Purpose and Scope
To ensure adequate processes are in place to account for monies received from students who directly deposit funds with Excelsia College to pay for their fees, and for the handling of payments, including the refund of course fees and other matters that are required for compliance with the Educational Services for Overseas Students Act 2000 (ESOS Act).

Responsibilities
Chief Financial Officer
Manager, Finance, Accounting and Administration
Accountant

Procedure
1. GENERAL
Excelsia College operates two bank accounts in addition to the College Operating Account to receive tuition fees from both domestic and international students. Both bank accounts, titled the NTA (Nominated Tuition account) and the TPS Escrow (Tuition Protection Service), are designated to facilitate the collection of upfront fees. Excelsia College adopts a no cash on premises payment policy but accepts fees paid by credit card and EFTPOS.

Under the Tuition Protection Service which came into effect on July 2012, a designated bank account titled TPS Escrow was established to collect fees of international students prior to their commencement of studies.

Under the new Scheme, there is a limit on the amount of fees that can be requested from the students. This limit is up to 50% of total course tuition fees. If a student pays more than 50% of total course fees before commencing, we must pay back any amount in excess of the 50% amount (unless the course is 24 weeks or less where 100% of fees can be collected). Where fees are less than 50% of the total course and where a current balance remains in the Escrow account after paying the current term, these funds must be kept in the TPS Escrow account until the following semester when fees can then be transferred to our Operating Account after Census Date. After the student commences, we do not require a student to pay any further fees until 2 weeks before the start of the second study period.

In the case of a course cessation, changes have been made that limit any student fee refunds to the outstanding amount remaining on the course that is uncompleted where a valid basis has been agreed.

2. RECEIPT OF FUNDS
Domestic Students
Deposits (cheque and credit card) are deposited into the College Operating Account. EFT transfer and cash payments made by students are deposited directly into the NTA account, to enable better accounting controls and reconciliation with the College Operating account. These funds are then transferred back into the College Operating Account.
Overseas Students
All funds including cheques, cash deposits and EFT will be deposited into the TPS Escrow account. Credit card payments made into the College Operating Account will be transferred into the TPS Escrow account within 24 hours by the Manager Finance, Accounting and Administration.

For Noting:
(a) Up until 30 June 2012, Excelsia College had membership of an overseas tuition assurance scheme, and has been regularly assessed as complying with the requirements of the ESOS Act and its legislative predecessors.

(b) From 1st July 2012, Excelsia College designated the TPS Escrow Account for the management of the prepaid tuition fees of all overseas students.

3. TPS ESCROW DRAWDOWNS
A number of payments are made from this account:

(a) Transfer of designated term tuition fees to Operating Account: Overseas student fees will be transferred out of the TPS Escrow Account to the College Operating Account only after Census Date to ensure adequate provision for refund is available under the new Tuition Protection Service requirement.

(b) Refund of monies to Students: Any refunds to students are covered by the College’s Refund Policy, which is well communicated to all students including in the Student Handbook, distributed to students annually and always available on the website. Only monies that have previously been deposited in the TPS Escrow account will be refunded from this account. Otherwise refunds are made from the main College Operating Account via EFTPOS or credit card facility where students’ fees have already been transferred after Census Date. The Manager Finance, Accounting and Administration will review the relevant Paradigm report prior to payment, to ensure that a refund claim from the student is valid.

(c) Compliance with the ESOS Act: The Tuition Protection Scheme sets out the requirements regarding refunds of tuition fees to students where either a course does not commence or a student withdraws before a course commences. In the unlikely event that Excelsia College is unable to deliver a course in full, the student will be offered a full refund of the unexpended portion of pre-paid tuition fees for the course which cannot be completed because Excelsia College has ceased providing the course. The refund will be paid within two weeks of the day on which the course ceased being provided. Alternatively, the student will be offered an equivalent course with another private education provider. (Refer to Tuition Assurance Statement).

4. MONTHLY RECONCILIATION
The following reconciliations are carried out each month:
1. Bank Reconciliations, up to the last transactions for the month
2. General Ledger Reconciliation
3. TPS Escrow Account reconciliation.

All these reconciliations will ensure that all transactions have been processed correctly and, where errors are detected, that adjustment entries are made promptly.

5. MONTHLY JOURNAL ADJUSTMENTS
The following journals are compiled each month:

(a) All monies received into the TPS Escrow account, and refunds from the account are journalised as part of the month end program.

(b) All refunds from the TPS Escrow account, Operating account or credit card facility are journalised to the individual debtor’s accounts by means of an adjustment credit.
6. RECORD KEEPING
The ESOS Act also requires proper records are kept for every student who is enrolled or has paid course monies and which will be reviewed as part of the external audit.

Full student details are to be kept that includes the student’s residential address and other details that are required by the regulations. These records must be kept for at least two years.

7. STUDENT AGREEMENTS
From 1 July 2012, agreements with International students reflect TPS arrangements.

References and Related Documents
Educational Services for Overseas Students Act 2000
Overseas Student Health Cover Procedure
Tuition Assurance Statement
Refund Policy Domestic students
Refund Policy Overseas students

Document Status

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