



**Australian Government**

**Department of Education, Employment  
and Workplace Relations**

# **Administrative information for providers: Commonwealth Grant Scheme**

Issued by:

Funding and Student Support Branch  
Higher Education Group

Version 3, October 2009

(incorporating changes affecting the 2010 grant year)



# ADMINISTRATIVE INFORMATION FOR PROVIDERS: COMMONWEALTH GRANT SCHEME

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# INTRODUCTION

## 1 Introduction

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This *administrative information for providers* (AIP), developed by the Department of Education, Employment and Workplace Relations (DEEWR), is to assist higher education providers (providers) to implement the Commonwealth Grant Scheme (CGS) enacted under the *Higher Education Support Act 2003* (HESA).

This version of the AIP covers the arrangements that apply for 2010. It is subject to change.

The AIP should be read in conjunction with HESA and the *Commonwealth Grant Scheme Guidelines No 1* (CGS Guidelines), which are the primary sources of the requirements with which providers must comply. Relevant sections of HESA and the CGS Guidelines and other grant guidelines are referenced throughout this AIP.

- HESA is available at:  
<http://www.comlaw.gov.au/comlaw/Legislation/ActCompilation1.nsf/0/EADBCA8733622C05CA2575E8001496CE?OpenDocument>
- CGS Guidelines are available at:  
<http://www.comlaw.gov.au/ComLaw/Legislation/LegislativeInstrumentCompilation1.nsf/all/search/F6F28A4359144319CA257686001F03CF?OpenDocument>

If there is any inconsistency between the contents of this AIP and the provisions of HESA or the Guidelines, the provisions of HESA and the Guidelines will prevail to the extent of the inconsistency.

For queries relating to the information in this AIP, send an email to: [cgs@deewr.gov.au](mailto:cgs@deewr.gov.au).

### 1.1 The 2009-10 Budget

In the 2009-10 Budget, the Australian Government announced that from 2012 Table A providers will be funded for Commonwealth supported places on the basis of student demand. The Government will fund a Commonwealth supported place for all undergraduate domestic students accepted into an eligible, accredited higher education course at a Table A provider.

Transitional arrangements for the CGS will operate in 2010 and 2011. During this period the limit to which Table A providers and the University of Notre Dame Australia are funded for over enrolment of Commonwealth supported places has increased from 5 per cent to 10 per cent and advances for adjustments for over enrolments will be paid in the year in which the over enrolments occur. Adjustments for under enrolment will continue to be made in the following year.

The Government has announced that CGS funding, and other funding under HESA, will be provided under new arrangements known as 'compacts'. There will be Interim Agreements made with universities in 2009 for 2010. The first compacts will be negotiated in 2010 with Table A and B providers for 2011. Existing funding agreements with providers will form part of the Compact between the parties from the inception of the Compact.

# COMMONWEALTH GRANT SCHEME

## 2 Background

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### 2.1 The Commonwealth Grant Scheme

The CGS supports the provision of undergraduate and some non-research postgraduate higher education places. The Commonwealth provides funding to eligible providers for an agreed number of Commonwealth supported places in a given year. To receive CGS funding, a provider must enter into a funding agreement with the Commonwealth.

## 3 Eligibility

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### 3.1 General eligibility requirements

To be eligible for a CGS grant, a provider must:

- be a Table A provider, as defined in Schedule 1 and subsection 16-15(1) of HESA, or a provider specified in Chapter 2 of the CGS Guidelines. Providers that currently receive CGS funding are listed at [Appendix A](#);
- have been allocated a number of Commonwealth supported places for a year under section 30-10 of HESA ([clause 4.1](#)); and
- have entered into a funding agreement with the Commonwealth under section 30-25 of HESA in respect of that year ([part 6](#)).

[\[HESA - s30-1\(1\)\]](#)

### 3.2 Non-Table A providers

Non-Table A providers are eligible for a CGS grant only if the grant relates to a national priority ([part 5](#))

[\[HESA - s30-1\(2\)\]](#).

## 4 Commonwealth supported places

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### 4.1 Allocation of Commonwealth supported places for a year

The number of Commonwealth supported places allocated to a provider for a year is specified by the Minister for Education ('the Minister') (or her delegate) [\[HESA - s30-10\(1\)\]](#) and is set out in the provider's funding agreement for that year ([part 6](#)).

The allocation specifies the distribution of the places between funding clusters ([part 7](#)) [\[HESA - s30-10\(2\)\]](#). A provider may indicate its preferred distribution of places between funding clusters ([clause 6.3](#)), having regard to student demand and its institutional priorities. The Minister (or her delegate) must have regard to this preferred distribution in deciding the distribution of those places [\[HESA - s30-10\(2A\)\]](#).

The allocation may also specify the number of places with a regional ([clause 12.1](#)), enabling ([clause 13.1](#)), medical student ([clause 14.1](#)) or transitional ([clause 15.1](#)) loading [\[HESA - s30-10\(3\)\]](#).

The allocation may also include any new Commonwealth supported places the provider has been allocated ([clause 4.2](#)) or places that have been reallocated from another provider ([clause 4.3](#)).

## 4.2 Allocation of new Commonwealth supported places

From time to time, the Commonwealth may decide to make available new Commonwealth supported places. New places are usually allocated in accordance with pipeline funding arrangements (clause 4.4).

The usual allocation process involves the Commonwealth inviting providers to apply for the places and applications being assessed in accordance with a set of criteria, which is given to providers when they are invited to apply. The Commonwealth also consults with state and territory governments on their priorities for the allocation.

In 2009 the Government allocated:

- 500 new ongoing places in early childhood education to commence in 2010; and
- 280 new ongoing places in early childhood education to commence in 2011.

Additional new early childhood education places for 2011 will be available at a later stage.

## 4.3 Reallocation of Commonwealth supported places from other providers

From time to time, the Commonwealth may decide, in consultation with a provider, to reallocate Commonwealth supported places from that provider to other providers (usually in the same jurisdiction) that may be experiencing, for example, higher student demand.

The places may be allocated in accordance with pipeline funding arrangements (clause 4.4) or as a flat increase to the provider's allocation of Commonwealth supported places.

## 4.4 Pipeline funding arrangements

### 4.4.1 Standard pipeline arrangements

The Commonwealth funds most new Commonwealth supported places (clause 4.2) at the relevant cluster rates using a four year, 75% pipeline based on an annual attrition rate of 25%, regardless of the actual length or attrition rates associated with the course of study.

Under the standard pipeline, if a provider receives, for example, 100 new commencing places in 2010, the provider will continue to receive 100 commencing places in each subsequent year on an ongoing basis. For the cohort of students who commence in 2010, the pipeline provides for an annual reduction of 25% for each of the subsequent years. Therefore, funding for that cohort is reduced to 75 places in 2011, 56 places in 2012 and 42 places in 2013.

In 2011, the provider receives its allocation of 100 commencing places, plus the 75% pipeline for the 2010 commencing places. In 2012, the provider receives another 100 commencing places, 75 pipeline places for the 2011 cohort and 56 places for the 2010 cohort. This continues until the maximum is reached in the fourth year (2013 in this example), and funding continues at that level for following years.

The allocations, including pipeline, are detailed in the following table.

	2010	2011	2012	2013
Commencing places	100	100	100	100
2 <sup>nd</sup> year of pipeline		75	75	75
3 <sup>rd</sup> year of pipeline			56.25	56.25
4 <sup>th</sup> year of pipeline and onwards				42.1875
<b>Total funded places</b>	<b>100</b>	<b>175</b>	<b>231.25</b>	<b>273.4375</b>

Although the methodology uses notional commencing and continuing places, the provider has flexibility to manage within the total annual allocation of load and does not have to have the pattern of commencers and continuers implied in the methodology.

#### 4.4.2 Non-standard pipeline

The standard pipeline for new places is used on a sector-wide basis, regardless of the actual duration of particular courses. Some exceptions, however, include:

- medical places, which are funded at a 100% pipeline and reflecting the duration of the course at the individual provider.
- clinical psychology places at the postgraduate level that commenced in 2007. These places are being funded with a two year, 100% pipeline.
- new places for non-Table A providers with fewer than 150 Commonwealth supported EFTSL, which are funded using a 100% pipeline.
- new nursing places that commenced in second semester 2008. These places are a single cohort and are not ongoing.

Non-standard pipelines for funding may also be negotiated with the Commonwealth on a case-by-case basis.

## 5 National priorities

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### 5.1 National priority places

National priority places are Commonwealth supported places in national priority areas.

The CGS Guidelines specify the following as national priorities:

- increasing the number of persons undertaking teaching and nursing courses of study;
- supporting a number of persons undertaking teaching courses at Avondale College;
- supporting a number of persons undertaking teaching and information and communications technology courses of study at the University of Notre Dame Australia (UNDA);
- supporting a number of persons undertaking medical courses at the UNDA; and
- supporting a number of Indigenous students undertaking courses of study at the UNDA.

### 5.2 Applying for national priority places

Providers may apply for places in national priority areas as part of a round of new places ([clause 4.2](#)).

## 6 Funding agreements

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### 6.1 Introduction

To receive CGS funding, providers are required to enter into a three-year (fixed, not rolling) funding agreement with the Commonwealth [[HESA - s30-1\(1\)\(c\)](#)].

Funding agreements are negotiated in the context of each provider's mission and strategic direction for course provision, and changes in student demand. Funding agreements specify the number of places a provider is funded to deliver in each of the funding clusters and at the undergraduate and postgraduate level ([clause 4.1](#)), as well as any conditions attached to the grant ([clause 6.2](#)).

Funding agreements are tabled in each House of Parliament within 15 sitting days after the making of the agreement [[HESA s30-25\(4\)](#)].

All providers with an allocation of Commonwealth supported places will have a funding agreement up to and including 2011.

## 6.2 Funding agreement conditions

The funding agreement may specify conditions to which the grants are subject, that are additional to the conditions that apply under Division 36 of HESA [[HESA – s30-25\(2\)](#)].

Funding agreements currently include (but are not limited to) conditions in relation to the:

- allocation of new places to the provider;
- allocation of medical places, including requirements in relation to the Bonded Medical Places Scheme and Medical Rural Bonded Scholarships, which are administered by the Department of Health and Ageing;
- movement of load between campuses;
- campus closures; and
- nursing clinical placement and teacher practicum funding.

## 6.3 Changes to funding cluster distribution

Providers may seek the Commonwealth's agreement to move places between clusters during the life of a three-year agreement on an annual basis. Minor variations of load between clusters within a year do not need the Commonwealth's prior approval. Providers may seek advice from the Department on what is considered minor.

The Department will write to providers around mid-year seeking proposed changes to funding agreements for the following year. Providers that require a substantial shift of load between clusters or levels during a year should raise it with the Department immediately the need becomes apparent.

## 6.4 Changes from undergraduate to postgraduate level

A provider's allocation of Commonwealth supported places at the postgraduate (non-research) level is specified in the provider's funding agreement.

Most providers have been funded for some Commonwealth supported load at the postgraduate level since the inception of the CGS.

Providers may also seek the Government's approval to convert existing undergraduate places to the postgraduate level on a permanent basis if the course:

- is, or is moving towards, being the accepted entry-level qualification for a profession or where professional entry qualifications are only offered at the postgraduate level; or
- is part of a restructure of existing course requirements (for example, the movement to a 3 year undergraduate and 2 year masters combination).

Over enrolment at the postgraduate level is also subject to the same criteria.

The Government may also consider shifts to the postgraduate level on a temporary basis to assist in addressing low student demand for undergraduate places (in the expectation that load would be moved back to the undergraduate level when demand for undergraduate places increases) or to meet specific skills shortages.

Approvals for the conversion of Commonwealth supported places to the postgraduate level are considered independently of other approvals. For example, a course of study's eligibility for student assistance does not automatically mean the Government will approve a transfer of CGS places to the postgraduate level for that course.

## 7 Funding clusters

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### 7.1 Introduction

Under the CGS, providers are allocated Commonwealth supported places in a number of funding clusters. A unit of study is allocated to a particular funding cluster based on its field of education code under the Australian Bureau of Statistics' Australian Standard Classification of Education (ASCED) in accordance with the CGS Guidelines. The course of study to which a unit contributes does not affect the unit's funding cluster. For example, a student undertaking a Bachelor of Nursing may enrol in science units and nursing units. The science units are allocated to the funding cluster that includes science, and the nursing units are allocated to the funding cluster that includes nursing.

Each funding cluster attracts a specified Commonwealth contribution amount [HESA s33-10], which is indexed by the Higher Education Indexation Factor (HEIF) each year in accordance with Part 5-6 of HESA. Funding cluster amounts are used to determine the overall CGS grant for a provider (clause 8.2). Providers may adopt their own internal resource allocation methods to allocate CGS funds to particular faculties or courses.

From 2010, the funds provided previously through the Improving the Practical Component of Teacher Education Program are included in the Commonwealth Grant Scheme for education units of study. The funds provided previously through the Workplace Reform Program are included in the Commonwealth Grant Scheme across all funding clusters.

## 7.2 Funding clusters

The funding clusters and their Commonwealth contribution amounts in 2010 are in Table 1. These amounts will be indexed for 2011 in accordance with Part 5-6 of HESA.

Table 1 – Funding clusters and rates, 2010

Funding cluster		Commonwealth contribution (\$)
		2010
1	Law, Accounting, Administration, Economics, Commerce	\$1,765
2	Humanities	\$4,901
3	Mathematics <sup>#</sup> , Statistics <sup>#</sup> , Behavioural Science, Social Studies, Computing, Built Environment, Other Health	\$8,670
4	Education*	\$9,020
5	Clinical Psychology, Allied Health, Foreign Languages, Visual and Performing Arts	\$10,662
6	Nursing*	\$11,903
7	Engineering, Science <sup>#</sup> , Surveying	\$15,156
8	Dentistry, Medicine, Veterinary Science, Agriculture	\$19,235

\* Funding cluster rates for nursing and education includes amounts for nursing clinical placement and teacher practicum (clause 7.3).

<sup>#</sup> An additional \$3,318 per EFTSL is provided for mathematics, statistics and science units for students who are covered by the lower student contribution amounts introduced in 2009 (clause 15.2).

## 7.3 Nursing clinical placement and teacher practicum funding

The funding cluster rates for nursing and education units of study include amounts in recognition of the costs of nursing clinical placement and teaching practicum. These amounts are set out in Table 2. These amounts will be indexed for 2011 in accordance with Part 5-6 of HESA.

Table 2 – Nursing clinical placement and teacher practicum funding, 2010

	\$ per EFTSL
Nursing clinical placement amount	\$1,109
Teaching practicum amount	\$761

Funding agreements require providers to use these amounts only for the purposes of providing nursing clinical placements and teaching practicum (clause 6.2).

## 8 Calculation of CGS grant

### 8.1 Calculating the CGS grant amount

The CGS grant amount payable to a provider for a year is worked out by calculating the provider's basic grant amount (clause 8.2) and, if applicable, making an adjustment for over or under enrolment in relation to the previous year (part 10) [HESA s33-1].

### 8.2 Basic grant amount

The basic grant amount for a provider for a year is the sum of:

- for each funding cluster in which the provider has an allocation of Commonwealth supported places [HESA s30-10], the number of Commonwealth supported places allocated to that funding cluster, multiplied by the Commonwealth contribution amount for that funding cluster; and
- the amount of any regional loading (clause 12.1); and
- the amount of any enabling loading (clause 13.1); and
- the amount of any medical student loading (clause 14.1); and
- the amount of any transitional loading (clause 15.1).

[HESA s33-5]

## 9 Conditions of receiving a CGS grant

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### 9.1 Introduction

HESA specifies the conditions that a provider must meet to receive a CGS grant. These conditions relate to:

- Commonwealth supported students [HESA subdivision 36-B];
- enrolment [HESA subdivision 36-C];
- student contribution amounts [HESA subdivision 36-D];
- tuition fees [HESA subdivision 36-E]; and
- other conditions [HESA subdivision 36-F]:
  - quality and accountability requirements [HESA s36-60];
  - compliance with funding agreement [HESA s36-65]; and
  - compliance with the CGS Guidelines [HESA s36-70].

Further information on the conditions relating to Commonwealth supported students, enrolment, student contribution amounts and tuition fees are available in the *Administrative information for providers: student support* (<http://www.deewr.gov.au/HigherEducation/Resources/Pages/AdminInfoForProviders.aspx>).

Clause 9.2 provides information on the quality and accountability requirements that fall under ‘other conditions’.

### 9.2 Quality and accountability requirements

Division 19 of HESA specifies the quality and accountability requirements, which are the:

- financial viability requirements [HESA subdivision 19-B] (sub-clause 9.2.1);
- quality requirements [HESA subdivision 19-C] (sub-clause 9.2.2);
- fairness requirements [HESA subdivision 19-D] (sub-clause 9.2.3);
- compliance requirements [HESA subdivision 19-E] (sub-clause 9.2.4); and
- contribution and fee requirements [HESA subdivision 19-F] (sub-clause 9.2.5).

### 9.2.1 Financial viability requirements

Providers must be financially viable and likely to remain financially viable [HESA s19-5]. Financial viability is, in part, determined from financial statements prepared in accordance with the financial statement guidelines for each annual financial reporting period [defined under s19-10(3) of HESA] in which the provider receives assistance under Chapter 2 or Chapter 3 or HESA (under the CGS, Other Grants, Commonwealth Scholarships, HECS-HELP assistance, FEE-HELP assistance or OS-HELP assistance).

### 9.2.2 Quality requirements

A provider must operate, and continue to operate, at an appropriate level of quality for an Australian provider [HESA – s19-15].

A provider must:

- (1) be assessed by a government accreditation authority [as defined in Schedule 1 of HESA] as meeting the relevant requirements set out in the National Protocols for Higher Education Approval Processes, ([http://www.mceecdya.edu.au/mceecdya/national\\_protocols\\_for\\_higher\\_education\\_mainpage,15212.html](http://www.mceecdya.edu.au/mceecdya/national_protocols_for_higher_education_mainpage,15212.html)); and
- (2) comply with any requirement imposed on the provider by a government accreditation authority; and
- (3) comply with any requirement imposed on the provider by the Minister in writing in order to implement a specified recommendation of a quality auditing body.

[HESA s19-20].

A higher education provider, other than a Table A provider, must be audited by a quality auditing body [Higher Education Provider Guidelines], as the auditing body requires. The provider must also allow the audit to start within one month after the request has been made, fully co-operate with the auditing body, and pay the auditing body any charges payable for the audit [HESA s19-25].

Table A providers must be audited by a quality auditing body at least once every 5 years [HESA s19-27].

### 9.2.3 Fairness requirements

Information on the fairness requirements is available in the *Administrative information for providers: student support*.

### 9.2.4 Compliance requirements

Clause 19-65 of HESA specifies the basic compliance requirements, which are:

- (1) complying with the requirements of HESA and the regulations, and the requirements of the Guidelines made under HESA that apply to the provider;
- (2) providing information to the Minister in accordance with the requirements of HESA; and
- (3) that a provider's administrative arrangements must support the provision of assistance under HESA.

Clause 19-70 of HESA specifies the requirement to provide any statistical or other information the Minister requires in relation to the provision of higher education by the provider, and compliance by the provider with the requirements of HESA.

The provider is also required to inform the Minister, in writing, of any event affecting the provider or a related body corporate of the provider that:

- may significantly affect the provider's capacity to meet the conditions of grant or the quality and accountability requirements [HESA s19-75];
- relates to the provider's authority to accredit courses of study leading to higher education awards; or
- relates to the accreditation by a government accreditation authority, of such courses offered by the provider [HESA s19-77].

Non-Table A providers may also be required by the Minister to be audited as to compliance with the financial viability requirements, the fairness requirements, the compliance requirements, or the contribution and fee requirements [HESA s19-80].

### 9.2.5 Contribution and fee requirements

Information on student contributions and fee requirements is available in the *Administrative information for providers: student support*.

### 9.2.6 Full fee paying places

Table A providers cannot offer full fee paying places to domestic students commencing an undergraduate course of study on or after 1 January 2009. Exceptions to this rule are detailed in the *Administrative information for providers: student support*.

Full fee undergraduate places can be offered at Table B and approved non Table A or B providers.

All providers may offer full fee paying places in postgraduate courses. More information is available in the *Administrative information for providers: student support*.

## 10 Adjustments for over and under enrolment

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### 10.1 Introduction

HESA specifies that an adjustment is made to a provider's CGS grant amount for a given grant year based on the provider's actual enrolments in the previous grant year. To determine whether an adjustment is to be made, the 'basic amount' (clause 8.2), which is based on the provider's Commonwealth supported places allocation in its funding agreement, is compared to the 'corrected basic amount' (clause 10.2), which is based on the provider's actual delivery of Commonwealth supported places [HESA s33-25].

The new timing for payment of over enrolment adjustments during the transitional period of 2010 and 2011 (clause 10.5) does not involve a change to the provisions in HESA that specify that an adjustment for over enrolment in a year be made to the following year's CGS grant.

Depending on a provider's individual circumstances, it is possible to be over enrolled in EFTSL terms but under enrolled in funding terms and vice versa. Adjustments are determined at the aggregate financial level, not at the individual cluster level.

## 10.2 Calculating the corrected basic grant

A provider's corrected basic amount for a year is what would have been the provider's basic grant amount for that year if the number of Commonwealth supported places allocated to the provider had equalled the number of Commonwealth supported places actually provided in each of the funding clusters [HESA s33-25(5)]. The number of Commonwealth supported places provided excludes any units of study that wholly consist of work experience in industry as these units are not eligible for funding under the CGS [HESA s33-30(1) – method statement].

Actual data for a given year is available to DEEWR around the middle of the following year.

### Example

In 2009, a provider's funding agreement allocation is as follows:

Cluster	Target EFTSL (A)	Commonwealth contribution (\$) (B)	CGS funding (\$) (AxB)
1	100	\$1,709	170,900
2	180	\$4,743	853,740
3	100	\$8,389	838,900
4	130	\$10,317	1,341,210
5	140	\$11,517	1,612,380
6	30	\$14,664	439,920
7	80	\$18,610	1,488,800
<i>Cluster funding</i>			<b>6,745,850</b>
Regional loading (\$)			40,000
Enabling loading (\$)			60,000
Medical loading (\$)			80,000
Transitional Loading - full fee paying phase-out (\$)			50,000
Transitional Loading -science and mathematics (\$)			100,000
<b>CGS basic grant amount (\$)</b>			<b>7,075,850</b>

The provider's actual data reported to DEEWR shows that it filled a different number of places in each funding cluster. Therefore, the corrected basic amount is as follows:

Cluster	Actual EFTSL	Commonwealth contribution (\$)	CGS funding (\$)
	(A)	(B)	(AxB)
1	110	\$1,709	187,990
2	220	\$4,743	1,043,460
3	90	\$8,389	755,010
4	130	\$10,317	1,341,210
5	150	\$11,517	1,727,550
6	15	\$14,664	219,960
7	90	\$18,610	1,674,900
<i>Cluster funding</i>			<i>6,950,080</i>
Regional loading (\$)			40,000
Enabling loading (\$)			60,000
Medical loading (\$)			80,000
Transitional Loading - full fee paying phase-out (\$)			50000
Transitional Loading -science and mathematics (\$)			100,000
<b>Corrected basic amount (\$)</b>			<b>7,280,080</b>

Note: This example assumes the current approach to the allocation of loadings, which is based on lagged actual data rather than allocation of places to clusters in the current year.

### 10.3 Determining the adjustment amount

#### 10.3.1 Table A or Table B providers

##### Under enrolled in funding terms

Where a Table A or Table B provider's corrected basic amount is less than the provider's basic grant amount (that is, the provider has under enrolled in funding terms), the following adjustments will be made to the provider's CGS grant amount in the following year [\[HESA s33-25\]](#). If the provider has:

- under enrolled by 1% or less in funding terms, no adjustment will be made.
- under enrolled by more than 1% in funding terms, an adjustment will be made equal to the lower of:
  - the difference between 99% of the basic grant amount and the corrected basic amount; or
  - 4% of the basic grant amount.

**Example**

*The provider's CGS basic grant amount for the year was \$1,000,000.*

- The provider's corrected basic amount is \$985,000. The amount of the adjustment would be \$5,000.*
- The provider's corrected basic amount is \$900,000. The amount of the adjustment would be \$40,000.*

**Over enrolled in funding terms**

**Adjustment to 2010 grants for 2009 over enrolments**

Where a Table A or Table B provider's corrected basic amount is more than the provider's 2009 basic grant amount (that is, the provider has over enrolled in funding terms), an adjustment will be made to the provider's 2010 CGS grant amount equal to the lower of the following:

- the difference between the corrected basic amount and the basic grant amount; or
- 5% of the basic grant amount.

That is, a provider will be funded for up to 5% of over enrolment in funding terms.

**Example**

*The provider's CGS basic grant amount for the year was \$1,000,000.*

- The provider's corrected basic amount is \$1,015,500. The amount of the adjustment would be \$15,500.*
- The provider's corrected basic amount is \$1,200,000. The amount of the adjustment would be \$50,000.*

**Adjustment to 2011 grants for 2010 over enrolments**

In 2010 and 2011, the maximum amount providers will be funded for over enrolment in funding terms will increase from 5 per cent to 10 per cent. The method of calculating the adjustment for over enrolment will otherwise remain the same.

**10.3.2 Non-Table A or Table B providers**

For a provider that is not listed on Table A or Table B of HESA, the following adjustments will be made. If the provider:

- over enrolled in funding terms, there will be no adjustment.
- under enrolled in funding terms, there will be a reduction to the provider's CGS grant equal to the value of that under enrolment.

**10.4 Adjustments for breach of voluntary student unionism**

HESA also specifies that a higher education provider's basic grant amount for the grant year can be reduced by an adjustment if, on one or more occasions during the grant year, the provider breaches a condition imposed under section 19-37 of HESA [HESA s33-37].

The adjustment is an amount worked out using the following formula:

$$\text{reduction amount} \quad \times \quad \text{total places allocated}$$

The reduction amount is \$100 (indexed in accordance with Part 5-6 of HESA).

Information on complying with section 19-37 (voluntary student unionism) of HESA can be found in the *Administrative information for providers: student support*.

## 10.5 Payment of adjustments for over enrolment

In 2010, Tables A and B providers will be paid an advance of the estimate, if any, of the adjustment to their 2011 CGS grants for 2010 over enrolment. The additional payment can be up to 10 per cent of the 2010 basic grant amount (clause 10.2). Before the beginning of 2010, DEEWR will agree with providers to an estimate of over enrolments for the 2010 year and use those estimates to calculate an amount payable in 2010 in respect of the 2011 grant year. The advance will be reconciled with actual data when it becomes available in mid 2011 and the adjustment to the 2011 grant will be finalised on that basis.

In 2010, there will also be an adjustment to 2010 CGS grants for 2009 enrolment performance. This includes adjustments for both over and under enrolments.

Adjustments for under enrolment for 2010 and 2011 will continue to occur in the following year.

## 11 Advances for special purposes

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### 11.1 Introduction

A provider may seek approval from the Minister for an advance of its CGS payments [HESA s33-40]. This allows providers to 'borrow' from expected future payments in one year and make 'repayments', by a reduction of subsequent grants, in subsequent years. The CGS Guidelines specify how advances are determined and the nature of the repayments.

Providers seeking an advance should write to the Minister, outlining how the advance fits the purposes outlined in clause 11.2, the amount of the advance being sought, and the preferred repayment terms (clause 11.3).

### 11.2 Purpose of advances

The Minister may determine advances to eligible providers for the following purposes [CGS Guidelines], to:

- assist with the cash-flow implications of restructuring;
- implement adjustment arising from the specific effects on grants of Commonwealth policy change;
- rationalise staffing levels, courses and infrastructure both within and between providers;
- help secure genuine productivity improvements in the area of workplace reform;
- implement explicit decisions to restructure the educational profile of a provider; and

- achieve such other purposes as the Minister may determine.

### 11.3 Repayment of advances

Providers 'repay' the advance through a reduction in CGS grant payments in subsequent years. The advance must be repaid within 3 years following the making of the advance [HESA s33-40(4)]. The repayment amount and repayment terms are determined in consultation with the provider.

Repayment amounts are indexed annually in accordance with Part 5-6 of HESA.

## 12 Regional loading

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### 12.1 Background

The regional loading provides additional funding under the CGS to assist providers with regional campuses meet the higher costs associated with these campuses.

### 12.2 Amount of regional loading

The CGS Guidelines set out how the amount of regional loading for a provider is calculated.

In 2010, the amount of regional loading payable to a higher education provider is determined by taking the amount of regional loading paid to the provider in 2006 and dividing it by the total amount of regional loading paid to all providers in 2006. The result is multiplied by the total amount of regional loading available in 2010, which is \$31.82 million (this amount is indexed each year in accordance with Part 5-6 of HESA).

That is, the amount of regional loading in 2010 is based on the amount of regional loading a provider received in 2006, indexed.

The Department advises providers of the amount of regional loading they will receive in a given year in the last quarter of the preceding year. The regional loading amount forms part of the CGS basic grant amount.

## 13 Enabling loading

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### 13.1 Background

The enabling loading provides additional funding to providers to assist with the cost of providing places in enabling courses of study. It recognises that providers are prohibited from charging Commonwealth supported students a student contribution for such courses. More information on enabling courses is available in the *Administrative information for providers: student support*.

### 13.2 Amount of enabling loading

The CGS Guidelines set out how the amount of enabling loading for a provider is calculated.

Step 1: **R = F divided by T**  
Step 2: **A = E times R**

where:

- F** is the total amount of the enabling loading for the grant year. In 2010, this is \$13.741 million (this amount is indexed each year in accordance with Part 5-6 of HESA);
- T** is the sum of:
- number of Commonwealth supported EFTSL coded as enabling student load for all providers in the most recent full year student load data reported through the Student Statistical Data Collection and cleared as final by DEEWR; and
  - any new enabling places not yet reported in the Student Statistical Data Collection and specifically allocated to all providers and specified in prior years' funding agreements; and
- E** is the sum of:
- the number of Commonwealth supported EFTSL coded as enabling student load for the particular provider in the most recent full year student load data reported through the Student Statistical Data Collection and cleared as final by DEEWR; plus
  - any new enabling places not yet reported in the Student Statistical Data Collection and specifically allocated to the provider and specified in prior years' funding agreements; and
- R** is the amount of enabling loading per Commonwealth supported student EFTSL in the given year. In 2010, this amount is \$2,712.58.

The Department advises providers of the amount of enabling loading they will receive in a given year in the last quarter of the preceding year. The enabling loading amount forms part of the CGS basic grant amount.

### 13.3 Enabling places

The number of places with an enabling loading, as calculated using the methodology in [clause 13.2](#), is not a 'target' for providers. Providers may fill more or fewer enabling places and this will affect the enabling loading calculation in future years.

## 14 Medical student loading

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### 14.1 Background

Medical student loading provides additional funding to providers with Commonwealth supported places in a medicine course of study, the completion of which would allow provisional registration as a medical practitioner by an authority of a state, a territory or the Commonwealth.

### 14.2 Amount of medical student loading

The CGS Guidelines set out how the amount of medical student loading for a provider is calculated.

The medical student loading for 2010 is \$1,180 per Commonwealth supported medical student EFTSL for the allocated number of medical student places. This amount is indexed each year in accordance with Part 5-6 of HESA.

The number of Commonwealth supported medical student EFTSL is determined by using the EFTSL of medical units of study in a course of study in medicine, completion of which would allow provisional registration as a medical practitioner by an authority of a state, territory or the Commonwealth. Medical

units of study are those with field of education codes: 019901 (medical science), and 060100 to 060199 (medical studies), excluding 060113 (pathology).

The allocation of medical student places for a year is equal to the sum of:

- the most recent full year student load data reported by the provider through the Student Statistical Data Collection and cleared as final by DEEWR; and
- any new places for a course of study in medicine not yet reported in the Student Statistical Data Collection and specifically allocated to the provider by the Australian Government.

The Department advises providers of the amount of medical student loading they will receive in a given year in the last quarter of the preceding year. The medical student loading amount forms part of the CGS basic grant amount.

## 15 Transitional loading for mathematics, statistics and science units

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### 15.1 Background

In 2010, eligible providers will receive transitional loading for mathematics, statistics and science units. The transitional loading compensates providers for the reduction in the maximum student contribution amount for commencing Commonwealth supported students studying mathematic, statistics and science to the lowest national priority rate (\$4,249 in 2010). The lower contribution will apply to new students from 1 January 2009 and students who transfer to a course of study in the natural and physical sciences from any course of study other than one in the natural and physical sciences ('post-2008' students). It does not apply to Commonwealth supported students who commenced before 2008 or to full fee paying students.

### 15.2 Amount of transitional loading

The amount of transitional loading for 2010 will be based on the estimated EFTSL of post-2008 students to be enrolled in 2010 which will be multiplied by the grant amount of \$3,318. It will also include an adjustment amount for actual EFTSL in the 2009 grant year when actual data has been finalised (around mid-2010) ([clause 17.3](#)).

Before the beginning of each grant year, DEEWR will calculate an estimate for the grant year and will agree the estimate with the provider.

For 2010, the estimate will be based on the estimated EFTSL of *post-2008 mathematics, statistics and science units* times \$3,318 (the difference between the old and new maximum student contribution amounts). A *post-2008 mathematics, statistics and science unit* is a unit for which Item 13 of Schedule 2 of the *Higher Education Legislation Amendment (2008 Budget Measures) Act 2008* applies (that is, students who are subject to the new lower maximum student contribution amount). This applies regardless of the actual student contribution amount that a provider determines for these students. If a provider chooses to reduce the student contribution amount for students that continue to be subject to the existing maximum student contribution amount, no transitional loading will be payable for those students.

More information on units for which Item 13 of Schedule 2 applies can be found in the *Administrative information for providers: student support*.

### **15.3 Adjustment to 2010 grants for actual 2009 enrolments**

The transitional loading grant for 2010 will be adjusted based on actual data for 2009. The adjustment will occur when actual data for 2009 has been finalised (around mid-2010).

## TRANSITIONAL COSTS PROGRAM

### 16 Background

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The Transitional Costs Program assists providers with the transitional costs associated with changes to funding arrangements from 2008 for accounting and related disciplines. These are all disciplines that were included in the Accounting, Administration, Economics, Commerce funding cluster in 2007.

The funding arrangements for Commonwealth supported places in accounting, and related disciplines were aligned with those for law from 2008. The CGS funding rate for accounting and related disciplines is \$1,765 for each EFTSL in 2010 and the maximum student contribution providers can charge is \$8,859.

Any changes to student contributions affect students who commenced studying at higher education providers on or after 1 January 2008. Students who were studying before this date (pre-2008 students) are able to continue under the previous arrangements until the end of 2012.

The Transitional Costs Program compensates providers for receiving a lower Commonwealth contribution amount under the CGS for accounting and related disciplines and not being able to charge continuing students a higher student contribution amount to make up the difference between the new and old CGS amounts. Chapter 9 of the [Other Grants Guidelines](#) sets out eligibility for the program ([clause 17.1](#)) and how grant amounts are calculated ([clause 17.3](#)). The program began in 2008 and will cease at the end of 2012.

### 17 Program payments

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#### 17.1 Eligibility

A provider is eligible for a grant under the Program for a year if the provider has:

- an allocation of Commonwealth supported places for that year; and
- students, who are classified as pre-2008 students, are enrolled in units of study in accounting, and related disciplines for that year.

More information on the classification of students as 'pre-2008 students' can be found in the *Administrative information for providers: student support*.

#### 17.2 Calculation of a grant payment

Before the beginning of each grant year, DEEWR will calculate an estimate for the grant year and will agree the estimate with the provider.

The estimate for 2010 will be based on the estimated EFTSL of pre-2008 students to be enrolled in 2010 times the grant amount of \$1,128. It will also include an adjustment amount for actual EFTSL in the 2009 grant year when actual data has been finalised (around mid-2010) ([clause 17.3](#)).

### **17.3 Adjustments for actual performance**

The grant amount for each of the years from 2010 to 2012 will be adjusted based on actual data from the preceding year. There will be no adjustment process for 2012 grant payments as the transitional costs program ends in 2012.

## Appendix A – Higher education providers

The following providers currently receive funding under the CGS:

### Table A providers:

1. Charles Sturt University
2. Macquarie University
3. Southern Cross University
4. The University of New England
5. University of New South Wales
6. University of Newcastle
7. The University of Sydney
8. University of Technology, Sydney
9. University of Western Sydney
10. University of Wollongong
11. Deakin University
12. La Trobe University
13. Monash University
14. RMIT University
15. Swinburne University of Technology
16. University of Ballarat
17. The University of Melbourne
18. Victoria University
19. Central Queensland University
20. Griffith University
21. James Cook University
22. Queensland University of Technology
23. The University of Queensland
24. University of Southern Queensland
25. University of the Sunshine Coast
26. Curtin University of Technology
27. Edith Cowan University
28. Murdoch University
29. The University of Western Australia
30. The Flinders University of South Australia
31. The University of Adelaide
32. University of South Australia
33. University of Tasmania
34. Batchelor Institute of Indigenous Tertiary Education
35. Charles Darwin University
36. The Australian National University
37. University of Canberra
38. Australian Catholic University

### Table B providers

39. The University of Notre Dame Australia

### Other approved providers

40. Avondale College
41. Christian Heritage College
42. Tabor College South Australia
43. Tabor College Victoria
44. Holmesglen Institute of TAFE