Questions and Answers about the
*My School* financial information

**Why will the *My School* website include school financial information?**

The *My School* website is developed and managed by the Australian Curriculum, Assessment and Reporting Authority (ACARA) for the Australian Government. The website has since the beginning of 2010 provided certain information about every school in Australia, including NAPLAN test results.

In October 2010, all Commonwealth and State Ministers for Education agreed to approve changes and additions to the website – with effect from 4th March 2011 with the launch of *My School v.2*. A key change is the addition of financial information for each and every school – State, Catholic and Independent.

**What financial information is being reported?**

The financial information covers the 2009 calendar year and includes the following:

- **Recurrent income**
  - Australian Government recurrent funding
  - State Government recurrent funding
  - Private income:
    - Fees, charges and parental contributions (for tuition and capital purposes)
    - Other private sources (for tuition and capital purposes)

- **Total recurrent income**
  - Less deductions including –
    - Fee income allocated to current year capital expenditure
    - Fee income allocated to capital expenditure in future years
    - Fee income allocated to debt servicing

- **Total net recurrent income**

- **Capital expenditure**
  - Australian Government capital grants
  - State Government capital grants
  - New school loans
  - Fee income allocated current year capital expenditure
  - Other – such as retained earnings from previous years allocated to current year expenditure

- **Total capital expenditure**

**How was the financial information created?**

For independent and Catholic schools, this financial information has been taken from the Financial Questionnaire (FQ) survey undertaken annually by the Department of Education, Employment and Workplace Relations (DEEWR) as well as two recent supplementary data collections undertaken by ACARA.
For State schools, the information was provided by the relevant State government education departments. Note that the majority of recurrent income shown for State schools reflects actual recurrent costs for each school plus proportional allocations of ‘overheads’ (i.e. of regional and central office operational expenditures) and other programs supporting multiple school services.

Is it valid to compare the financial information between schools and across sectors?

There are a range of significant differences and complexities between the various States and between sectors within each State in relation to this financial information. One obvious example is that Year 7 is conducted in some jurisdictions, such as in Queensland, as a year of primary schooling and in others, as a year of secondary schooling. Another is that 2009 State school financial information is derived from two years of financial year data (2008-09 and 2009-10).

Because of the complexities in deriving this financial information, viewers should take note of the many caveats applying to the information when attempting to use it to compare schools and sectors. The data are not directly comparable.

Nevertheless, as this is the first time that such information has been made readily accessible to the public on a single website, it will invite comparisons, privately and publically by the media.

When interpreting this financial information, viewers need to be aware of the many reasons that the figures can vary significantly between schools and sectors.

These reasons include, amongst others –
- whether a school is part of a school system or is completely independent;
- the different ways that school education is delivered across jurisdictions;
- the different ways that schools are funded by governments;
- the different operational aspects of schools both within and across sectors;
- the length of time that schools have been established; and
- other factors such as the location of a school, the special needs of its students, etc.

How are independent schools in Queensland funded?

On average, Queensland independent schools receive 50% of their income from private sources such as tuition fees, 36% from the Australian Government and 14% from the State Government. In 2008, the average per student income from these sources was $6813, $4931 and $1978 respectively.

The combined total government funding of $6909 per student, on average, compares with average total government expenditure of $12426 per State school student in 2007/08 (Source: National Report on Schooling in Australia 2008). This means that, on average, independent schools only receive around 56% of the total government funding received by State schools for each student. Any comparisons of government funding for students in different school sectors that refer only to Australian Government funding levels are misleading.
Note that the figures above are averages calculated across all independent schools. In fact, each school will have a different level of total income and different amounts of income from each of these sources. Not only does each school set its own fees, each school receives different amounts of grants per student from the Australian and Queensland Governments.

Each level of government has its own way of funding independent schools. The Australian Government uses an index of socio-economic status (SES) to determine the level of funding for each school. Schools that are high on this scale receive less funding per student than schools that are low on the scale. The Queensland Government uses a complex funding formula that reflects the specific needs of schools such as isolation and students with disabilities, amongst other things.

**Where can I find further information on school funding?**

Additional information about funding arrangements for independent schools can be found at the following websites:

Independent Schools Queensland [www.aisq.qld.edu.au](http://www.aisq.qld.edu.au)

Independent Schools Council of Australia [http://www.isca.edu.au/](http://www.isca.edu.au/)