

FINANCIAL MANAGEMENT POLICY & PROCEDURE CONDITION 5

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1. PURPOSE

Intelligent Training Solutions maintains financial policies. This policy defines the system used to manage the Intelligent Training Solutions fee collection and refund arrangements in accordance with Condition 5 – Financial Management of the AQTF Essential Conditions and Standards for Continuing Registration.

NOTE: Intelligent Training Solutions enrolment terms and conditions and the availability of our complaints and appeals processes together with our financial management policy and procedure do not remove students right under Australia’s consumer protection laws.

2. SCOPE

This procedure applies to all staff involved in the administration and management of Intelligent Training Solutions funds.

3. DEFINITIONS

TERM	DEFINITION
Intelligent Training Solutions	I.T.S
Authorised collector	Is a staff member working in the administration department/section of Intelligent Training Solutions.
Short courses	The term short courses refer to individual units delivered over one or two days whereby, once completed, the student ends up with a Statement of Attainment for the units completed. Courses under \$1,000 are classified as short courses
Qualification courses	The term qualification courses refer to courses that contain multiple units of competence whereby once completed, the student ends up with a Certificate of Completion for a qualification. Courses over \$1,000 are classified as qualification courses.

4. SUPPORTING DOCUMENTS

The following documents are referenced within this policy and can be located at:

LINK: <https://www.its.vic.edu.au/staff-administration/>

- Refund Request Form

5. RESPONSIBILITY

- 5.1 The Chief Executive Officer is responsible for implementing this policy and associated procedure and ensuring that staff involved with the invoicing, receipt, and collection of funds are aware of its application and enforce its requirements.
- 5.2 The Administration Manager is responsible for the administration support and the operational implementation of this procedure
- 5.3 Only authorised collectors are permitted to collect revenue and issue official receipts on behalf of Intelligent Training Solutions.

- 5.4 An authorised collector is a full-time or part-time/casual staff/ member of Intelligent Training Solutions, nominated and approved by the Chief Executive Officer to collect revenue on behalf of Intelligent Training Solutions.
- 5.5 The authorised collector will be required to accept responsibility to collect revenue on behalf of the Intelligent Training Solutions according to the financial procedures and taxation requirements.
- 5.6 Authorised collectors are required to acquaint themselves with what sources of income are GST-free and what are GST-payable for their collection point. They should seek information on the application of GST to revenue to be collected at their collection point from their supervisor or from Finance.

Intelligent Training Solutions may perform police checks before employing staff or assigning regular cash handling and receipting responsibilities to an individual/s involved in other critical cash handling positions.

Intelligent Training Solutions must seek an explanation for any reported felonies, misdemeanours, or judgements due to fraud related to cash, stocks, or any other financial transactions before hiring or upon learning such information. Any individual with revenue collection responsibilities must continuously maintain a clear status. If an employee with revenue collection responsibilities is convicted of a crime, that conviction must be reported to the Chief Executive Officer or the directors of the company. If a revenue collection employee loses this status his or her cash handling responsibilities must be terminated.

- 5.7 The Chief Executive Officer is responsible for Intelligent Training Solutions financial procedures and accountabilities.
- 5.8 An independent and qualified accountant, Spadaro and Associates, prepares the annual accounts yearly.
- 5.9 If requested by the Australian Skills Quality Authority (ASQA), Intelligent Training Solutions will obtain, and make available a full audit report from a qualified independent accountant with membership of CPA Australia or ICA Australia.
- 5.10 Protection of student fees paid in advance by a student is undertaken in accordance with AQTF Essential Conditions and Standards for Continuing Registration by meeting Option 3 of Condition 5 of these standards.

EXTRACT FROM THE AQTF STANDARDS: (Option 3) the RTO may accept payment of no more than \$1000 from each individual student before the commencement of the course. Following course commencement, the RTO may require payment of additional fees in advance from the student but only such that at any given time, the total amount required to be paid, which is attributable to tuition or other services yet to be delivered to the student does not exceed \$1,500

6. METHOD

Accounting records

- 6.1 Accounting records of debtors, creditors, assets and liabilities, and financial statements are prepared quarterly by the Chief Financial Officer and annually by John Spadaro, Spadaro & Associates, Level 1, suite 108/12 Ormond Blvd, Bundoora VIC 3083, Telephone: (03) 9404 3474 Facsimile (03) 9404 3321 e-mail: spadarog@ozemail.com.au as required by ASIC for a private company and by the Australian Taxation Office

- 6.2 At the end of each financial year, the Chief Executive Officer ensures that the accounts are prepared by Spadaro & Associates to indicate the financial performance and financial position of Intelligent Training Solutions Pty Ltd.
- 6.3 At the end of each financial year, the Chief Executive Officer will ensure that tax returns are prepared and lodged by Spadaro & Associates by the required date.

Course fees paid by employees

- 6.4 For Intelligent Training Solutions employees, reduced course fees may be charged for training, subject to approval by the Chief Executive Officer or a company director.
- 6.5 The fee payment schedule for publicly offered courses and courses paid for by employers will be in accordance with Condition 5, Option 3 of the AQTF Essential Conditions and Standards for Continuing Registration.

Course fees paid by students and or clients

- 6.6 Course fees and payment schedules for every course delivered by Intelligent Training Solutions, both accredited and non-accredited, will be publicly available via the Intelligent Training Solutions website (www.its.edu.au)
- 6.7 Before commencement of the course, a maximum fee of \$1,000 (the commencement amount) or the total course fee, whichever is the lesser amount, will be paid in advance.
- 6.8 After course commencement, an instalment payment schedule will be followed. This is known as the fee statement and is documented via a PDS or Agreed Program Delivery plan.
- NOTE: Short courses do not have a payment scheduled as their fees are under \$1,000.00
- 6.9 The instalment payment amount will be equal to the balance of fees owing after payment of the commencement amount and divided by the number of instalment payments to be made. Each instalment payment amount will not exceed \$1,500 as per the requirements of the AQTF Standards, Condition 5, Option 3.
- 6.10 Fees collected are to be paid into an Intelligent Training Solutions bank account.
- 6.11 An authorised collector will issue a receipt to the student at the time or immediately after fees are received and cleared by the bank.
- 6.12 Fees paid will be recorded in our Xero Accounting system so that each student or clients financial status is known at all times.

Fees for short courses

- 6.13 The fee schedule for all short courses will have their associated course fees present on the enrolment form and an agreed program delivery form to be completed by each student.

- 6.14 Fee payments will be negotiated at the time of enrolment between the student and the training manager or program coordinator and then documented via the enrolment form or the agreed program delivery plan.

Fees for qualification courses

- 6.15 The fee schedule for all qualification courses will have their associated course fees and payment schedules present on the product disclosure statement (PDS) to be completed by each student.
- 6.16 Fee payments will be negotiated at the time of enrolment between the student and the training manager or program coordinator and then documented in the PDS before the student signs the PDS.

Approved methods of payment

The Chief Executive Officer has approved the following methods of payment for students and or clients to make payment on an Intelligent Training Solutions issued invoice

Payment on Invoice

- 6.17 Students may make payment via an issued invoice. Standard payment terms must not exceed 14 days with a 7-day preferred payment term.
- 6.18 Payment terms may be extended by an authorised collector without approval from the Chief Executive Officer or Chief Financial Officer, providing that the payment terms remain within 14 days of the student and or clients course commencement.
- 6.19 An approved Intelligent Training Solutions invoice will contain an option for the student to pay via bank transfer, via PayID, or via a Credit Card using the Stripe payment service. A 3% fee will be applied by Stripe for any payments made via credit card.
- 6.20 Any student wishing to withdraw from a course is subject to the Intelligent Training Solutions withdrawal policy and refund policy

Payment via PayAdvantage – direct debit

Intelligent Training Solutions has registered with PayAdvantage, an Australian financial institution that provides Intelligent Training Solutions the ability to direct debit students for courses, goods and services.

- 6.21 Students enrolling in a qualification course may elect to have their course fee instalments direct debited via the PayAdvantage system.
- 6.22 Transaction fees will apply to students using this system, and those fees will be listed on the students PDS.
- 6.23 Any student wishing to withdraw from a course is subject to the Intelligent Training Solutions withdrawal policy and refund policy

Payment via PayRight – Interest-free student loan

Intelligent Training Solutions has registered with PayRight, an Australian financial institution that provides students with interest-free student loans for courses, goods and services. This service will provide students with the opportunity to pay off their course fees within a 6, 12, 18, or 24 month period, with repayments due monthly.

- 6.24 Students enrolling in a qualification course may elect to use PayRight for their course fees.
- 6.25 Students wishing to engage the services of PayRight, will incur a one-off merchant fee charged by PayRight.
- 6.26 Any PayRight merchant fees will be added to the student's course enrolment fees. This will be documented on the student's PDS.
- 6.27 A student who elects to use the PayRight system must agree to PayRight's terms, conditions, and eligibility criteria. These criteria can be found on the PayRight system and are presented to the student before sign-up or approval
- 6.28 Student's using the PayRight system will be eligible to receive their Certificate of Completion once they have completed their course, regardless of the repayment option they have engaged.
- 6.29 Students who use the PayRight system have the right to withdraw or transfer from their course according to the relevant policies and procedures.
- 6.30 Any student wishing to withdraw from a course are subject to the Intelligent Training Solutions withdrawal policy and refund policy
- 6.31 A student using the PayRight system has the right to request a refund, if eligible, under Clause 8 of this policy and procedure.

Payment via Stripe - credit card

Intelligent Training Solutions has registered with Stripe, a financial institution that provides Intelligent Training Solutions with the ability to take payments via credit card from students and or clients.

- 6.32 Students may pay course fees via their credit card. A student may choose to pay their fees over the phone or via a link on their invoice.
- 6.33 A 3% transaction fee is applied to all payments processed through the Stripe system. These fees are charged by Stripe directly and included on the student's invoice.

Fee Information

Intelligent Training Solutions will provide the following information to each student:

- 6.34 The total amount of all fees, including course fees, administration fees, materials fees and any other charges. ^{NOTE 1}
- 6.35 Payment terms, including the timing and amount of fees to be paid and any non-refundable deposit / administration fee. ^{NOTE 1}

- 6.36 The nature of the guarantee given by Intelligent Training Solutions to complete the training and/or assessment once the student has commenced study in their chosen qualification or course. ^{NOTE 1}
- 6.37 The fees and charges for additional services, including such items as issuance of a replacement qualification testamur and the options available to students who are deemed not yet competent on completion of training and assessment ^{NOTE 1}
- 6.38 Intelligent Training Solution's refund policy. ^{NOTE 1}

NOTE 1: Items are documented on the Intelligent Training Solutions website, agreed program delivery plan, or product disclosure statement.

7. REFUNDS ISSUED BY INTELLIGENT TRAINING SOLUTIONS

- 7.1 Eligibility for a student to receive a refund will be assessed based on the services provided to the student and the costs incurred by Intelligent Training Solutions in order to provide those services to the student.
- 7.2 Applications for refunds must be made by completing the Refund Request Form available to the student via download on the Intelligent Training Solutions website.
- 7.3 Intelligent Training Solutions will provide students with a full refund of paid course fees within 14 days from receiving a refund request form for any course cancelled by Intelligent Training Solutions. This does not include courses postponed by Intelligent Training Solutions due to imposed government restrictions or government lockdowns. Courses that are postponed due to government restrictions or government lockdowns will be processed under the Clause 8.10
- 7.4 For courses cancelled by Intelligent Training Solutions, not related to a government directive, restriction or lockdown, Intelligent Training Solutions will provide students with a refund where:
- 7.4.1 Intelligent Training Solutions is unable to offer the course and where a suitable alternative cannot be provided;
- 7.4.2 Intelligent Training Solutions refuses the application for enrolment.

8. REFUNDS REQUESTED BY A STUDENT

Where a student requests a refund, the following policy and procedure will apply.

Once a deposit, instalment, or full payment has been made, the student's enrollment is considered active. All refund requests must be in writing using the refund request form. This form must be signed and dated by the enrolled student and sent to Intelligent Training Solutions using one of the methods listed on the form. For active enrolments, the following terms and conditions will apply:

- 8.1 Refund requests must be made in writing on the Refund Request form provided by Intelligent Training Solutions
- 8.2 Refunds will be made issuing within 28 days of written notification being received by Intelligent Training Solutions
- 8.3 The following methods of payment will be used to issue a refund:

- 8.3.1 If the student's course fees were initially made via a credit card, PayPal transaction or Stripe transaction, Intelligent Training Solutions will refund the student using the same method providing that option remains available to authorised collectors.
- 8.3.2 If the student's fees were paid via cash, cheque, direct debit, or a bank transfer, Intelligent Training Solutions would process the refund via Electronic Funds Transfer (EFT) using the detail provided by the student on the Refund Request Form.
- 8.4 A company director, Administration Manager, Chief Executive Officer, or Chief Financial Officer must approve student refunds.
- 8.5 Refunds will be recorded in the company accounting software (XERO) to know each student or client's financial status.
- 8.6 90% of the course fee or deposit paid by the student, minus any Banking, PayPal or Merchant fees will be refundable if a written application is received within 28 days or more before the course commencement date.
- 8.7 Only 50% of the course fee or deposit paid by the student, minus any Banking, PayPal or Merchant fees, will be refundable if a written application is received within 8 to 27 days before the course commencement date.
- 8.8 Course fees or deposits will not be refunded for any refund request received with less than eight days notice of the course commencement date. As Intelligent Training Solutions would have already secured the required trainers, training venues, course resources, and printed materials, a student enrolment will have been taken into account during this preparation stage; therefore, course fees will not be refunded.

NOTE: WITHDRAWING FROM THE COURSE AT THIS STAGE WILL RESULT IN A VACANT POSITION WITHIN THE COURSE AND WILL DEPRIVE INTELLIGENT TRAINING SOLUTIONS AND THE COURSE OF THE REVENUE IT WOULD PROVIDE*

Refer to NOTES 1, 2, and 3

- 8.9 Any student who enrolls into a course less than eight days from the proposed course commencement date will not receive a refund in accordance with Clause 8.3.

NOTE: Students are advised to decide carefully when enrolling in a course with less than eight days between their enrolment and the commencement of the course. Intelligent Training Solutions does not have a cooling-off period unless mentioned explicitly in a Product Disclosure Statement (PDS).

- 8.10 As of 27th of August 2021, Intelligent Training Solutions will no longer provide a refund on courses postponed due to government restrictions or government-issued lockdowns. Instead, students who find their course delayed due to government restrictions or government-directed lockdowns will be automatically issued with a credit note* allowing the student to reschedule their course to another time and date available once the government restrictions or government lockdown has been lifted.

These terms and conditions will apply to all new enrolments submitted on or after the 27th of August 2021. This change in conditions does not apply to enrolment received before, and including the 26th of August 2021.

PLEASE NOTE: The decision to implement these terms and conditions have not been made lightly. Government restrictions and lockdowns cost businesses like ours time and money, especially considering that we still conduct essential training for COVID response workers and high-risk industries regardless of low course participant numbers.

*Refer to note 4.

NOTE 1 - If a student can find another person to take over their enrolment, effectively replacing their enrolment with another (1:1), Intelligent Training Solutions, at its discretion, will arrange for the student to receive either a refund under Clause 8.1 or a transfer of their enrolment. Intelligent Training Solutions will make the decision on which Clause will be implemented.

NOTE 2 – If a student is unable to attend their course due to sickness or a medical emergency, Intelligent Training Solutions will transfer their course; however, the student **must** provide a Medical Certificate issued by their GP before a transfer will be approved.

NOTE 3 – If a student is unable to attend due to a severe injury, a severe injury of a family member, or due to the death of a family member, a refund will be issued under Clause 4.1; however, the student must provide a Medical Certificate issued by their GP before a refund will be approved.

NOTE 4 - All credit notes will be valid for 12-months starting from when the credit note was issued. After 12 months, providing that Intelligent Training Solutions had the student course available on offer on more than two occasions, the student's enrolment fees will be forfeited. If Intelligent Training Solutions is unable to make at least two-course offers during this period, the credit note may be extended for a further 12 months

9. NON-ACTIVE STUDENTS

9.1 A student has not yet paid for their course, course deposit, or arranged a PayRight application, the enrolment is considered non-active and therefore not subject to Clause 8. A student with a non-active enrolment will not be asked to pay for their intended course as their position on a course has not been confirmed or accepted by Intelligent Training Solutions.

10. PROMULGATION

The financial management policy and procedure will be communicated throughout our RTO via:

- An announcement notice or email from the Chief Executive Officer and throughout the RTOs Policy, Procedure & Regulations webpage
- Faculty executive and staff meetings