

## What does the Federal Government Funding Model mean for CEDR schools and families?



Let's recap...

the Federal Government funding model (SRS) determines State and Federal Government funding to schools in Australia....

#### **Base Funding**

Primary Student = \$13,557 Secondary Student = \$17,036 (2024)



#### Loadings

Additional funding for six types of students and schools in priority cohorts. Student disadvantage: Indigeneity, Disability, Socio-Educational, Low-English Proficiency. School disadvantage: Size and Location.



#### **Capacity to Contribute**

% of base funding that Non-Government schools must raise privately, ranging from 10% to 80%, depending on the median income of parents at the school.



#### School Resource Standard (SRS)

Per student funding is calculated on the unique characteristics of each school, its parents and its students.

Source: National Catholic Education Commission 2023

# Under the Federal Government Funding Model - who pays what in Non-Government schools?

In accordance with the Australian Education Act 2013, the State Government is responsible for funding 20% of the School Resource Standard (SRS) i.e., base + loadings, and the Federal Government is responsible for funding 80% of the SRS i.e., base + loadings.

20% State Government

**80% Federal Government** 

The State and Federal Government reduce 'base' grant funding paid to schools by the Capacity to Contribute (CTC) of the School parent community.

20% State Government

**80% Federal Government** 

**School Fees** 



### How is the Capacity to Contribute (CTC) determined?



CTC scores are determined by the Federal Minister for Education under the Australian Education Act 2013 and measure the school community's capacity to contribute to the school's operating costs.



Each School's CTC score is based on the average Direct Measure of Income (DMI) score of all parents at the school for the previous 3 taxation years. Prior to 2020, CTC scores were determined by the school community's socio-economic status based on the Australian Bureau of Statistics Census data.



DMI is calculated by linking the parent/guardian(s) names and address(es) with their personal income taxation data. The Federal Government gathers parent/ student data through the annual Federal Government Census process for schools. Schools do not have access to parent income data. DMI is updated annually by the Federal Government.

State and Federal Government base funding reduces as Parent Capacity to Contribute (CTC) increases. However, the combined total income received by the school is unchanged (i.e., equals SRS).

# How will the Non-Government School parent community CTC impact School Fees?

01

All schools' CTC scores determine the % of base funding that Non-Government schools must raise privately, ranging from 10% to 80%, depending on the median income of parents at the school. Under the model, private income is contributed by the school community through school fees and levies.

02

Australian Non-Government school CTCs (2024) range from 75 to 170; CEDR schools' CTC range from 88 to 109.

### Where parent CTC = 90, school fees contribute 10% of the base SRS

18% State Government Grant Funding

72% Federal Government Grant Funding 10% School Fees

Where parent CTC = 105, school fees contribute 25.5% (primary) or 36.25% (college) of the base SRS

State Govt Primary (14.9%) College (12.75%)

Federal Government Primary (59.6%) College (51%) School Fees Primary (25.5%) College (32.25%)