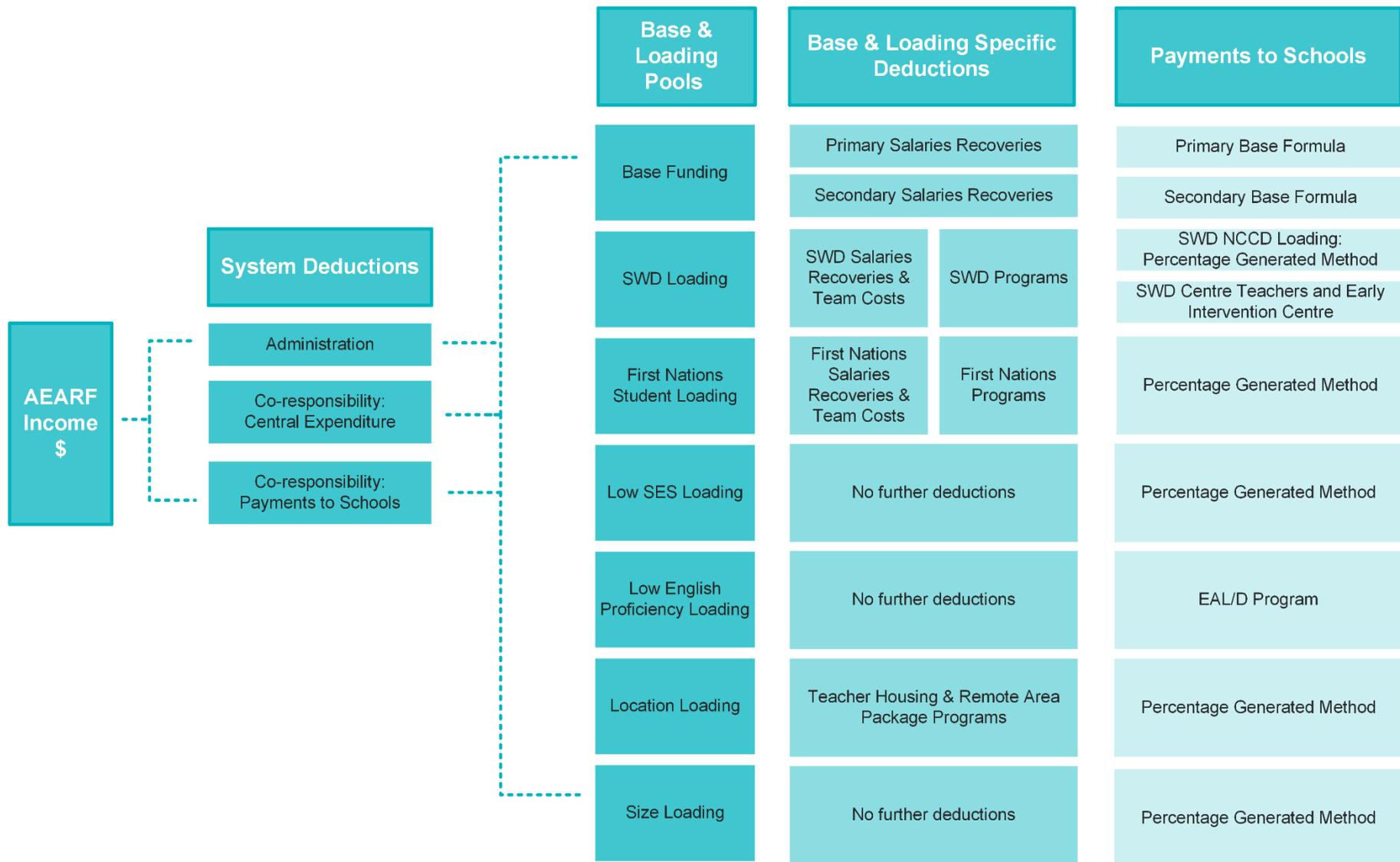
CEWA pays the State per Capita and SWD grants directly to schools; there are no central deductions applied.

Appendix 1: CEWA 2026 Capacity to Contribute (CTC)

*Note: At time of preparation, estimated SRS rates were used.

CtC Score (2026)	Primary % CtC	Primary Private Income \$ % x SRS \$14,424*	Secondary % CtC	Secondary Private Income \$ % x SRS \$18,127*
0	0.00%	0	0.00%	0
80-85	5.00%	721	10.00%	1,813
86	5.25%	757	10.00%	1,813
87	5.50%	793	10.00%	1,813
88	5.75%	829	10.00%	1,813
89	6.00%	865	10.00%	1,813
90	6.25%	902	10.00%	1,813
91	6.50%	938	10.00%	1,813
92	6.75%	974	10.00%	1,813
93	7.00%	1,010	10.00%	1,813
94	7.25%	1,046	12.19%	2,210
95	8.00%	1,154	14.38%	2,607
96	8.75%	1,262	16.56%	3,002
97	9.50%	1,370	18.75%	3,399
98	10.25%	1,478	20.94%	3,796
99	11.00%	1,587	23.13%	4,193
100	11.75%	1,695	25.31%	4,588
101	12.50%	1,803	27.50%	4,985
102	13.25%	1,911	29.69%	5,382
103	14.00%	2,019	31.88%	5,779
104	14.75%	2,128	34.06%	6,174
105	16.25%	2,344	36.25%	6,571
106	17.75%	2,560	38.44%	6,968
107	19.25%	2,777	40.63%	7,365
108	20.75%	2,993	42.81%	7,760
109	22.25%	3,209	45.00%	8,157
110	23.75%	3,426	47.19%	8,554
111	25.25%	3,642	49.38%	8,951
112	26.75%	3,858	51.56%	9,346
113	28.25%	4,075	53.75%	9,743
114	29.75%	4,291	55.94%	10,140
115	31.25%	4,508	58.13%	10,537
116	33.12%	4,777	60.31%	10,932
117	34.99%	5,047	62.50%	11,329
118	36.86%	5,317	64.69%	11,726
119	38.73%	5,586	66.88%	12,123
120	40.60%	5,856	69.06%	12,519
121	42.47%	6,126	71.25%	12,915
122	44.34%	6,396	73.44%	13,312
123	46.21%	6,665	75.63%	13,709
124	48.08%	6,935	77.81%	14,105
125+	49.95%	7,205	80.00%	14,502

Appendix 2: AEARF Overview





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