PRIVATE INCOME POLICY

The Academy of Mary Immaculate (the college) is in receipt of Australian and Victorian government recurrent and capital funding. In addition to government funding, each Mercy Education Ltd (MEL) college is responsible for setting and managing its own fees and levies, remissions and concessions, collectively known as private income.

Purpose

To establish how MEL colleges will set and manage tuition fees, levies, ad hoc charges and donations for local and full fee paying overseas students.

Definitions

Acronym | term	Full name and explanatory text
ATO	Australian Taxation Office
Business Manager	MEL secondary, special and special assistance college Business Managers
CECV	Catholic Education Commission of Victoria Limited
Delegate	A role or group (such as a Committee) with delegated authority under the MEL Financial Delegation Instruments
Delegation Instrument(s)	MEL Financial Delegation Instruments for primary, secondary, special and special assistance colleges, as delegated by the MACS Board.
FFPOS	Full fee paying overseas students who are not funded by Australian or State recurrent grant funding
HCC	Health Care Card, an allowance provided by the State government to assist low-income families to meet the educational needs of their children. The proportion of HCC recipient students enrolled at a college is a measure of the college's 'need' or disadvantage.
MACS	Melbourne Archdiocese Catholic Colleges Ltd. company.
MACS Board	Melbourne Archdiocese Catholic Colleges Ltd. Board of Directors
MEL	Mercy Education Ltd
MEL Board	Mercy Education Ltd Board of Directors
Principal	MACS primary, secondary, special and special assistance college Principals

Principles

Each MEL college is responsible for setting and managing its own fees, levies, concessions and remissions and for its own fee and levy collection and debtor management.

In recognition of the different capacity of families to contribute to the costs of education, government uses a Schooling Resource Standard funding model combined with a Capacity to Contribute model which is

intended to account for the financial position of families. These are designed to fund the system according to need.

The CECV policy formula for allocating funding to Catholic colleges also accounts for need. In addition, colleges are provided with additional financial assistance for each HCC student, which enables them to offer fee remissions.

Policy

1. Delegation to Set and Vary Fees

1.1 The MEL Board has delegated the power to set and vary fees and levies within set parameters.
1.2 Delegated specific powers to set and vary college fees and levies are detailed in the MEL Financial Delegation Instruments.

2. Setting College Fees and Levies

2.1 ME:L and MACS recognises the significant contribution that individual colleges make to the cost of education through the generation of private income.
2.2 Colleges are obliged to set and vary fees according to criteria that represent a thorough and transparent assessment of the internal and external factors influencing costs and available recurrent grant funding.
2.3 FFPOS are not funded by Australian or State recurrent grant funding.
2.4 Fees for FFPOS should not be subsided by recurrent grant or private income received for/from local students and should be set in accordance with Procedures point 1 of this Policy.
2.5 Colleges should ensure that information regarding the college's fees and levies is accessible in a variety of ways, including the college website.
2.6 The college's communication/strategy plan should make provision for the development and review of strategies for the dissemination of information about its fees and levies.

3. Ad Hoc Charges

3.1 From time to time, colleges may run activities or require the purchase of items that enhance or broaden the student's schooling experience.
3.2 These activities or items are offered as additions to the standard curriculum.
3.3 Students may access these activities or items on a user pays basis, with a resultant ad hoc charge.
3.4 Ad hoc charges may include non - curriculum based college events, optional excursions and camps, optional sporting or music programs and materials that do not relate to the standard curriculum.

4. Fee Remissions and Concessions

4.1 MEL colleges are expected to provide fee remissions/concessions to families in need, including students who hold an HCC.
4.2 The MEL Board has delegated the power to provide fee remissions and/or concessions.
4.3 Delegated specific powers to provide fee remissions and/or concessions are detailed in the MEL Financial Delegation Instruments.

5. Invoicing Fees and Levies

5.1 Each college is responsible for setting its own invoicing cycle and invoicing throughout the college year.
5.2 Colleges are to make every effort to help families understand their obligation to pay fees and levies.

6. Donations

6.1 Colleges may receive donations in a variety of ways including donations to specific purpose Funds, such as the College Building Fund, Library Fund and Scholarship Fund, or directly to the College.
6.2 When the Fund is registered as a Deductible Gift Recipient with the ATO, donations made of $2.00 or more to the College Building Fund, Library Fund and Scholarship Fund are tax deductible.
6.3 Donations to the college are not tax deductible.

Procedures

Private income procedures are detailed at Appendix 1 of this Policy.

Version	Author	Description of Changes	Release Date	Review Date
1.0	Andrew Baker	Policy Creation	December 2020	December 2022
1.1	Andrew Baker	No changes	December 2022	December 2024
1.2	Andrew Baker	No changes	December 2024	December 2026

Appendix 1

Private Income Procedures

Setting and Varying Colleges Fees and Levies

1. College fees and levies should be reviewed and set annually in line with the college's budget cycle, in sufficient time to advise college families of the following year's fees and levies
2. When setting college fees and levies, colleges should consider recurrent fees and levies to assist in meeting the operating expenses of the college, capital fees to assist in the purchase of assets and/or repayment of loans for capital purposes and fee discounts for families with more than one child enrolled at the college.
3. Where the college accepts enrolment of FFPOS, separate fees and levies should be set for FFPOS at a minimum of local student fees, plus Australian and State government funding amounts and other overhead costs relating to FFPOS,
4. Approval of setting or varying fees and levies by the appropriate delegates should be retained in writing.
5. Once set for the college year, college fees and levies may be varied on as 'as required' basis.
6. Varying college fees and levies should occur only in exceptional circumstances.
7. The College Advisory Council should be informed when fees and/or levies are set or varied.

Billing Fees, Levies and Fee Concessions/Remissions

1. The Principal is the approved delegate for approval of fee concessions or remissions. Approval must be documented in writing.
2. Fee and levy billing and application of fee concessions/remissions should be processed wholly within the college's accounting system, in accordance with the college's billing cycle.
3. Where authorised by the Principal, fee concessions/remissions may also be applied subsequent to billing.
4. Fees and levies should be billed in full for all students, with any fee concessions or remissions applied to the full fee or levy charged.
5. Fees, levies, concessions and remissions should be reconciled at each billing cycle to ensure completeness of billing.
6. Discrepancies in completeness of billing and/or resultant expected income should be promptly investigated and addressed.
7. Colleges should reconcile their debtor's ledger to the general ledger debtor's account on a monthly basis and promptly investigate and address any discrepancies, in accordance with the MACS Financial Reporting and Controls Policy.
8. Evidence of reviewed and approved monthly debtor, fee and levy reconciliations should be maintained for perusal by external auditors and other authorised organisations.

Ad Hoc Charges

1. If the college deems a camp, excursion, activity or other item is optional and it is not part of the standard curriculum program, families will need to pay the camp, excursion, activity or other item cost if their child is to participate.
2. Colleges may charge families for all costs of an optional camp, excursion or activity including the cost of transport, food, entry fees and accommodation for their child and any teacher(s) attending the optional camp, excursion or activity.
3. Colleges may also charge for the cost of a Casual Relief Teacher who is engaged for the purpose of supporting the optional camp, excursion or activity, however, colleges cannot charge families for the salaries of college teaching staff attending the optional camp, excursion or activity.
4. Where the charge is for an item, colleges may charge families for the purchase price of the item including the cost of any delivery or associated fees.

5. Ad hoc charges may be charged through the issue of a separate invoice for payment before the event takes place or the item is provided, or added to the family's account for payment with the next tuition fee instalment, at the Principal's and/or Business Manager's discretion.
6. Where colleges elect to add ad hoc charges "on account" for payment with the next tuition fee instalment, the risk of non‐payment after the optional ad hoc camp, excursion, activity or other item has taken place/been provided needs to be assessed and considered as part of the invoicing decision making process.

Donations

1. Colleges may receive donations in a variety of ways including donations to specific purpose Funds, such as the College Building Fund, Library Fund and Scholarship Fund, or directly to the College.
2. Donations to the College Building Fund, Library Fund and Scholarship Fund must be:
    a. issued an ATO compliant receipt by the named Fund
    b. banked directly to the named Fund
    c. permanently set aside for the specific purpose that related to the named Fund
    d. only expensed when monies from the named Fund are transferred back to the college
    e. not expensed directly from the Fund
    f. coded in line with the 'CECV Notes to the AFS' issued annually
    g. treated in accordance with all aspects of the MACS College Building Fund, Library Fund and Scholarship Fund policies
3. Donations of $2.00 and above made to the College Building Fund, Library Fund and Scholarship Fund are tax deductible when the Fund is registered as a Deductible Gift Recipient with the ATO.
4. Donations directly to the college are not tax deductible.
5. Donations to the college must be:
    a. issued a receipt in the college's name
    b. banked directly to the college's general bank account
    c. coded to 'donations for recurrent purposes' in the AFS
    d. expensed in line with the donor's stated wishes, where these are expressed.