There are three components that make up the RAM.

**Targeted (individual student) funding**

Many students face unique and profound challenges that require personalised and customised support. Dedicated responses are required to support students in whatever settings the students are enrolled. This includes students who:

- require high or moderate level adjustment for disability
- require specific support
- are new arrivals or refugees.

**Low level adjustment for disability**

The loading is based on the number of students with low level disability and learning support needs.

**Aboriginal background**

The loading reflects both percentage and number of Aboriginal students in the school.

**English language proficiency**

The loading reflects English language proficiency based on school assessment of English as a Second Language (ESL) phases.

**Socio-economic background**

The rate of funding per student will be determined based on a combination of individual student and school need using the Family Occupation and Education Index (FOEI).

**Base school allocation**

This component of the RAM is the most complex as it includes a number of new school site specific loadings:

- school buildings and facilities
- climate
- location.

For 2014, all schools will receive the sum of existing formulae used for global allocations, including the $50 primary school allowance, teacher professional learning, computer coordinator allowance and maintenance related allocations.

The 229 schools in the Empowering Local Schools National Partnership (ELSNP) will receive a staffing budget allocation based on the current staff entitlement at standard cost, adhering to the class size policy.

For further information refer to Information sheet 3.
How will the RAM be implemented?

The new Resource Allocation Model (RAM) will distribute public school funding more fairly and transparently. Students and school needs will be the key determinants for funding. The funding provided to schools will reflect the characteristics of individual schools and their students. The targeted and equity loading components of the RAM are about delivering funding to students who require additional support in order to gain the full benefits of their education.

There will be a phased implementation of the RAM in all NSW public schools. This will commence with the equity loadings and targeted (individual student) RAM components in 2014.

What does this mean for schools from 2014?

The targeted (individual student) component includes existing funding for students who require a high or moderate level adjustment for disability, new arrivals and refugees, and Aboriginal students with high needs who receive resources under the existing Norta Norta program. This loading will continue to be allocated to schools using the same methodology as is used now. Targeted (individual student) funding will be included as part of the total RAM allocation and will be separately identified in the RAM funding advice provided to schools.

The loading for low level adjustment for disability reflects the Every Student, Every School initiative and allocates resources using the same formula as is currently in use. It includes related staff entitlement at standard cost.

The loading for English language proficiency is calculated on the existing staff entitlement formula as determined by the annual ESL survey.

The loading for Aboriginal background is allocated using a new formula consistent with the national funding recommended by the “Gonski” School Funding Reforms. From 2014, the loading funds all Aboriginal students and all schools with Aboriginal student enrolments. All 49,000 students with an Aboriginal background will be supported in NSW public schools. Schools with a higher percentage of Aboriginal students and greater number of Aboriginal students attract a higher rate of funding per student.

The loading for socio-economic background is determined by a new measure known as the Family Occupation and Education Index (FOEI). This loading is based on a combination of individual student need and school need. The formula funds all students in the lowest two quarters of the FOEI. It funds students with the highest need at a higher rate per student. For further information please refer to Information Sheet 6.

How will schools receive advice about the allocation of these loadings?

Schools will receive detailed information in their RAM funding advice. They will have a clear understanding of how the allocation for each of these loadings was determined. This reflects a commitment to ensuring greater transparency and consistency in the new way in which funding is allocated to schools.

Extensive consultation on each of the loadings has occurred with key stakeholders and the related policy areas of the Department.

This approach to delivering a fairer and more transparent approach to school funding is consistent with the “Gonski” School Funding Reforms and the Commonwealth Heads of Government Agreement on the National Education Reform.