Tuition Protection Services (TPS) Policy and Associated Procedures

Purpose of the policy

AICC is committed to delivering high-quality educational services to overseas students while ensuring full compliance with the Tuition Protection Service (TPS) requirements for education providers. This policy establishes the framework for the collection and refund of fees, as well as the financial management practices necessary to safeguard students' interests.

In addition to adhering to TPS regulations, AICC integrates relevant reporting requirements on PRISMS to uphold the integrity of international education services in Australia. To support a fair and transparent process, AICC prioritizes informal resolution of complaints and disputes. Students are encouraged to promptly raise any concerns with a staff member to seek a timely and amicable resolution.

This policy meets the requirements of ESOS Act 2000, ESOS Regulation 2001 as amended and the National Code of Practice for Providers of Education and Training to Overseas Students 2018.

Policy statements

Overview

The Tuition Protection Service (TPS) is a safeguard for international students, providing placement and refund assistance in cases where their education provider is unable to deliver their enrolled course. This may occur due to provider closure, failure to commence the course, discontinuation of study units, or other circumstances of provider default.

Functioning similarly to an insurance system, the TPS calculates premiums based on risk and prioritizes placing affected students into suitable alternative courses. Refunds are issued only as a last resort if a suitable placement is not available. The TPS is overseen by the TPS Director, who is responsible for managing the service and ensuring the long-term financial sustainability of the protection framework.

TPS Requirement

AICC must comply with the Tuition Protection Service (TPS) requirements to safeguard international students' prepaid tuition fees and ensure financial accountability. These requirements include:

- Fee Collection Limits: AICC may collect a maximum of 50% of the total tuition fees before the student commences their course, unless the course duration is 12 weeks or less. Students must provide written consent if they choose to pay more than 50% upfront.
- Prepaid Fees Management: Initial prepaid tuition fees must be held in a separate designated bank account until the student has commenced their studies and is officially recorded as active in both the RTOManager and PRISMS.
- Refunds for Visa Refusal: Refunds due to visa refusal will be calculated based on the unexpended portion of prepaid tuition fees, rather than the total course cost, as per the ESOS Act 2000.
- Provider Default Obligations: In the event of provider default, AICC must either:
    - Offer the student an alternative placement at no additional cost, subject to the

student's written acceptance, or

- Refund the student for the unused portion of prepaid tuition fees within 14 days.

- Reporting Requirements: AICC must notify the Secretary and TPS Director via PRISMS of:
  - Provider Default within three (3) business days, and inform the affected student in writing.
  - Student Default within five (5) business days, including cases of non-commencement, voluntary withdrawal, or non-compliance with visa conditions.
  - Default Outcome within seven (7) days of the provider's obligated period.
- Annual TPS Contribution: AICC is required to make annual contributions to the TPS for all international and fee-for-service students to ensure ongoing financial sustainability of the protection framework.

By adhering to these requirements, AICC upholds the integrity of Australia's international education sector while protecting students' rights and financial interests.

Procedures for collection, monitoring and transfer of pre-paid tuition fees

AICC maintains a designated account for prepaid tuition fees of non-commenced students. This account is a standalone AICC bank account that allows deposits and withdrawals but remains separate from the organization's daily operating account. As it is not a trust account, it is managed in accordance with financial compliance requirements.

Each week, the AICC CEO/PEO will generate the Protected Tuition Fee report from PRISMS and provide it to the Accounts department for verification against the actual received amount in the designated account. The Accounts department must confirm with the AICC CEO/PEO that the received amount is not lower than the Protected Tuition Fee. If any discrepancies arise, the AICC CEO/PEO and Accounts must conduct an immediate investigation to ensure accuracy.

The prepaid tuition fees can only be transferred from the standalone AICC bank account to normal daily operating account after the student commences training.

Refunds

In the event that AICC defaults and is unable to deliver a registered course, it is not required to provide a full refund to all affected students. Instead, if AICC cannot place an affected student in an alternative course, a partial refund will be issued. This refund will be calculated as the difference between the total amount the student has paid and the value of the tuition already delivered before the default occurred.

The method for calculating partial refunds has been developed in consultation with sector peak bodies and is enforced through legislative instruments. This method will also be used by the TPS Director to determine payments to alternative providers when arranging student placements.

By limiting refunds to unspent prepaid tuition fees, this approach ensures fairness for AICC while meeting obligations to students, maintaining financial stability, and upholding the integrity of the tuition protection framework.

Retention of Records

AICC maintains comprehensive records for all accepted students who are enrolled or have paid tuition fees for a course. These records are securely retained for **two years** after a student ceases to be enrolled. In addition, AICC keeps academic progress records to support student welfare and compliance. The purpose of this measure is to:

- Facilitate timely and accurate student placement in the event of provider closure.
- Enhance student welfare protection by ensuring accessible and well-maintained records.
- Keep students informed about their course progress and enable early intervention if they are not meeting academic requirements.
- Improve provider business practices through an efficient and effective student information system.

Compliance with Record Retention Requirements

AICC ensures compliance with record retention policies through the following measures:

- Students are required to update their **contact details** (residential address, mobile phone number, and email address) **at least once every study period** (10 weeks, excluding study breaks).
- AICC maintains **accurate and up-to-date academic records** for each unit of competency completed and assessed in the RTOManager and in students' files in the share drive.

These processes ensure that AICC meets regulatory requirements while supporting students' academic success and well-being.

Document Control

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