

Financial Management
Policy, Procedures, Forms and Registers

POLICY	
Purpose	<p>ATAR Design is committed to establishing a long-term presence in the vocational education and training sector, as a provider of quality training and assessment services. A key factor in attaining this aim is the ongoing financial stability and wellbeing of ATAR Design, resulting from careful, responsible and hands-on financial management, aligned to the business goals, the nature of its operations and the nuances of the market in which it competes.</p> <p>This policy ensures that ATAR Design uses efficient financial management practices and systems complying with the Standards for Registered Training Organisations</p>
Standard reference	5.3, 7.2, 7.3
Who is responsible	<p>The CEO is responsible for:</p> <ul style="list-style-type: none"> • Ensuring compliance with financial management policies, procedures and systems. • Ensuring compliance with Financial Viability Risk Assessment Requirements 2011. • Monitoring and reporting on compliance with these financial management policies and procedures. • Undertaking reviews of the effectiveness of the policies, procedures and systems annually and to use the results of such reviews to drive further improvements. • When requested, provide VET Registration body with a formal assurance that ATAR Design has sound financial management standards for matters relating to the Scope of Registration and scale of operations.
Review date	Every 12 months
Definitions	<p>The following words and expressions have the following specific meaning, as in the Standards for Registered Training Organisations (RTOs) 2015.</p> <p>Financial Viability Risk Assessment Requirements means: the requirements made under section 158 of the National Vocational Education and Training Regulator Act 2011 or equivalent requirements made or adopted by the VET Regulator of a non-referring State as the case requires.</p> <p>Registration means: registration as an RTO by the VET Regulator, where that registration is then entered on the National Register.</p> <p>Scope of registration means: the training products for which an RTO is registered to issue AQF certification documentation. It allows the RTO to:</p> <ul style="list-style-type: none"> • Both provide training delivery and assessment resulting in the issuance of AQF certification documentation by the RTO; or • Provide assessment resulting in the issuance of AQF certification documentation by the RTO. <p>VET Regulator means: The National VET Regulator; and a body of a non-referring State that is responsible for the kinds of matters dealt with under the VET legislation for that State.</p>

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Policy

ATAR Design will ensure that it maintains sound financial practices, ensuring the financial security of the RTO and enabling its ongoing viability, profitability and growth. Conservatism will prevail as the key influence over financial decisions. Equally, an uncompromising commitment to integrity and professionalism will remain the keystone to all finance, banking, investment and general business transactions

ATAR Design will:

- Ensure it complies with the 'Financial Viability Risk Assessment Requirements';
- Implement and maintain effective business planning and financial management processes;
- Ensure that accounts are certified by a qualified accountant (Certified to Australian Accountant Standards) at least annually and are made available to the VET Registration body upon request;
- Ensure that a full financial audit of the RTOs financial accounts from an independent qualified accountant (Certified to Australian Accountant Standards) is obtained and made available to the VET Registration body upon request;
- Implement and maintain procedures to protect fees paid in advance, to comply with the 'Schedule 6 - Requirements for Fee Protection' of the Standards for RTOs 2015.
- Provide clients with complete and accurate fee information.
- Provide Refunds, as per Refund Policy.

Obligations to – Financial Viability Risk Assessment Requirements

Intent

- The VET Regulator can request to demonstrate its financial viability at any point in time.
- The assessment of the 'Financial Viability' by the VET Regulator is directed evaluating the likelihood of business continuity, and its capacity to achieve quality outcomes. The assessment informs a judgement about whether ATAR Design has the financial resources necessary to:
 - Acquire the requisite assets and physical resources to deliver all qualifications on its scope of registration;
 - Employ sufficient appropriately qualified staff to cover the courses for which it takes enrolments;
 - Provide appropriate levels of student services to students;
 - Remain in business to ensure that each student can achieve completion;
 - Meet the above requirements even in an unsure environment.

Obligation to submit assessment

- ATAR Design must submit an assessment of financial viability risk by a qualified independent financial auditor nominated by the VET Regulator at any time during the registration period.
- The obligation to submit also applies to parent organisations, affiliated companies or organisations that have a vested interest in the organisation.

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Indicators for Assessment

The assessment will be undertaken by assessing common indicators of financial performance and position. These may include, but are not limited to:

- Liquidity – including current ratio and cash flow assessments;
- Solvency – including debt to assets assessment, debt to equity assessment;
- Economic Dependency (e.g. reliance upon government funding or a particular cohort of clients);
- Revenue, profit and cash flow;
- Commercial risk'
- Audit opinion;
- Contingencies;
- Compliance with all statutory obligations(e.g. GST, taxation, superannuation)
- Compliance with accounting standards;
- Accounting policies – impact of organisation accounting policies on its financial risk.

Information to be assessed

Information that could be used to assess the common indicators may include, but are not limited to:

- Independent review of financial projections, including underlying assumptions;
- Business planning, including forecast income streams and forecast expenditure;
- Assets and liabilities;
- Financial statements audited by an independent qualified auditor;
- Financial records for the previous 12 months, including profit and loss, balance sheets;
- Cash flow and bank accounts;
- Short term budgets and forecasts, including assumptions;
- Information on current and projected student enrolments, including assumptions;
- Tax records;
- Information about current debts and debtors, credit and creditors, loans and repayments;
- Plans, and information on any legal disputes;
- Inter-company dealings, transfers, ownerships and loans;
- Contingent liabilities;
- Ultimate ownership details;
- Post reporting activities.

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Policy principles

The following principles underpin this policy.

Financial Management

ATAR Design aims to maintain a sound financial position, which facilitates its stability, planned business growth and profit projections through:

- Business planning, including forecast income and expenditure;
- Monitoring Cash flow;
- Formulation of and adherence to annual budgets;
- Ongoing reinvestment in the business to ensure it remains well-resourced to meet client needs;
- Maintenance of adequate cash reserves to meet planned commitments, as well as unforeseen events;
- Striving to remain debt free as part of its overall strategy of optimising return on investment and consequently maintaining price competitiveness;
- Careful safeguarding of assets, via comprehensive insurance and security measures.

Course Fees

- ATAR Design will strive to maintain highly competitive fair and reasonable fee structures, outlining these in a 'Schedule of Fees'.
- ATAR Design adjusts its fees and charges from time to time. Changes to fees will be fairly and equitably applied, advertised and clearly indicate the date from which the change will take effect.
- ATAR Design provides details of course fees in all course information. (See Client Enrolment Rights, and Information Policy)
- Course fees may be negotiated with individual clients, as approved by CEO.
- The CEO may discount or waive course fees (for example in cases of severe financial hardship) at their discretion, and where such waiver falls into compliance with any 'Funding body' policy (as relevant).
- Confidentiality regarding fee arrangements is expected from clients.
- Where course fees are subsidised by a 'Funding Body' (for example an Australian Apprenticeship or other State / Federal /Territory funded program) these may include a non-negotiable 'Student Course Fee'.
- ATAR Design will ensure these fees are applied and communicated to clients at the time of enrolment, in accordance with the relevant Funding body' fees policy.
- Payment of no more than \$1,500 from each individual student prior to the commencement of the course.
- Regarding payment plans – Monies for an individual client will not exceed \$1500 at any given time.
- In accordance with the Standards for RTOs 2015, ATAR Design adopts the following to protect fees paid in advance:
 - Flexible payment arrangements/ options will accommodate individual circumstances.
 - Fees must be paid in full before certification will be issued
 - ATAR Design reserves the right to suspend the clients learning or assessment, (or both) until all fee payments are up-to-date, in the event payment instalment arrangements become overdue and remain unpaid for a period in excess of 14 days.
 - Payments can be made by Electronic Funds Transfer (EFT).

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The process is as follows:

Payment of fees:

On acceptance of an offer in the program, participants are required to pay a *deposit. This will be invoiced before starting the program, and due payable on commencement of the training program.

Participants who have difficulties in paying by the due date are encouraged to contact the CEO to arrange an alternative payment option.

Schedule of Fees and Charges

The Chief Executive officer is responsible for approving the ATAR Design Schedule of Fees and Charges. As a minimum the schedule of fees and charges is to include:

- The total amount of all fees including qualification fees, administration fees, and material fees
- Payment terms, including the timing and amount of fees to be paid and any non-refundable deposit/administration fee;
- The nature of the guarantee given by ATAR Design to honour its commitment to deliver services and complete the training and/or assessment once the student has commenced study;
- The fees and charges for additional services, including such items as issuance of a replacement qualification parchment or statement of results, re-assessment, RPL applications, replacement materials and the options available to students who are deemed not yet competent on completion of training and assessment; and the ATAR Design refund policy.

Fee Payment Arrangements

- Payment of no more than \$1,500 from each individual student prior to the commencement of the qualification.
- Regarding payment plans – Monies for an individual client will not exceed \$1,500 at any given time this is in accordance with the Standards for RTOs 2015 where ATAR Design adopts this approach to protect fees paid in advance
- Flexible payment arrangements/ options will accommodate individual circumstances.
- Fees must be paid in full before certification will be issued
- ATAR Design reserves the right to suspend the clients learning or assessment (or both) until all fee payments are up-to-date, in the event payment instalment arrangements become overdue and remain unpaid for a period in excess of 14 days.
- Payments can be made by Electronic Funds Transfer (EFT).
- The deposit invoice will be raised upon enrolment and due on commencement of training. ATAR Design reserves the right to not permit entry into the qualification until the deposit has been paid. Qualification materials will not be provided until the commencement of training and deposit paid in full. After commencement the candidate will be invoiced at 30 days, 60 days, 90 days and every month until completion of training

Payment terms

*Deposit – Prior to commencement due on commencement of training (see payment terms below for details of the deposit payment).

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Invoices will be raised as follows:

- Deposit Material fee and Enrolment fee
- 30 days (from commencement of training) – Commencement of Tuition invoice
- 60 days (from commencement of training) – progress payment and then every 30 days until completion of training
- Note certificates or SOAs will not be issued until payment is made and a USI is registered

Payment terms – please tick the applicable qualification

Qualification	Total fee	Deposit	Instalment plan every 30 days
BSB51615 Diploma of Quality Auditing	Tuition \$3,600 Material \$550 including GST Administration fee \$200 including GST	Material fee \$550 Administration fee \$200	\$1500 per month until completion of training whichever comes first
BSB41419 Certificate IV in Work health and Safety	Tuition \$1,695 Material \$187.95 including GST Administration \$200 including GST	Material fee \$187.95 Administration fee \$200	\$1500 per month until completion of training whichever comes first
RPL Fees and charges	Tuition – \$250 per unit		
Replacement of text or learning material	At cost		
Replacement of Certificate or SOA	\$35		
Re-assessment	The student is given 3 attempts free of charge. The student can request to be reassessed after the 3 attempts at a cost of \$200 per unit and any attempt thereafter		
Extension of the training and assessment plan	A cost will be incurred after the second attempt per cluster of the program at \$250 per request there after		

Note: Certificates or SOAs will not be issued until payment in full is made.

Refunds

Applies refunds in accordance with the Refund Policy.

Asset Management

- Acquisitions of assets are in accordance with strategic planning, training and assessment strategies and budgetary considerations.
- Projected budget for asset acquisition will be included in annual strategic planning and the overall viability review for individual projects.
- Asset Management Register is maintained

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Records management

Access and Equity

The Access and Equity Policy applies. (See Access and Equity Policy)

Records Management

All documentation from financial management processes are maintained in accordance with the Records Management Policy. (See Records Management Policy)

Monitoring and Improvement

All Financial Management practices are monitored by the CEO and subject to ongoing review during monthly Financial Review meetings. Areas for improvement identified and acted upon. (See Continuous Improvement Policy)

ASSET MANAGEMENT REGISTER

Asset Number	Asset Description	Date Acquired	Serial No. / Asset No.	Cost	Supplier	Date Disposed	Amount Received on Disposal	Reason for Disposal
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								