

Autism Spectrum Australia (Aspect)

NEEDS-BASED FUNDING ARRANGEMENT

October 2023

INTRODUCTION

Autism Spectrum Australia (Aspect) has prepared this Needs-Based Funding Arrangement to outline how it, as the Approved System Authority (ASA), distributes Commonwealth and States recurrent funding to each of Aspect's registered schools.

OPERATING BACKGROUND

Aspect is Australia's largest autism-specific service provider, with one of the biggest autism-specific school programs in the world. Aspect is committed to helping students achieve educational outcomes aligned with curriculum guidelines developed by the Government and aims to transition students to mainstream schools where possible.

Aspect offers:

- Nine independent autism-specific schools across Australia.
- 110+ satellite classes based in mainstream primary and high school settings.
- Education to around 1,250 autistic children aged from 4 years to 17 years.

Aspect schools are specifically designed for children on the autism spectrum and focus on equipping students with skills to become as independent as possible to help them transition into the wider community. Each Aspect School consists of a main campus and satellite classes based in host schools – typically Public Schools or Catholic Schools.

Under the *Australian Education Act 2013* (Cth) (Act), Aspect is an Approved System Authority (ASA) for eight schools in New South Wales (NSW) and one school in South Australia (SA). The list of Aspect schools is as follows:

NSW:

- Aspect Central Coast School
- Aspect Hunter School
- Aspect Macarthur School
- Aspect Riverina School
- Aspect South Coast School
- Aspect South East Sydney School
- Aspect Vern Barnett School
- Aspect Western Sydney School SA
- Aspect Treetop School

Aspect's goal is to provide the best opportunities across Aspect Schools for students on the autism spectrum through evidence-informed practices, the Aspect Comprehensive Approach that is person-centred and family-focused. This plays a vital role in meeting the diverse needs of autistic students while preparing for and enabling inclusion in mainstream settings.



Aspect operates centralised services, functions and programs to support the work of the Aspect schools and to provide executive management and efficiencies for all Aspect schools. These centralised services enable Aspect schools to benefit from quality, economies of scale, and alignment of resources for common educational outcomes, to improve educational outcomes for all Aspect school students.

NEEDS-BASED FUNDING MODEL OVERVIEW

To support Aspect's tailored approach to education and ensure resources are used efficiently and effectively while achieving expected educational outcomes, Aspect schools' financial planning and other functions are managed centrally, while still recognising the differences in their needs and community expectations. Aspect, as an ASA, receives recurrent funding from the Commonwealth and NSW governments for allocation to its NSW schools. For the school in SA, Aspect receives recurrent funding from the Commonwealth and SA governments for allocation. State and Commonwealth funding is pooled to support the ongoing operating expenses of Aspect schools and enable all Aspect schools to deliver quality education in a way that is financially sustainable.

The Board of Directors of Aspect (Board) has authority and responsibility for allocating recurrent funding to Aspect schools, for the benefit of students, in accordance with this Needs-Based Funding Arrangement. The Board considers there are benefits for certain services, programs and projects to be centrally provisioned and investment in corporate-wide programs for the best interest of the school population. These central services are detailed in the Aspect centralised services agreement, which includes essential services such as payroll, IT and Telecommunication, finance, property maintenance, and quality/risk assurance. Costs for centralised services are deducted from the recurrent funding each

school attracts in accordance with the Schooling Resource Standard (SRS) model. The amount deducted for centralised services, functions and programs each year is based on Aspect’s annual budget approved by the Board. Additionally, as special schools, Aspect schools have a Capacity to Contribute (CTC) of zero per cent and are not restricted from using recurrent funding for capital improvements and projects for the purposes of delivering education at Aspect schools, in accordance with the Board’s approved plans.

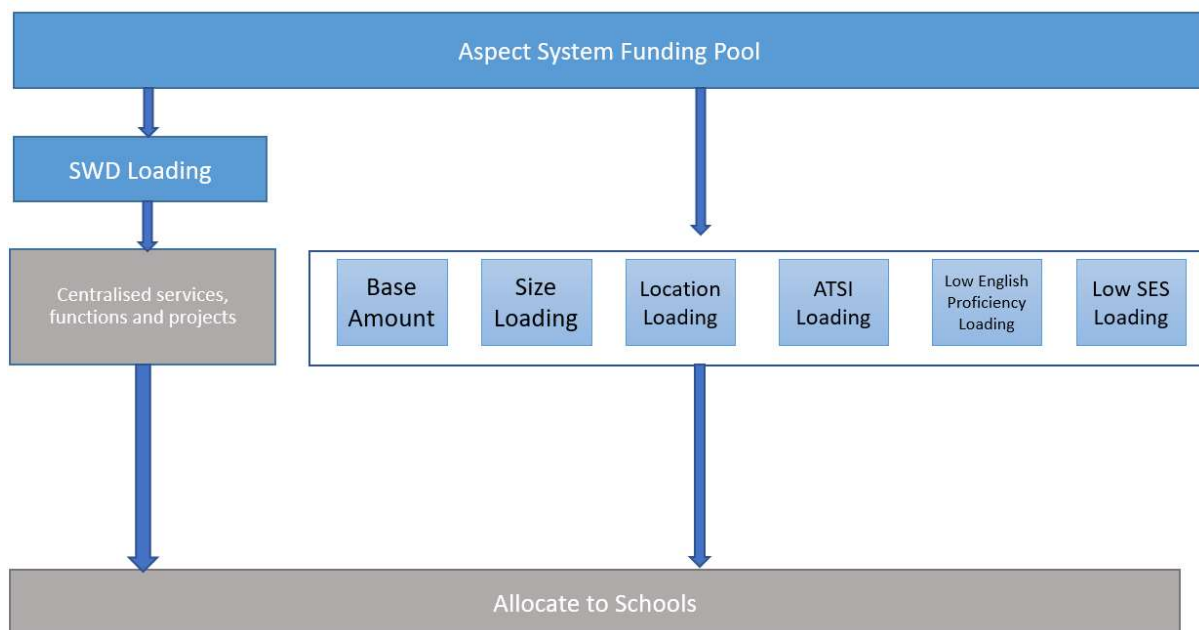
ALLOCATION OF FUNDING

Section 78(5) of the Act stipulates the following requirements:

A needs-based funding arrangement that complies with this subsection:

- (a) *provides an amount per student that:*
 - (i) *represents the recurrent resources required to support a student with minimal educational disadvantage to achieve expected educational outcomes; and*
 - (ii) *takes account of efficiencies that can be realised while improving educational outcomes; and*
- (b) *in addition to the amount per student mentioned in paragraph (a), provides loadings to students and schools with additional needs in order to support student achievement, including loadings for the following:*
 - (i) *students with disability;*
 - (ii) *Aboriginal and Torres Strait Islander students;*
 - (iii) *students with socio-educational disadvantage;*
 - (iv) *students who have low English proficiency;*
 - (v) *schools based on location;*
 - (vi) *schools based on size; and*
- (c) *is publicly available and transparent.*

ASPECT ALLOCATION DIAGRAM



In accordance with section 78(5) of the Act, Aspect allocates an amount per student for each school that has been determined by the Board to:

1. allow a student with minimal educational disadvantage to achieve expected educational outcomes; and
2. take account of efficiencies that can be realised while improving educational outcomes.

Any surplus funds are retained solely from private income, including school fees and donations.

BASE AMOUNT, LOADINGS AND OTHER GOVERNMENT FUNDING ALLOCATION (EXCEPT FOR STUDENT WITH DISABILITY LOADING)

For the following funding streams as part of the needs-based funding arrangement, Aspect fully distributes to each school for which Aspect is the ASA the amount of financial assistance that the school attracts under Division 2 of Part 3 of the Act. These income streams include:

- the base amount (from the notional SRS amount per student);
- the Aboriginal and Torres Strait Islander loading;
- the socio-educational disadvantage loading;
- the low English proficiency loading;
- the location loading;
- the size loading.

Funds are allocated in this manner to ensure there is sufficient funding to pay for each school's staffing costs and other operating expenses.

Where other government funding is received from time to time (which is not covered by Division 2 of Part 3 of the Act), it is fully distributed to the relevant school.

STUDENT WITH DISABILITY LOADING ALLOCATION

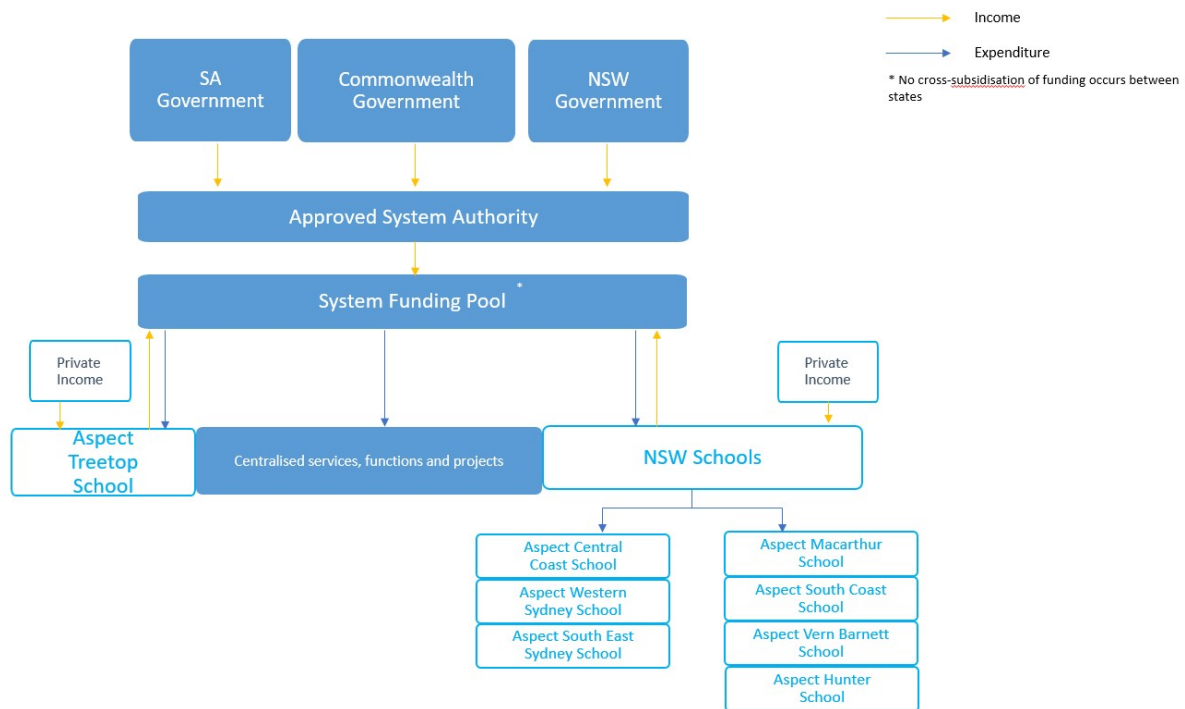
As special schools, all Aspect schools attract funding for students with disabilities (SWD loading). In accordance with the Board's annual budget, the SWD loading attracted by each school is adjusted downwards to pay for Aspect's centralised services (including corporate overheads, administration and compliance costs), functions and projects. The amount deducted for each school from the SWD loading will be determined by the Board, to take into account the cost and income drivers, private income and the needs of each Aspect school.

Aspect schools' operating budgets are constructed based on a consistent evidence-informed Aspect Comprehensive Approach, which is largely driven by the number of students at each school.

The SWD loading as adjusted is paid to each Aspect school as a loading for students with disabilities, as required by section 78(5) of the Act.

The overall distribution of recurrent funding to Aspect schools equals the sum of the amounts attracted by each Aspect school under Division 2 of Part 3 of the Act less the amount determined by the Board as required to fund the central provision of services and centralised programs.

FUNDING FLOWS



The Board is of the view that this needs-based funding arrangement provides for funding to flow equitably to each Aspect school, is for the benefit of all Aspect students and will meet student needs in accordance with the requirements in the Act.

FINANCIAL DATA DISCLOSURE

In accordance with Section 36 of the *Australian Education Regulation 2013* (Cth), Aspect schools disclose annually their audited financial performance and position to the Commonwealth Department of Education through the Financial Questionnaire (FQ) and Block Allocations Report (BAR). In addition, Aspect, as a registered charity, discloses its audited statutory report to the Australian Charities and Not-for-Profits Commission (ACNC) annually, which is available publicly.

To meet reporting requirements (including both State and Federal requirements), each Aspect school also publishes an annual report on school performance (including financial performance).

REVIEW

This document was prepared in October 2023. It will be reviewed at least annually and otherwise at the discretion of the Aspect Board in response to the changes in Aspect Schools' operating environment.