

# Tuition Protection Service Policy (Staff, International Students)

## Purpose

The purpose of this policy is to provide guidelines for RGIT Australia stakeholders to ensure that the institute, as a CRICOS Provider, abides by the Tuition Protection Service (TPS) requirements effective from 1st July 2012.

## Scope

This policy applies to prospective international students who have accepted a place at RGIT or to international students currently enrolled at the Institute.

## Responsibility

The Chief Financial Officer (CFO) is responsible for the implementation of this policy and to ensure that staff and students are aware of its application and procedures.

## Definitions

**TPS:** The Tuition Protection Scheme is a government scheme setting out the conditions for fee collection, refunds, financial management and student placement in the event of provider default. The TPS applies only to international students and CRICOS providers.

## TPS Requirements

Under the TPS, RGIT needs to do the following:

- Ensure that a limit of up to 50% of total tuition fees only is collected prior to student commencement, unless the course is 24 weeks or less
- Keep initial prepaid fees in a separate account until the student has commenced studies and has been listed as current on both the Student Management Systems and PRISMS
- Student refunds under visa refusal will be based on unexpended tuition fees rather than on the total course cost as was previously allowable under the *ESOS Act 2000*
- Follow payment guidelines as per the new TPS and maintain ACPET membership
- Meet all default obligations under the *ESOS Act 2000*
- Contribute to the TPS annually for all international students.

## Calculating Contributions to the TPS

RGIT and other public & private providers previously exempted will contribute to the TPS according to the risk presented to students and the sector. RGIT is required to pay a TPS levy each year calculated as per three main components and disclose information related to determining the amount of the levy.

## Reporting Timeframe

### Provider Default

RGIT defaults when one of the following occurs:

- a. RGIT fails to start the course on the agreed day and location
- b. RGIT ceases to provide a course at the location any time after the course commences but before it is completed

In the event of provider default:

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- Within 3 business days of the default occurring, RGIT will notify in writing the Secretary and the TPS Director (via PRISM) of the default.
- RGIT will discharge its obligations by providing options to students within 14 days after the default date. These obligations are:
  1. RGIT offers the affected students a place in an alternative course at RGIT's expense and the students accept this offer in writing
  2. RGIT provides the students with a refund based on any unspent pre-paid fees received by the institute.
- Within 7 days of discharging its obligations, RGIT will report the outcome of the default to the Secretary and TPS Director.

## Student Default

Student default occurs when:

- a. a course starts on the agreed date and at the agreed location but the student does not commence studies and has not formally withdrawn
- b. the student withdraws from the course either before or after the course start date
- c. RGIT refuses to provide the course to the student because of student non-payment of fees, breach of a condition of their student visa or student misbehaviour.

In the event of student default, RGIT will:

- a. Within 5 business days of the student default occurring, notify the Secretary and the TPS Director (via PRISMS) of the student default
- b. Within 28 days, finalise the student default obligations as set out in the written agreement entered into with the student at time of enrolment; these obligations include any refund requirements set out in the written agreement, if the student defaults
- c. Within 7 days of the 28-day provider obligation period ending, report the outcome of the student default to the Secretary and TPS Director (via PRISMS).

## Refunds in Other Cases

Where RGIT has not entered into a written agreement that complies with Section 47B, or where a student has been refused a visa, RGIT will pay the student a refund worked out in accordance with the legislative instrument under subsection 47E(4) of the Act.

## TPS Student Placement

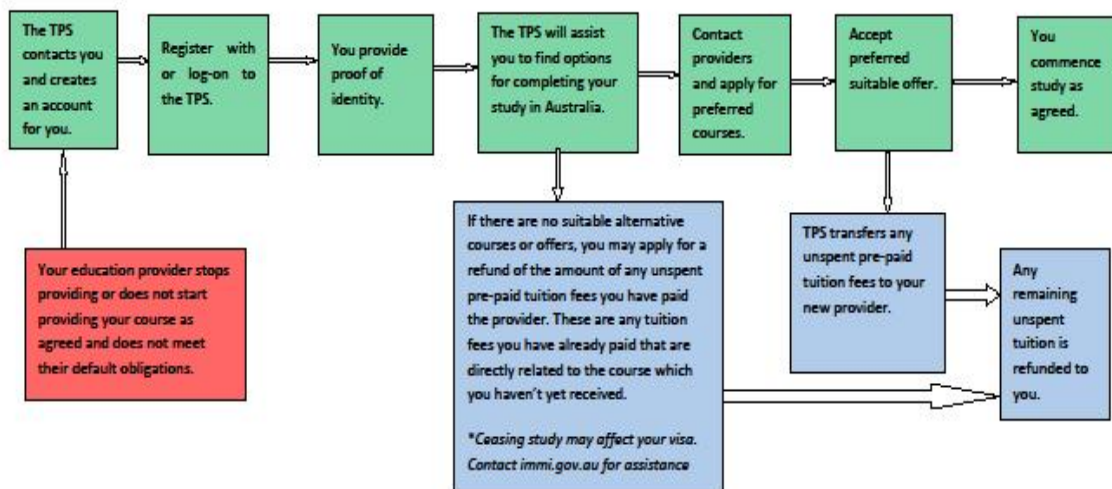
- In the event that RGIT defaults, or has failed to discharge, or is unlikely to discharge, its obligations under Section 46D of the *ESOS Act*, the TPS will provide the student with one or more options for alternative courses.
- The student may accept an offer in an alternative course. The acceptance must be in writing and must be finalised within 30 days of the provider obligation period, unless the TPS determines that extenuating circumstances apply.

The following flowchart provides an overview of options available to students in the event of RGIT default.

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*The TPS overview – how does it work for international students?*



**Note:** The above flow diagram is for guidance purposes only. To the extent that the diagram is inconsistent with the *Education Services for Overseas Students Act (the ESOS Act) 2000* the ESOS Act prevails. Providers should not rely on this diagram alone and must read the requirements in the ESOS Act.

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## Prepaid Fees

Tuition fees are any fees that are directly related to the provision of a course and only tuition fees are protected under TPS. RGIT will comply with *ESOS Act* limits on prepaid tuition fees as follows:

- RGIT will not receive more than 50% of the student's total tuition fee for a course before the student begins the course unless the course has only one study period which is 24 weeks or less, in which case 100% of total tuition fees can be received
- RGIT will not require payment of any remaining fees earlier than 2 weeks before the start of the student's second study period
- A student may voluntarily pay earlier than two weeks, but must not be required to do so
- An exception to this 2 weeks rule is if the outstanding fees are in relation to the first study period, or if it is a debt
- After the second study period for a course has commenced, there are no restrictions on when or how much tuition fees RGIT can collect

## RGIT Obligations Related to Designated Account

RGIT will maintain a designated account as follows:

- the account will be for initial prepaid tuition fees until a student commences studies
- it will be a normal bank account that allows deposits and withdrawals (not necessarily a trust account)
- with an Australian ADI (Authorised Deposit-taking Institute)
- will be a separate account from the day-to-day business operating account
- fees collected before a course has commenced must be paid into the designated pre-paid fee account within 5 business days of RGIT receiving the fees
- ensure at all times that there is a sufficient amount in the account to repay all tuition fees of non-commenced students
- will not use this money for the payment of other debts.

## Written Agreement with Students

RGIT will have written agreements with students that include:

- agreed start date
- default day (5 business days after agreed start date)
- prepaid fee information (as above)
- length of study period
- tuition fees for each study period
- approved unit of study
- refund requirements in case of student default, that is, a requirement to refund a student in accordance with the written agreement within 4 weeks after receiving the written claim, except in the case of visa refusal.

## Review History

Revision	Date	Description of modifications
1	August 2012	Original draft
2	January 2013	Overall editing and update
3	July 2013	Review
3.1	July 2013	Review