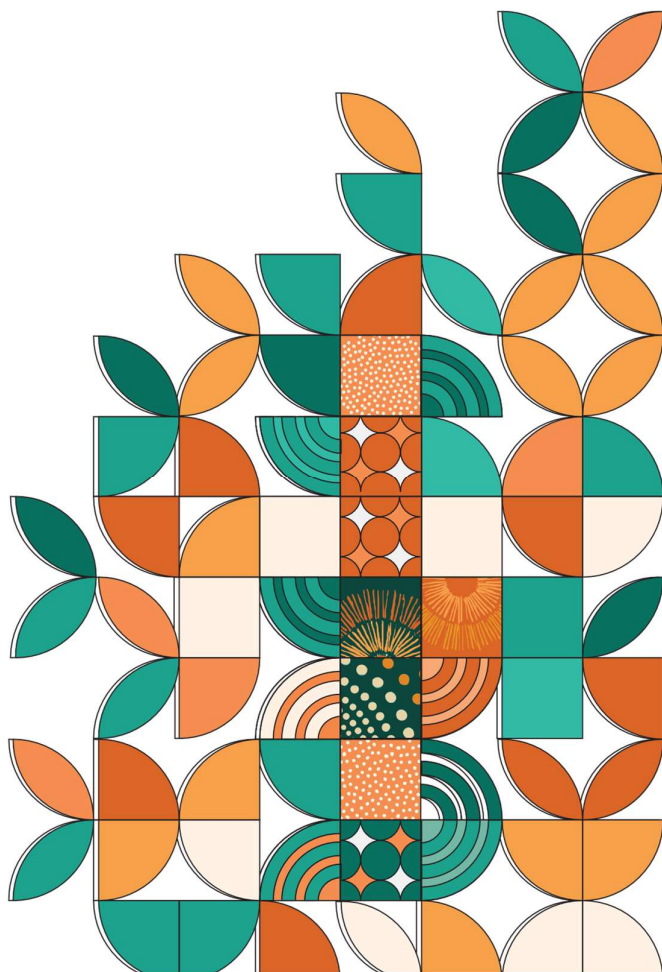


Prepaid Tuition Fees Management Procedure



1. Purpose:

This procedure establishes clear operational steps for the management, protection, and utilisation of prepaid tuition fees from both domestic and international students, ensuring compliance with the Prepaid Fee Management Policy, the ESOS Act, the Standards for RTOs, and other applicable regulatory requirements.

2. Scope:

This procedure applies to all staff involved in the receipt, management, and oversight of prepaid tuition fees, including Finance, Compliance, Admissions, and Student Support teams.

3. Responsibilities

- 3.1. The Finance Manager holds overall responsibility for the management of prepaid tuition fees, including overseeing deposits, monitoring account balances, conducting reconciliations, authorising withdrawals, preparing reports, and ensuring compliance with regulatory requirements.
- 3.2. The Accounts Officer supports these functions by processing daily transactions, confirming deposits, and updating account records.
- 3.3. The Compliance Manager is responsible to audit and ensure that all practices comply with the ESOS Act, Tuition Protection Service (TPS) requirements, and the Standards for RTOs.
- 3.4. The Admissions Officer is responsible for recording student commencements, deferrals, and withdrawals, and for promptly updating the Finance team to ensure accurate fee management and reporting.

4. Procedure Steps

4.1. Receipt and Deposit of Tuition Fees

- Record tuition fee payments immediately upon receipt.
- Deposit international student fees into the separate designated account within five (5) business days.
- Confirm and document the deposit transaction.

4.2. Maintenance of the Designated Account

- Ensure the account is with an authorised deposit-taking institution (ADI).
- Monitor the account daily to ensure it maintains the protected amount for students who have not commenced.
- Accounts Manager to escalate discrepancies to the Finance Manager within one business day

4.3. Monthly Reconciliation and Monitoring

- Reconcile account balances monthly against the prepaid fee liabilities.
- Document and report any discrepancies to the Compliance Manager for investigation.

4.4. Management of Withdrawals

- Once a student **starts the course** to which the tuition fees relate
- Approve withdrawals below the protected amount only for:
 - Refunds (sections 46D, 47D, 47E);
 - Payments to alternative providers (section 46D);
 - Payments to TPS (section 50C).
- Record all withdrawals with supporting documentation and approvals.

- Update account records accordingly.
 - Prepaid tuition fees may only be utilised after the student has commenced their course, in line with the Prepaid Fee Management Policy and ESOS Act requirements, unless the withdrawal is for the purpose of:
 - Providing a refund to the student under the IHNA Refund Policy
 - Transferring the amount to another registered provider
 - Complying with TPS obligations
- In cases where a refund is required prior to course commencement, and prepaid fees have already been accessed in error or exceptional cases, immediate re-crediting of the designated account will be undertaken before the refund is processed.

5. Monitoring Student Progress and Compliance

5.1. Track student start dates, deferrals, and withdrawals promptly.

- Provide updates to Compliance on any changes affecting fee protection status.
- Comply with reporting requirements under the ESOS Act.

5.2. Collaboration and Oversight

- Conduct regular meetings with relevant teams to review compliance and account status.
- Engage external bodies such as TPS for ongoing fee protection oversight.

5.3. Reporting and Documentation

- Prepare monthly reports covering:
 - Prepaid fee liabilities.
 - Account balances.
 - Any variances or breaches.
 - Escalate issues for resolution.

5.4. Handling Non-Compliance and Student Complaints

- Investigate and address all complaints and non-compliance incidents promptly.
- Document actions taken and resolutions achieved.

6. Performance Indicators

Indicator	Target	Measurement Method	Frequency	Responsible
Timely Deposit of Fees	100% within 5 business days	Review deposit logs	Monthly	Finance Manager
Reconciliation Accuracy	100% accuracy	Reconciliation reports	Monthly	Accounts officer
Account Balance Compliance	100% maintained above protected amount for non-started students	Monthly account reviews	Monthly	Finance Manager
Staff Training Completion	100% of staff trained on fee management procedures	Training records	Annually	Finance Manager

Student Start Data Accuracy	100% accuracy in student commencement records	Data audits	Monthly	Admissions officer
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7. Audit Checklist

This audit will be conducted by the QA department on a monthly basis, and the report will be submitted management team.

Audit Area	Yes/No	Comments/Findings	Action Required
Deposit of international student fees within 5 days	☐ Yes ☐ No		
Account balances reviewed and verified month	☐ Yes ☐ No		
Discrepancies identified and resolved	☐ Yes ☐ No		
Student withdrawals refunds processed and documented properly	☐ Yes ☐ No		
Student commencement, deferrals, and withdrawals recorded accurately	☐ Yes ☐ No		
Reports generated and reviewed by management	☐ Yes ☐ No		
Staff trained on fee	☐ Yes ☐ No		

management SOP			
Records of complaints and resolutions maintained	☐ Yes ☐ No		
External stakeholder engagement documented	☐ Yes ☐ No		

8. Continuous Improvement

- Review audit findings quarterly and implement corrective actions.
- Collect feedback from staff involved in fee management processes annually.
- Update SOP and training materials based on audit outcomes and legislative changes.
- Comply with the logo use policies.

SECTION 3

9. Associated Information

Related Internal Documents	- Financial Management Policy - Fees Policy - Fee Payment Procedure - Refund Policy - Refund Procedure - Tuition Protection Service Policy - Tuition Protection Procedure - PRISMS Data Entry Procedure
Related Legislation, Standards, and Codes	- National Vocational Education and Training Regulator Act 2011 - Education Services for Overseas Students Act 2000 (ESOS Act) - Standards for Registered Training Organisations 2025 - Tuition Protection Service Framework
Date Approved	18/08/2025
Date Endorsed	19/08/2025
Date of Effect	20/08/2025
Date of Review	30/07/2028
Approval Authority	Approved by Executive Management Committee and endorsed by Academic Board and Board of Directors

Responsibility for Implementation	Finance Committee and Chief Financial Officer
Document Custodian	Chief Financial Officer
IHNA DocID	IHNA-PFMP-1.1
Department	Finance
2025 Standards for RTOs	Outcome Standards for Registered Training Organisation – Quality Area 2 - Student Support

10. Change History

Version Control		Version 1.1
Version No.	Date	Prepaid policy separated from the fee policy and procedure to clarify the requirements of section 28 and 29.
V.1.0	16/05/2025	Initial creation in alignment with the IHNA Fees Policy, formatted and updated document governance.
V.1.1	18/08/2025	Updated as per RTO Standards 2025. Process for managing amount transferred to designated account explained in detail and the responsibility to ensure minimum balance is vested on Finance Manager.