EASTERN CHINESE LANGUAGE SCHOOL INC. 新金山东区中文学校

Department of Education Funding Use Policy

Document no.	ECLS-POL-03	**Version**	1.0
Policy owner	Principal and Operations Manager	**Approved by**	School Committee
Date approved	Pending (next Committee meeting)	**Next review**	Two years after approval
Applies to	School Committee, Principal, Operations Manager and anyone who requests, approves, authorises or records expenditure of Department of Education funding	**Status**	Draft: new policy for Committee approval

1. Purpose

ECLS receives per capita funding from the Department of Education under the Community Language Schools Funding Program and the Victorian Common Funding Agreement 2025–2027 (Schedule GIN13960). This policy makes sure that Department of Education funding is:

- kept separate from all other money;
- used **only** for purposes the Department allows;
- approved and authorised by the right people;
- recorded so that every payment can be traced to supporting documents and acquitted to the Department.

This policy should be read with the **Financial Management Policy and Procedures (ECLS-POL-02)**, which sets out the general approval, payment and record-keeping controls.

2. The designated Department of Education funding account

- ECLS keeps a **separate, designated bank account (Commonwealth Bank) used only for Department of Education funding**. Nothing else may be deposited into it: no student fees, donations, fundraising, other grants or transfers from the general account.
- The account has **at least two authorised signatories**, appointed by Committee resolution. Signatories must be Committee members or the Operations Manager.
- Every payment must be **jointly authorised by the Operations Manager and one authorised Committee member**. A claimant must not authorise a payment to themselves.
- Payments from this account are **ordinarily limited to eligible staff salaries and wages, employer superannuation contributions and rent** (classroom hire). Any other eligible expenditure needs **additional documented approval from both the Principal and the Operations Manager** before it is paid from this account.
- The Department must be told before the bank details change. The account details given in each year's SmartyGrants funding application must be correct.
- Interest earned on the account (if any) is treated as Department of Education funding and spent under this policy.
- Money may be transferred from this account to the general account **only** to reimburse an approved, eligible expense that was first paid from the general account. The transfer must be supported by the invoice and the approval for that expense, and recorded in the Funding Expenditure Register.
- The account is reconciled monthly in the financial management system.

3. What Department of Education funding can be used for

Department of Education funding supports the teaching of the Chinese (Mandarin) language program. Under the *CLS Accreditation and Funding Guide* and the 2026 funding conditions, it may be used for:

Allowed purpose	Typical ECLS examples
Teacher salaries, including volunteer honorariums and allowances	Teacher payments under approved monthly timesheets; employer superannuation contributions
Offsetting student enrolment fees	Fee reductions applied to students
Professional development for teachers	CLV/CLA methodology courses, child safety or first aid training for teaching staff, whole-school PD days
Language curriculum resources	Chinese textbooks, readers, flashcards, VCE resources, licences for language learning software
Stationery, printing and photocopying	Worksheets, exam papers, printing for classes
Accounting and bookkeeping	Bookkeeper fees; annual financial review or audit fee
Classroom facilities, such as rent, heating, lighting and cleaning	Classroom hire paid to East Doncaster Secondary College under the School Council Licence
Furniture for classroom use	Classroom furniture owned by ECLS
Equipment to support the language program	Audio-visual equipment, computers, hardware and software used for teaching

Items other than salaries, superannuation and rent are allowed by the Department, but need the additional Principal and Operations Manager approval in section 2 before they are paid from the designated account.

4. What Department of Education funding must NOT be used for

Department of Education funding must not be used for:

- religious or political instruction or activities (including religious or political resources or partisan political messages);
- advertising;
- festivals and celebrations (for example Chinese New Year or Mid-Autumn events);
- camps;
- consulting services;
- parties, entertainment or events/functions;
- food or catering;
- prizes, gifts or awards (including competition prizes or end-of-year awards);
- capital works, including building maintenance or repairs;
- buying buildings or land;
- buying or maintaining vehicles;
- public liability insurance;
- land tax;
- student or staff uniforms;
- travel for staff or students (including study tours and root-seeking camps);
- activities that help recently arrived students settle into the Victorian education system or community.

These activities may still be run by ECLS, but they must be paid from the **general operating account**, using other income.

> **If in doubt, do not charge it to Department of Education funding.** Ask the Principal, who will check the current *Accreditation and Funding Guide* or ask the Department (community.languages@education.vic.gov.au) or CLV before the money is spent.

5. Approval procedure for spending Department of Education funding

1. **Budget.** The Principal and Operations Manager jointly prepare the planned allocation and use of Department of Education funding by category (for example teacher salaries and superannuation, rent, resources, professional development). **After the Department of Education funding is received**, the Committee reviews and approves this budget.
2. **Request.** The staff member or Operations Manager completes an invoice approval or expense claim (or, for salaries, the approved timesheet summary) and marks it *"Department of Education funding"* with the allowed purpose category from section 3.
3. **Eligibility check.** The Principal checks that the expense is on the allowed list, not on the prohibited list, within the approved budget, and supported by a valid tax invoice, receipt or other supporting document in ECLS's name. For anything other than salaries, superannuation or rent, the Principal and Operations Manager record their additional approval (section 2).
4. **Expenditure approval.** The expenditure is approved by the **Principal and the Committee**, as required for Department of Education funding expenditure under ECLS-POL-02 section 5.1. The approval is documented and kept with the claim or invoice.
5. **Payment approval and authorisation. The Operations Manager and one Committee signatory approve the payment** by jointly authorising it in online banking (dual authorisation). A claimant must not act as the Committee authoriser for their own claim.
6. **Payment.** The payment is made from the designated account (or reimbursed from it, see section 2).
7. **Record.** The Operations Manager enters the payment in the **Funding Expenditure Register** (see section 6) and files the documents in the *Department of Education Funding / [year]* folder.
8. **Report.** The Operations Manager tables the designated account statement and the register at each Committee meeting.

No one may approve or authorise a payment to themselves or to a close family member.

6. Funding Expenditure Register and supporting documents

The Operations Manager keeps a Funding Expenditure Register (spreadsheet) for each funding year with these columns:

Date paid	Payee	Description	Allowed purpose category	Invoice/ claim no.	Amount (GST incl.)	GST	Approved by / authorised by	Bank ref.	File location

For every payment from Department of Education funding the following are kept together for **seven years**:

- tax invoice, receipt or other supporting document (with order confirmation and proof of payment for online purchases);
- the documented expenditure approval (Principal and Committee) and, where required, the additional Principal and Operations Manager approval;
- the online-banking record showing joint authorisation by the Operations Manager and a Committee member;

- for salaries: the approved timesheet and payment record, and the superannuation payment record;
- for rent: the licence/hire agreement and the College's tax invoice;
- the bank statement line showing the payment.

This allows the Department or its auditors to select any payment from the bank transaction history and trace it to its supporting documents, approvals and authorisation.

7. Annual report and financial acquittal

- Each year the **Operations Manager prepares** the annual report/financial acquittal for the previous calendar year from the Funding Expenditure Register and bank statements, using the Department's SmartyGrants template. The Principal reviews it.
- The acquittal is approved by the Committee and signed by an authorised delegate, then submitted by the Department's due date (1 May for the previous year in 2026). Funding for the next year is not paid until a satisfactory acquittal is accepted.
- Any funding not spent or legally committed at year end is reported. The Department may ask for it to be returned or may reduce the next payment. ECLS will repay any amount the Department demands within 60 days.

8. Enrolment data and funding integrity

Department of Education funding is paid per eligible student enrolled and regularly attending. To protect funding integrity:

- student data in the funding application must match each student's mainstream school enrolment details and ECLS enrolment forms (see ECLS-POL-12);
- funding is only claimed for students who are enrolled, eligible and regularly attending at the census date;
- ECLS will return funding for any student the Department cannot verify or finds ineligible.

9. Acknowledging Victorian Government support

ECLS acknowledges Department of Education funding in line with the *Victorian Government Acknowledgement and Publicity Guidelines* (Attachment 3 to the Common Funding Agreement), for example on the school website and in annual reports.

10. Responsibilities

Role	Responsibility
School Committee	Appoints the account signatories; reviews and approves the funding budget after the funding is received; approves Department of Education funding expenditure with the Principal; reviews the designated account statement at each meeting; approves the annual acquittal
Committee signatory	Jointly authorises payments from the designated account with the Operations Manager (never for a payment to themselves)
Principal	Prepares the funding budget with the Operations Manager; checks eligibility; approves expenditure with the Committee; gives the additional approval (with the Operations Manager) for anything other than salaries, superannuation or rent; reviews the acquittal; contacts the Department or CLV when unsure

Role	Responsibility
Operations Manager	Prepares the funding budget with the Principal; account signatory who jointly authorises payments with a Committee member; gives the additional approval (with the Principal) for anything other than salaries, superannuation or rent; reconciles the designated account monthly; keeps the Funding Expenditure Register and supporting documents; reports to each Committee meeting; prepares the annual acquittal
Treasurer	Reviews bank reconciliations (with the Principal) and the annual financial statements as set out in ECLS-POL-02

11. Basis and references

- Department of Education, *Community Language Schools Accreditation and Funding Guide 2024*: s.3.3 Payment of funding (dedicated account, at least two signatories), s.3.5 Use of program funding, s.3.7 Decision to fund, s.3.8 Annual reports/financial acquittals, s.3.9 Audits and record keeping.
- Department of Education, *2026 Community Language Schools Funding Program: Eligibility for Per Capita Funding (School-aged): Terms and Conditions* (updated list of prohibited uses including advertising, camps and consulting services; annual report due 1 May 2026).
- Victorian Common Funding Agreement 2025–2027, Schedule GIN13960: Item 2 Funding (separate bank account), Item 4 Reporting, Item 5 Acknowledgement, Repayment of Funds, Record keeping and Audits; *VCFA Terms and Conditions*.
- Department of Education, *Victorian Government Acknowledgement and Publicity Guidelines*.
- ECLS-POL-02 *Financial Management Policy and Procedures* (v1.2): sections 3, 4, 5.1, 5.2 and 8.
- CLV, *Operational and Administrative Procedures Manual* (V4, 2023), s.2.12 Finance.

12. Version history

Version	Date	Change	Approved / endorsed by
1.0	October 2026	New policy (aligned with ECLS-POL-02 v1.2: budget approved after funding is received; expenditure approved by Principal and Committee; payments jointly authorised by Operations Manager and one Committee member; designated account ordinarily limited to salaries, superannuation and rent)	For approval at the next School Committee meeting (date _____, minute ref. _____)