

# New criteria for expenditure of NSW funds for non-government schools

In 2020, new criteria will apply to the expenditure of NSW Government financial assistance by non-government schools. Schools will still complete a NSW Financial Accountability Certificate.

## Q1 What is the criteria for 2020?

From 1 January 2020, schools must spend, or commit to spend, the funding in 2020 for providing school education, on any of the below Educational Purposes:

- teaching and ancillary staff salaries
- professional development
- curriculum development
- maintenance
- general operations
- expenditure on capital equipment
- expenditure on capital works for schools classified as having zero capacity to contribute

## Q2 What has changed?

There are **three changes** to appropriate expenditure that will apply from 2020:

1. Recurrent funding is **required to be spent, or committed to be spent**, by 31 December of the calendar year in which the funding was received.
2. Schools can spend NSW recurrent funding on **capital equipment**.
3. Schools with a **zero percent capacity to contribute** to operational costs can spend government funding on **capital projects**.

Furthermore, in 2020 the school/school authority will also need to certify that 2019 funds have been spent on 2019 Educational Purposes.

## Q3 What criteria have stayed the same?

The remaining categories of Educational Purposes will **not change**. They include:

- teaching and ancillary staff salaries

- professional development
- curriculum development
- maintenance
- general operations

Financial accountability certifications will still need to be signed by ASIC registered auditors.

## Q4 What is capital equipment?

Capital equipment generally includes items such as furniture, air-conditioning/heating units, computers, and other ICT technology.

## Q5 How does the change benefit schools?

The new criteria will **align with Commonwealth guidelines**, enabling schools to spend State and Commonwealth Government funding under one set of rules.

Harmonising financial acquittal obligations will simplify the process for schools by **reducing confusion** between the use of funds for NSW Government Funding and Commonwealth Government Funding.

This change will reduce the administrative burden on schools, cut red tape and improve accountability.

## Q6 What criteria applies for 2019 NSW Government financial assistance?

**2019** NSW Government financial assistance must have been spent on providing school education, on any of the below 2019 Educational Purposes:

- teaching and ancillary staff salaries
- professional development
- curriculum development
- maintenance
- general operations