

Form 7: Guidelines for School Fee Development



GUIDELINES for School Fee Development

April 2021

1.0 Vision

The vision for Catholic Education Sandhurst Limited (CES Limited) is to provide, in partnership with our families, stimulating, enriching, liberating and nurturing learning environments in each of the Catholic school communities within the Diocese. At the heart of this vision is our commitment to the ongoing duty of care that we have for the safety, wellbeing, and inclusion of all children and young people.

We believe:

1. that the values of the Gospel are central to who we are, what we do, and how we act
2. in leadership encompassing vision, innovation and empowerment.

2.0 Introduction

The CES Limited Guidelines for School Fee Development aims to provide CES Limited Principals, School Leaders and Administration Staff detailed information relating to the requirements for schools to collect private income along with providing consistent advice to schools in developing their own school fee policies.

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3.0 Background

The Australian Government and Victorian State Government provide funding to Victorian Catholic schools to assist with the ongoing costs of school education. The main source of funding for Catholic schools in Victoria comprises of recurrent funding from the Federal and State governments. The Catholic Education Commission of Victoria Ltd (CECV) is the Approved System (Block Funding) Authority responsible for establishing procedures for the distribution of government funding to Catholic schools and diocesan education offices in Victoria. The CECV Grants Allocation Committee (GAC) Primary determines the funding formula that distributes recurrent funding to each diocese and therefore to systemic primary schools. The GAC (Secondary) determines the funding formula to distribute recurrent funding to all Catholic secondary schools in Victoria.

The Australian Government determines General Recurrent Grants (GRG) to schools through the *Australian Education Act 2013*, while the State Government provides funding to Victorian Catholic schools as State Recurrent Grants (SRG) and in accordance with Funding and Service Agreements (FSA) signed between CECV and the Victorian Department of Education and Training (DET).

While the funding provided from both government sources is significant, Australian Government (63%) and State Government (16%), the gap between government funding and the cost of operating a Victorian Catholic school (to be funded through private income) is approximately 21% (ACARA MySchool Data 2017).

[The Guide to the Australian Education Act 2013](#) provides an interpretation of the Australian Education Act 2013 (The Act) and the Australian Education Regulation 2013 and sets out the rights and responsibilities of authorities in order for them to receive Commonwealth funding for the purposes of school education. The notion of Capacity to Contribute (CtC) forms part of The Act, and reflects the idea that in non-government schools some parents and school communities are more able than others to contribute financially to their school's operating costs. The CtC percentage discounts the School Resource Standard (SRS) funding amount of per student funding for a school.

The Act uses socio-economic status (SES) scores to determine capacity to contribute percentages. These [capacity to contribute percentages](#) are specified at section 54 of the Act. The CtC amounts relating to both Primary and Secondary schools are included in Appendix 4.

The National Schools Resourcing Board (NSRB) was established by the Federal Government to review and provide a recommendation on changes to the methodology behind the calculation of the SES scores. The NRSB has indicated that Parental Income Tax (PIT) will be the new method developed from the collection of student addresses on an annual basis. The timing of when PIT scores will be used in the determination of the CtC component of school funding has yet to be determined by the Federal Government.

There has always been the expectation that parents will pay fees and contribute to the cost of operating their school. The contribution (or gap) that makes up the term used by the Australian

Government as CtC may include items such as; school fees, levies (curriculum and excursion), fees from overseas students, hire receipts, rental income, interest from bank accounts, recurrent donations (including parish donations), fundraising (including parents & friends donations), and any other private (non-government) income.

The State Government also deducts an amount through their recurrent funding formula based on SES level of the school. With this in mind, and the fact that the Australian Government deducts an amount for CtC from a schools entitlement, it is vitally important that a school has a fee structure in place that is able to cater to the needs of the school community while collecting adequate private income to assist in the operations of the school.

It is within this context that CES Limited aims to:

1. charge school fees at a level which balances the need to provide educational resources and the capacity of the community to contribute.
2. provide fee remissions in circumstances where payment in full will cause undue hardship for parents/guardians.
3. distribute Government funding on a needs basis with the capacity to contribute of schools as one of the variables which determines 'need'.

4.0 Guidelines

4.1 School Fees

There are a number of factors to consider when developing a school fee structure -

1. The school must distinguish between recurrent and capital income streams.
2. Take into account the fee structures of other catholic schools in the region and be mindful of the possible effects of differential fee structures on enrolments.
3. Consider those suffering financial hardship and ensure the Health Care Card (HCC) Factor that is provided to schools through their grants is utilised to assist families by providing fee remissions where appropriate (see section 3.e).
4. Consider the structure and level of fees charged (which is a local school decision), bearing in mind the needs of the school and the capacity of the community to contribute. Primary schools in Sandhurst have (in the past) adopted either a 'flat' family fee or a 'tiered' fee according to the number of students in each family.
 1. While the notion of a flat 'family fee' has been a long-standing tenet of primary school fee policy across Victoria, in the last decade more schools have introduced a fee structure which varies according to the number of students enrolled per family. This may include a tiered fee based on;
 1. 1 child,
 2. 2 children, and
 3. 3+ children.

1. In these situations it is important that the notion of a 'family fee' is not lost altogether by setting too great a differential between fee levels. The practice of setting differential fee levels is a sensitive matter which should accord with sound Catholic social justice principles and should take account of the Church's mission to the poor.
2. The discount for having more than one child enrolled at the school should be determined at the local level but may include a discount of 25%, 50%, 75% etc. Any change in fee levels could also be phased in over a period of time to ensure any impact is minimised to families (e.g. 5-year period).
3. School authorities should consult the Catholic Education Office before changing fee structures. This will ensure all factors have been considered and any effect on overall recurrent income for the school is analysed. Please see Appendix 7 for an example of a Primary school fee structure.
4. Secondary schools generally charge all-encompassing fees on a per student basis. However additional charges relating to specific subjects, VET/VCAL programs, capital fees and camps are also common.

4.2 Levies

5. A curriculum levy, exclusive of, the school fee may be charged to meet student classroom requisites and other curriculum costs. This may also include an Information and Communications Technology (ICT) charge. Generally, this levy would be charged on a year level basis.
6. Camps/excursions and sports (including swimming) levies should be determined during the schools budget process based on planned camps/excursions and sports programs offered for the following year. The estimated levy income should match the budgeted expenditure. The levy should be billed at the beginning of the year to ensure ease of payment for families. Generally this levy would be on a year level basis.

4.3 Capital Fees

Primary schools may charge a capital fee to cover, in particular, the provision and maintenance of buildings and for meeting the debt servicing needs of the school. Other capital commitments required by schools include and annual contribution to the CES Limited Minor Capital Works (MCW) Fund (primary schools/students only) and the CES Limited Land Fund. It is not a requirement for either of these Funds to be acknowledged on school fee notices to families.

1. School Building Funds may be utilised to support capital developments, however please note that taxation deductions are allowed only for **voluntary** donations to Building funds approved by the Australian Taxation Office (ATO). Compulsory fees are not tax deductible. 'A Process for Setting Fees' is included in Appendix 1.

4.4 Camps, Sports and Excursions Fund

1. The Camps, Sports and Excursions Fund (CSEF) was introduced by the State Government in 2015 to replace the Education Maintenance Allowance that was discontinued in 2014.
2. The CSEF provides payments for eligible students to attend camps, sports (including swimming) and excursions/incursions.
3. Families holding a valid means-tested concession card or temporary foster parents are eligible to apply. \$125 per year will be paid for eligible primary school students, with \$225 per year paid for eligible secondary school students. Payments go directly to the school and are tied to the student.
4. The CSEF policy document which provides more detail is available from the DET (State) website www.education.vic.gov.au/about/programs/health/.

4.5 Health Care Card Factor

1. Primary and Secondary schools are provided additional recurrent funding (through the GAC (Primary) and GAC (Secondary) recurrent funding formulas) to assist with providing fee remissions to eligible families. The Health Care Card (HCC) Factor replaced the previous Education Maintenance Allowance (EMA) Factor provided to schools based on the number of students that have been approved to receive the CSEF funding.
2. Schools are encouraged to monitor the total fee remissions they provide each year in line with the HCC Factor and to be consistent with their approach. It is important for schools to provide fee remissions to families based on their fee collection process as stated in their School Fee Policy, which is in line with our Church teachings and beliefs. This may include remission that are provided to families that do not hold a valid Health Care Card but are in need of support. These decisions are made at a local level.

4.6 Annual Fee Increase

1. The process for setting annual fee increases is a school based decision. Careful consideration needs to be made on the impact on both the school community and the recurrent income of the school. Several factors need to be considered including:
 1. The Educational Consumer Price Index (CPI) movement in the previous 12-months. Please be mindful that the Educational CPI includes all expenditure on primary, secondary and tertiary education along with preschool services, of which a breakdown is provided by the ABS each quarter when the figures are released. This indicator can be located from the [Australian Bureau of Statistics \(ABS\) website](http://www.abs.gov.au).
 2. The movement in the previous 12-months of the Average Weekly Ordinary Time Earnings (AWOTE) can also be used to track the movement in family income which may assist in gauging what fee increase may be manageable for families. This indicator can be located from the [Australian Bureau of Statistics \(ABS\) website](http://www.abs.gov.au).

1. Salary costs are the biggest school expenditure. The estimated percentage increase in school salaries should be taken into consideration. An average increase across CECV can be provided based on salary rates from the current Victorian Catholic Education Multi Enterprise Agreement (VCEMEA).
2. Federal and State recurrent grant income can fluctuate each year depending on enrolments, school community profile and additional needs. Funding to the system is dependent on government policy and must be part of the decision making process which should form part of the annual school budget.
3. Any estimated fee income should take into consideration the collection rate of the school and not the amount billed.

5.0 School Fee Collection

5.1 Background

CES Limited Advisory School Councils' have a role in providing advice in the areas of budgeting, monitoring expenditure and accountability. The role of the School Advisory Council is to assist the Principal in their obligations and responsibilities for accountability and reporting to the CES Limited Board through the CES Limited Executive Leadership Team. The School Advisory Council has an endorsing role only.

Fee income is a matter for annual discussion by the Advisory School Council and schools should utilise the many commercial facilities now available to collect fees. Some of these include direct debits, and Electronic Funds Transfer (EFT) facilities including credit and debit cards.

A very clear policy exists pertaining to those pupils whose parents cannot afford to pay school fees. These policies are set out in the [CECV Enrolment Guidelines for Victorian Catholic Schools](#).

During the enrolment process, schools should ensure families are made aware that fee remissions are available to those that qualify, to ensure that all children who wish to pursue a Catholic education are given the opportunity and do not miss out because of the inability of their parents/guardians to meet the fees and their unwillingness to seek such exemptions.

The case of parents/guardians who are unwilling to pay fees poses greater difficulties. Such cases are likely to surface only after the student has commenced in the school and parents/guardians refuse to meet their financial commitments. Every effort must be made to help those parents/guardians to understand their obligations. It becomes a matter of justice to the other parents/guardians and students that they should meet their commitments. The recovery of unpaid fees must be approached respectfully and

sensitively to protect the student as much as possible from the public embarrassment that could arise.

The judgment as to whether parents/guardians are unable to pay because of their financial situation must be based on truth, love and compassion and therefore may err on the side of leniency. The matter of parents who are, to all appearances, able to pay fees but who are unwilling to do so, is more difficult to handle.

The balance is in securing a reasonable justice for all parents/guardians by seeking to ensure that individual parents/guardians contribute their share. This must be placed in the context of the Church's mission to care for and educate the student as well as educating the community on the issues of justice and fairness in relation to parental financial responsibilities.

5.2 Guidelines

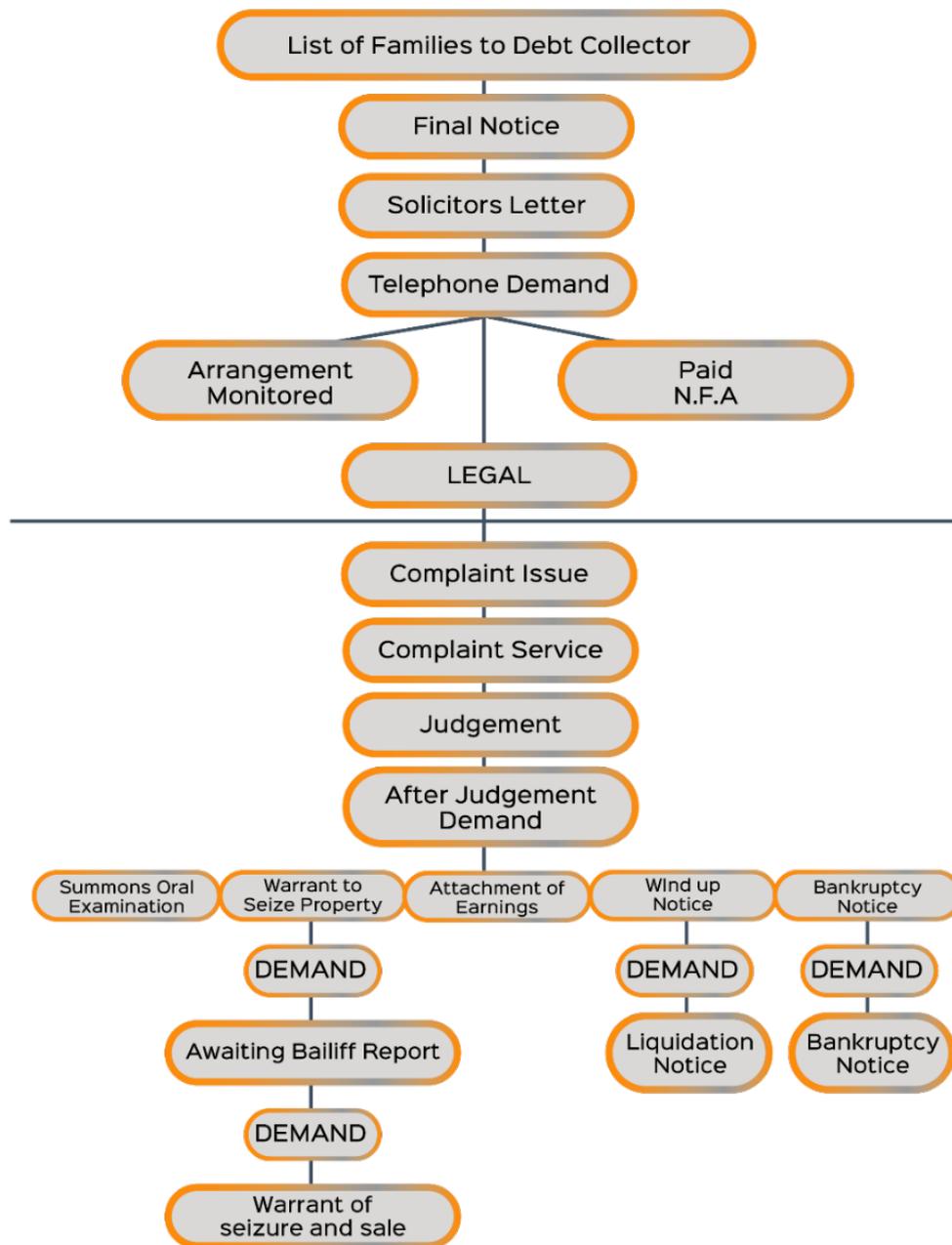
The guidelines on fee collection for CES Limited Catholic schools are set out below:

- Fees and levies should be set by the appropriate school authority, taking into account the budgetary requirements of the school and the needs-based policies of the CECV.
- As is the current practice in many Catholic schools, parents should be offered a number of methods of paying fees to reduce their financial burden and to assist their financial planning. Schools may offer to accept the fees on weekly, fortnightly, monthly, per term or an annual basis. It would be an appropriate step for the school authority to provide, at the beginning of each school year, to each parent/guardian a full account of the fees for that school year. Periodic statements e.g. each term, would be issued indicating each individual's position regarding payments for the year.
- Principals and Business Managers should use a variety of methods to follow up non-payers. If parents commit themselves to a particular method of payment, such follow up should ensure that those who fail to meet their promises are made aware of this at an early occasion. The shared responsibility of all parents/guardians for the financial support of the school is an important point. Fee remissions should be offered where necessary. Follow up on a personal basis may be conducted by an appropriate person or persons in a sensitive, discreet and confidential fashion.
- Schools should arrange personal and pastoral contact with non-payers, which includes letters to remind people of their obligations (see Appendix 2&3), and a meeting with the principal to discuss the financial situation of the family and arrange a payment plan.
- Primary schools also need to be mindful of parents/guardians who have an outstanding school fee debt and have students that are leaving school at year 6 and attending a Catholic Secondary school. Principals are encouraged to communicate with the parent/guardian to ensure any primary school debt continues to be repaid as a priority.

- The services of debt collectors should only be used, when the above process has proven to be unsuccessful, and has been approved by the appropriate member of the Executive Leadership Team of CES Limited. If a debt collection agency is to be involved in fee collection, the agency should be briefed as to the expectations that Catholic schools have with regard to the dignity of persons and that the school will be consulted before each step in the process is undertaken. A process similar to the following flow chart supplied by Midstate Credit Management Services, is appropriate.
- For overriding pastoral reasons, under no circumstances should legal action be pursued to recover unpaid fees, including levies, before written approval has been sought from the Executive Director of CES Ltd. In most cases legal action should only be initiated once the student has left the school. Please see Appendix 4 for a sample letter to be provided to the Executive Director.
- For philosophical and pastoral reasons, no student should be excluded from re-enrolment as a consequence of his/her parents/guardians unwillingness to pay school fees.

5.3 Debt Collection Flowchart

The following flowchart identifies the proposed collection and legal processes that would be undertaken for the recovery of accounts.



6.0 Review/Evaluation

This set of guidelines will be reviewed every two years or as required when a change to legislation occurs.

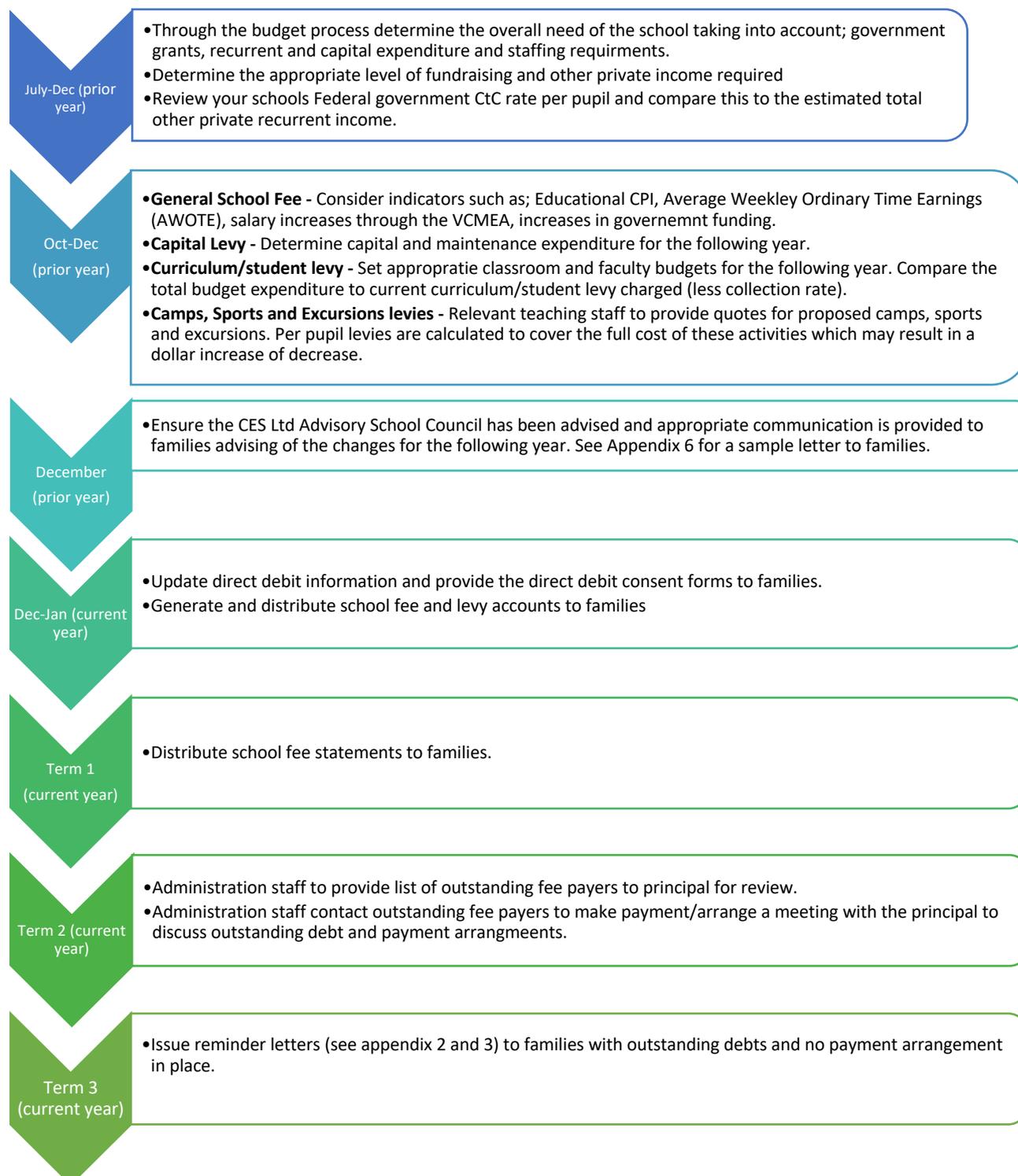
Initial Policy ratified: 1 January 2021

Review Date June 2022

Next Review Select a date

7.0 Appendices

Appendix 1: A Process for Setting Fees and Fee Collection



Appendix 2: Sample Reminder Letter #1

Insert date

**St Patrick's Tongala
Mangan Street
Tongala, Victoria, 3621**

Dear **Insert name.**,

We write regarding your child/children's school fees which from our records indicate an overdue amount on your account of \$ **Insert dollar amount**.

If our information is correct it would be appreciated if you could attend to this matter by settling the account, or by making an appointment to discuss the situation.

A copy of the account is attached for your information.

Yours faithfully,

Principal

Appendix 3: Sample Reminder Letter #2

Insert date

**St Patrick's Tongala
Mangan Street
Tongala, Victoria, 3621**

Dear **Insert address**,

Further to our earlier correspondence dated **Insert date** regarding your account for school fees of **\$Insert dollar amount**, we advise that the account is well overdue and your early attention to this matter is required by paying the overdue amount in full. If payment in full is not able to be made, payment by pre-arranged regular instalments i.e. weekly, fortnightly or monthly are very much accepted.

Fee concessions may also be granted in cases of financial hardship or where other special circumstances exist. If this is the case please contact me to arrange a meeting to discuss this matter. We have also enclosed pamphlets on government assistance provided to eligible families.

It would be appreciated if you could please contact me within 7 days to discuss this matter. Failure to respond may result in the school referring this matter to solicitors/debt collectors.

If you have paid the account within the last few days, please disregard this letter.

Yours faithfully,

Principal

Appendix 4: Sample letter to Executive Director requesting to pursue legal action for unpaid school fees

Insert date

Mr Paul Desmond
Executive Director of CES Limited.
PO Box 477
BENDIGO VIC 3552

Dear Mr Desmond

Re: Permission to pursue legal action on unpaid school fees

This letter is to seek permission to issue a Complaint and subsequent legal action for unpaid school fees. The details of this family are:

Family Name: **Insert family name**

Family address: **Insert family address**

The amount of unpaid fees as of today is **\$Insert dollar value**.

This family have had **Insert number** children attend **Insert School Name** between **Insert date** and **Insert date**. All efforts have been made to address this with the family including telephone calls, letters and multiple invitations to meet with the **Insert staff member** and the **Insert staff member**.

This account was forwarded to **Insert Debt Collection Agency** in **Insert location** and they have also made numerous failed attempts to speak with **Insert family or guardian contacts** and enter into a mutually agreeable payment arrangement. They have recommend we pursue legal action.

Please find attached:

- **Select an item or type text**

I thank you for your consideration and await your response.

Yours sincerely

Principal

Appendix 5: Sample letter to Parents/Guardians on following years fees



St Patrick's Tongala

32-34 Mangan Street, Tongala

Phone: 58590371

2022 SCHOOL FEES & LEVIES

The School Fee Structure has been set for 2022. It includes School Fees (per family tiered for 1, 2 and 3+ child families) and a Capital & Maintenance Levy (per family). Student Levies are structured according to year level and include a Curriculum & Information Communication Technology (ICT) Levy and a Camp, Sport, Excursion & Other Levy.

In 2022 the school fees have increased by around **Insert %** in line with the Educational Consumer Price Index (CPI). This equates to a weekly increase (based on 40 school weeks) of \$ **Insert amount** per 1 student family, \$ **Insert amount** per 2 student family and \$ **Insert amount** per 3+ student family.

Student levies have increased on average around **Insert \$ amount or %**.

Additional Costs for 2022

Provide a list or Table of Fees and Levies as per your fee structure.

CURRICULUM & ICT LEVY

This levy covers part of the cost of supplies and resources for classrooms and specialist classes, e.g. Art, Music, Library, Indonesian and Culture. It also assists the school to provide computers and iPads for use across the school. The levy is higher for students in Grade 5 & 6 as students have a MacBook computer for school and home use.

CAMP, SPORT, EXCURSION & OTHER LEVY

This levy covers part of the costs associated with the provision of Camps, Excursions and Physical Education Programs.

CAMPS

The cost per student is as follows:

Grade 3 - (list camp and cost)

Grade 4 - (list camp and cost)

Grade 5 - (list camp and cost)

Grade 6 - (list camp and cost)

PAYMENT OF SCHOOL FEES & LEVIES

The range of educational opportunities and experiences has been offered within the context of our budgeting. It will therefore be important that payment of fees and levies are honoured. We are very aware of the rising costs for families and this is given careful consideration in the process of setting school fees and levies. However due to Government school funding agreements, there is an expectation that Catholic school communities contribute to the cost of education.

In order to assist families we encouraged payment via direct debit. This allows for regular payments to be made equally over the 40 school weeks. Direct debit request forms are available from the office or the school website.

Please note: If your current payment arrangement is direct debit you will receive a letter shortly with your revised payment amount for the following year.

PAYMENT OPTIONS

All fees and levies for the year will be billed at the start of the school year. Families will receive a school fee statement in early February. The school provides a number of options for the payment of school fees and levies.

Payment in Full: – Fees paid in full at the beginning of the school year.

Payment per Term: – Fees paid at the beginning of each term with the final payment due at the start of 4th Term.

EFTPOS: – Payments can be made at the office using your debit or credit card.

Direct Debit: – Payments made weekly or fortnightly (Friday only), monthly (15th day of the month), quarterly from your nominated bank account. Please collect from the office or download a direct debit request form.

Direct Credit: – Payments may be made directly to the school bank account via online banking. **Insert bank account details** Please use your last name or account number as a reference.

If you have any questions regarding school fees, levies or payment options please contact the office.

Appendix 6: Capacity to Contribute (CtC) Levels

Primary Schools

Primary					
	2018	2019	2020	2021	2022
SRS	\$10,953	\$11,343	\$11,747	\$12,165	\$12,598
SES					
73	\$1,068	\$1,106	\$1,145	\$1,186	\$1,228
97	\$1,190	\$1,232	\$1,276	\$1,321	\$1,368
101	\$1,441	\$1,492	\$1,545	\$1,600	\$1,657
105	\$1,597	\$1,677	\$1,737	\$1,799	\$1,863
109	\$1,699	\$1,784	\$1,848	\$1,913	\$1,981
113	\$1,791	\$1,881	\$1,948	\$2,017	\$2,089
117	\$1,932	\$2,029	\$2,101	\$2,176	\$2,254

Secondary Schools

Secondary					
	2018	2019	2020	2021	2022
SRS	\$13,764	\$14,254	\$14,761	\$15,287	\$15,831
SES					
94	\$1,678	\$1,738	\$1,799	\$1,863	\$1,930
95	\$1,979	\$2,050	\$2,123	\$2,198	\$2,277
96	\$2,279	\$2,360	\$2,444	\$2,532	\$2,622
97	\$2,581	\$2,673	\$2,768	\$2,866	\$2,968
98	\$2,882	\$2,985	\$3,091	\$3,201	\$3,315
99	\$3,184	\$3,297	\$3,414	\$3,536	\$3,662
100	\$3,484	\$3,608	\$3,736	\$3,869	\$4,007
101	\$3,785	\$3,920	\$4,059	\$4,204	\$4,354
*105	\$4,989	\$5,167	\$5,351	\$5,542	\$5,739
*110	\$6,495	\$6,726	\$6,966	\$7,214	\$7,471
*115	\$8,001	\$8,286	\$8,581	\$8,886	\$9,203
*125	\$11,011	\$11,403	\$11,809	\$12,230	\$12,665
*SES increased in increments. Not as per Government CtC rates.					

Appendix 7: Sandhurst Primary School Fee Structure Example

(Tiered school fee plus capital fee and levies)

Fees	Enrolled February						
Excl. levies	(# of families)	Recurrent		Capital			
1 child		\$		\$			
2 children		\$		\$			
3+ children		\$		\$			
Total (A)							
Levies	Enrolled February	Per student or pupil charge					
	(# of pupils)	Curriculum		Sports (incl. Swimming)	Camp	Excursions	Total
Prep		\$		\$	\$ -	\$	\$
Year 1		\$		\$	\$ -	\$	\$
Year 2		\$		\$	\$ -	\$	\$
Year 3		\$		\$	\$	\$	\$
Year 4		\$		\$	\$	\$	\$
Year 5		\$		\$	\$	\$	\$
Year 6		\$		\$	\$	\$	\$
Total							