

1. Purpose

Belelmo Pty Ltd Essential Business Training - RTO 91492 is committed to providing quality training and assessment products and services in compliance with the Standards for Registered Training Organisations (RTOs) 2015.

The RTO is committed to establishing a long-term presence in the vocational education and training sector, as a provider of quality training and assessment services. A key factor in attaining this aim is the ongoing financial stability and wellbeing of the RTO, resulting from careful, responsible and hands-on financial management, aligned to the business goals, the nature of its operations and the nuances of the market in which it competes.

This policy ensures that the RTO uses efficient financial management practices and systems. Ensuring compliance with the Standards for Registered Training Organisations (SRTOs 2015).

2. Policy Statement

The RTO will ensure that it maintains sound financial practices, ensuring the financial security of the RTO and enabling its ongoing viability, profitability and growth. Conservatism will prevail as the key influence over financial decisions. Equally, an uncompromising commitment to integrity and professionalism will remain the keystone to all finance, banking, investment and general business transactions.

The RTO will:

- Ensure it complies with the “Financial Viability Risk Assessment Requirements”;
- Implement and maintain effective business planning and financial management processes;
- Ensure that accounts are certified by a qualified accountant (Certified to Australian Accountant Standards) at least annually and are made available to the VET Registration body upon request;
- Ensure that a full financial audit of the RTOs financial accounts from an independent qualified accountant (Certified to Australian Accountant Standards) is obtained and made available to the VET Registration body upon request;
- Implement and maintain procedures to protect fees paid in advance, to comply with the ‘Schedule 6 - Requirements for Fee Protection’ of the Standards for RTOs 2015.
- Provide students with complete and accurate fee information.
- Provide Refunds, as per this policy.

3. Systems

Systems being used are Xero for financial management and aXcelerate for student management. Invoices are raised in aXcelerate.

4. Definitions

The following words and expressions have the following specific meaning, as in the Standards for Registered Training Organisations (RTOs) 2015.

Financial Viability Risk Assessment Requirements means the requirements made under section 158 of the National Vocational Education and Training Regulator Act 2011 or equivalent requirements made or adopted by the VET Regulator of a non-referring State as the case requires.

Registration means registration as an RTO by the VET Regulator, where that registration is then entered on the National Register.

Scope of registration means the training products for which an RTO is registered to issue AQF certification documentation. It allows the RTO to:

- both provide training delivery and assessment resulting in the issuance of AQF certification documentation by the RTO; or
- provide assessment resulting in the issuance of AQF certification documentation by the RTO.

VET Regulator means:

- the National VET Regulator; and
- a body of a non-referring State that is responsible for the kinds of matters dealt with under the VET legislation for that State.

The **Department of Training and Workforce Development** (the Corporation) means:

- the VET (WA) Ministerial Corporation under the Vocational Education & Training Act 1996.

The **Department of Training and Workforce Development Fees and Charges** means the sum of fees for all units that a student enrolls in. These fees are calculated based on an hourly rate applied to the nominal hours that correlate to each unit of competency commenced in the calendar year.

5. The RTO Obligations to Financial Viability Risk Assessment Requirements 2011

Intent

- The VET Regulator can request The RTO to demonstrate its financial viability at any point in time.
- The assessment of the 'Financial Viability' by the VET Regulator is directed evaluating the likelihood of The RTO business continuity, and its capacity to achieve quality outcomes. The assessment informs a judgement about whether The RTO has the financial resources necessary to:
 - Acquire the requisite assets and physical resources to deliver all qualifications on its scope of registration;

- Employ sufficient appropriately qualified staff to cover the courses for which it takes enrolments;
- Provide appropriate levels of student services to students;
- Remain in business to ensure that each student can achieve completion;
- Meet the above requirements even in an unsure environment.

Obligation to submit assessment

The RTO must submit an assessment of financial viability risk by a qualified independent financial auditor nominated by the VET Regulator at any time during the registration period.

The obligation to submit also applies to parent organisations, affiliated companies or organisations that have a vested interest in the organisation.

Indicators for Assessment

The assessment will be undertaken by assessing common indicators of financial performance and position. These may include, but are not limited to:

- Liquidity – including current ratio and cash flow assessments;
- Solvency – including debt to assets assessment, debt to equity assessment;
- Economic Dependency (e.g. reliance upon government funding or a particular cohort of students);
- Revenue, profit and cash flow;
- Commercial risk'
- Audit opinion;
- Contingencies;
- Compliance with all statutory obligations(e.g. GST, taxation, superannuation)
- Compliance with accounting standards;
- Accounting policies – impact of organisation accounting policies on its financial risk.

Information to be assessed

Information that could be used to assess the common indicators may include, but are not limited to:

- Independent review of financial projections, including underlying assumptions;
- Business planning, including forecast income streams and forecast expenditure;
- Assets and liabilities;

- Financial statements audited by an independent qualified auditor;
- Financial records for the previous 12 months, including profit and loss, balance sheets;
- Cash flow and bank accounts;
- Short term budgets and forecasts, including assumptions;
- Information on current and projected student enrolments including assumptions;
- Tax records;
- Information about current debts and debtors, credit and creditors, loans and repayments;
- Plans, and information on any legal disputes;
- Inter-company dealings, transfers, ownerships and loans;
- Contingent liabilities;
- Ultimate ownership details;
- Post reporting activities.

6. Policy Principles

The following principles underpin this policy:

- The RTO endeavours to provide clear guidance on how all fees related to the delivery of training and assessment are charged
- The RTO ensures that financial information is managed in accordance with State Training Authority (ASQA) and all financial legislation and guidelines
- The RTO treats all financial information with care in line with the Australian Privacy Principles
- The RTO aims to provide financial support and flexible payments where allowable under funding contracts so that no person is disadvantaged or unable to participate in training due to the cost of education
- The RTO believes that education should be available for all individuals and seeks to provide these services to all wherever possible.

Financial Management

The RTO aims to maintain a sound financial position, which facilitates its stability, planned business growth and profit projections through

- business planning, including forecast income and expenditure;
- monitoring cash flow;

- Formulation of and adherence to annual budgets;
- Ongoing reinvestment in the business to ensure it remains well resourced to meet student needs;
- Maintenance of adequate cash reserves to meet planned commitments, as well as unforeseen events;
- Striving to remain debt free as part of its overall strategy of optimising return on investment and consequently maintaining price competitiveness;
- Careful safeguarding of assets, via comprehensive insurance and security measures.

Fees

Fee for Service Course Fees

- The RTO will strive to maintain highly competitive fair and reasonable fee structures, outlining these in a “Schedule of Fees”.
- The RTO adjusts its fees and charges from time to time. Changes to fees will be fairly and equitably applied, advertised and clearly indicate the date from which the change will take effect.
- The RTO provides details of course fees in all course information. (See Enrolment Policy and Procedure)
- Course fees may be negotiated with individual students, as approved by the Directors of the RTO.

The Department of Training and Workforce Development’s stipulated Course Fees

- The RTO will charge all students in line with The Department of Training and Workforce Development’s current Fees and Charges Policy.
- The RTO provides a well-documented process for the collection of fees and receipt of payment of student fees.

Additional fees

Fees indicated below are at the discretion of the RTO.

- There are NO FEES charged for Credit Transfer
- Resources fees may apply to some courses, information about resources fees will be provided in the invoice breakdown.
- Re-marking of an assessment after three attempts– each unit \$25.
- Replacement of award/qualification/academic record \$50.00.
- Re-issue of academic statement.
 - Results on computer network \$20.00.

- Results from archive \$30.00.

Fee Payment Arrangements

Fee for Service Course Fees

- All Fee for Service Course Fees are payable via a payment plan.
- The RTO will not accept prepaid fees from individual students in excess of a total of \$1500 (being the threshold total prepaid fees amount).
- The RTO may take fees in advance of \$1500 where the fees are being paid by the employer, this is only applicable to fee for service courses and will be recorded in the employer service agreement.
- In accordance with Schedule 6 – Standards for RTOs; The RTO adopts the following to protect fees paid in advance.
- Details of payment schedules and specific conditions relating to payment plans are available at enrolment and provided to the student in writing.
- Flexible payment arrangements/options will accommodate individual circumstances.
- Fees must be paid in full before certification will be issued.
- If payment instalment / arrangements are in place, and a payment becomes overdue and remains unpaid for a period in excess of 14 days, The RTO reserves the right to suspend the students learning or assessment (or both) until all fee payments are up-to-date.
- Flexible payment arrangements, such as instalments, credit card, direct debit, cheques and EFT remittance are acceptable to accommodate the diverse financial situations of students.

The Department of Training and Workforce Development's stipulated Course Fees (if and when the RTO is able to utilise government funding)

- All student and employers (who are paying on behalf of the student) that are charged under the current VET Fees and Charges Policy will pay their issued student fees invoice via Electronic Fund Transfer (ETF), limited arrangements are available for cash payments from students only.
- Fees and charges are charged at the commencement of each unit of competency in line with the nominal hour rates set out in Table 1 of the DTWD VET Fees and Charges Policy that is set out each year by the Department.
- When making payment the payer must reference the invoice number. Once payment has been made the payer must forward a copy of the remittance advice showing the invoice number and amount paid to the RTO. The RTO will then send the receipt of payment to the payer via email.
- A breakdown of the invoice must be provided to employers and students, the information contained within the invoice breakdown includes;
 - Personal details - the first and last name of the Student;

- Course details – national or state identification and course name;
 - Concession status (where appropriate);
 - Jobs and Skills WA Category;
 - Enrolment date
 - A list of all enrolled Units of Competency (UoC), specifying for each UoC the:
 - withdrawal/census date;
 - nominal hours;
 - UoC fee;
 - resource fee; and
 - fee for Recognition of Prior Learning (where applicable).
 - Additional itemised fees; and
 - Total invoice amount.
- If concession fees or financial hardship applies to the tuition fees, relevant evidence must be held on the students records either in hard copy in their file or in soft copy in the Student Management System. (Refer to VET Fees & Charges Section 6 for more information)
 - If payment has not been received by 30 days after the issuance of the invoice, The RTO will send a payment reminder to the payer. This reminder will flag with The RTO to cease the commencement of any further units of competency.

Following up Course Fees

The RTO will make all attempts to work with students and employers to be flexible to the needs of the student or employer while ensuring payment is made for all services rendered.

Invoices are raised with 14-day payment terms from aXcelerate from the approved template, and invoice information is recorded in Xero.

All invoices are sent out via aXcelerate so that a clear record of the invoice being provided to the student and/or employer/parent/guardian are recorded.

Phone calls and emails should be made at 7, 14 and 30 days overdue. Phone calls to maintain relations with the student/client and emails to document that fee collection is being pursued.

At 60 days overdue, the student and where relevant employer, parent, guardian, school etc, will receive notice that due to overdue payments, no further training will be provided until the account is paid up to date unless alternate payment schedule is agreed to and signed off by the RTO Manager or Director. Template email is provided in Appendix A.

At 90 days overdue, the student and where relevant employer, parent, guardian, school etc, will receive notice that due to overdue payments, no further training can be provided, and invoices will be sent to debt collectors at 120 days overdue if the invoice is not paid or an alternate payment plan is not approved prior to this day. Any payment plan will require a minimum of 25% of outstanding fees to be paid prior to sign off of the payment plan. Alternate payment plans can only be approved by the Directors or RTO Manager. Template email is provided in Appendix B.

The referral of invoices to Debt Collectors is undertaken at the discretion of the RTO.

Refunds

Publicly Funded Students

For students participating in publicly-funded programs (apprenticeship, traineeship) refunds are available in line with the Department of Training and Workforce Development's Fees and Charges – Policy guidelines for Publicly Funded Registered Training Organisations and Programs, which notes the following:

- Students must advise in writing that they wish to withdraw and are seeking a refund.
- Requests for refunds must be lodged to Training Division within two weeks of the official withdrawal date.

Full Refunds

Students who withdraw are entitled to a full refund of the applicable course fee, resource fee and other fees where;

- A unit is cancelled or re-scheduled to a time unsuitable to the student; or
- A student is not given a place due to maximum number of places being reached

Administration Coordinator can approve a full refund of fees at any time during delivery if a class is cancelled because of declining student numbers, no available lecturer, or due to other circumstances caused by the RTO.

Part Refunds

Students who withdraw for reasons other than those outlined above and who lodge a withdrawal form before the withdrawal date for a unit – which the RTO will determine for each unit,

- no less than 20% duration for that unit will be eligible for a full refund and
- 50% of the resource fee if the course is below Diploma level.

Pro Rata Refunds

Administration can approve a pro-rata refund of fees and charges at any time during the course of delivery if students withdraw for reasons of personal circumstances beyond their control. For example:

- Serious illness resulting in extended absence from classes.

- Injury or disability that prevents the student from completing their program of study.
- Other exceptional reasons at the discretion of the accountable officer.
- In all cases, relevant documentary evidence (for example, medical certificate) is required.

Refunds Following Re-Assessment

Students requesting a review of their assessment should do so within four weeks of the date of publication of the results. There are fees associated with this service – refer to the section Incidental Charges.

Should a 'Not Yet Competent' student achieve an outcome of 'Competent' on a review of the assessment, the \$25 per unit re-assessment charge is to be refunded. The \$50 per unit charge for reporting on assessments is not refundable at any time.

Asset Management

Acquisitions of assets are in accordance with strategic planning, training and assessment strategies and budgetary considerations.

Projected budget for asset acquisition will be included in annual strategic planning and the overall viability review for individual projects.

7. The RTO Responsibilities

The Director of the RTO is responsible for:

- Ensuring compliance with financial management policies, procedures and systems.
- Ensuring compliance with Financial Viability Risk Assessment Requirements 2011.
- Monitoring and reporting on compliance with these financial management policies and procedures.
- Undertaking reviews of the effectiveness of the policies, procedures and systems annually and to use the results of such reviews to drive further improvements.
- When requested, provide The Australian Skills Quality Authority with a formal assurance that The RTO has sound financial management standards for matters relating to the Scope of Registration and scale of operations.
- Ensure compliance with the current Department of Training and Workforce Development's VET Fees and Charges Policy.
- When requested, provide the Department of Training and Workforce Development with transparent receipts of payment of student fees and proof of payment either via the production of bank statements or other methods requested by The Corporation.

8. Access & Equity

The RTO Access & Equity Policy applies. (See Access & Equity Policy)

9. Alternative Funding

In line with requirements of state funding contracts, the RTO will ensure that it does not claim funding for courses that are being funded privately or publicly (with exception of those fees required to be charged under the funding contract. In essence the RTO will not engage in the practice of common referred to as double dipping.

10. Travel Allowance- DTWD Funded Training

Travel allowance cannot be claimed where a Regional Loading is also being claimed.

11. Information on how GST is applied

In this document the terms:

- **Vet Fees & Charges** – training provided under a funded program
- **Resource fee** – fees charged over and above Vet Fees in a funded program to cover the physical materials used in the course, these are for general resources, not for the provision of the training and assessment materials.
- **Administration fees** – A supply of administrative services made by the RTO that is directly related to the supply of an education course is GST-free under paragraph 38-85(b). Administration services may include review of completed assessment materials, resulting, provision of results to the course, monitoring and auditing of the quality of the course. The ruling provides a list as per below:
 - program changes;
 - enrolment services, including the processing of late enrolments;
 - late issue or replacements of student cards;
 - examination arrangements and assessments of students including re-assessment of results where a student has failed;
 - processing academic results including duplicate degree copies;
 - overdue charges or late payment charges;
 - record-keeping;
 - administration of the library;
 - administration of a textbook scheme;

- administration of the supply of course materials;
- graduation certificates;
- course reinstatement;
- charges for HECS statements.
- **Enrolment fees** – Where a fee charged to confirm a student's place at the RTO and creates a right for a student to receive a GST-free education course, that fee is GST-free as it relates to a right to receive a GST-free education course. This is regardless of whether the fee is being paid by the student or a third party on behalf of the student (such as a parent, employer or school) (Pt 111 & 112 of GSTR 2001/1)
- **Non-accredited** – courses where a statement of attainment is not issued and is not a nationally recognised training
- **Tuition course fees** – tuition fees are fees paid directly towards the GST free education course
- **GST free education** course means –
 - a course of study or instruction that is a tertiary course determined by the Education Minister^[5] under subsection 5D(1) of the Student Assistance Act 1973 for the purposes of that Act;^[6] or
 - a course of study or instruction accredited at Masters or Doctoral level and supplied by a higher education institution or a non-government higher education institution; or
 - any other course of study or instruction that the Education Minister has determined is a tertiary course for the purposes of this Act.^[7]
- **professional or trade course** is defined in section 195-1 as:
 - a course leading to a qualification that is an essential prerequisite: for entry to a particular profession or trade in Australia; or
 - commence the practice of (but not to maintain the practice of) a profession or trade in Australia.
 - NOTE: This is only for the first time completing the course, refresher courses not included here.

GST applicable or GST free

There is an easy way to differentiate between GST applicable or GST free for training.

Is it directly related to the provision of the accredited training course?

Fee Type	GST Free Education Courses	Non-accredited Courses	Professional or Trade Courses
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<i>Enrolment fees</i>	GST FREE	GST APPLIES	GST FREE
<i>Administration fees</i>	GST FREE	GST APPLIES	GST FREE
<i>Tuition or course fees</i>	GST FREE	GST APPLIES	GST FREE
<i>Resource fees</i>	GST APPLIES	GST APPLIES	GST APPLIES
<i>VET fees & charges</i>	GST FREE	GST APPLIES	N/A

List of courses

The below is provided to allow for an understanding of GST free education courses; non-accredited courses and professional or trade course.

GST free education courses

- All Certificate I, II, III, IV as well as Diploma courses on scope for The RTO that are NOT linked to a national licence.
- All single units of competency that are NOT linked to a licence or high-risk ticket
- All refresher courses that are linked to units of competency (e.g. high risk refreshers where the participant previously holds competency and wishes to be reassessed.)

Non-accredited courses

- Trade tasters
- Professional development offered to schools, staff, trainers and third party providers
- Any training that results in a certificate of participation
- Any training that is not national recognised training

Professional or Trade courses

- Any full qualification that is a pre-requisite for a trade as determined by a national instrument, licence or regulatory body (for example the Certificate III in Electrotechnology is a requirement for an electrical licence)
- Any unit of competency that is licenced or regulated and required for entrance into that industry or profession (for example Whitecard, all high risk tickets)
- Any skill set that is regulated and required for entrance into the industry (for example traffic management course in WA)

Combination courses

Combination courses (for example white card within a trade taster) must be separately itemised and GST charged against each as applicable.

12. Records Management

All documentation from financial management processes are maintained in accordance with Records Management Policy. (See Records Management Policy)

13. Related Documents

- GSTR 2001/1
<https://www.ato.gov.au/law/view/document?LocID=%22GST%2FGSTR20011%2FNAT%2FATO%22&PIT=99991231235958>
- GSTR 2003/1
- Vet Fees and Charges Policy 2021

14. Monitoring and Improvement

All Financial Management practices are monitored by the Director of the RTO and subject to ongoing review during monthly Financial Review meetings. Areas for improvement are identified and acted upon. (See Continuous Improvement Policy)

Review

This policy/procedure will be reviewed each year and as a standing item, include details of the date it was reviewed and any changes.

- November 2022 - Initial Creation L Hollows

Additions or Amendments

Separate to the mandated annual review, the policy/procedure may be varied at any time due to legislative changes or to fall in line with widely accepted best practices in the workplace. In the event of any changes, the policy will be updated, and relevant stakeholders advised.

<NAME> (Position)

Appendix A

Dear INSERT CLIENT NAME,

We hope that you/your employee/your child are enjoying training with Goldfields Security Services Pty Ltd. We are passionate about providing good quality training and great service.

We are attaching again for your reference Invoice(s) INSERT INVOICE NUMBER(S), which are now more than 60 days overdue.

As we are a small business and in line with our financial management policies and procedures, we are notifying you that we are unable to provide any further training until the attached invoice(s) are paid in full. If you are unable to make the full payment, please contact one of our staff and we may be able to offer you a payment plan.

Please note that a delay in training may affect you being able to complete your training on time and we are unable to issue you with a Statement of Attainment or Certificate of what you have completed until payment is made.

Again, any questions or concerns, please feel free to contact us. We look forward to receiving payment so we can recommence training or issue your competencies.

Kind regards,

INSERT DETAILS

Appendix B

Dear INSERT CLIENT NAME,

We hope that you/your employee/your child are enjoying training with Goldfields Security Services Pty Ltd. We are passionate about providing good quality training and great service.

We are attaching again for your reference Invoice(s) INSERT INVOICE NUMBER(S), which are now more than 90 days overdue.

As we are a small business and in line with our financial management policies and procedures, we are notifying you that we are unable to provide any further training until the attached invoice(s) are paid in full.

Additionally, in line with our processes if the payment is not made within the next 30 days, this matter will be referred to a debt collection service.

If you are unable to make the full payment, please contact one of our staff and we may be able to offer you a payment plan.

Please note that a delay in training may affect you being able to complete your training on time and we are unable to issue you with a Statement of Attainment or Certificate of what you have completed until payment is made.

Again, any questions or concerns, please feel free to contact us. We look forward to receiving payment so we can recommence training or issue your competencies.

Kind regards,

INSERT DETAILS