

## 2. Commonwealth 2005 Funding Agreement and the VCA



*VCA Elisabeth Murdoch Building*

At its December meeting Council noted advice from the Senior Vice-Principal that to secure Commonwealth Grant Scheme Funding the University had no option other than to sign a Funding Agreement with the Commonwealth requiring the University of Melbourne to contribute approximately \$4.4 million to the Victorian College of the Arts (VCA), not provided by either the Commonwealth Grant Scheme or student contributions from Commonwealth-supported students at the VCA..

The amount of the necessary allocation for 2005 has subsequently been found to be in the order of \$4.7 million.

Members will recall that Council resolved to –

- rescind its motion of 10 November 2003, resolving that no funding provided for the purposes of the University of Melbourne be diverted to the VCA to cover shortfalls in Commonwealth funding;
- authorise Professor Lee Dow to execute the revised Funding Agreement forwarded to the University by the Commonwealth on 10 December 2004;
- request me as incoming Vice-Chancellor to pursue a satisfactory long term resolution of this matter and to keep Council informed of developments during 2005;
- allocate to the VCA in 2005 such funds as were necessary to enable the University to satisfy its obligations under the Funding Agreement; and
- note that, pursuant to the terms of the Funding Agreement, the funds able to be retained by the University for the benefit of its own students would have been increased if the VCA had increased student contribution amounts in a manner similar to that adopted by the University of Melbourne.

The future of the VCA is under discussion and Council will be kept informed.

***Higher Education Support Act 2003***  
**Funding Agreement under section 30-25**

**Parties**

**THIS AGREEMENT** is made on the 14th day of December 2004

BETWEEN  
THE

**COMMONWEALTH OF AUSTRALIA** ('Commonwealth'), represented by and acting through the Department of Education, Science and Training [ABN 51 452 193 160] ('Department')

AND

The University of Melbourne a body corporate under the *Melbourne University Act 1958* ('higher education provider', 'provider')

**Recitals**

- A. Under section 30-25 of the *Higher Education Support Act 2003*, (the Act) the Minister for Education, Science and Training may, on behalf of the Commonwealth, enter into a funding agreement with a higher education provider relating to a grant under Part 2-2 of the Act, in respect of a year.
- B. Accordingly, the Commonwealth will provide a grant to the higher education provider as specified in this agreement and subject to the conditions in this agreement, the Act and any relevant guidelines made under the Act.
- C. The higher education provider understands that the Commonwealth is required under the Act to ensure accountability for grant funds and accordingly, the provider is required to be accountable for all Commonwealth grant funds received.

Now it is agreed as follows:

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# The University of Melbourne

## Provision of Places

1. The higher education provider must provide the following agreed number of places:  
Table 1

Item	Funding cluster	Funding Rates (a) \$s	Funding Rates with 2.5% increase (b) \$s	Number of Places		Total Agreed Number of Places EFTSL	Approved Transitional Over-enrolments EFTSL	CGS Funding without 2.5% (c) \$s	CGS Funding with 2.5% (d) \$s
				Under graduate	Non Research Post graduate				
1	Law	1,472	1,509	805	0	805	-	1,184,960	1,214,745
2	Accounting, Administration, Economics, Commerce	2,421	2,482	2,038	35	2,073	-	5,018,733	5,145,186
3	Humanities	4,079	4,181	1,562	42	1,604	-	6,542,716	6,706,324
4	Mathematics, Statistics	4,817	4,937	683	12	695	-	3,347,815	3,431,215
5	Behavioural Science, Social Studies	6,475	6,637	1,982	134	2,116	-	13,701,100	14,043,892
6	Computing, Built Environment, Health	7,212	7,392	1,745	39	1,784	-	12,866,208	13,187,328
7	Foreign Languages, Visual and Performing Arts	8,869	9,091	1,927	70	1,997	-	17,711,353	18,154,727
8	Engineering, Science, Surveying	12,004	12,304	3,807	5	3,812	-	45,759,248	46,902,848
9	Dentistry, Medicine, Veterinary Science	15,047	15,423	950	3	953	-	14,339,791	14,698,119
10	Agriculture	15,996	16,396	690	0	690	-	11,037,240	11,313,240
11	Education	7,116	7,294	1,023	970	1,993	-	14,182,188	14,536,942
12	Nursing	9,512	9,750	73	0	73	-	694,376	711,750
<b>Total EFTSL</b>				<b>17,285</b>	<b>1,310</b>	<b>18,595</b>	<b>160</b>	<b>146,385,768</b>	<b>150,046,316</b>
Enabling Students				3,592	0	0	-	0	0
Regional Loading					207	207	-	35,341	35,341
Medical Places					1,076	1,076	-		
Medical Places which are bonded					100	100	-		
Medical Student Loading					803	803	-	859,210	859,210
<b>Total Funding</b>								<b>859,210</b>	<b>859,210</b>
<b>Total funding rounded to the nearest thousand</b>								<b>147,280,000</b>	<b>150,941,000</b>

(a) Legislated funding rates under section 33-10 of HESA

(b) Funding rates assuming institution meets section 33-15 of HESA

(c) Total funding if non-compliance with section 33-15 of HESA

(d) Total funding assuming institution meets section 33-15 of HESA

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## Movement of Load

- Any proposal to shift load of Commonwealth Supported places from one campus to another must be negotiated and agreed with the Commonwealth.

## Articulation with Vocational Education and Training courses

- The Provider must increase the number of articulation arrangements that currently exist with vocational education and training providers to provide pathways for students for domestic students to progress into Higher Education courses and provide evidence of these arrangements to the Commonwealth.

## Warehousing / Anticipated Courses

- Where a provider has been allocated places for a course to commence later than 2005, until that course commences, the places are to be used in the same or lower funding cluster and the Australian Government must be informed of the details of the interim arrangements.

## Post Graduate Non Research

- Places funded for postgraduate students are for non-research places only.

## Adjustments

- The Commonwealth will consider a load adjustment or reduction in grant in the following year if the Provider does not comply with any condition in this agreement.

## Nursing and Teaching Loading

- The CGS funding clusters for nursing and teaching have been funded in part in recognition of the costs of the nursing clinical placements and teaching practicum. The Provider must utilise such funds for the purpose for which they are allocated.

## Regional Allocations

- Where a provider has been allocated new places to a particular regional campus, the places at this campus are to grow by the number allocated. They are not to be offered at another campus, or used at the relevant campus as a replacement for load shifted elsewhere, without agreement of the Commonwealth.
  - Commonwealth Supported Places allocated as new places commencing in 2005 must be provided as shown in the table below:

Table 2

Course	Campus	EFTSL
General Nursing	Shepparton	10
Dentistry	Parkville	8
Biomedical Engineering	Parkville	10
<b>TOTAL</b>		<b>28</b>

### AGED CARE BUDGET MEASURE

Course	Campus	EFTSL
Nursing	Shepparton and Parkville	10
<b>TOTAL</b>		<b>10</b>

## Bonded Medical Places

9. Where the allocation to a Provider includes medical places, and as a subset of these places, a number of places are specified as being for “bonded” places, or medical places with an Australian Government Bonding requirement, these places are to be used for bonded students only, and the non bonded places for non bonded students only.

## Nursing Places with a focus on Aged Care

10. The Provider has been allocated some nursing places funded under the Aged Care package in the 2004 Budget. The Provider is to meet the following conditions and to provide evidence that the conditions have been met by 31 December 2005:
  - these nursing places must be allocated with a preference for applicants with experience working in the aged care industry,
  - course delivery must respond to the needs of students who continue to work in aged care, and
  - curriculum must meet the benchmarks of *Aged Care Core Component in Undergraduate Nursing curricula – Principles paper* or demonstrate progress towards meeting these benchmarks.

## Additional Conditions

11. The higher education provider must comply with the following additional conditions:

In 2005 the provider must give the Victorian College of the Arts (VCA) a funding amount calculated as follows:

VCA’s notional 2004 funding amount of \$13.280 million + (\$13.280 million multiplied by the percentage increase in the provider’s funding in 2005 under the Commonwealth Grant Scheme from the provider’s funding in 2004) to be used by VCA in relation to the costs of providing award courses.

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