

Financial Management and Viability Policy and Procedure

1. Purpose

The purpose of this Financial Management and Viability Policy and Procedure is to ensure the fiscal sustainability and regulatory compliance of Vigil International College a CRICOS RTO operating under Sections 27 to 32 of the ESOS Act and in accordance with the Standards for RTOs 2025.

2. Policy

This policy aims to provide a framework for the effective management of financial resources, the assessment of organisational viability, and the maintenance of financial transparency. By adhering to this policy, the College strives to meet its financial obligations while delivering high-quality education and support to its international students.

3. Responsibility

CEO is responsible for implementing this policy

Finance Manager is responsible for implementing the requirements of the policy

Administration staff who manage the issuance of invoices and the receipt and management of tuition fees must implement this policy and procedure.

All staff with responsibility for the management of student tuition fees and financial accounts are to be fully conversant with the requirements detailed in this document.

4. Requirements

The College abides by Sections 27 to 32 of the Education Services for Overseas Students Act 2000 (ESOS Act), which outline a series of registration requirements aimed at protecting the tuition fees of students who are yet to commence their course. It outlines three specific requirements for the College as an ESOS provider of Education Services for Overseas Students in relation to the handling of tuition fees.

Refer to; https://www.asqa.gov.au/esos-providers/esos-requirements/tuition-fee-obligations#type_account

Outcome Standards for RTOs 2025

Standard 4.3 – Risk management

Outcome Standard

- (1) Any risks to VET students, staff and the organisation itself are identified and managed.
(2)(b): how the financial position, financial performance and cashflows of the organisation are managed, monitored and understood by governing persons.

5. Scope

This policy applies to the financial accounts relevant to the operations of the College's obligations under the ESOS Act.

6. Procedure

Establishment of separate banking holding account for tuition fees

- The Chief Executive Officer or delegate will establish a separate bank account, of a specific type, established for the receipt and holding of student tuition fees.
- To meet the requirements of sections 28 and 29 of the ESOS Act, as a provider the College will maintain a separate bank account which holds all tuition fee payments from overseas students who have not yet commenced their course. The bank account that tuition fees are paid into must:
 - not be available for the payment of a debt to any creditor of the College (other than the overseas students who have pre-paid tuition fees)
 - not be liable to be attached or taken in execution of a court order for payment to a creditor (other than the overseas students who have pre-paid tuition fees)
 - be managed by an authorised deposit-taking institution (ADI) or a state bank (as defined by ADI and state banks are defined under Section 9 of the Corporations Act 2001 and/or Paragraph 51(xiii) of the Commonwealth of Australia Constitution Act).

Payment of overseas student tuition fees

- Student tuition fees must be paid into the holding bank account within five (5) business days of receipt.
- A credit balance must be maintained in the bank account sufficient to repay all tuition fees to every overseas student, or intending overseas student for courses that they have not yet commenced.
- These requirements are separate to the TPS levy and must be complied with by the College as an ESOS provider.
- This requirement will be monitored by the CEO and regular financial audits will be conducted.

Financial viability

The College will communicate any changes to its financial viability. The College will notify ASQA immediately if there are significant changes to its financial viability. This includes:

- Net tangible assets fall below 2% of Revenue
- Working capital falls below 2.5% of Revenue
- Debt Ratio is greater than 1.00
- Profitability falls below 0%
- Change in financial guarantor arrangements
- Change in mechanisms for securing learner fees paid in advance

Fees, Refunds, Provider Default and the TPS

Refer to the Fees and Refunds Policy and Procedure.

PROCESS

1	<i>receive student tuition fees</i>
	▪ The College receives student tuition fees
	▪ Student tuition fees will be paid into the holding bank account within five (5) business days of receipt.
2	<i>Monthly reconciliation</i>
	▪ The CEO or delegate exports the Provider Protected Amount Export for each week of the month and put the figures into a excel spreadsheet and find out the peak protected amount of the month. This is the minimum amount that the College shall maintain.
	▪ The CEO and Finance/ Accounting Manager review the monthly Provider Protected Amount Export and ensure it is accurate and compliant
3	<i>Review compliance with Standards for Registered Training Organisations (RTOs) 2025 and the National Code 2018</i>
	▪ Reviewed on a monthly basis through the Provider Protected Amount Export and reports.
	▪ Review on an annual basis through the audit of accounts by the organisation's accounting services provider

7. Policy Implementation

This policy will be made available to all staff members and stakeholders through the internal communication channels.

8. Review and Continuous Improvement

This Policy and Procedure will undergo an annual review, or sooner if required, to ensure it remains relevant and effective in guiding the operations and strategies or as needed to reflect any changes in the regulatory environment or operational practices.

Feedback will be collated and analysed and discussed at the monthly management meetings, for noting or action with any necessary changes documented in a Continuous Improvement Form and in the Continuous Improvement Register.

Document Control

Version number:	V1	Approved by:	CEO
Approval date:	01/06/2025	Review date:	01/06/2026
Standards: Standard 2025 4.3, Sections 27 to 32 of the ESOS Act			

Version Control

Version #	Changes	Approval By	Approval Date
1.0	Original Version	CEO	01/06/2025

Associated Documents

Continuous Improvement Form
Continuous Improvement Register
Fee Management and Refund Policy and Procedure