

Fee Payment

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1 Introduction

1.1 Purpose

Ara aims to provide fair and equitable treatment of all students with regard to the payment of fees.

1.2 Scope and Application

This policy relates to the payment of any course and course related fees (for example course fees, course administration fees and course examination fees) by:

- a New Zealand citizens and permanent residents;
- b International students; and
- c Companies.

This policy does not relate to the payment of fees for:

- a Secondary Tertiary Pathways funded students;
- b Industry Training Organisations (ITO) contracts; or
- c such other costs described as not being course related or by their nature are not course or course related fees.

1.3 Formal Delegations

Delegations are determined in the Delegation Schedules for Finance and People and Development.

1.4 Definitions

- a. **Course Fees:** Fee that is charged for the cost of tuition
- b. **Course related fees:** Non-tuition fees (e.g. external exam fees)
- c. **Distance learning students:** Students studying a course via online technology
- d. **Domestic student:** a person who is:
 - i A New Zealand citizen; or
 - ii the holder of a residence class visa granted under the Immigration Act 2009 who satisfies the criteria (if any) prescribed by regulations made under subsection (4); or

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- iii a person of a class or description of persons required by the Minister, by notice in the *Gazette*, to be treated as if they are not international students.
- e. **International student:** is a person who:
 - i is enrolled by a provider, and
 - ii is studying in New Zealand on a student permit under the Immigration Act 2009, and
 - iii in relation to the provider, is a foreign student as defined in Section 2 or Section 159 of the Act (whichever is applicable).
(Extract MOE, Code of Practice for the Pastoral Care of International Students), or
 - iv is enrolled in a course of study at ARA but is permanently based overseas, other than New Zealand Citizens or Permanent Residents.
- f. **International Student – Path of Study:** International students are enrolled into a Path of Study.
- g. **Path of Study:** is the total length of each programme, which the student has chosen to study, as detailed in the Offer of Place, Statement of Fees and the period defined on the student’s visa.
- h. **International Flat Fee:** The purpose of the flat fee is to give certainty in the market place. So if \$15,000 is quoted, the fee paid is exactly that. This fee does not include the Student Services Levy, Insurance, or Homestay related fees.
- i. **Full time International Student:** Students who enrol in a Path of Study of at least 80% of the Programme EFTS for a year pay the approved flat fee. The only variation to this is English Language Programme enrolments which are by course and students therefore pay the aggregate of all course fees.
- j. **International – Variation of Conditions “other than full time study”:** Students who enrol in less than 80% of the Programme EFTS for a year. A fee for each course enrolled into is required and is calculated on a pro rata basis by course EFTS as a proportion of the Programme EFTS for a year.

Part-time study will only be allowed as an exception to normal Immigration Policy if there are special/exceptional circumstances surrounding the application.
- k. **International Programme EFTS (Equivalent Full Time Student):** The EFTS load for the normal enrolment in that programme in that year, as per the approved programme document (usually 1.000 for one year, but may be 0.5000 for half year).
- l. **International – Full time plus additional courses:** An International student enrolling in more than 105% of Programme EFTS for a year will pay the flat fee and an additional fee based on the Part Time fee for the additional courses chosen.
- m. **Pathway Visa:** Pathway student visas allow international students to undertake a progression of up to three consecutive programmes of study with selected education providers on a single visa. The visa will be valid up to a maximum of five years.
- n. **Government subsidy:** The Government’s contribution to the direct costs of teaching, learning and other costs driven by learner numbers.
- o. **New Zealand Citizen:** All people born to New Zealand citizens or permanent residents as well as all people eligible to hold New Zealand passports are New Zealand citizens.

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People from the Cook Islands, Tokelau and Niue are New Zealand citizens and are eligible for New Zealand passports.

- p. **Permanent Resident:** A non-NZ citizen who has been granted permission by Immigration New Zealand to reside indefinitely in New Zealand.

<p>Related Ara Procedures (on Infoweb)</p> <ul style="list-style-type: none"> • CPP120b People and Development Delegations • CPP120c Financial Delegations Schedule • APP504c Terms and Condition of Enrolment 	<p>Related Ara Policies</p> <ul style="list-style-type: none"> • CPP120 Delegations • APP504 Regulations Governing Admission and Enrolment • CPP127 Withdrawal and Refund of Fees and Charges – Domestic Students • CPP128 Withdrawal and Refund of Fees and Charges – International Students
<p>Related Legislation or Other Documentation</p> <ul style="list-style-type: none"> • Education Act 1989 • Immigration Act 2009 • Tertiary Education Commission website • Ministry of Education website 	<p>Good Practice Guidelines(indicate if attached to policy or where they can be found)</p>
<p>References</p>	
<p>Notes</p>	

2 Principles

- 2.1 All students will be treated in a fair and equitable manner with regard to the payment of course and course related fees.
- 2.2 Students will be provided with clarity regarding the expectation of payment of fees.

3 Associated procedures for Ara Corporate Policy on: Fee Payment

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3.1 Background

Fees are paid by students as a condition of enrolment into courses and programmes. The publishable fee may include charges for such things as ID cards.

All programmes offered and promoted for enrolment by International Students must quote a full cost Flat Tuition Fee for payment in advance by the student. These fees are established in consultation with senior management and must reflect export education market rates for competitive advantage. The fees are published as annual, semester or term fees according to the length of the programme and may change from year to year.

3.2 Students - Payment of Fees

Students are responsible for:

- a paying in full; or
- b making an alternative arrangement for payment with the DCE Chief Operating Officer or delegate, within 30 days of the date of the invoice.

3.2 Payment of Fees – Domestic Students

- a All fees must be paid within 30 days of the date of the Invoice and no later than the programme start date, or in accordance with the terms of an alternative payment arrangement approved by the DCE Chief Operating Officer. By signing the enrolment form the student has agreed to pay the applicable course fees of the course or programme into which they are enrolled.
- b Students who have not paid their fees in full or made an arrangement by the due date cannot attend classes. Students will be prevented from graduating or receiving their awards until all debt has been cleared or arrangements put in place and adhered to, to ensure payment.
- c Students with outstanding debt are only permitted to enrol in further courses of study with prior approval of the Ara DCE Chief Operating Officer.
- d No student who has applied to StudyLink for a student allowance shall have an approved verification of study (VOS) returned to StudyLink unless the full tuition fees have been paid or a loan verification of study request has been received from StudyLink, and approved.
- e Australian Students: Australian citizens and permanent residents pay the same fees as New Zealand citizens if they are studying in New Zealand. If they are studying distance learning from outside New Zealand they will need to pay international fees. They are also not eligible to apply for the New Zealand Student Loan or Allowance unless they have been living in New Zealand for at least three years and are normally living in New Zealand.

3.3 Payment of Fees – International Students

- a All fees are inclusive of GST (NZ Goods and Services Tax), are invoiced and are payable in New Zealand Dollars (NZ\$). Ara is not responsible for exchange rate fluctuations. In the event that an International Student has underpaid the invoiced amount due to exchange rate fluctuations the student will be required to pay the difference to meet the NZ\$ fee amount. The converse is also true, overpayment by the student, due to exchange rate fluctuations, will be refunded to the student in NZ\$.
- b Fee payments by EFTPOS, credit card and bank transfer are preferred. Cash payment of greater than \$1,000NZD will not be accepted due to the risk posed to the paying students and Ara staff.

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- c First year international students must pay all fees for the full year, or studying for less than full year, the full period of their Path of Study in accordance with the definition above. In second and subsequent years, international students must enrol for the full year, but may pay their tuition fees by semester with the approval of the Director – International. International students choosing this option of payment will be charged an administration fee per semester

3.4 Refund of Fees

- a Please refer to APP514 Withdrawals, Refunds and Compassionate Consideration
- b The Withdrawal and Refund Policy Tables will be updated annually by 31 August in the preceding year to allow for the Student Management system (SMS) to be set up accordingly.
- c Note that administrative fees chargeable per the Refund Policy will be deducted from the amount to be refunded prior to the refund being made; the balance remaining, if any, will be paid to the person or organisation that paid the original invoice in question.

3.5 Liability for Fees

Unless otherwise specified, students become liable for fees once they start attending classes at Ara. For the avoidance of doubt, distance learning students are deemed to start attending classes when, in the reasonable opinion of Ara, they are participating in a course (as may be evidenced by communications with a lecturer or accessing any of the Ara distance learning resources).

3.6 Government Subsidy (excluding Free Fees Initiative)

To be considered for a government subsidy towards tuition fees, a student must provide the prescribed documentation to Ara including documentary evidence of New Zealand citizenship or permanent residency for the same academic year the student is enrolled to study. Until such time as the prescribed documentation is provided to Ara, a student will be liable for payment of the full, non-subsidised tuition fees (which is more than the subsidised New Zealand student tuition fees). Ara will reimburse the student any overpayment where the student has paid the full, non-subsidised fee and it transpires that the student is eligible for the government subsidy towards their tuition fees.

3.7 Government Free Fees Initiative

In 2018 the Government introduced a Fees Free tertiary education initiative. The initiative provides for 120 credits of fees free study for eligible learners. The Tertiary Education Commission (TEC) will administer the scheme and will advise Ara of learner eligibility. In the event that the TEC revises their assessment of eligibility and declines to make payment on behalf of the student, Ara reserves the right to recover the tuition fees directly from the student.

3.8 Course Withdrawal - within withdrawal period

- a If a domestic student has not paid fees for a course and formally withdraws from that course before the last withdrawal date, that student's account will be given an appropriate credit. The student will remain responsible for any remaining account balance. Further information regarding this can be found in APP514 Withdrawals, Refunds and Compassionate Consideration

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- b For domestic students, unless otherwise stated, the last withdrawal date is a determined period of time that amounts to 10% of the course's total duration from the course's commencement date.

- C For International Students, the last withdrawal date is seven days after the first course start date of the International students identified path of study.

3.9 Course Withdrawal - outside withdrawal period

- a If a student has not paid fees for a course and withdraws from that course, whether formally or otherwise, after the last withdrawal date, then irrespective of such withdrawal, the student will remain responsible for all fees and associated charges of that course.

- b Unless otherwise stated, the last withdrawal date is a determined period of time that amounts to 10% of the course's total duration from the course's commencement date.

3.10 Attendance Without Enrolment

Attendance without formal enrolment at any Ara course will be deemed to be that student's acceptance of the liability to pay all fees and charges associated with the course and that student will be invoiced for such fees and associated charges as if they were formally enrolled in that course.

3.11 Ceasing to Attend after Withdrawal Date

If a student ceases to attend classes but has not formally withdrawn before the advertised withdrawal date, that student remains liable to pay the fees and charges associated with the course.

3.12 Absence of Student Loan

If it was intended that the student's fees were to be paid by Student Loan and for whatever reason the student loan is no longer available, the student will remain liable for the payment of the fees and charges and must make alternative payment arrangements

3.13 Change of Eligibility for Government Fees Free Initiative

- a If for whatever reason the Tertiary Education Commission (TEC) revises its assessment of a student and advises that the student is not eligible for funding under the Government Fees Free Initiative, the student will become liable for payment of fees and charges associated with the courses and must make alternative payment arrangements to Ara

- b Ara does not determine student eligibility, therefore, disputes regarding eligibility must be directed to the TEC Fees Free Team helpline.

3.14 Ineligibility to Graduate Where Debt Unpaid

- a Students with unpaid fees and charges may be eligible to sit examinations but will not be allowed to graduate with any qualification/award until all outstanding amounts owing to Ara:
 - i have been paid in full, or

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- ii where not paid in full and with the approval of the Ara DCE Chief Operating Officer, are subject to an arrangement for payment by instalments (such approval being in the sole and absolute discretion of the Ara DCE Chief Operating Officer).

3.15 Students Enrolling with Debt

- a Students with unpaid fees may not be accepted into further courses until the debt is:
 - i paid in full, or
 - ii where not paid in full and with the approval of the Ara DCE Chief Operating Officer, are subject to an arrangement for payment by instalments (such approval being in the sole and absolute discretion of the Ara DCE Chief Operating Officer).

3.16 Ara Error in Referring a Debt

Ara will be responsible for any charges incurred from a debt collection agency if Ara decides, for reasons of internal error, to retract a student debt after it has been referred to a debt collection agency.

3.17 Receipt to Be Issued

Ara will issue a receipt for all tuition payments received. It is the student's responsibility to ensure that a receipt is issued and retained to evidence payments made. A receipt may be produced electronically via student web portal.

3.18 Company Payment of Student's Fees

- a **Company Invoicing**

If a student's fees are being paid by a company, that company must provide a purchase order number, postal address and the name of the company contact person for Ara to issue an invoice to the company.
- b **Payment of Fees**

Companies are responsible for paying all invoiced tuition fees in full.
- c **Fees remain Student's Responsibility**

In the event that the company fails to make payment on behalf of the student, the student then become liable for payment of the outstanding balance.

3.19 Payment by Instalments

- a **By Agreement**

With the agreement with the DCE Chief Operating Officer (or delegate), payment can be made by instalments. A credit check may be undertaken and a Guarantor may be required. Where students are eligible for a Student Loan, payment by instalment will not normally be approved.
- b **Fees not to carry over**

Where a student is paying by instalments, all instalments must be paid before the end date of the last course in that student's current academic year. Subsequent enrolments

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will only be accepted if payment is made in full or a payment arrangement has been agreed and is being adhered to, at time of enrolment.

c Instalment Agreement

Students paying by instalments will be required to enter into an instalment agreement with Ara.

d Administration fee

Each arrangement for a student to pay by instalment will incur an administration fee notified in the Ara Standard Fees Charges.

3.20 Outstanding Fees

a Disputes

- i Any student who wishes to dispute the fees owing must do so in writing within 30 days of the date of the invoice. A request to review the outstanding amount must be made in writing to the Ara Registry Manager.
- ii Ara may exercise discretion and accept reviews lodged outside the normal one-month time limit if Ara considers that there was good reason for the delay.
- iii Ara will endeavour to complete its review within seven working days of the date of receipt of the application for review. Any outstanding monies owing at the outcome of the review are to be paid to Ara immediately once notification is received.

3.21 Fee Payment Methods

a Methods accepted

Fees may be paid by:

- Cash (under \$1,000), cheque, EFTPOS, MasterCard, Amex or Visa
- Bank draft
- Electronic transfer
- Direct credit
- Student Loan
- Training Incentive Allowance
- Government Free Fees Initiative
- By agreement with the Chief Finance Officer payment by instalments in exceptional circumstances

3.22 Debt Management

a Debt Recovery

Where Ara has to take steps to recover outstanding debt in accordance with the Ara debt management processes, all such costs (including the cost of appointing a debt collection agency or solicitors to recover such debt) will form part of the debt outstanding that the student is liable to pay.

In the event that Ara is required to take such steps to recover the amounts over, the student acknowledges that their credit rating may be adversely affected.

b Credit write off

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Students who have a credit balance remaining on their account of less than \$10 at the end of that student's study will not be refunded. If the student has a credit balance in excess of \$10, the full balance will be refunded if a refund is requested within 30 days of the end of that student's study.

Where Ara allows a student to temporarily suspend their study (for instance on compassionate grounds) for up to two years, any credit balanced that remains on that student's account after expiry of two years will not be refunded.