



30th August, 2018

REDUCTION ON GOVERNMENT FUNDING FOR AL SIRAAT COLLEGE

Dear Parents,

Al Siraat College is an independent school that receives income from government funding and fees charged to parents. The larger part of our income is through government funding, which includes recurring grants from both the Commonwealth and State governments. Due to changes in the demographic of our parent population (explained below), we are experiencing a significant decline in government funding this year. The reduction is expected to be \$750,000 for 2018.

As you can understand, this reduction has the potential to impact the education and services we provide. **To minimise this impact we need to ensure that parents fulfil their commitments in relation to payment of fees and agreed financial payment plans.** For this reason, I have requested the Accounts Department to follow up on outstanding fees. In addition, it is likely that there will be a reduction in the amount of discounts that we can offer parents. I look forward to your understanding on this matter.

The Commonwealth Government has still not released the basis on which they will be calculating funding for 2019. Once we receive this information we will review the impact and revise the fee schedule for 2019. As per our usual custom, our aim is to keep fee increases to a minimum.

Changes to Parent Demographic Data

Every year, the College submits certain data to the Commonwealth Government which is used to work out 2 values for the school that have an effect on our funding:

- Social-Educational Advantage (SEA Loading)
- Disadvantaged Language Background other than English (DLBOTE Loading)

These two loadings are based on elements of the Student Background Characteristics data that we are required to collect from you on enrolment. Essentially this data relates to parent occupational codes and languages spoken at home. The SEA and DLBOTE loadings are recalculated by the Australian Government for each Australian school every two years, based on data obtained from students who undertook NAPLAN in the previous year.

These recalculations, resulting from the change in our parent demographic data has resulted in the College being recently advised of a reduction of funding for 2018. In addition, the change in the parent demographic data has also resulted in a reduction of State funding for this year. As noted above, the net result is that our expected reduction in total government funding this year is \$750,000. As our parent demographic changes, we are expecting a continued decline in government funding over the coming years.

Kindest Regards,

Fazeel Arain
Principal