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Fee Protection Policy

Purpose and Rationale

Purpose: The purpose of this policy is to establish clear procedures for protecting student fees paid in advance for courses and programs at SGSCC. The policy ensures that student fees are securely managed and that appropriate mechanisms are in place to refund fees if the college is unable to deliver a course or program.

Rationale: Protecting student fees is essential to maintain trust and confidence in the college's financial management practices. This policy aligns with the Standards for Registered Training Organisations (RTOs) 2025, particularly Clause 18 and 19 and other relevant regulations, to ensure that student fees are protected against unforeseen circumstances.

Procedures and Implementation

1. Fee Collection and Limits

Prepaid Fee Limits:

SGSCC will not require students to prepay more than \$1,500 for any course or program before its commencement. This is in accordance with Clause 7.3 of the SRTOs, which limits the amount of fees that can be collected in advance unless a tuition assurance scheme or other approved fee protection measure is in place.

For courses where fees exceed \$1,500, the remainder of the fees will be collected as per a defined payment schedule, which spreads payments across the duration of the course.

Payment Schedules:

Payment schedules will be clearly communicated to students before enrolment. These schedules will be designed to ensure that the total amount of fees collected at any one time does not exceed the \$1,500 limit unless otherwise secured by an approved protection mechanism.

2. Fee Protection Mechanisms

Tuition Assurance Scheme:

SGSCC adheres to the Tuition Protection Scheme Act 2012 which plays a crucial role in protecting international's financial interests by ensuring that prepaid tuition fees are refundable in cases where SGSCC cannot deliver the agreed-upon education services.

SGSCC contributes to a Tuition Protection Scheme (TPS) Levy annually. This levy is used to fund the operations of the TPS and ensure that there are sufficient resources to cover the costs of placing students in alternative courses or providing refunds.

The TPS is a mechanism that helps international students affected by a provider default, which occurs when an RTO fails to start a course or ceases to provide a course after it has commenced. The service places affected students in an alternative course or provide them with a refund of their unspent tuition fees.

3. Management of Prepaid Fees

Segregation of Funds:

Prepaid student fees will be held in a separate account or managed in a way that ensures these funds are only used for the delivery of the course or program for which they were paid. This approach protects the funds from being used for other operational expenses.

The Finance Department is responsible for monitoring and managing these accounts to ensure that sufficient funds are available to cover potential refunds at all times.

Financial Record-Keeping:

Detailed financial records will be maintained for all student fees collected in advance, including the amounts received, the courses or programs to which they apply, and the balance of funds available. These records will be audited regularly to ensure compliance with this policy and regulatory requirements.

4. Refunds in Case of Non-Delivery

Full Refund for Non-Delivery:

If SGSCC is unable to deliver a course or program as agreed (e.g., due to closure, loss of accreditation, or other significant disruption), students will be provided with a full refund of any prepaid fees. Alternatively, students may be offered a place in an equivalent course with another provider at no additional cost.

The refund process will be initiated promptly, and refunds will be issued within 28 days of the course cancellation.

Notification to Students:

In the event of course non-delivery, SGSCC will notify affected students as soon as possible, providing details of the refund process or alternative arrangements. This communication will include information on how to claim a refund or transfer to another course.

5. Communication of Fee Protection Measures

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Pre-Enrolment Information:

Information about SGSCC's fee protection measures, including the \$1,500 prepaid fee limit and any tuition assurance schemes or other protections, will be provided to students before enrolment. This ensures that students are fully informed of how their fees are managed and protected.

This information will be included in the enrolment agreement, course brochures, and on the SGSCC website.

Student Acknowledgement:

As part of the enrolment process, students will be required to acknowledge that they have received and understood the information regarding fee protection. This acknowledgement will be documented in their student file.

6. Compliance and Monitoring

Regular Audits:

SGSCC's compliance with this fee protection policy will be monitored through regular internal and external audits. The audits will review the management of prepaid fees, the effectiveness of protection mechanisms, and adherence to regulatory requirements.

Any discrepancies or issues identified during audits will be addressed promptly to ensure ongoing compliance.

Policy Review:

This policy will be reviewed annually, or more frequently if required, to ensure it remains current and compliant with any changes in regulations or industry best practices.

Applicability and Responsibilities

Applicability: This policy applies to all students enrolled in courses or programs at SGSCC and to all staff involved in the collection, management, and protection of student fees.

Responsibilities:

- **Finance Department:** Responsible for managing the collection and protection of student fees, ensuring compliance with the \$1,500 prepaid fee limit, and maintaining financial records.
- **Compliance and Quality Assurance:** Responsible for ensuring that SGSCC's fee protection measures comply with all relevant regulations and standards, including Clause 7.3 of the SRTOs.
- **Student Services:** Responsible for communicating fee protection measures to students and assisting with any queries or concerns related to fee payments and refunds.

References

- **Standards for Registered Training Organisations (RTOs) 2025**, Clause 18 & 19: Outlines requirements for protecting student fees paid in advance. This clause focuses on limiting the amount of fee collected in advanced for students and ensuring there are mechanisms like a Tuition Assurance Scheme, bank guarantee, or trust account to protect those funds.
- **National Code 2018** – Standard 3: Formalisation of Enrolment and Written Agreements: address how registered providers must handle student fees, particularly with respect to prepayments and refund policy. This standard limit the amount of pre-paid tuition fees for international students and mandates participation in the Tuition Protection Service (TPS) to ensure that student fees are protected if the provider is unable to deliver the course.
- **Australian Consumer Law**: Provides guidelines for fair trading practices, including the handling of prepaid fees and refunds.
- **Tuition Protection Scheme (TPS)** (where applicable): A mechanism that provides protection to international students in the event that a provider is unable to deliver their course.