

Briefing on Fee Protection Scheme (FPS)

Date: 26 October 2009

Venue: Nanyang Polytechnic

Time: 9.00 am





Programme Outline

- 8.30 am - Registration
- 9.00 am - Briefing on Fee Protection Scheme (FPS)
- 9.30 am - Q&A
- 10.00 am - Tea break
- 10.15 am - Road-show by FPS Service Providers
- 1.00 pm - End of event



Outline of Briefing on FPS

- Update on status of PE Bill
- EduTrust Fee Protection Scheme (FPS)
- Monitoring of FPS
- Transition from CaseTrust Student Protection Scheme (SPS) to EduTrust Fee Protection Scheme (FPS)
- FPS Handbooks – For PEIs and Students
- Q&A



Status of PE Bill



Status of PE Bill

- Passed in Parliament on 14 Sept 2009
- Official establishment of Council for Private Education (CPE)
- Launch of Private Education Regulatory Regime by end of 2009
 - Mandatory Enhanced Registration Framework
 - Voluntary EduTrust Certification Scheme
- EduTrust workshops on-going
- Regulations for Enhanced Registration Framework will be out for public consultation in Nov 2009
- More updates will be provided in MOE website www.moe.gov.sg



Fee Protection Scheme (FPS)



Fee Protection Scheme (FPS)

■ EduTrust FPS panel of service providers

Escrow

- DBS Bank
- HSBC Bank
- Standard Chartered Bank

Insurance

- HSBC Insurance
- Lonpac Insurance



Fee Protection Scheme (FPS)

- Key features of EduTrust FPS
 - Protection covers full course fee incl GST
 - All tuition and non-tuition fees are to be protected
 - Covers both local and international students enrolled by the PEI
 - FPS applies to all PEIs seeking EduTrust certification
 - One of the three “critical criteria” under EduTrust requirements



Fee Protection Scheme (FPS)

■ Escrow Arrangement

- ❑ Students will pay course fee direct to bank, PEIs are **not** allowed to collect any payment from students
- ❑ Bank will disburse 20% of money received within five working days upon commencement of the course
- ❑ Remaining 80% of money will be disbursed equally each month from 2nd month onwards until the next installment received or upon course completion
- ❑ For next installment collected, same disbursement procedures applies
- ❑ Allows refund of balance fee to student due to course cancellation or withdraw of student from course



Fee Protection Scheme (FPS)

■ Insurance Arrangement

- Students will pay course fee to PEI
- PEI must purchase insurance on upon collection of fee through application system of FPS service providers
- Students will be informed via email on insurance purchased
- Certification of Insurance (COI) will be given to students, either in person and/or via email
- COI will contain information such as ID/Fin No, course title and duration, premium paid, amount insured and period of coverage ([Sample of COI](#))
- Insurance coverage will commence from the payment date (not from course commencement date)



Fee Protection Scheme (FPS)

- Exemption from FPS
 - Courses that are fully or partially funded by government
 - Courses that are fully sponsored by company (MOU or Agreement between PEI and Sponsor Organization)
 - Course duration is less than one month or 50 hours
- Any request for exemption must be made in writing to CPE at least one month before the submission of EduTrust application, and provide justification for exemption



Monitoring of FPS



Monitoring of FPS

■ Submission of data by PEIs

- All PEIs certified under “EduTrust Star” and “EduTrust” tiers are required to submit student data to CPE on monthly basis between 1st to 4th of the month

Eg. Student data for the month of March 2010 must be submitted to CPE between 1st to 4th of April 2010



Monitoring of FPS

■ Submission of data by PEIs

- PEIs under EduTrust Provisional will need to submit student data on fortnightly basis (between 15th to 18th and 1st to 4th)

Eg. Student data for month of March 2010 must be submitted between 15th to 18th of March and 1st to 4th April 2010, and student data for April 2010 must be submitted between 15th to 18th April and 1st to 4th May 2010



Monitoring of FPS

■ Submission of data by PEIs

- PEIs are required to upload the student data into CPE website portal or to CPE specified email account
- Submission must be in accordance with template provided by CPE
- Failure to submit up-to-date student data promptly constitutes a violation of EduTrust Terms and Conditions



Monitoring of FPS

- Fee Protection Monitoring Application (FPMA)
 - On-line checking by students on fee protection status via CPE website
 - Applies to fee protection under FPS (Escrow or Insurance)
- Checks by CPE assessors – scheduled or unscheduled



Monitoring of FPS

■ Violation of EduTrust FPS:

Before award during on-site assessment

- Immediate failure → Non-award of EduTrust certificate regardless of how well the PEI performs in other criteria
- Can only re-apply after three months

After award of EduTrust certificate

- Suspension of EduTrust certification, or
- Termination of EduTrust certification



Transition from SPS to FPS



Transition from SPS to FPS

■ Commencement of FPS

- PEIs to commence with FPS on the day the FPS account/facility is activated
- All payments received from students after the activation of FPS account/facility must be protected under FPS requirements



Transition from SPS to FPS

- Fees protected under SPS
 - All fees collected before activation of FPS account/facility will continue to be protected under SPS as part of CaseTrust's requirements
 - Future payments received after the activation of FPS account/facility will need to be protected under FPS



Transition from SPS to FPS

- Protection for international students
 - All international students have already been protected under SPS
- Protection for local students if they had not opted for it under SPS
 - All unconsumed fee paid must be protected by either:
 - Purchase of insurance by PEI for each student
 - Escrow – put money into FPS account



Transition from SPS to FPS

- For example: A local student had paid a tuition fee of S\$12,000 as first installment for the period 1 Jan to 31 Dec 2010 and did not opt for SPS

If a PEI decides to apply for EduTrust certification on 1 Jun 2010, the unconsumed fee for the period Jun to Dec 2010 must be protected prior to submission of EduTrust application, the amount is S\$7,000 (covering 7 months from Jun to Dec 2010).



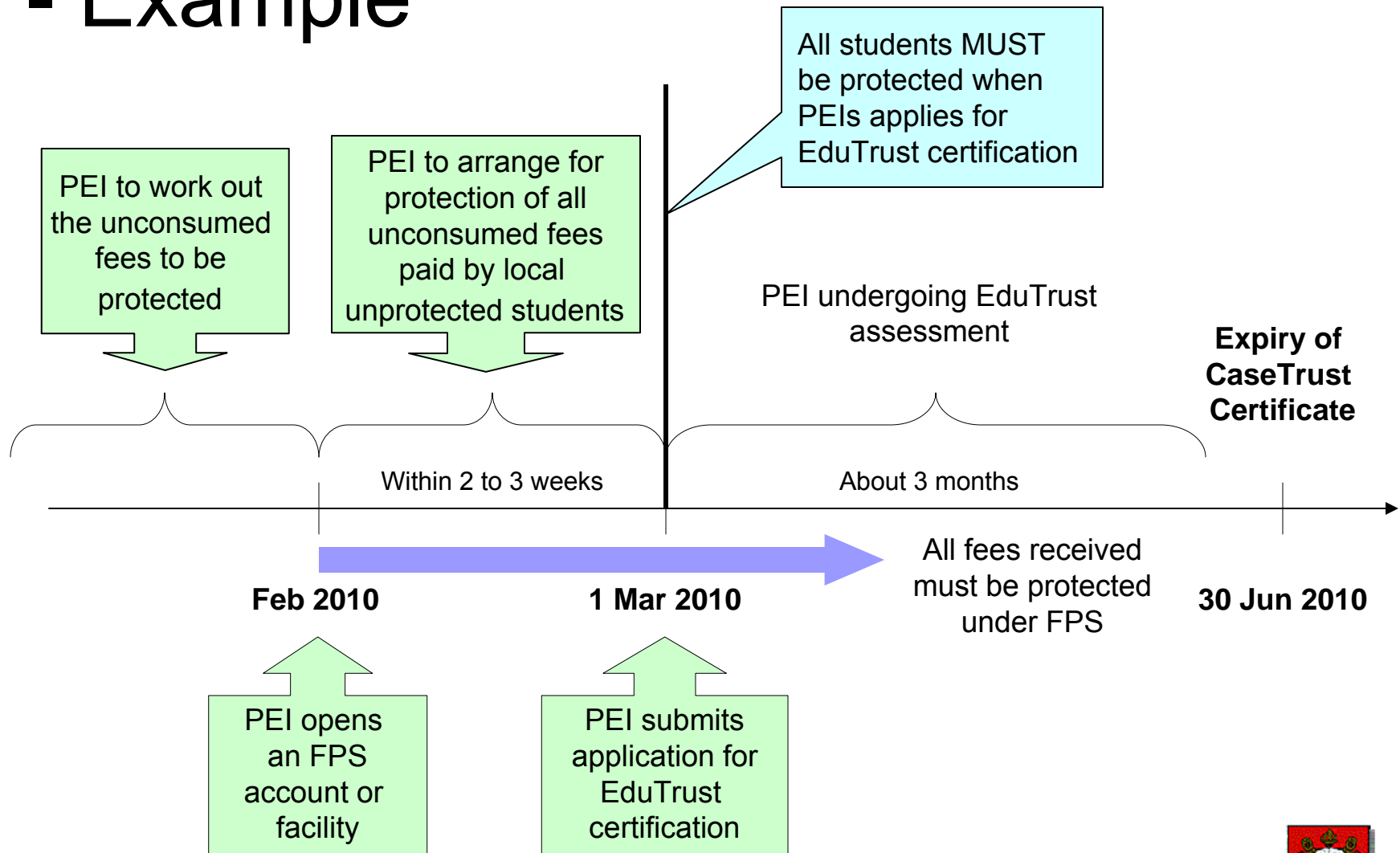
Transition from SPS to FPS

- Exemption applies to local students who:
 - are less than two months from end of course or
 - are less than two months from the next payment due date
- For example: A local student's course ends on 31 Dec 2010 and the PEI applies for EduTrust certification on 1 Nov 2010, in this case there is no need to protect the remaining unconsumed fee for this student



Transition from SPS to FPS

- Example



FPS Handbook



FPS Handbook

- FPS Handbook for PEIs - To guide PEIs in implementing Fee Protection Scheme (FPS), the contents include
 - How FPS works?
 - Transition from SPS to FPS
 - Maintaining an effective FPS
 - Exemption from FPS
 - Monitoring requirements
 - FAQs



FPS Handbook

- FPS Handbook for Students - To assist students in understanding Fee Protection Scheme and how it would benefit them
 - How FPS works?
 - Differences between SPS and FPS
 - Student's rights under FPS
 - How to ensure adequate fee protection?
 - FAQs
- FPS Handbooks will be available in MOE website by end of Nov 2009



Q & A

If you are unable to raise your questions, please email them to moe_cpe_contact@moe.gov.sg

