

PP2.8 – Fees and Refunds

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| Policy area | Student Support |
| Standards | Outcome Standards for RTOs, Standard 2.1 (c) (iii), (d), (e) Compliance Standards for RTOs for RTOs, Requirement 18 and 19 |
| Responsibility | General Manager, Education Quality Assurance Manager, Coordinators, Administration staff |
| Classification | Public |

1. Purpose

The purpose of this policy and procedure is to ensure:

- Students have access to clear and accurate information about fees and charges to make informed decisions about the services offered by Smart Training & Consulting
- the student's rights as a consumer are protected
- the student is informed about any changes to the services offered, the training product they are enrolled in or the terms of our service to them
- the student has access to fair and reasonable refund arrangement
- the amount a prospective or current student is required to pay in advance of a services being delivered is not to exceed a total of \$1,500

2. Definitions

Training product means AQF qualification, skill set, unit of competency, accredited short course and module.

Short course means a low cost, short duration with a small number of units of competency usually conducted over 1-5 days. These courses usually relate to specific skills required in the workplace or required due to licencing or certification requirements.

Long course means a course designed to prepare the student to perform a vocational occupation such as a full qualification or a substantial course made up of multiple units of competency. These courses are usually delivered over many weeks or years.

The threshold for prepaid fee amount means the amount of fees a prospective or current student can be required to prepay is in excess of a total of \$1,500. The purpose of a threshold for prepaid fee amounts is to limit the amount of money that can be required for payment by a student in advance of a service being delivered. It is a consumer protection measure.

Enrolment fee means a payment required to be paid by a student enrolling into a Long Course to cover the cost of administering the enrolment.

Tuition fee means the payment required to be paid by the student to cover the cost of materials, textbooks, student services and training and assessment services.

3. Policy statement

3.1 Fees Payable

Smart Training & Consulting charge fees for services provided to students undertaking training and assessment. These charges are generally for items such as course materials, textbooks, student services and training and assessment services.

Fees are payable at different stages depending on the type of course the student is enrolling in. As an example:

- for a Short Course, the total fee may be required to be paid at reception at the point when the student is enrolling for the course.
- for a Long Course with a scheduled start date, the student will be required to make a payment for their initial payment within 5 days of being issued an invoice or prior to the course commencing, whichever occurs first.

Our Quotation for Services will detail all program specific fees. It will also include our Standard Schedule of Fees and Charges.

The payment requirements for all courses are specified within the activity's *Quotation for Services*. The document will identify the amount and when the initial payment must be made and any subsequent payments that are due as the course progresses. This information is provided to the prospective student as part of the pre-enrolment information process and is accompanied by the outline of the course being offered and the *Student Handbook*.

Smart Training & Consulting may discontinue training if fees are not paid in accordance with the agreed *Quotation for Services*. If a payment is required prior to a service being delivered, the student is not permitted to undertake the service unless prior approval has been given by the General Manager.

Where services are being delivered directly to another business, such as where an employer is engaging Smart Training & Consulting to deliver training to a group of its employees, this is a business-to-business service arrangement, and fees will be invoiced as agreed between Smart Training & Consulting and the client. These arrangements are not subject to the threshold for prepaid fee amount, and the total amount of fees can be invoiced at any time that is agreed between the parties.

Changes of tuition fees will not apply to students who have paid and or have already commenced their course.

3.2 Payment methods

Smart Training & Consulting accepts payment for fees using the following payment methods:

- Cash in person
- Credit Card either in person or over the phone
- Direct bank deposit

Please refer to our invoice for payment options.

3.3 Fees Paid in Advance

Smart Training & Consulting is not to require prospective or current students to prepay fees in excess of the threshold for prepaid fee amount which is in excess of a total of \$1,500. This is an important consumer protection measure to limit the amount of fees that a student can be charged in advance of the services being delivered to the student.

Subsequent payments are based on the costs of the students training and assessment which is yet to be delivered and these payments will be proportioned over the course duration. As a general guide, Smart Training & Consulting should design a schedule of fees for a course to maximise the amount of money that can be charged in advance of the service being delivered but, at no point is this to exceed the threshold for prepaid fee amounts. The purpose of maximising the amount of fees that are being charged in advance of the service being delivered is to ensure that Smart Training & Consulting is in receipt of money required to pay for services particularly where Smart Training & Consulting is incurring costs in advance of the planned service. The schedule of fees proportioned over the course duration is outlined within the *Quotation for Services*.

If the cost of the course is less than \$1,500, generally the full amount will be requested for payment prior to the course commencing.

As outlined at section 3.1, Where services are being delivered directly to another business (business to business service arrangement) these arrangements are not subject to the threshold for prepaid fee amount, and the total amount of fees can be invoiced at any time that is agreed between the parties.

3.4 Fees and Charges

- a. Standard fees for the following items will apply, and are also outlined in the *Student Handbook*:
- Fees for re-issuing a certificate or statement of attainment
 - Fees for replacement of learning resources or assessment materials
 - Fees for Recognition of Prior Learning as an assessment pathway
 - Fees for reassessment, applicable after allowable attempts are exhausted

| Item | Cost |
|---|--|
| Re issuance of certificate or statement of attainment | \$25.00 |
| Replacement of hard copy Learner Guide | \$20.00 (plus postage fees where applicable) |
| Replacement of hard copy assessment documents (such as Student Assessment Workbook) | \$10.00 (plus postage fees where applicable) |
| Recognition of Prior Learning (per unit fee) | \$350.00 |
| Reassessment fee (per unit fee) | \$200.00 |

- b. A *Quotation for Services* applicable to individual programs will be provided to prospective learners/ clients, as part of our pre-enrolment information. This will outline standard fees as well as course specific costs including:
- any additional fees such as fees for re-issuing an AQF certificate, re-assessment fee or other miscellaneous charges
 - payment terms, including the timing and amount of fees to be paid and any non-refundable amounts or administration fees
 - consumer protection arrangements
 - payment methods
 - any discounts, fee reductions or exemptions available for multiple enrolments, concession card holders, continuing students, group bookings etc

NOTE: a *Quotation for Services* will also be developed for products and services that Smart Training may deliver, that extends beyond training and assessment, for e.g. Consultancy Services

The *Quotation for Services* is an important component of the Smart Training & Consulting pre-enrolment information which is to be presented to the student systematically once we have received an enquiry about our services prior to their enrolment or their commencement, whichever occurs first. This information is made up of a number of information products including the following:

- **advertising and marketing material** which communicates information to the student about the services to be provided in the training product in which they have expressed their interest.
- the **Student Handbook** which communicates information to the student about Smart Training & Consulting, its support services and the student's rights and obligations.

These documents combined form part of our *Terms of Service* with the student and the student is required to acknowledge these requirements as part of their enrolment.

3.5 Refunds policy

The following refund policy statements apply:

- i. Where the course is a designated short course and the individual student is responsible for the fee- students are not required to pay before enrolment. Where payment and enrolment has occurred, no refund will apply if the student chooses to withdraw their enrolment.
- ii. Where an individual student is responsible for the fee- they are required to pay either a deposit or their full fee (if less than \$1500) at least 2 business days prior to commencement unless a payment plan has been approved. A Student who gives notice to cancel their enrolment, prior to the commencement of a course or within the first 10 business days, will be entitled to a 75% refund of fees paid. The amount retained (25%) by Smart Training & Consulting is required to cover the costs of staff and resources which will have already been committed based on the student's initial intention to undertake the training. The full fee of any invoice issued will apply for any student who attends more than two weeks training.
- iii. Where a third party is responsible for student fees- the nature of the third-party arrangement will vary depending on the client. A quotation for training services or a third-party agreement will outline the fees applicable in each arrangement. Generally, full fees will apply for any student who attends for two + weeks of training (census date). If a student who has agreed to enrol withdraws before commencement and fees have been charged, the third party may exchange the student for another. If a student withdraws within the first two weeks of training, 50% of any fees paid will be refunded to the third party.

Discretion may be exercised by the General Manager in all situations.

All requests for refund of fees must be made in writing using the *Refund Request Form* which may be obtained from Smart Training & Consulting reception. The form must be signed by the student or third party.

Where refunds are approved, the refund payment must be paid to the student or third party within 14 days from the time the student gave written notice to cancel their enrolment. Tuition refunds are to be paid via electronic funds transfer using the authorised bank account nominated by the student or third party on the *Refund Request Form*.

The following outlines the Smart Training & Consulting refund policy in action against various circumstances and situations:

- Refunds for textbooks - Where a student has purchased a textbooks or training workbooks and subsequently cancels, Smart Training & Consulting will not provide a refund monies for a textbooks or training workbooks.
- Non-transferable - Smart Training & Consulting refunds are not transferable to another person or RTO.
- Refunds for classes missed - No refunds will be made for classes missed due to exams, excursions, or other obligations that fall outside the normal schedule of classes.
- Intake numbers are insufficient - Smart Training & Consulting reserves the right to cancel a course if intake numbers for a scheduled course are insufficient. In the unlikely event that Smart Training & Consulting cancels a course if intake numbers are insufficient, the student will receive a full refund.
- Behaviour Misconduct - Students who demonstrate behavioural misconduct after being formally warned are to have their enrolment cancelled and will not be entitled to a refund (ref to *PP2.7- Behaviour Misconduct*).

3.6 Replacement of text and training workbooks

Students who require replacement of issued text or training workbooks will be liable for additional charges to cover the cost of replacement. For a full list of replacement charges please refer to the applicable Smart Training & Consulting *Quotation for Services*.

3.7 Statutory cooling off period

A statutory cooling off period (which is 10 days) is a period of time provided to a consumer to allow them to withdraw from a consumer agreement, where that agreement was established through unsolicited marketing or sales tactics. These include tactic such as door-to-door sales and telemarketing. A statutory cooling off period allows a consumer to withdraw from a sales agreement within 10 days of having received a sale contract without penalty. Smart Training & Consulting do not engage in unsolicited marketing or sales tactics and therefore a statutory cooling off period in not applicable to our students who

have enrolled into a course. For refund option in other circumstances, students must refer to the above refund policy.

3.8 Consumer Protection and Guarantee

If Smart Training & Consulting cancels or ceases to provide planned training, Smart Training & Consulting must issue a full refund for any services not yet provided. The basis for determining “services not yet provided” is to be based on the units of competency completed by the student and which can be issued in a statement of attainment at the time the service is ceased. As an example: A student enrolled in a course of 2 units of competency and paid \$600.00 up front as the total course fee. The course was cancelled due to the trainer falling ill and the student at that time had completed 1 of the 2 units. The student’s enrolment would be finalised, and the student would receive a Statement of Attainment for the 1 completed units. The student would also receive a refund of \$300.00 which represents that value of the training not delivered.

Students’ undertaking a vocational education and training course are protected under Australian Consumer Law and under State and Territory consumer protection laws. These protections include areas such as unfair contract terms, the consumer guarantees, to statutory a cooling-off period, and unscrupulous sales practices. More information about consumer rights can be accessed from the Australian Consumer Law website which includes a range of helpful guides relating to specific areas of protection. Please visit the Australian Consumer Law website for more information.

Students who are unhappy with Smart Training & Consulting arrangements for the collection and refunding of tuition fees are entitled to lodge a complaint. This should occur in accordance with Smart Training & Consulting complaints policy and procedure (ref to *PP2.9-Complaints Handling*).

3.9 Payment of GST

GST is exempt under section 38-85 *GSTR 2003/1 Goods and Services Tax*, tax ruling. The ruling explains the supply of a course for ‘professional or trade course’ is a GST-free education course.

Please contact the ATO for further information.

Where a student is enrolled in a course which is offering units of competency or a whole qualification, the course fees attached to this enrolment will be exempt from the payment of GST.

GST does apply on the payment of some miscellaneous charges where these charges are in addition to and outside the normal services offered in a course. Please refer to Smart Training & Consulting Quotation for Services for details of what GST is, and is not, applied to.

3.10 Changes to terms and condition

If at any time there is a change to the agreed services to be provided or policies relating to the student's rights and the payment of fees and other charges, Smart Training & Consulting must advise current students in writing (email) prior to any of these changes coming into effect. This includes changes to course delivery arrangements, changes to ownership or third-party arrangements, changes caused by training product transition, or changes to our policies and procedures.

Students are to be notified of any changes to terms and conditions 28 days prior to these changes coming into effect. On being informed of these changes, students have the right to appeal the decision of Smart Training & Consulting if the decision effects the terms of their enrolment or the services agreed to at the beginning of their enrolment. The appeal of any decision is to be handled in accordance with the Appeals Policy and Procedure (ref to *PP2.10- Appeals Handling*).

4. Considerations

None

5. Procedure

| Steps | Person/s responsible |
|-------------------------------------|--|
| 5.1 Invoicing fees | |
| i. | The Coordinator will be notified by the LMS or the administration staff when a new enrolment is complete – Refer to <i>PP2.2 - Enrolment</i> . |
| ii. | Prepare an invoice for fees according to the <i>Quotation for Services</i> . Invoicing individual students: Invoices must not exceed \$1500. Invoicing a business: Invoices to employers may exceed \$1500. Fees with employers may be negotiated directly through a commercial contract/ third party agreement and pre-paid fee protections do not apply. |
| iii. | Monitor payments received. Record in <i>Fees Tracker</i> in Financial electronic folder. |
| Coordinator | Coordinator, Accounts Department |
| Coordinator and Accounts Department | |

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| iv. | Issue receipt/ remittance once payment is received. | Administration Staff (cash payments), Accounts Department |
| v. | Where a subsequent payment/s is required, the coordinator will record the details for invoicing subsequent payment/s and invoice accordingly in the <i>Fees Tracker</i> . | Coordinator |
| Steps | | Person/s responsible |
| 5.2 Processing Refunds | | |
| i. | Smart Training & Consulting staff who are approached with initial notice of cancelation are to ensure the student understands their rights with regards to the refunding of fees. | All staff |
| ii. | A student who wishes to cancel their enrolment must give notice in writing. All requests for refund of fees must be made in writing using the <i>Refund Request Form</i> which may be obtained from Smart Training & Consulting reception or from the website. The form must be signed by the student/ third party. | Coordinator |
| iii. | Provide students seeking a refund with a <i>Refund Request Form</i> . Students' who may not be eligible but are requesting a refund should also be provided with the <i>Refund Request Form</i> so the request can be properly considered by the General Manager. | All staff, General Manager |
| iv. | The General Manager or delegate will consider all Refund Requests and inform the coordinator whether the request is approved or not approved. The coordinator will inform the student/ third party | General Manager or delegate, Coordinator |
| v. | If the request is not approved, the student will be notified of their right to appeal. Refer to: <i>PP2.10 - Appeals Handling</i> . | Coordinator |
| vi. | The General Manager or delegate will determine the appropriate refund based on the Refund Policy and will process the Refund Request within 14 days to the student/ third party nominated bank account. | General Manager or delegate |

6. Other documents to consider with this policy

Policies

- PP2.2 - Enrolment
- PP2.9 - Complaints Handling
- PP2.10 - Appeals Handling

Forms

- Refund Request Form
- Quotation for Services
- Complaints Handling Form
- Request to Appeal a Decision Form

Handbooks, manuals or other documents

None.

7. Reference(s)

Outcome Standards for RTOs, Standard 2.1 VET students have access to clear and accurate information, including to make informed decisions about the training product and the RTO, and are made aware of changes that affect them. The RTO demonstrates: (c) (iii) any fees and costs payable by the VET student, including payment terms and conditions, refund policies and the availability of any relevant government training entitlements and subsidy arrangements, (d) prior to enrolment or before any fees are required to be paid, written information is provided to the VET student about the agreed training to be provided, the amount of any fees to be paid by the VET student, and the VET student's obligations, (e) how it identifies changes that affect VET students, including transition of superseded, deleted, or expired training products, and informs VET students of these as soon as practicable.

Compliance Standards for RTOs for RTOs, Requirement 18. Where fees are prepaid, there are systems in place to ensure refund of these fees if the RTO is unable to deliver the agreed training and assessment.

Compliance Standards for RTOs for RTOs, Requirement 19. Where the RTO requires, either directly or through a third party, a prospective or current VET student to prepay fees in excess of a total of \$1,500 (being the threshold prepaid fee amount), the RTO must meet the following fee protection requirements:

a) If the RTO is a Government Entity or an Australian University and is unable to provide services for which the VET student has prepaid, the RTO must have a policy outlining how the VET student will:

- i) be placed into an equivalent course such that the new location is suitable to the VET student; and the VET student receives the full services for which they have prepaid at no additional cost to the VET student, or
- ii) be paid a refund of any prepaid fees for services yet to be delivered above the threshold prepaid fee amount.

b) All other RTOs must implement one or more of the following arrangements:

- i) The RTO holds an unconditional financial guarantee from a bank operating in Australia where:
 - I. the guarantee is for an amount no less than the total amount of prepaid fees held by the RTO in excess of the threshold prepaid fee amount for each VET student for services to be provided by the RTO to those VET students; and
 - II. all establishment and ongoing maintenance costs for the bank guarantee are met by the RTO.
- ii) The RTO holds current membership of a Tuition Assurance Scheme approved by its VET Regulator which, if the RTO is unable to provide services for which the VET student has prepaid, must ensure:
 - I. the VET student will be placed into an equivalent course such that the new location is geographically close to where the VET student had been enrolled, and the VET student receives the full services for which they have prepaid at no additional cost to the VET student; or
 - II. if an equivalent course cannot be found, the VET student is paid a refund of any prepaid fees for services yet to be delivered above the threshold prepaid fee amount.
- iii) Any other fee protection measure approved for the RTO by the VET Regulator.

Please see websites for further reference:

Australian Consumer Protection laws

ATO GST reference

