

Tuition Fees Policy

May 2016 (Revised)



Rationale

Our Lady of Mercy College (OLMC) is committed to providing its students with educational opportunities that reflect best practice in teaching and learning. OLMC is also committed to providing contemporary and well resourced facilities that support and enhance students' learning and wellbeing. To uphold these commitments, OLMC relies on three main sources of income – Australian government grants, State government grants and school fees.

As a Catholic school and a Ministry of Mercy Education Limited, OLMC is required to ensure its long-term educational effectiveness and financial viability in ways that reflect the philosophy, mission and goals of Catholic education and the Sisters of Mercy. This means that the setting of school fees will take into account the range of the socio economic status of the families the school serves, and, in instances where families experience financial hardship, OLMC will provide parents with assistance in meeting their obligations to the College.

This policy outlines the principles that underpin OLMC's approach to the setting and collection of fees. It also outlines procedures pertaining to annual fee schedules, accounts, payment options, fee concessions, and the recovery of unpaid fees.

The policy has particular relevance to OLMC's parent community and to prospective parents who are considering enrolling their daughter at OLMC.

Principles

- OLMC is committed to ensuring the long-term educational effectiveness and operational capacity of OLMC.
- OLMC has a responsibility to ensure that all parents carry costs equitably for both current and future years.
- Consistent with the shared mission of the Catholic Church and the Sisters of Mercy, the Principal may give special consideration to families experiencing financial hardship.
- Fee collection procedures will make provision for payment options to assist parents to meet their financial obligations.
- New families will be given indicative fee charges in Prospectus materials and at the time of enrolment. For existing families, annual fee schedules will be issued with as much lead time as possible to enable them to meet their commitments.
- Procedures for the collection of outstanding school fees will be enacted when parents who appear to have the capacity to pay refuse to do so, or when parents consistently refuse to engage in good faith in discussions regarding their fee position.

Terminology – Fee Structures

Annual Composite Fee. This fee covers all compulsory core curriculum activities including camps, excursions and retreats and is billed as four equal instalments. It incorporates a re-enrolment fee (payable in the preceding year) plus three instalments due in February, May and August. This fee covers the costs of education including equipment, consumable materials and resources supplied for all subjects; and printing and internet access up to a set quota.

Special Subject Fees. These fees apply to private music and singing lessons, Vocational Education and Training (VET) courses, non-compulsory excursions and trips, and other non-compulsory activities and items. Such fees are billed separately and are payable each semester.

Subject Levies. The compulsory core curriculum activities will not normally attract additional levies except where there is an unusually high cost, or significant and identifiable material output, and where it would be unreasonable or unfair for this activity to be subsidised by the broader College student body.

Family Discounts. Discounts apply to families with 2, 3 or 4 students concurrently attending OLMC. The discount comprises 10%, 20% or 30% respectively off the annual composite fee billed in February. This excludes re-enrolment fee component.

Camps, Sport and Excursion Fund (CSEF). Parents who hold a Health Care Card or approved Government concession card are asked to complete an application in February of each year for the CSEF. If approved, the grant is paid directly to OLMC, with that amount offset against the student's annual composite fee. OLMC expects that any eligible parent will apply for the CSEF in time and in accordance with the requirements of the government agency administering the fund.

Special Circumstances Concessions. Parents experiencing either long-term or short-term financial hardship are able to apply for a fee concession or an extended payment schedule. Applications are generally made in writing to the Principal, using an application form available from the OLMC Business Manager. See the **Appendix** to this policy for more information.

Early Payment Discount. An discount of \$250 per student applies if all annual fees and charges are paid by the designated date (normally the last business day in February each year).

OLMC Building Fund Annual Appeal. All families are invited to contribute \$300 per year to the OLMC Building Fund. The contribution is essential for ongoing improvements and capital works. The contribution is a voluntary one and as such is tax deductible.

New Enrolment Fees. Families applying for enrolment at OLMC are required to pay an application fee (\$75 in 2016), referred to as the Enrolment Application Fee. This is payable at the time of formal application and is not refundable. A non-refundable Confirmation of Enrolment fee (\$700 in 2014) is payable in the year preceding a student's enrolment, usually in May. Of this amount, \$500 is deducted from the student's annual composite fee in her first year at OLMC.

Procedures

Fee setting

The College Finance Committee will review the fee schedule and recommend changes each year in conjunction with the annual budget process. OLMC Council will consider the recommendation of the Finance Committee on fees for the succeeding year, and will make a recommendation to the Principal. Annual composite fees are subject to approval by the Board of Mercy Education Limited.

Parents can expect advice in November of the fee levels for the succeeding year. Setting of annual fee increases will be reflective of CPI, changes in salaries and increases in the National Education Index. Special subjects fees are reviewed and set annually.

All students, regardless of their fee account status, will be permitted unimpeded access to all core programs and activities, however, if significant fees are outstanding, the College will limit or refuse access to optional programs such as instrumental music lessons or interstate/overseas travel programs.

Fee Billing

The Business Manager administers the billing and collection of fees in accordance with the following timelines:

- The Confirmation of Enrolment Fee (\$700 in 2016) is payable when parents complete the Acceptance of Offer. The \$500 rebate is offset against the balance of the February instalment of the Annual Composite Fee.
- The account for a student's re-enrolment fee (25% of the annual composite fee) is issued and payable in November each year.
- The balance of the Annual Composite Fee is issued in November and is normally payable in three equal instalments, due February, May and August. However, other options exist (see payment options below). The November account will indicate the cut-off date for an early payment discount (currently \$250 per student).
- The invitation to contribute to the voluntary, tax deductible Building Fund Contribution (\$300) is included in the February statement account.
- Accounts for Special Subjects fees are issued throughout the year and payable as indicated.
- Sundry goods required by students but only available for sale through OLMC (e.g. padlocks, specified texts, graphics calculator, replacement books) may be added to the fee statement subject to the approval of the Business Manager.

Payment Methods

The standard practice is that the Annual Composite Fee is billed and payable in four equal instalments.

- The first instalment (re-enrolment / enrolment confirmation) is billed in November and is payable at this time.
- The balance of the annual composite fee is normally payable in three instalments, due in February, May and August.

The February account will indicate the cut-off date for an **early payment discount** (currently \$250 per student).

Starting 28 November 2016, parents may elect to pay the Annual Composite Fee in 10 monthly instalments or in 20 fortnightly instalments.

Families experiencing financial difficulty may apply on an annual basis for an alternative payment schedule. Families who have previously had an alternative arrangement are requested to contact the College in November of each year to change or renew their arrangements.

All new families post November 2013 and any families on alternative payment plans (special circumstances) are required to pay their fees by Direct Debit. Direct Debit is available to all other families but is not compulsory.

Fee Concessions – Special Circumstances

Fee concessions may be available in circumstances including:

- Families experiencing financial difficulties
- Absence of a student due to illness
- Withdrawal of a student during the year
- Variations to fulltime enrolment (less than 75% of a typical student program)
- Approved long-term absence
- Student enrolments during the school year.

See the **Appendix** for more information in relation to these matters.

Recovery of Outstanding Debts

When an account is in arrears, OLMC will make contact by letter and/or telephone reminding families of their obligations. If there is no satisfactory response to reminders for payment, or where there is no evidence of hardship and special circumstances cannot be substantiated, OLMC may:

- notify parents that the student may not be able to continue participating in a range of extra-curricular activities and programs
- engage a third party Debt Collection Agency to recover the costs.

To avoid this outcome, families are urged to consult with OLMC. As a last resort, failure on the part of OLMC or a Debt Collection Agency to achieve a satisfactory outcome may lead to the College pursuing legal action. Such legal action includes the College's option to lodge a caveat on any real estate in which the parent(s) has an interest.

In instances where the College engages a Debt Collection Agency or takes legal action, families will be liable for **contingency fees**, i.e. collection costs, commissions and the fees and charges of a solicitor.

Parental Liability

At the time of acceptance of enrolment, a student's parent(s) or guardian(s) sign the Enrolment Acceptance Form that incorporates obligations and agreements about the payment of fees. Each signatory to the enrolment application form, and/or subsequent re-enrolment form, will be solely or jointly responsible for the timely payment of fees.

Change of Parental and Family Status

If family and parental/guardian arrangements alter, and the liability for the payment of fees changes from one party to another, either during the course of the student's enrolment or after she has left the College, each party is expected to notify the College in writing so that a new Agreement can be made.

The notification must clearly indicate the change in liability for the payment of fees and the commencement date of this change in liability. If the College does not receive a mutually accepted agreement from the parties involved, the original signatories to the enrolment forms will be jointly held liable for all debts incurred.

Where a parent refuses to contribute any future fees, the remaining parent must sign a new enrolment authority accepting full responsibility for future fees.

Related Policies and Documents

OLMC Enrolment Policy

OLMC Privacy Policy

Mercy Education Ltd Policy 8.01A, Setting School Fees at Mercy Colleges

Mercy Education Ltd Policy 8.02A, Collection of Outstanding School Fees at Mercy Colleges

Catholic Education Office Melbourne Policy 2.27, *School Fees* www.ceomelb.catholic.edu.au

Policy revised by College Council – May 2016

Next Policy Review – May 2018

Person Responsible – College Business Manager

Fee Concessions – Special Circumstances

In certain circumstances families may apply for a pro-rata reduction in fees or for an extended payment plan. Such circumstances, and the concessions that may apply, are outlined below, as are procedures that must be followed.

Families experiencing financial difficulties

Where hardship is encountered, parents are asked to notify OLMC (either the Principal or the Business Manager) and request assistance. Parents are to complete an “Application for School Fees Concession” form available from the Accounts Receivable Office and submit the application with the requested supporting information, in person, to the Principal or Business Manager. The completed form needs to outline the circumstances of the financial hardship and include sufficient detail of the family’s financial position to justify the application. Applications will be considered with high levels of confidentiality, sensitivity and care. OLMC response to requests of this nature will be at the discretion of the Principal, on the understanding that the arrangements will be negotiated annually and the relative financial situation of the family updated.

Absence of a student due to illness

Where a student is absent from school for a term or more due to prolonged illness or injury, some form of fee remission may apply. The level of remission will be determined by a number of factors including the length of absence, the nature and level of ongoing support provided by OLMC for the student’s ongoing learning and wellbeing. All requests for fee reduction due to such circumstances must be made in writing to the Principal, and cases will be considered on an individual basis.

Withdrawal of a student during the year

Parents may apply for a reduction in their fees if they withdraw their daughter from the College during the year. If pastoral reasons underpin the withdrawal, pro-rata reductions may apply. Parents are expected to give one term’s notice, in writing to the Principal. Fees for the terms not commenced will be refunded.

Variations to fulltime enrolment

A student whose learning program is less than 75% of a typical student program may be considered as a part time student and as such may be entitled to some remission of fees. The level of remission is determined on an individual basis and takes account of the level of part-time status, the number of days attended and the level of support required. Requests for fee reductions in such circumstances must be made in writing to the Principal.

Long-term leave of absence

For students who will be absent for two terms or more, a place will be held provided the parents give a minimum of one term’s notice in writing to the Principal. The family account will need to be paid in full before OLMC agrees to hold open the student’s place. OLMC will generally not offer any fee remission to families in the case of extended overseas travel except where a student is on an approved exchange program.

Student enrolments during the school year

Families who enrol a student during the school year will be charged the standard enrolment fee, plus the balance of the annual composite fee (calculated on a pro-rata basis/number of weeks in attendance).