

Tuition Protection Service (TPS) Policy

Purpose

ELC as a CRICOS provider delivering educational services to overseas students, ensures that the conditions for fees collection, refunding fees and financial management comply with the conditions outlined in the Tuition Protection Service (TPS) for Education Providers.

In addition to the TPS, a range of associated reporting requirements on PRISMS are now integrated to protect the integrity of international education services being provided in Australia, to international students.

Tuition Protection Service Overview

- The Tuition Protection Service (TPS) is a placement and refund service for international students
- TPS helps international students if their education provider closes, stops offering their course, fails to start their course or discontinues units of study they are enrolled in.
- The TPS is like insurance cover with premiums based on risk and aims to place students in an alternative course in the case of provider default (and pay refunds as a last resort)
- The TPS is managed by the TPS Director who is responsible for delivering the service and ensuring the long-term sustainability of the accounts.

The benefit to student and provider

The TPS gives students greater control and responsibility within the placement process, by allowing students to make a choice from available alternative placement options. A more direct relationship in placements between affected students and prospective providers, should lead to a more efficient and effective outcome for students and the sector as a whole. Students should also benefit from a more timely manner placements, or refunds where necessary and a smoother transition to new providers.

In a situation where a student cannot find an alternative course during the placement period or their provider closes, the student is eligible to request a refund of the unexpended portion of pre-paid tuition fees.

Partial Refunds

Should a situation arise where ELC defaults and is no longer able to deliver a registered course, ELC will not be required to pay a full refund to all affected students. Instead, if ELC is unable to place an affected student in an alternative course, ELC will refund the difference between what the student has paid and the value of the tuition already delivered, before the default. The method for calculating the partial refund has been developed in consultation with sector peak bodies and is being given effect through legislative instruments. This method will also be used by the TPS director to determine payment to be made to alternative providers when placing students. Limited refund amount to unspent prepaid tuition is fair for providers and helps meet obligations to students.

TPS requirements

Under the ESOS legislation, and the TPS requirements:

- ELC ensures that a limited of up to 50% of total tuition fees may be collected prior to student commencement unless a course is 25 weeks or less.
- ELC will keep initial prepaid fees in a separate account until the student has commenced studies and are current on both the student database 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.
- ELC must meet all default obligations under the Education Services for Overseas Students (ESOS) Act 2000
- ELC will contribute to TPS annually for all international and fee for service students

Calculating Contributions to TPS

The Tuition Protection Service (TPS) is a universal system and ELC as well as public providers will contribute according to the risk presented to students and the sector. ELC is required to pay TPS levy each year and the levy amount is the sum of the following components:

1. Administrative component (determined by the Minister of Education)
2. Base fee component (determined by the Minister)
3. Risk-rated premium component (determined by the TPS Director)
4. Special tuition protection component (determined by the TPS Director)

ELC Requirements for Implementation

ELC has a designated account for the prepaid tuition fees for non-commenced students. This will be a normal ELC bank account, that allows deposits and withdrawals and is separate from the ELC day-to-day operating account. Therefore, it does not need to be a trust account.

ELC has established process to comply with the reporting requirements:

- ELC to notify the Secretary and TPS Director via PRISMS of **PROVIDER DEFAULT** within three (3) business days and the student in writing
- ELC to notify the Secretary and TPS Director via PRISMS of **STUDENT DEFAULT** within five (5) business days and the student in writing
- ELC to notify the Secretary and TPS Director via PRISMS of the **DEFAULT OUTCOME** within seven (7) days of provider obligated period

Obligations in case of PROVIDER DEFAULT

ELC has an obligation in case of provider default that, within 14 days ELC will:

- either offer the student an alternative place at ELC's expense, that is accepted by the student in writing, or
- refund the student the unused portion of the prepaid fees

TPS Student Placement

If ELC, as a registered provider of an alternative course offers the student a place in the course, the student may accept the offer in writing within 30 days after the end of the provider obligation period, unless the period is varied by the TPS Director.

Notifying PRISMS of student default

ELC to notify through PRISMS within five (5) business days student default(s) as follows:

- student voluntarily withdraws from the course, including details of last day of attendance, attendance percentage and academic results
- certain limited circumstances, where a student is not permitted to undertake the course
- student has not commenced their course on the agreed starting day as entered on their confirmation of enrolment. However, if ELC is able to contact them within five (5) business days renegotiate a new starting date, then no student default is required.
- where the student is onshore, then the renegotiated date will be the default start date, five (5) business days after the start date
- for other student defaults such as non-payment of fees, the five (5) business days for notification do not start until the student has had the opportunity to access complaints and appeals and these processes have been finalised confirming the default

Giving information about accepted students

ELC will report particulars of a breach by an accepted student of a prescribed condition of a student visa on PRISMS, even if the student has ceased to be an accepted student at ELC. An ELC student cannot avoid being reported to DHA for a non-attendance, or failure to progress by cancelling their CoE with ELC.

Notifying the OUTCOME OF STUDENT DEFAULT

ELC to notify the Secretary (or delegate) and TPS Director of outcome of discharge of obligations in case of student default within seven (7) days of the end of the default period.

REPORTING TIMEFRAME

PROVIDER DEFAULT

Reporting requirements in case of Provider default:

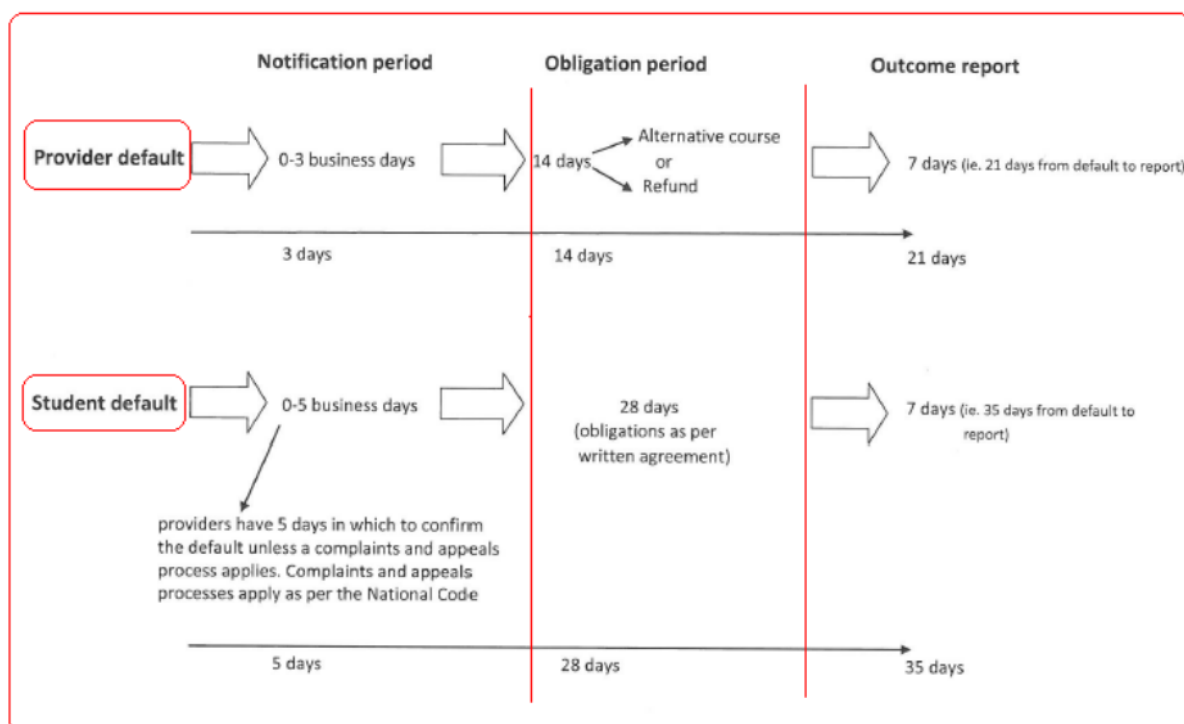
- ELC will notify in writing the Secretary and the TPS Director (via PRISMS) of its default within 3 business days of the default occurring
- ELC will discharge its obligations by providing options to students within 14 days after the default date and
- A further 7 days to report the outcome of the provider default (via PRISMS)

STUDENT DEFAULT

Reporting requirements in case of non-payment of fees, breach of condition of their student visa or misbehaviour:

- 5 business days to notify the Secretary and the TPS Director (vis PRISMS) of the student default
- 14 days to report cancellation of the student’s enrolment to DHA (via PRISMS) (i.e. a section 19 report)
- 28 days to finalise the student default obligations as set out in the written agreement with the student and
- a further 7 days to report the outcome of the student default (via PRISMS)

REPORTING TIMEFRAME OF PROVIDER DEFAULT & STUDENT DEFAULT



RECORD KEEPING PURPOSE

ELC keeps records of each accepted student who is enrolled or who has paid any tuition fees for a course provided by ELC. These records are kept for two years after the person ceases to be a student. ELC also keeps student records related to academic progress, and the purpose of this measure is to:

- make it easier to contact students affected by a provider closure and to facilitate timely and accurate placement in an alternative course
- improve protection for the welfare of students
- ensure students are kept informed of course progress and to support the timely identification of and intervention where a student is not making good course progress and
- improve provider business practice through effective student information system

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Tuition Protection Service (TPS) Policy v4.1_April 2024

ELC systems and processes comply with the record-keeping requirements as follows:

1. ELC systematically ensure that students update their contact details at least every study period (9 weeks not including study breaks) to include their current residential address, mobile phone number and email address.
2. ELC keeps and maintains up-to-date academic records for every unit of competency completed and assessed.

PREPAID FEES

ELC complies with the limits on prepaid tuition fees as follows:

- ELC will not receive more than 50% of the student's total tuition fee for a course, before the student has begun the course, unless the course is 25 weeks or less.
- ELC will not require any remaining fees earlier than two (2) weeks, before the start of the student's second study period
- a student may voluntarily pay earlier than two weeks, but will not be required to do so
- an exception to this two (2) weeks rule is, if the fees are in relation to the first study period or if it is a debt
- after the second study period there are no restrictions on when, or how much tuition fees ELC collects
- Tuition fees are, any fees that are directly related to the provision of a course
- Only tuition fees are protected under the TPS
- ELC Letter of Offer complies with the limits on prepaid fees

ELC Written Agreement with Students

ELC must have a written agreement with students that includes:

- Agreed start date
- Default day (5 business days after agreed start date)
- Prepaid fee information
- Length of study period
- Tuition fee for each study period
- Refund requirements in case of default
- Requirement to refund a student in accordance with the written agreement, within 4 weeks after receiving the written claim except for visa refusal

REFUND in other cases

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