



Welcome

## Introducing the Online Tutorial on the 2012 Additions to the Australian ESOS Act

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## The Online Tutorial

Title: ESOS 2012 Changes Online Tutorial

Will sit on the ISANA Website besides the other online tutorial on the National Code.

3 Sections to tutorial

- Tuition Protection Service
- Student Welfare Issues
- Recording & PRISMS

Learning exercises at the end of each section.

Quiz at the end of the tutorial & Certificate of Completion



## 10 Quick Questions (1)

Question	Answer
1. ESOS	Education Services for Overseas Student
2. Date	2000
3. National Code	National Code of Practice for Registration Authorities & Providers of Education & Training to Overseas Students 2007
4. Written Agreement	Between education provider & Student (See Standard 3 of National Code)



## 10 Quick Questions (1) cont.

- |                     |  |
|---------------------|--|
| 5. Provider Default | <ul style="list-style-type: none"><li>• Provider fails to start to providing course at location on advertised date</li><li>• Provider ceases to provide course at its designated location after it has started</li></ul>   |
| 6. Student Default  | <ul style="list-style-type: none"><li>• Provider ceases to operate.</li><li>• Student does not arrive to start course on agreed date.</li><li>• Student withdraws from course, before or after agreed date</li><li>• Provider refuses to provide, or continue to provide course to student</li></ul> |



## 10 Quick Questions (1) cont.

7. CRICOS	The Commonwealth Register of Institutions & Courses for Overseas Students
8. PRISMS	The Provider Registration & International Student Management System
9. CoE	Confirmation of Enrolment
10. Public Providers	Government Schools & State & Territory VET Institutions



## Tuition Protection Service

Became effective on July 1, 2012

Two main roles

- provides a placement service to help students find another appropriate course offered by another provider for a student where the original provider can no longer deliver the course in which the student is enrolled.
- Where an appropriate alternative course cannot be found, the TPS will refund to the student the part of the tuition fees for the part of the course that the student has not yet received (part of course that has not been taught and assessed).



## How is it funded?

1. An Administrative Component paid by all providers, except registered schools that have no international students, consisting of:  
An Administrative Fee of \$100 plus \$2 per enrolment from the previous year and  
A Base Fee of \$200 plus \$5 per enrolment from the previous year.
2. A Risk Based Fee based on a formula set out in the ESOS (TPS Levies) Act 2012 and determined by the TPS Director. A link to the Act is available on [www.aei.gov.au](http://www.aei.gov.au). Public providers do not need to pay this fee.
3. A Special Levy that has initially been set at zero and will be levied when appropriate.
4. In addition, the Commonwealth has provided DIISRTE with seed funding of \$5 million to establish the TPS.



## Implications for providers

- To pay annually the Administrative Fee, Base Fee, Risk Based Fee and Special levy (if applicable) as described above
- To collect not more than 50 % of the total tuition fees for the whole course before the course commences, unless the course runs for 24 weeks or less
- To not collect the remaining tuition fees for the course until two weeks before the student's second study period. Some providers, such as universities, who offer longer courses, may choose to spread tuition payments over the whole course on a semester-by-semester basis.
- To establish a designated account for the prepaid tuition fees for non-commenced students.



## Financial Implications for Students

- Must pay 50% of the total tuition fee for the whole course before the course commences (courses < 24 weeks different).
- Must pay the remainder of the tuition fees by two weeks before their second study period. (Provider may choose to do this differently)
- This limit of 50% does not apply to OSHC and homestay payments but may apply to book fees if these are included in the course package.

If the education provider with whom the student is enrolled defaults and the provider is unable to fulfill their obligation to either refund the student or place them in an alternative course the student will be directed to the TPS. Where an alternative course cannot be found, the TPS will refund to the student a proportion of the total fees they have paid equivalent to the proportion of the course which they were unable to complete.



## How Placements Work

- Placement is the first priority for both the defaulting provider and the TPS.
- All students affected when a provider ceases to function, will be contacted by TPS & given information about how to access the TPS's online placement service
- TPS identifies providers with suitable courses & consults with them about accepting more students
- Students are given names of providers who are accepting enrolments in this situation
- Students must organise this new enrolment directly with the new provider
- No provider will be forced to enroll any of these students if they do not wish to.



## Notifications required

### Provider Default

- Within 3 business days to the Secretary & TPS Director (via PRISMS)
- Students affected must also be notified
- 14 days to find the student an alternative course & 7 days to notify the Secretary & TPS Director

### Student Default

- Within 5 business days to the Secretary & TPS Director
- Within 14 days, report the cancellation of the enrolment to DIAC
- 28 days to been student default obligations (placements & refunds) & 7 days to report outcome of this situation



## Things to consider

Where a provider defaults on a single course & the student transfers to an appropriate course with another provider, if the fees of the course with the second provider is higher, the defaulting provider must pay the difference in the cost.

When a student is forced to move to an appropriate course with another provider, there are Welfare Issue to consider.

- Accommodation
- Visa
- OSHC
- Financial



## 10 Quick Questions (2)

Questions	Answers
1. Which comes first?	Placement
2. Who notifies students (provider default)?	Defaulting provider
3. Who tells students about online placement system?	TPS
4. Forced to accept students?	No
5. Covering extra cost?	Defaulting provider



## 10 Quick Questions (2) cont.

6. TPS funded by providers or government?	Both
7. Total tuition fees paid before course commences?	50%
8. How soon reporting a student default?	5 business days
9. How long finding and appropriate alternative course?	14 days
10. TPS	Tuition Protection Service



## Scenarios – Questions to discuss

1. Is this a provider default, a student default or neither?
2. Do you need to report the situation on PRISMS? If so when?
3. What formal internal procedures do you need to undertake in this case?
4. What welfare issues need to be addressed with this student at this time?
5. Are there appeals and complaints procedures that the student could use?



## Scenario A

A student studying at your provider does not arrive back in classes on the first day of the second semester of a two-semester course. In following up on this situation you discover that her father has died in a car accident during the break and she is not sure that there is money to pay for the second half of her tuition fees.





## Scenario B

Two days before the advertised starting date of a course, a student arrives in your office from overseas expecting to commence the course and study at the location at which you work. Your provider decided a week ago to cancel this course at your location because of poor enrolment numbers but to continue to offer a very similar course at another campus of the institution that is located 60 kms away. The course at the other location has tuition fees that are in total \$5000 more the course in which the student is enrolled.



## Scenario C

A provider in your city announces that they have insufficient funds to continue operating. Your provider offers similar courses to those that were being taught by the provider that is closing. The TPS has contacted your Director who has agreed that your institution can take into your courses 20 extra students in each of 3 courses. Students from the provider that is ceasing to function start contacting your office about enrolling in your courses.



Questions

And

Discussion