CATHOLIC EDUCATION QUEENSLAND

Capital Assistance

Conditions of Compliance

2026

These conditions apply to projects funded in the 2026 Capital Assistance Round

Endorsed by Board: 21 July 2026

Contents

1 Introduction 3

2 Agreement and Affiliation 4

3 Offer of Capital Funding Assistance 4

4 Tendering and Quotation Process 5

5 Payment of Grants 5

6 Compliance Requirements 7

7 Variations to Projects 9

8 Recognition of Government Funding 11

9 Retained Equity Interest in Projects 16

10 Right of Access 17

11 Summary 18

Attachment 1 - Tender Procedures for Major Projects (over $100,000) 20

Attachment 2 - Quotation Procedure for Minor Capital Projects (below $100,000) 30

Attachment 3 - Variation Procedure (for variations that do not involve an increase to grant funding) 32

Attachment 4 - Australian Government Right to Repayments 34

Attachment 5 – Queensland Government Right to Repayments 37

REFERENCE USED

Capital Grants Program (CGP) Guidelines 2025

Capital Assistance Scheme Guidelines 2015

1 Introduction

1 Catholic School Authorities (CSAs) are advised that giving false or misleading information related to a Capital Grant application or agreement is a serious offence under the Criminal Code Act 1995.

2 Consultants and contractors engaged by CSAs are advised that giving false or misleading information related to a Capital Grant application or agreement is a serious offence under the Criminal Code Act 1995.

3 CSAs accepting Government capital funding assistance must comply with these conditions.

4 CSAs that are found to have breached these conditions of compliance will be responsible for the costs incurred by Catholic Education Queensland Limited (CELQ) in investigating the compliance breach.

5 CSAs must ensure that the approved project is completed:
a) to a satisfactory standard
b) within a reasonable time
c) as described in the approval/offer of grant letter
d) in accordance with all relevant Local Government requirements.

6 By accepting the offer of a grant, CSAs are bound to comply with any additional conditions specifically imposed by the Block Grant Authority (BGA)/Capital Assistance Authority (CAA) or the Minister in relation to the approved grant.

7 The use to which Queensland and Australian Government capital grants can be allocated is stipulated in the relevant legislation and relevant Catholic Education Queensland Limited (CEQL) Guidelines. Capital grants received from the Government must be expended on buildings that are for school purposes only. Income from Government capital grants must not be expended on facilities that are for other than educational purposes, regardless of whether or not the facility is located on the school site. For example, Government capital grants must not be expended on buildings that are for the use of the parish.

8 It is critical that a non-government school does not enter into a prohibited agreement in relation to the operation of the school. There

must be no direct or indirect connection between the recipient of Government funding and a for-profit entity. Further, when the school is established, there must be no direct or indirect connection between the recipient of Government funding and any for-profit entity that could reasonably be expected to compromise the independence of the recipient of a grant when making financial decisions.

2 Agreement and Affiliation

9 Prior to any offer of capital assistance being considered, CSAs must have entered into a Co-operative Agreement with CEQL as BGA/CAA.

10 CSAs must agree to identify any perceived or actual conflict of interest to CEQL at the stage when it first occurs. The CSA, with the possible assistance of CEQL Staff, must then ensure that the conflict is resolved with written advice provided to CEQL on the nature of the conflict and how it has been resolved.

11 CSAs are to specifically identify to the CEQL Staff any contract provision to make an incentive payment to any person involved in the development and construction of the project which is designed to reward completion of the project at a cost under budget or ahead of time.

3 Offer of Capital Funding Assistance

12 CSAs recommended for funding assistance by CEQL will receive approval advice from respective Education Ministers or a Member of the Government.

13 CSAs or Schools are not to make any public announcements regarding project funding assistance until they are in receipt of the above-mentioned advice.

14 In extenuating circumstances, tenders may be sought, but a contract cannot be entered into by CSAs until a written OFFER of capital funding assistance is received from the CEQL and that offer is accepted by the CSA.

15 If by the end of the funding year, the Catholic CSA is not approved by

the Minister, or the school has not received approval for recurrent funding, or obtained final State registration, the grant will be cancelled, and the funding must be repaid in full to CEQL.

4 Tendering and Quotation Process

16 Full details of tender/quotation procedures are contained in Attachment 1 – Tender Procedures for Major Projects (over $100,000) and Attachment 2 – Quotation Procedure for Minor Capital Projects (below $100,000) of this document. Grant recipients are to ensure that their architects/project supervisors are fully aware of and follow these procedures.

17 CSAs are to enter a legally binding commitment with successful contractors (e.g. sign a contract with a builder) to proceed with the project.

18 CSAs are to send a copy of site and floor plans from the proposed tender documents prior to the project going out to tender, for CEQL Staff to review. CEQL will review and seek to provide a response to CSAs within five (5) business days.

19 Where applicable, CSAs must implement projects in accordance with the requirements contained in the National Construction Code 2022 and the Australian Government Work Health and Safety Accreditation Scheme.

5 Payment of Grants

20 All capital grants received by CSAs are to be deposited into an account with an Australian-recognised financial institution, e.g. Archdiocesan/Diocesan Development Fund, a bank, building society or credit union. The CSA must identify the receipt and expenditure of those monies separately from other funds.

21 Grant payments will be made to CSAs as follows:

i. First Payment

(a) Payment of 50% of the grant amount at 25% of total project completion (in terms of value[1]).

[1] Value = Total Project Costs identified in CEQL's Letter of Offer or revised CEQL Variation Letters issued to Catholic School Authorities

(b) A signed agreement from the CSA to the conditions of the grant offer will be required before payment is released.

(c) A complete set of tender issue site plans and floor plans is to be provided (electronically) to the Secretariat for review before the approved project is put out to tender.

(d) The CEQL Staff must approve the results of tender/quotation bids before releasing payment.

(e) A completed Capital Assistance Claim Form, including the percentage complete (milestone) progress of works. This form is to be prepared by the architect/project supervisor and approved by the CSA. It must be based on a builder's claim for work completed and other costs incurred, and reports on the expenditure status of the total project cost.

ii. Second Payment

(a) Payment of 40% of the grant amount at 50% total project completion (in terms of value).

(b) A completed Capital Assistance Claim Form, including the percentage complete (milestone) progress of works. This form is to be prepared by the architect/project supervisor and approved by the CSA. It must be based on a builder's claim for work completed and other costs incurred, and reports on the expenditure status of the total project cost.

iii. Third Payment

(a) Payment of 10% of the grant at project practical completion (and at least 95% of total project completion, in terms of value).

(b) A completed Capital Assistance Claim Form, including the percentage complete (milestone) progress of works. This form is to be prepared by the architect/project supervisor and approved by the CSA. It should be based on a builder's claim for work completed and other costs incurred, and reports on the expenditure status of the total project cost.

(c) A completed Project Completion Statement prepared by the architect/project supervisor and approved by the CSA. This statement verifies that all work has been completed in accordance with the approved project description and approved tendered documents (including approved project variations).

22 External Infrastructure Subsidy (EIS) projects must be stand-alone, as the State Guidelines do not allow advance payments under this scheme.

23 Capital grants received by CSAs must only be spent on the project as approved by the respective Minister. Furthermore, such grants must be spent as soon as possible, and no later than six (6) months after the date of receipt by the CSA.

24 All capital payments to a CSA for all existing projects may be suspended if the Project Accountant's Statement has not been provided to CEQL Staff within 15 months of the last grant payment.

25 Both the Australian and State Governments actively encourage grant recipients to commence construction within a reasonable time frame following Ministerial approvals.

6 Compliance Requirements

26 For CEQL to comply with its legal obligations as a BGA/CAA, it is required to ensure that schools comply with grant conditions including any additional grant conditions required by the BGA/CAA. Accordingly, recipients of Government grants are required to:

27 Spend the grant only on the approved project as described in the grant offer.

28 Obtain prior approval from the CEQL for any amendments to the approved project description.

29 Enter into a legally binding contractual arrangement (for example, sign a contract with a builder) to proceed with the project before the end of the year in which the first instalment of the grant is payable unless, in exceptional circumstances, the Department gives prior approval for a later commitment date.

30 Contribute at least the amount specified as the school contribution in the grant offer.

31 Spend grant payments, including any interest earned on grant payments on the approved project as soon as possible during the program year in which the funds are provided.

32 Ensure that the project is completed to a satisfactory standard, and within a reasonable time in accordance with the approved project description and with all relevant local Government requirements.

33 Provide to CEQL Staff within a specified period after the completion of the project, accountability information including documentation on practical completion (e.g. Certificate) prepared by architects and accountants which certifies:

(a) the total expenditure and grant received for the project
(b) that the project is completed in accordance with the approved project description
(c) that the grant monies were spent only on the approved project.

34 Allow the CEQL and/or the Government to inspect the project at all stages of the works as required.

35 Meet Government recognition requirements for capital funding.

36 Use the funded facilities for the purpose of providing school education services for locations, levels of education and students that have been recognised by the relevant State or Territory Government.

37 Ensure grant funds are not used to meet expenditure relating to facilities which have religious worship or usage as the sole or principal function.

38 Notify and, upon request, repay to CEQL as BGA/CAA all or part of the grant monies if the school ceases to use the funded facilities principally for the purpose specified (and approved) in the grant offer, or the school ceases to provide primary education or secondary education or sells or otherwise disposes of the facilities. The repayment amount in these circumstances
shall be calculated in accordance with Attachments 4 and 5.

39 Acknowledge and agree that, upon a request by CEQL (as BGA/CAA) to repay all or part of grant monies, the repayment amounts owing to the Government or BGA/CAA shall be calculated in accordance with the methodology prescribed in the State and Australian Government right to repayment schedules (see Attachment 4 and Attachment 5).

40 Acknowledge and agree that if repayment is requested following a change in use, closure, sale or disposal of part or all of the facilities, or a failure to comply with other relevant conditions of compliance referred to above, then CEQL may recover that specified amount from the CSA as a debt due. The CSA must also acknowledge that CEQL

may assign its right to recover the specified amount to the Queensland or Australian Governments.

41 Comply with any other conditions under which the grant is made, including (but not limited to) additional grant conditions required by CEQL (as BGA/CAA) as contained in any correspondence providing the offer of grant, relevant CEQL guidelines or in any BGA/CAA Member Agreements.

42 Make an application to CEQL for payment within two years of the date of approval, or the original grant for the project will be revoked, unless an extension is approved by the Minister.

43 Insure the approved project (all normal risks) for not less than its full value.

7 Variations to Projects

Fixed Grants

44 As from the 2019 Capital Assistance Round, grants (with the exception of the EIS Scheme) are calculated at the time of application without provision for subsequent upwards revisions. No additional funding is available for project or cost variation or special circumstances.

45 Any cost reductions identified over the course of an EIS Scheme project will be apportioned between the Grant and the Local Contribution in accordance with the percentage allocation agreed in the relevant year's Capital Assistance Round.

46 If the approved project tender is lower than the project cost approved by the Minister, the level of Government funding is reduced.

47 If the project is completed at a total cost lower than the approved project tender or as approved by the Minister, Government funding is reduced.

Variations that do not involve an increase to grant funding

48 A school cannot vary the scope/description of the approved project without PRIOR written approval from CEQL. Full details of the variation

process can be found at Attachment 3.

49 A change of circumstances after the approval of a project may require a variation to the project. Aspects of the project that may be varied include, but are not limited to:

a) total project cost increase or decrease
b) school contribution increase or decrease
c) grant costs may decrease
d) the start or end date being moved by more than one year
e) changes to the scope or project category, facility category or other descriptor of the project
f) changing the design solution for specifically funded components of works
g) a request to vary the date for commitment if the school cannot enter a commitment (sign a contract with a builder) for the project within twelve months of project approval
h) moving an amount of funding to an earlier or later program year
i) cancelling (withdrawing) a project

50 Clarification on variations may be obtained by contacting the capital unit of CEQL. If the project is completed at a total cost lower than the approved project tender as approved by the Minister, Government funding is reduced.

51 All variation requests must be submitted to the CEQL for approval prior to the variation taking place.

52 The CEQL has delegated variation approvals as follows (for variations involving a reduction in grant funds or an increase in a local contribution):

- The Director, Resourcing Advocacy and Strategy to approve grant variations up to $250,000 and tabled with the Board quarterly.
- The Director, Resourcing Advocacy and Strategy and the Chief Executive Officer or Deputy Chief Executive Officer of CEQL to jointly approve grant variations from $250,001 up to $500,000 and tabled with the Board quarterly.
- Project variations requesting additional grant funds greater than $500,001 must be referred to the Board for approval.
- Project variations because of increases in CSA Contributions are approved by the Chief Executive Officer or Deputy Chief Executive Officer of CEQL and tabled with the Board quarterly.

Variations to Grants

53 If tender/quotation results are BELOW the approved project cost, the contribution level remains the same and the grant is reduced accordingly.

54 If accountability documentation reveals that the final project cost is BELOW the tender/quotation result, then the grant will be reduced.

55 There is an expectation that any project cost over-run (because of unfavourable tender/quotation results or because of unforeseen variations) will be borne by that particular School or the School's Authority.

8 Recognition of Government Funding

56 Full details of recognition requirements for capital projects are contained in the "Australian Government Capital Grants Program (CGP) Guidelines 2025 " publication, which is available on the Department of Education's website.

57 Projects in receipt of Australian Government grant funding greater than $100,000 are required to hold an official opening.

Australian Government Capital Grants Program

58 CSAs which receive funding through the Australian Government Capital Grants Program are required to:

a) acknowledge the Australian Government's funding contribution in all announcements and other publicity

b) ensure that school communities are advised directly about assistance received from the Australian Government by such means as school newsletters

c) arrange an official opening ceremony of funded facilities after the physical completion of the project and within seven months where the Australian Government has contributed funding of $100,000 or more unless otherwise agreed by the Australian Government

d) the Australian Government Minister or the Minister's representative must be invited to speak at all official openings of capital projects. Where the Australian Government has contributed more than 50% of the total project cost, the Minister or Minister's representative must be invited to officially open the facility

e) email the Department, via the Schools Opening inbox (schoolopenings@education.gov.au), of three proposed dates for school recognition ceremonies well in advance of the proposed opening dates

f) acknowledge Australian Government funding on plaques, as follows:
   i. install building plaques on all completed projects, irrespective of project cost, which acknowledge Australian Government funding, unless otherwise agreed by the Department
   ii. where a facility is opened by an Australian Government representative, the name of the person opening the facility should be included on the plaque
   iii. wording on plaques acknowledging Australian Government funding should be of similar size and style to wording acknowledging other funding sources
   iv. include the Australian Government crest on all plaques
   v. the Department will approve all plaque wording.

59 All CSAs are required to advise the CEQL Staff of opening ceremony dates as soon as they are confirmed.

60 All requests and enquiries regarding recognition ceremonies or plaques for Australian Government funded projects should be emailed to the Department. CSAs should contact the Department through this inbox in relation to any uncertainty or issues regarding the recognition requirements, including applications for variations to, or exemptions from, the recognition requirements. A Recognition Factsheet is also available on the Department's website: Australian Government Department of Education

State Government Capital Assistance Guidelines

61 CSAs, which receive funding through the State Government Capital Assistance Scheme are required to provide public

recognition as follows:

a) projects assisted with State Government funds; recognition of the source of the funding is to be provided in any publicity associated with the project, including any plaque recording the event
b) unless otherwise agreed by the State Government:
    I. There must be acknowledgement of State Government funding on building plaques where the State has contributed $100,000 or more to a project; and there must be an official opening ceremony of funded facilities where the State has contributed
    II. $500,000 or more to a project.
c) if there is to be an official opening ceremony, the Minister or a representative must be invited to attend and speak at the ceremony.
d) the Office of Non-State Schooling should be emailed regarding recognition ceremonies or plaques for State Government funded projects
e) All CSAs are required to advise CEQL Staff of opening ceremony dates as soon as they are confirmed.
f) Communications Recognition Requirements

General

62 CSAs must ensure that recognition of government funding is reflected consistently across all public-facing communications, including media releases, website articles and social media posts, in accordance with the requirements set out in this section.

Australian Government Capital Grants Program

63 Where a project has received Australian Government funding CSAs must:

1. include an attribution statement in any media release announcing or reporting on the project. Suggested wording: *"The Australian Government has contributed $[amount] through the Capital Grants Program to assist with this project."*
2. include an attribution statement in any website article or news post related to the project, using wording consistent with (1) above, positioned within the body of the article.
3. in social media posts relating to the project, if the post does not link to a media release or article, the attribution also needs to go in the post. Suggested wording:

"This project has been supported by the Australian Government through the Capital Grants Program."

State Government Capital Assistance Scheme

64 Where a project has received State Government funding CSAs must:

1. include an attribution statement in any media release announcing or reporting on the project. Suggested wording:
   "The Queensland Government has contributed $[amount] through the Capital Assistance Scheme to assist with this project."
2. include an attribution statement in any website article or news post related to the project, using wording consistent with (1) above, positioned within the body of the article;
3. in social media posts relating to the project, if the post does not link to a media release or article, the attribution also needs to go in the post. Suggested wording:
   "This project has been supported by the Queensland Government through the Capital Assistance Scheme."

Accountability Requirements

65 To ensure that capital funding assistance is paid to CSAs in a timely and equitable manner, certain formal accountability requirements must be complied with. The accountability requirements, are as follows:

a) Progressive Expenditure Statement
b) Project Completion Statement
c) Project Accountant's Statement
d) Official Opening Advice.

Capital Assistance Claim Form

66 This form is to be prepared by the Architect/Project Supervisor and approved by the CSA. It should be based on a builder's claim for work completed and other costs incurred and reports on the expenditure status of the total project cost. The progress completed bar chart (milestone) is required to be updated to indicate the percentage of project completed. Electronic versions of the Capital Assistance Claim form are available on the CEQL Capital Programs website: CEQL Capital Resources

67 The CSA must attach to the claim form adequate documentation to support and substantiate the claim for payment.

Project Completion Statement

68 This statement is to be prepared by the architect/ project supervisor and approved by the CSA. This statement verifies that all work has been completed in accordance with the approved project description and approved tendered documents (including approved project variations).

69 The statement is to be submitted within 30 days after either the project has reached practical completion, or a Certificate of Occupancy has been issued for any or all facilities. The statement must contain the detailed approved project description as reflected in the grant offer and agreement and is to include the drawing numbers as provided to CEQL for review prior to tender, an electronic copy of the Certificate of Occupancy, and include all approved project variations.

70 If a partial practical completion certificate has been issued to the school/CSA, a Project Completion Statement approved by the CSA must be issued to CEQL with 30 days of receipt of this certificate.

71 An electronic copy of the As Constructed drawing set for the project must be submitted 90 days after either the project has reached practical completion, or a Certificate of Occupancy has been issued for any or all facilities.

Project Accountant's Statement

72 This statement verifies that all expenditure is in accordance with the approved project funding arrangements. This statement will be generated after CEQL Staff have received the Project Completion Statement.

73 The auditor/accountant signing this declaration needs to be independent from the CSA according to the *Australian Education Act 2013 (Cth)* and the *Education (General Provisions) Act 2006.*

74 The statement is to be submitted within 15 months following the project reaching practical completion, except for External Infrastructure Subsidy (EIS) projects that are for Infrastructure Charges only, or the like, the statement is to be submitted within 3 months following the payment of the final Capital Assistance Claim for the EIS project

75 Failure to submit a Project Accountant's Statement within five years of

the Ministerial approval date will render any future capital project applications invalid.

Official Opening Advice

76 When CSAs have determined their official opening date, this advice must be forwarded to the CEQL Staff.

External Infrastructure Subsidy Claims (EIS)

77 CEQL External Infrastructure Subsidy Guidelines can be found at: CEQL Capital Resources

78 The State Government's administrative guidelines for the EIS Scheme can be found here.

79 For EIS, an approved grant will be paid when:

a) CEQL receive a signed agreement from the CSA to the conditions of the grant offer.
b) results of tender/quotation bids are approved by CEQL.
c) CEQL receive a completed Capital Assistance Claim (including a Project Managers/Lead Consultants Signed Progress Certificate and reimbursement receipts), which includes a percentage of completed (milestone) progress of works and signed by the Schools Authority's representative.

80 Claims are to be prepared by the Architect/project supervisor and approved by the CSA before being submitted to the CEQL for payment. All claims are to be substantiated with sufficient detail to enable the release of funds.

81 In the event the external infrastructure works increase, additional EIS can be sought, subject to CEQL 2025 External Infrastructure Subsidy Scheme Guideline parameters, as well as the availability of remaining grant funding for the approved project year.

9 Retained Equity Interest in Projects

82 The CGP guidelines state that government retains a right to repayment from non-government bodies of grants of more than $75,000 should they sell or otherwise dispose of the funded facilities or cease to use the funded facilities to provide primary/secondary education during a designated use period. Section 64 of the *Australian Education Regulation 2023* (Cth) and section 13 of the Capital Assistance Guidelines (Qld)

specify the repayment periods and recoverable amounts on the calculated portion of the grant.

83 Therefore, the Government retains an interest in all completed projects in Queensland Catholic schools for a period of up to twenty (20) years.

84 Where the above situation occurs, CSAs will become liable for repaying the grant amount to CEQL as BGA/CAA, reduced each year the facilities were used for the approved purpose; by:

Australian Government Grants

See Attachment 4 - Australian Government right to repayments

State Government Grants

See Attachment 5 - Queensland Government right to repayments

85 Additionally, for projects with grants exceeding $500,000, CSAs must notify CEQL as BGA/CAA and seek approval for any material change of use of the funded facilities from the purpose specified (and approved) in the grant offer within a period of five years from the date of practical completion of the project. CEQL (as BGA/CAA) will consider all the circumstances leading to the proposed material change of use and determine what actions are required in the circumstances of each case. This will include (but will not be limited to) consideration of the facility eligibility requirements that applied under the Capital Assistance Guidelines at the time of construction.

86 If grant monies are not expended on the purpose specified (and approved) in the grant offer, CEQL (as BGA/CAA) can seek repayment of the relevant portion of this grant funding.

10 Right of Access

87 For Government funded projects, post occupancy reviews will be performed to ensure the project has been completed in accordance with these guidelines and conditions. Accordingly, CSAs must permit the CEQL or Government representatives to have access to:

- Records of assessment, tender/quotation results and payment/ accountability statements and building plans and associated works documents.

- The school project site during and after construction and post occupancy of the approved project.

88 Right to access (and relevant information) shall continue for the entirety of the relevant repayment period in accordance with Attachment 4.

11 Summary

89 Unless otherwise specified, CSAs must use the facilities funded principally for the purpose stated in the grant offer and this should be directed at providing school level educational services for students that have received approval for government funding.

90 Failure by CSAs to comply with the conditions set out in this document or with other appropriate guidelines may result in:

a) withdrawal of the grant offer
b) delay in grant payments, or
c) repayment of grant monies already paid.

91 CSAs must make architects/project supervisors and project accountants aware of the Conditions of Compliance, approved project description, costs, conditions and guidelines pertaining to Government offers of capital assistance funding (particularly tender/quotation procedures and accountability requirements).

92 CSAs must keep records of events, changes to situations or other details which may affect the performance of its obligations, regarding a capital grant offer.

THE SUBMISSION OF CAPITAL RETURN OF FUNDS, REPORTS AND ACCOUNTABILITY STATEMENTS ARE TO BE FORWARDED TO CEQL STAFF AS FOLLOWS:	
FOR DIOCESAN/PARISH SCHOOL AUTHORITIES:	Through their respective Diocesan Education Office
FOR EDMUND RICE EDUCATION AUSTRALIA COLLEGES LTD:	CEQL Staff
FOR EDMUND RICE EDUCATION AUSTRALIA FLEXIBLE SCHOOLS LTD:	Through EREA Flexi School Brisbane Office
FOR RELIGIOUS INSTITUTE/PJP SCHOOL AUTHORITIES:	CEQL Staff

EMAIL: capital@ceql.catholic.edu.au

ADDRESS: CAPITAL PROGRAMS
CATHOLIC EDUCATION QUEENSLAND
LIMITED GPO BOX 2441
BRISBANE QLD 4001
PHONE: (07) 3316 5818

Attachment 1 - Tender Procedures for Major Projects (over $100,000)

Introduction

93 This document specifically deals with projects whose total building works and associated costs exceed $100,000. Catholic Education Queensland Limited (CEQL) has separate guidelines covering quotation procedures for projects below $100,000.

94 CSAs accepting Government capital funding assistance are bound to strictly comply with tendering procedures that:

- encapsulate the principle of 'public invitation' and that are based on sound building industry practise (e.g. Australian Standard AS4120)
- comply with and include in contracts with contractors for the performance of any construction or building activity, the requirements contained in the National Construction Code 2022.

95 If CSAs are in doubt on any aspect of the tendering procedures, they should contact CEQL Staff beforehand.

Call for Tenders

96 Tenders/Quotations SHOULD NOT be sought by CSAs until a written OFFER of capital funding assistance is received from the CEQL and that offer is accepted by the CSA in writing.

97 A full set of tender issue site plans and floor plans are to be provided (electronically) to CEQL Staff for review before the approved project is put out to tender. In certain instances, CEQL Staff may request additional documentation.

98 CSAs must have either commenced construction or entered into a legally binding commitment to commence construction (after tenders/quotes have been received) by 30 June 2027. A legal commitment is a signed contract or a letter of intent to sign a contract. Any request to vary the deadline must be submitted to CEQL (for approval) at least three months in advance.

99 CSAs cannot vary the scope/description of the approved project without PRIOR written approval of the CEQL.

Tendering Methods

100 It is acknowledged project delivery may be provided through various tender processes such as the following:

a) Open Tender
b) Registration
c) Othe Methods

Open Tender

101 The 'open' method is regarded as the traditional system of tendering. It is most commonly used and is considered to be the most appropriate method by Government. All interested parties are invited through open public advertisements to tender on a common basis.

Registration

102 Registration. The practice of publicly asking contractors to register their intention to bid for a project is an acceptable form of public tender provided that:

a) At least five conforming tenders are finally received unless exceptional circumstances exist
b) The registration period is not less than seven days.

103 The objective of registration is to prequalify tenders in respect of their capacity and ability to undertake works and so avoid the time taken for investigation after tenders have closed (i.e. it can lead to a shorter tendering period).

104 Those firms regarded as unsuitable for being invited to submit a bid must be informed accordingly. It is not common practice for reasons to be given as to why a particular firm was not included on a tender list.

Other Methods

105 If a CSA does not wish to use an open tender or registration method, approval must be obtained from CEQL Staff before undertaking any ALTERNATIVE ACTION such as the use of project/construction management or similar system. If approval is given by CEQL Staff, it

will be on the basis that there are exceptional circumstances and that there will be a public invitation to project or construction managers to register interest.

Seeking Tenders

106 Public tender means the invitation of tenders by way of advertisements in the capital city daily press or major regional newspapers.

107 **Tender Period.** The tender period should normally be not less than 21 days. The approval from CEQL Staff will be required in advance of placing the tender notice, if a shorter tender period is proposed. Tender documents should indicate that tenders are to remain active for a minimum period of 30 working days from the date of closure of tenders.

108 **Tender Numbers.** If less than five tenders are received it may be necessary to seek additional tenders or obtain the prior approval of CEQL Staff to proceed with less than five tenders. Each case will be considered on its merits.

109 **Contingency Sum.** A contingency sum to the value of 2.5% of the contract price or the estimated tender price is permitted to be included in tender documents. The approval of CEQL Staff is required before inclusion (in contract documents) of a contingency sum exceeding 2.5% is proposed.

110 **Project Splitting.** The splitting of a project into two or more separate contracts is not permitted without the prior approval of CEQL Staff.

111 **Sub-Contracts.** Where sub-contracts estimated to cost $100,000 or more are included in the head contract, public tenders for the individual subcontracts must be called. In the case where a sub-contract is estimated to cost between $15,000 and $100,000 (inclusive) at least three comparable written quotations must be obtained.

112 **Provisional Sums/Prime Costs.** Any provisional sum item/or prime cost item estimated to cost $100,000 or more is to be let on the basis of public tender. In the case where a provisional sum item or prime cost item is estimated to cost between $15,000 and $100,000 (inclusive) at least three comparable written quotations must be

obtained.

113 **Site Allowances.** Where site allowances for any project are agreed or awarded by arbitration and this is not provided for in the contract price then the meeting of the additional cost is a matter for the approved CSA and the builder. In accordance with Government policy (endorsed by CEQL) builders are expected to make commercial judgements about the need to provide for site allowances in their tender price. CEQL will not normally consider additional grants to meet site allowances. In the preparation of tender documentation therefore this matter should be considered carefully.

114 **Other Works.** Separate tenders must be obtained, where a CSA concurrently requests contractors to tender for work outside the approved project. The SEPARATE WORK is the responsibility for the CSA to administer and it cannot be considered by CEQL as part of the tender for the approved project.

Capital Tender Process - Variation

115 The normal tender process may be varied in situations:

a) when Government approval is given for a subsequent stage of a project while the builder is still on site and prior to practical completion of a previous stage, involving the same building, or

b) when exceptional circumstances exist, e.g. in isolated school communities where builders/tradesmen are difficult to obtain or the future financial viability of a staged project is jeopardised.

116 CSAs wishing to vary the normal tender process by negotiating with a builder on site, for other approved capital work, are to use the following process:

a) CSAs must seek prior approval of CEQL Staff before negotiations with the onsite builder can commence for any other work. The written request should detail the reasons and the advantages which can be achieved through negotiation with the onsite builder and thus, avoiding the normal open tender process.

b) Once the CEQL approval has been received, a letter from the project architect, should be written to the onsite builder detailing the following terms:

1. the builder is being given the first opportunity to submit a

price for another part of the project

2. the builder's bid should be submitted on the basis of an 'open book tender' which should be validated by the project architect and the same should be available for inspection by CEQL Staff
3. the submitted bid does not necessarily mean that it will be accepted and depending on its result, this other work may still go to open tender
4. the submitted bid by the builder for the other work, must be forwarded to CEQL Staff in accordance with normal tender results reporting format
5. as per the conditions of Government grant offer, no contracts with the builder for the other work can be signed until Ministerial approval is received.

Indigenous Australians

117 Australian Government grants are offered on the additional condition that the CSA will facilitate the Australian Government's policy of encouraging the employment and training of Indigenous Australians. Where a project is to be undertaken specifically for an Indigenous Australian community, at least one member of that community is to be involved in the evaluation of tenders, except where a conflict of interests would arise.

118 CSAs should maximise employment opportunities for Indigenous Australians where a project is undertaken specifically for an Indigenous Australian community or where a project is located in an area likely to provide employment or training opportunities for Indigenous Australians, in line with the Australian Government's policy of seeking to reduce the disproportionately high unemployment rates among these people.

Opening Tenders

119 The Tender Opening Committee must include the architect/project supervisor (or nominated representative) and at least two other responsible and independent persons appointed by the CSA responsible for the project. Details of the Committee are to be included on the Tender Results Report.

120 It is important that CSAs use a tendering system which aims to protect the interest of all parties and ensures propriety and public accountability.

Reporting Tender Results

121 The submission of tender results to CEQL is one of the compliance conditions CSAs receiving capital funding assistance must comply with. To ensure CSAs are not financially disadvantaged or that the tender validity period is not unnecessarily affected, CSAs should submit their tender results to CEQL as soon as possible. The submission should include the standard CEQL form 'Results of Tender Process' and copies of the tender bids actually received by the school from builders.

122 No tender can be accepted or contracts signed until tender results are submitted to and approved in writing by CEQL.

Acceptance of Tender

123 The preferred tender is expected to be the lowest tender.

124 Approval must be sought from CEQL if a tender other than the lowest is preferred, and the CSA must provide compelling reasons for their selection.

125 CSAs must take into account, value for money when they undertake a tender process.

126 Reasons for a tender decision must be documented on the relevant project file, including, where appropriate, reasons why the lowest tender is not being recommended for acceptance.

127 After the tender results are checked, CEQL Staff will inform the CSA (in writing) of any project cost adjustments and that they are free to commence project work.

128 Each case will be assessed on its merits, and it should not be assumed that approval will be given.

Tenders with Self-funded Works included in the Tender Package

129 If self-funded works are included in the tender, the following tender methodology must be used:

a) CSAs are required to nominate the value of self-funded proposed works in their tender. The value of the self-funded proposed works can be in the form of either:
   - a pre-tender estimate from a suitably qualified professional (Quantity Surveyor or equivalent)
   - costings from the preferred tenderer.

b) CEQL will add a Consultant Fee allowance (10%) to the nominated value of the self-funded works.

c) CEQL will add a Furniture and Equipment allowance (5%) to the nominated value of the self-funded works.

d) other costs reported in the tender results will be apportioned between the Funded and the Self-Funded works. Contingency values reported in the tender results will be apportioned between the Funded and the Self-Funded works.

e) local authority charges reported in the tender results will be apportioned between the Funded and the Self-Funded works.

f) provisional sums reported in the tender results will be apportioned between the Funded and the Self-Funded works.

g) the apportionment percentage is established by the following calculation: Self-funded Works divided by the Contractor's Tendered Price (including Self-funded Works).

h) the total amount of the self-funded works (preferred contractor's value, consultant fees, furniture and equipment, other costs, contingency, charges, provisional sums) is deducted from the total tender value to determine whether the approved capital assistance grant requires alteration.

130 An example of evaluating the value of Self-Funded works is described in the table below:

Cost Items	Project Value	Element A (Grant Funded Works)	Element B (Self-Funded Works)	Methodology
Contractor's Tendered Price	$2,750,000	$2,200,000	$550,000	Apportionment Percentage = $550,000 / $2,750,000 = 20%
Consultant's Fees (10%)	$275,000	$220,000	$55,000	= 10% x $550,000

Furniture and Equipment (5%)	$137,500	$110,000	$27,500	= 5% x $550,000
Other Costs	$140,000	$112,000	$28,000	= 20% x $140,000
Contingency (2.5% of Project Value)	$68,750	$55,000	$13,750	= 20% x $68,750
Local Authority Charges	$25,000	$20,000	$5,000	= 20% x $25,000
Provisional Sums (not included in Total Contractor's Value)	$150,000	$120,000	$30,000	= 20% x $150,000
TOTAL	$3,546,250	$2,837,000	$626,750	

131 If CSAs do not nominate the value of the self-funded proposed works CEQL will determine the value via the following process, utilising Capital Application values:

a) Element A + Element B = Total Value of application
b) Element B (Self-funded) Proposed Works + Element B (Self-funded) External Works Component of On-Cost (45%) = Total Value of Self-funded Works only in application
c) Total Value of Self-funded Works only in application / Total Value of application = Apportionment percentage
d) Contractor's Tender Value including self-funded works x Apportionment percentage = Value of Self-funded works

132 The CEQL determined apportionment percentage will be applied to Contingency, Charges and Provisional Sum values nominated in the results of tender form. Those values will be added to the Value of Self-funded works to assess the value of the grant funded works. An example of this process is described in the table below:

Cost Items	Project Value	Element A (Grant Funded Works only)	Element B (Self-Funded Works only)	Methodology

Contractor's Tendered Price including Self-funded	$5,400,000	Not provided	Not provided	Apportionment Percentage to be determined
From Application (A + B)	$4,200,000			Value only used to determine apportionment
Element B (Works only)			$510,000 +$229,500 = $739,500	Proposed Works + External Works component of On-Cost (45%)
Apportionment Percentage	17.6%			$739,500 / $4,200,000 = 20%
Self-funded works value			$950,400	= 17.6% x $5,400,000
Consultant's Fees (10%)	$620,000		$95,040	= 10% x $950,400 (Guidelines)
Furniture and Equipment (5%)	$250,000		$47,520	= 5% x $950,400 (Guidelines)
Other Costs	$500,000		$285,120	= 30% x $950,400 (Guidelines)
Contingency (2.5% of Project Value)	$135,000		$23,760	= 17.6% x $135,000
Local Authority Charges	$25,000		$4,400	= 17.6% x $25,000
Provisional Sums (not included in Total Contractor's Value)	$150,000		$26,400	= 17.6% x $150,000
TOTAL	$7,080,000		$1,147,520	The Self-funded total value is deducted from the project total to determine whether the grant or the contribution changes based on the results of tender.

Tenders above the Approved Project Cost

133 Where the LOWEST conforming tender is ABOVE the approved project cost, the CSA must submit the tender results to CEQL Staff as soon as possible and provide details of how it proposes to deal with the higher

tender results.

134 CEQL Staff will advise the CSA (in writing) of action to be taken regarding the tender results.

Summary

135 It is essential that all CSAs receiving Government capital assistance comply with procedures which provide tenderers with an equal opportunity to compete and participate. If CSAs are unclear on any matters regarding the tender process, they should contact CEQL Staff. Action at any stage after a project has been approved that will vary the scope or description of that project, must be referred to CEQL for approval prior to implementation.

Attachment 2 - Quotation Procedure for Minor Capital Projects (below $100,000)

Minor Capital Projects

136 Minor projects usually involve small additions/ extensions and/or the refurbishment/ renovation of existing facilities.

Obtaining Quotations

137 Once a capital grant OFFER has been made and accepted for the project, the CSA should proceed to obtain quotations as follows:

a) At least three comparable written quotations must be obtained for the main part of the project (construction/refurbishment) and any associated works (i.e. services, site works, demolition etc).

b) For other elements of the project not included in the main part and valued greater than $15,000 three written quotations must also be obtained. (i.e. separate services, site and demolition work or large items of furniture/equipment). These other elements of the project are not to be divided into sub-elements of less than $15,000 to avoid the need to call quotations.

138 In all cases it is expected that the lowest quotation received will be accepted for the project or element.

139 If the CSA wishes to vary any of the above conditions, a written submission must be made to CEQL. Each case will be assessed on its merits. It should not be assumed that approval will be given.

Reporting Quotations

140 All quotation results must be submitted to CEQL Staff as soon as possible. No quotations can be accepted, or contracts signed until quotation results are submitted to and acknowledged in writing by CEQL.

141 If the total project cost (based on lowest quotations) has:

- exceeded the Approved Project Cost and cannot be met from community resources

- where the increase can be met but has increased by more than 15% (compared to the Approved Project Cost)

142 The CSA must advise CEQL Staff of the circumstances before entering a legal commitment/contract. The submission of circumstances must also include the Results of Quotation Process Form.

143 Copies of written quotations received are to be submitted to CEQL Staff together with the standard quotation results form.

Architect/Project Supervisor

144 The above details must be provided to architects and/or project supervisors before quotations are sought for the project.

Attachment 3 - Variation Procedure (for variations that do not involve an increase to grant funding)

145 There is an expectation held by the CEQL Board that all projects approved by the Minister will be delivered without significant change. It is understood however that variations may occur during the delivery of a project, which do not involve an increase to grant funding. To address this possibility the following procedures have been established to assist CSAs.

146 A variation can be defined as any change or difference from the approved project (that does not involve an increase to grant funding). As variations from approved projects can vary from the less significant to the more substantial, guidance is provided regarding the process to have variations recognised.

147 With the introduction of a more refined audit process endorsed by the CEQL Board, the need for transparency and accountability aligns with audit and risk considerations and sound governance principles.

Process

148 Once a capital Grant Offer has been made and accepted for the project, the CSA should seek to deliver the project as approved. In the event a variation (which does not involve an increase to grant funding) is to be sought the following procedure is required to be undertaken:

- notify CEQL of the proposed change in scope seeking approval for the varied works
- provide details of the requirement to change the scope of works
- provide the costs associated with the variation.

Approvals

149 CEQL has delegated variation approvals as follows (for variations involving a reduction in grant funds or an increase in a local contribution):

- The Director, Resourcing Advocacy and Strategy to approve grant variations up to $250,000 and tabled with the Board quarterly.
- The Director, Resourcing Advocacy and Strategy and the Chief Executive Officer or Deputy Chief Executive Officer of CEQL to jointly

approve grant variations from $250,001 up to $500,000 and tabled with the Board quarterly.

- Project variations requesting additional grant funds greater than $500,001 must be referred to the Board for approval.
- Project variations because of increases in CSA Contributions are approved by the Chief Executive Officer or Deputy Chief Executive Officer of CEQL and tabled with the Board quarterly.

150 Variations of project scope and/or cost are required to be provided by CEQL to the relevant Minister for consideration.

Attachment 4 - Australian Government Right to Repayments

151 Sections 109 and 110 of the Australian Education Act 2013 and Section 64 of the Australian Education Regulations 2023 provide the Australian Government with a right to repayment for grants of more than $75,000, should a funding recipient, within the 20 years, sell or otherwise dispose of the facilities or cease to use the facilities principally for the purpose approved in the grant offer.

152 Under these guidelines, a CSA must notify and, upon request, repay to CEQL as BGA/CAA all, or part of, the grant monies if the school ceases to use the funded facilities principally for the purpose specified (and approved) in the grant offer, or the school ceases to provide primary education or secondary education or sells or otherwise disposes of the facilities. The repayment amount in all cases shall be calculated in accordance with the process provided in this Attachment.

153 The amount of funds repayable is dependent on the grant amount and the number of years the facility was used for the provision of primary or secondary education.

154 Examples of the recoverable amount are set out in the table below:

Total Grant Amount	Designated Use Period	Recoverable Portion	Example
$75,001 to $500,000	2 years plus one additional year for each $50,000 over $100,000 (rounded to the nearest full year)	Full amount will be recoverable up to half-way through the Designated Use Period, and then reduced by equal proportions of the total amount over the remaining period.	Grant amount $475,000: retain interest for 2 years plus 7.5 years (total rounded up to 10 years). The full amount recoverable up to 5 years then the amount to be recovered would be reduced by 20% of the total amount each year until $0is recoverable after the 10 years from the date of the commencement of

			the Designated Use Period.
$500,001 to $1.5M	10 years plus additional year for every $100,000 over $500,000 (rounded to the nearest full year)	Full amount will be recoverable up to half-way through the Designated Use Period, and then reduced by equal proportions of the total amount over the remaining period.	Grant amount $1m: retain interest for 10 years plus 5 years (total 15 years). Full amount recoverable up to 7.5 years then would reduce by 13.33% of the total amount each year to the end of 15 years.
Over $1.5M	20 years	Full amount will be recoverable up to half-way through the Designated Use Period then reduced by equal proportions of the total amount over the remaining period.	Grant amount $2m: retain interest for 20 years. Full amount recoverable over 10 years and then would reduce by 10% of the total amount each year to the end of the 20 years.

Right to Repayments Prior to 2009

155 The right to repayment arrangements were varied in 2009. The following right to repayment arrangements applies where a grant was approved prior to the issue of the 2009 *Administrative Guidelines: Australian Government Programs for Non-Government Schools*.

Calculated Portion of the Grant

156 The Calculated Portion of the Grant (i.e. the repayable amount)

repayable to the Australian Government is calculated as follows, where a grant was approved prior to the issue of the Administrative Guidelines for 2009:

- The Designated Use Period that the facility was used by the BGA Member for the Approved Purpose is:
  (i) 20 years where the facilities are buildings
  (ii) 5 years for computer equipment
  (iii) 10 years for equipment other than computer equipment.

- The Calculated Portion of the grant is calculated by applying a reduction of:
  (i) 5% where the facilities are buildings
  (ii) 20% where the facilities are computer equipment
  (iii) 10% where the facilities are equipment other than computer equipment to the Grant for each year during the designated use period that the facility was used by the BGA Participant for the Approved Purpose.

157 It should be noted that, on or after the date of issue of the revised program guidelines for 2009, the equipment cost component of projects was assumed to be funded under the school contribution component of project funding and does not receive any special consideration with respect to shorter Right of Repayment time periods. Where this may unfairly disadvantage a school e.g. when the equipment cost component exceeds the school contribution, the BGA may seek the Department's approval in writing of a modified Right of Repayment arrangement for the project which takes the shorter effective life of equipment into account.

Attachment 5 – Queensland Government Right to Repayments

158 In respect of grants greater than $75,000, the CSA must undertake to use the approved project for educational purposes for a period of 20 years. Failure to use the project for educational purposes could result in a liability of assistance repayment equal to 5% of assistance for each year of the 20-year period during which the building is not used for educational purposes.

159 In the case of furniture and equipment, the CSA must undertake to use items for educational purposes for the economic life of the item.

160 Under these guidelines, a CSA must notify and, upon request, repay to CEQL as BGA/CAA all or part of the grant monies if the school ceases to use the funded facilities principally for the purpose specified (and approved) in the grant offer, or the school ceases to provide primary education or secondary education or sells or otherwise disposes of the facilities. The repayment amount in all cases shall be calculated in accordance with the process provided in this Attachment.

161 The amount of funds repayable depends on the grant amount and the number of years the facility was used for the provision of primary or secondary education.