

# Tuition Fees, Course Costs and Other Charges Policy and Procedure



***Controlled Document – refer to Intranet for latest version***

Category: Business and Finance

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Responsibility: Financial Controller

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## Purpose

This policy and procedure outlines the establishment, review, management and publication of student charges. Its purpose is to ensure clear and timely communication of all student fees, compulsory course related costs and administrative charges. This is so prospective students are able to make informed enrolment decisions.

## Scope

All tuition fees (international and domestic), discounts, administrative charges and all course related costs that impact a student when undertaking study.

This policy and procedure includes the Student Services Levy when considering the publication of fee information to students or others. However, it is excluded in regards to the establishment, review and management of fees on the basis that this is specified under UCOL Council Statute and forms a compulsory component of the fee calculation.

This policy and procedure excludes the payment or refund of fees and other student charges which are covered under the Accounts Receivable and Credit Control Policy and Procedure. In addition, it excludes staff fees discounts awarded under the Staff Fees Concession policy and discounts granted under the Student Financial Relief policy.

## Responsibility

### **Executive Dean of Faculty<sup>1</sup>**

Tuition fee recommendations and the annual review of compulsory course related cost items.

### **Executive Director, Education and Applied Research**

Maintaining a register of course related cost items.

### **Executive Director, Business Development**

Annual review of tuition fees and administration charges.

### **Student Information Programme Manager**

Maintaining tuition fees in the Student Management System (SMS) and the Master Programme List.

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<sup>1</sup> For the Faculty with responsibility for a qualification.

## **Financial Controller**

Maintaining an annual Fee Setting Schedule.

## **Policy Statements**

### **Tuition Fees Policy**

Tuition fees reflect the charge for delivering tuition to enrolled students. The ability to determine tuition fees for both domestic and international students is outlined under the Education Act 1989<sup>2</sup>. The government strictly controls domestic student fees and provides various tuition subsidies. In contrast, international fees are required to reflect all costs of delivery and support, including capital costs. Tuition fees for domestic and international students vary as a result.

1. Tuition fees must be approved prior to any form of publication or notification to students or others.
2. Tuition fees and fee waivers are to be approved by the Chief Executive. Notwithstanding this, the Chief Executive may delegate fee approval to the Chief Financial Officer.
3. All qualifications and courses will have a tuition fee attached to them. The exception is where a domestic student fee is expressly prohibited as a condition of government funding or is specifically approved as having fees waived. International fees are unable to be waived.
4. Tuition fees must take account of UCOL's marketing and pricing strategies, the cost of delivery, and the fees of qualifications of a similar nature; whether delivered by UCOL or a competitor.
5. Tuition fees for the same qualification at different locations, or by different delivery methods, are to be the same where practicable.
6. Tuition fees for the following year are to be reviewed annually and will be set no later than the 30<sup>th</sup> June of the preceding year. The fee review process will include consultation with the student representative body.

### **Fees Discount Policy**

A fees discount may be for a specific course or qualification, an individual student, a specific cohort or a group of students with defined characteristics that UCOL wishes to support in order to achieve its strategic priorities. Ideally, the offer of discounts needs to be considered as part of the marketing strategy, alongside student scholarships and sponsorships.

7. Fee discounts must be approved by the Chief Executive. Notwithstanding this, the Chief Executive may delegate fee approval to the Chief Financial Officer<sup>3</sup>.

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<sup>2</sup> Refer section 227 (domestic fees) and s228 (international fees) of the Act.

<sup>3</sup> The exception to this is where the Executive Director, Education and Applied Research has approved a compassionate grant in the form of a discount for future study under the Student Financial Relief Policy.

8. The value of a discount will vary depending on the desired outcome. However, a discount shall be no greater than the combination of the applicable domestic tuition fee and student services levy. This limit applies regardless of whether the student is classified as a domestic or international student.
9. Discounts are only offered for one occurrence and must be authorised for each enrolment period. Any discounts offered for an occurrence only apply to that occurrence in that year and must be reauthorized for any subsequent enrolment period.
10. The Staff Fees Concessions policy is to be referred to for staff fee discounts.

### **Compulsory Course Related Cost Item (CRC) Policy**

Course related costs (CRC) are all student costs directly related to study that a student incurs, other than the tuition fee. CRC's can include items such as text books, equipment, uniforms or travel costs associated with work placements. Some CRC items are discretionary. Those that are not must be purchased by the student as a condition of enrolment. Compulsory CRC items are subject to the following policies.

11. Generally, tuition fees should cover all activities and costs associated with a particular course of study to the greatest extent possible.
12. Compulsory CRC items must be approved prior to any form of publication or notification to students or others.
13. Compulsory CRC items are to be approved by the Chief Executive. Notwithstanding this, the Chief Executive may delegate approval of compulsory CRC items to the Executive Director, Education and Applied Research.
14. Where a student is required to purchase compulsory CRC items, UCOL must not be the sole supplier.
15. Compulsory CRC items for the same qualification at different locations are to be the same.
16. Compulsory CRC items for the following year are to be reviewed annually and confirmed no later than 30<sup>th</sup> June of the preceding year. The review process will include consultation with affected students where they are significantly impacted by changes that are not driven by curriculum changes.
17. A Register of Compulsory Course Related Costs is to be maintained by Faculty.

### **Administrative Charges Policy**

A number of administrative activities are charged to students who apply for the relevant service.

18. All UCOL administrative and processing charges are to be approved by the Chief Executive. Notwithstanding this, the Chief Executive may delegate fee approval to the Executive Director, Business Development.

19. Administrative charges should be set with the intention of recovering the costs incurred only and therefore, fairly represent the cost of activities undertaken.
20. Charges for the following year are to be reviewed annually and will be set no later than 30<sup>th</sup> June of the preceding year. The review process will include consultation with the student representative body.
21. The Chief Executive, or delegate, has the discretion to waive any administration charges due to exceptional and extenuating circumstances within their level of delegation.
22. A Register of Administrative Charges must be maintained by Registry – Accounts Receivable.

### **Publication of Fees, CRC items and Other Administrative Charges Policy**

The clear and timely notification of fees and charging information to both students and the public is an important part of the marketing and communication strategy. Publication refers to the UCOL website, prospectus, information sheets or any other communication channels where fee and charge information is provided.

23. Changes to fees, course related cost (CRC) items and other charges must be reflected in all publications as soon as is practical. Outdated publications must be withdrawn from circulation.
24. All information to prospective students on fees and charges, whether verbal or in writing, is to be expressed in New Zealand dollars and is to be GST inclusive.
25. All fees and charges must be disclosed before a prospective student has committed to study so that there are no substantial hidden costs. All information on fees and charges is to be clear about what is and what is not included.
  - a. The publishable fee must reflect the value of the tuition fee and student services levy.
  - b. Information on additional charges not included in the publishable fee will be dependent on the specific enrolment circumstances. The following are examples:
    - i. Compulsory course costs regardless of source, such as books or equipment;
    - ii. Any other course costs that are recommended but not a compulsory course cost;
    - iii. Insurance requirements for international students;
    - iv. Bond payments;
    - v. Accommodation and travel costs related to clinical placements.
26. Information to prospective students must include the length of study covered by the published fee. Typically, published fees are to be for a student enrolling in the approved EFTS value for that qualification for that year. For qualifications that extend beyond the period covered by the published fee, a disclaimer must be included that reads 'Full cost tuition fees are assessed each year'.

27. Information to prospective students must note that the actual fee payable may differ from the Published Fee depending on courses chosen, and start date of qualification. Information must note that costs for compulsory course cost items are best estimates only and may vary depending on supplier.

## Procedures

### Procedure for Establishing Tuition Fees

1. Fee recommendations will be provided in sufficient detail so that all components, at both qualification and course level, are available to determine future price increases in line with Tertiary Education Commission rules<sup>4</sup>. Details must include consideration of:
  - a. Tuition Fees;
  - b. Compulsory examination fees;
  - c. Compulsory course costs where UCOL is the sole source of the item;
  - d. Charges for field trips, personal equipment, and the like, included as part of the fee.
2. The Executive Dean of Faculty will recommend a tuition fee for a new qualification and /or course by completing a Fee Approval Form. The Executive Dean of Faculty may also recommend a fee waiver using this form.
3. When establishing the amount of a tuition fee, the Executive Dean of Faculty should refer to the relevant fee from the Fee Setting Schedule<sup>5</sup>. A clear justification is required if an alternative fee is recommended, or if a fee waiver is requested. Justification should include consideration of the:
  - a. Marketing and pricing strategy;
  - b. Pricing of similar UCOL and competitor qualifications;
  - c. Cost of tuition;
  - d. Provisions of the Education Act 1989 and Tertiary Education Commission rules.In addition, justification for alternative international fees should include consideration of costs:
  - e. That would typically be covered by a government tuition subsidy if the student was a domestic student;
  - f. Specifically incurred as a result of international recruitment.
4. Once approved, tuition fees are to be entered into the Student Management System and the Master Programme List by the Student Information Programme Manager. Qualifications with no tuition fees or with fees waived will be clearly identified on the Master Programme List.

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<sup>4</sup> This is to ensure that the basis for calculating Annual Maximum Fee Movement is clearly established.

<sup>5</sup> Schedule of recommended domestic and international fees for a specific financial year based on NZQA Qualification Level and NZSCED (Broad) code classifications.

5. Once approved, the Marketing Team will be notified of new qualifications and/or courses tuition fees to allow for marketing material to be updated.

### **Procedure for the Annual Review of Tuition Fees**

6. Fees for the following year are to be reviewed annually by the Executive Director, Business Development. The Executive Director, Business Development will submit any fee change recommendation to the Chief Executive, or delegate, for approval.
7. When reviewing tuition fees the Executive Director, Business Development must take into account;
  - a. Marketing and pricing strategy;
  - b. General price increases as a consequence of economic activity;
  - c. Competitor pricing;
  - d. For domestic fees, Annual Maximum Fee Movement<sup>6</sup> requirements as outlined in the Tertiary Education Commission funding rules;
  - e. For international fees, foreign exchange impacts.
8. When reviewing fees the Executive Director Business Development must consult with the student representative body.
9. Once approved, changes to tuition fees are to be entered into the Student Management System and the Master Programme List by the Student Information Programme Manager. In addition, changes to tuition fees will be reflected in the Fee Setting Schedule by the Finance Team.
10. Once approved, the Marketing Team will be notified of qualifications and/or courses tuition fee changes to allow for marketing material to be updated.

### **Fee Discount Procedure**

11. Discount recommendations will be provided in sufficient detail to allow an informed decision to be made. Details to be provided include:
  - a. Applicable qualification or course;
  - b. Current domestic fee and student services levy<sup>7</sup>;
  - c. Applicable student, intake or other description of the targeted student group;
  - d. Value of discount;
  - e. Justification;
  - f. Discount end date.

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<sup>6</sup> Government fee increase intentions for the following year are typically announced in the May Budget.

<sup>7</sup> Refer Programme Master List.

12. Recommendations for a fee discount must be initiated by the principle budget holder who will fund the proposed discount. The principle budget holder must be a member of the Executive<sup>8</sup> or their direct report.
13. Once approved, the Team Leader Revenue Accounting will be notified so discounts can be applied to the applicable student or student group. The Head of Recruitment and Marketing, Business Development will also be notified of fee discount approvals.

### **Compulsory Course Related Cost Items Procedure**

14. The Executive Dean of Faculty will outline all compulsory CRC items for a new qualification or course on the Fee Approval Form when seeking an initial fee approval. An estimated dollar value of the CRC items shall also be included.
15. Once approved, the Executive Director, Education and Applied Research will update the Register of Compulsory Course Related Costs. The register will include the following details as a minimum:
  - a. Qualification description and identifying codes;
  - b. Specific compulsory CRC items and estimated cost;
  - c. Date item was added to the register;
  - d. Last annual review date of listed compulsory CRC items
16. The Register of Compulsory Course Related Costs will be reviewed annually by the Executive Dean of Faculty. The Executive Dean of Faculty will submit any change recommendations to the Executive Director – Education and Applied Research for approval. Once approval is given, the Register will be updated.
17. UCOL cannot be the sole supplier of Compulsory CRC items. However, Faculties can co-ordinate the purchase of items on behalf of students for practical reasons or to take advantage of preferential supplier arrangements, provided;
  - a. UCOL does not profit from the transaction; and
  - b. The student is not committed and is free to make their own arrangements.
18. Once approved, the Marketing Team will be notified of changes to qualifications and/or courses to allow for the marketing material to be updated.

### **Administrative Charges Procedure**

19. The establishment and annual review of administrative charges will include consultation with the student representative body.
20. Once approved, the Executive Director, Business Development will update the Administration Charges Schedule and notify the Marketing Team to allow for marketing material to be updated.

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<sup>8</sup> Executive refers to Chief Executive, Chief Financial Officer, Executive Directors (Refer to Recruitment Policy).

## Student Consultation

Student consultation refers to the process by which input on matters that affect students is sought. In the context of this policy, students are represented by the Association of Students at UCOL (AS@U). The aim of consultation with AS@U is to notify and improve the transparency of any proposed changes to tuition fees (or other charges) incurred by students. Consultation also aims to seek student feedback on proposed changes which should be taken into consideration prior to a final decision is made.

## Relevant Legislation

- Education Act 1989
- TEC Funding Rules (TEC Website)
- Public Finance Act 1989
- Crown Entities Act 2004

## Related Documentation

- [Student Services Levy Statute \(Non-Academic\) 2009](#)
- [Accounts Receivable and Credit Control Policy and Procedure](#)
- [Staff Fees Concession Policy](#)
- [Student Financial Relief Policy](#)
- Master Programme List
- Fee Setting Schedule
- Administration Charge Schedule
- Register of Compulsory Course Related Cost Item