

EduTrust Fee Protection Scheme Instruction Manual

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1. PURPOSE

- 1.1 Private Education Institutions (PEIs) should refer to this Instruction Manual for matters related to the Fee Protection Scheme (FPS) to provide protection for all fees paid by all their students.

2. INTRODUCTION

- 2.1 The EduTrust Certification Scheme (EduTrust) is a quality assurance scheme administered by SkillsFuture Singapore for PEIs in Singapore. It aims to distinguish PEIs that are able to consistently maintain a high standard of quality in the overall provision of education services and make continual improvements that lead to positive student outcomes.
- 2.2 FPS is a pre-requisite that PEIs have to meet in order to apply for EduTrust certification. FPS protects students' fees in the event that a PEI is unable to continue operating due to insolvency, and/or closure, as well as if a PEI is unable to pay a judgement sum due to a student.
- 2.3 Under the FPS Group Insurance (FPS-G), Contract of Insurance (COI) will be issued to the PEIs by the FPS Insurer with an annually determined Maximum Insurable Limit (MIL) to cover all course fees to be collected by the PEI during the period of indemnity. This MIL is the maximum amount that the Insurer is liable in a payout event and shall be determined jointly by the PEI and Insurer, based on PEI's latest financials, risk profile and projected growth. At all times, the utilisation of the insurance coverage limit shall not be more than the MIL.

3. DEFINITION OF FEES

- 3.1 Fees refer to all monies that are paid to the PEI by the student to be enrolled in the PEI. The following fees are exempted from the FPS, if collected by the PEI:
- (a) Course application fee
 - (b) Prevailing Goods and Services Tax (GST)
 - (c) Miscellaneous fees
 - (d) FPS insurance premium
 - (e) Examination fees collected less than 2 months before examination date
- 3.2 Re-module fees, if collected, have to be protected.
- 3.3 Course application fee refers to the fee that the student pays the PEI for the sole purpose of processing the application form submitted so that the PEI can check if the student meets the course admission requirements. This application fee must not have any fee component that is used to offset course fee payment.

- 3.4 Miscellaneous fees refer to non-compulsory fees potentially chargeable by the PEI on account of, or arising from, the Student's undertaking of the Course, and as described in Schedule C of Student's Contract. Such fees are normally collected by the PEI when the need arises.
- 3.5 EduTrust-certified PEIs are required to adopt the FPS to provide protection for fees paid by all their students. The list of SSG-appointed FPS Insurers can be found on <https://www.tpgateway.gov.sg>.

4. FEE COLLECTION CAP

- 4.1 Each instalment collected by an EduTrust-certified PEI shall not exceed the fee collection cap calculated according to the following formula:

$$\frac{\text{Total Course Fees Payable set out in Student Contract}}{\text{Course Duration set out in Student Contract}} \times n$$

where:

- (a) "n" is the Course Duration in months as stipulated in the student contract or, in the event that the Course Duration is more than twelve months, equivalent to a value of 12.
- (b) Each instalment after the first shall be collected within one week before the next payment scheduled.
- (c) The collection of the fees shall correspond with the delivery of course content to the student per semester and / or per module, as may be applicable.

5. ELIGIBILITY FOR FPS

- 5.1 EduTrust-certified PEIs or PEIs applying for EduTrust certification are required to adopt the FPS-G to provide full protection for all fees paid by their Students. The insurance coverage for the student shall commence from the fee payment date and cover the course duration the fee is paid for or till the course end date.

6. IMPLEMENTATION OF FPS GROUP INSURANCE (FPS-G)

- 6.1 For effective implementation of the FPS-G, EduTrust PEIs and PEIs applying for EduTrust Certification are required to put in place, processes to ensure the following:

- (a) PEI shall inform all prospective and enrolled students of details of FPS-G through its marketing collaterals and student handbook.

- (b) Determination of the Maximum Insurable Limits (MIL)

- (i) PEI shall have an active COI with the appointed Insurer. This COI would have pertinent information such as PEI's name, start and end date of the COI and the agreed MIL.

For the avoidance of doubt, the Period of Indemnity may extend beyond the expiry of the Contract Period or the expiry or earlier termination of the Contract of Insurance. Period of Indemnity is defined as the period for which an Insurer indemnifies each Student under a Policy and shall commence from the date that the Student is issued a Receipt by a PEI and end when the Student completes the course for which the Course Fees were paid.

- (ii) PEI shall have a process to determine the MIL with the Insurer. At all times, the utilisation of the insurance coverage limit shall not be more than the MIL. The MIL of each PEI must be determined annually such that it is based on the PEI's latest financials and risk profiling.
 - (iii) PEI shall have a process in place to ensure that the renewal process is in place for expiring policy.

- (c) Monitoring of Utilisations of Insurance Coverage Limit and Increasing the Maximum Insurable Limit

- (i) PEI shall have a process to monitor the utilisation of insurance coverage limit and ensure that the total Course Fees collected shall not, at any time, be more than its MIL.
 - (ii) When the Course Fees collected by PEI is nearing 90% of its MIL, PEI must inform the Insurer and both shall evaluate and decide if MIL should be increased, taking into consideration, among others, whether the Policy is ending and whether there is any intake planned before the end of the Policy.
 - (iii) The PEI shall engage the Insurer to increase the MIL as necessary, following the evaluation.

- (d) Submission of FPS data

- (i) PEI is required to submit a report on New Course Fees collected from their students and course information to their Insurer, on a monthly basis. This is to ensure that PEIs and Insurers are monitoring the utilisation of insurance coverage limit of the PEIs

and would be able to handle claims in a timely and efficient manner, if required.

- (ii) PEI should refer to Training Partners Gateway website for the excel template. The data required from the PEIs will contain names of Student, Students' ID numbers, Students' contract numbers, course title, course start and end dates, total Course Fees payable, receipt date, receipt amount and receipt value end date. Details relating to the submission of the FPS data are provided in Table 1.
- (iii) PEI shall furnish the students' FPS data for SSG's verification upon request.

Table 1: Submission of FPS Data monthly, that is accurate as at the first day of the month

Data Field Format		
Field	Format	Remarks
Policy Number	Alphanumeric	As per Agreement with FPS Provider
Policy Start Date	YYYYMMDD	As per Agreement with FPS Provider
Policy End Date	YYYYMMDD	As per Agreement with FPS Provider
Name of PEI	Alphanumeric	As registered with SSG
Name of Student	Alphanumeric	As per NRIC or FIN
Student's NRIC/FIN no.	Alphanumeric	As per NRIC or FIN For students pending approval of Student Pass, put "IPA" and update when FIN becomes valid. For other students who do not have a NRIC or FIN number, put Passport number.
Student's Contract no.	Alphanumeric	As per Student Contract
Course Title	Alphanumeric	As permitted by SSG
Course Start Date	YYYYMMDD	As per Student Contract
Course End Date	YYYYMMDD	As per Student Contract
Total Course Fees Payable	Numeric with decimal (e.g. 99999.99)	As per Student Contract
Receipt Reference No.	Alphanumeric	As per Receipt
Receipt Date	YYYYMMDD	As per Receipt
Receipt Amount	Numeric with decimal (e.g. 99999.99)	As per Receipt
Receipt Value End Date	YYYYMMDD	Receipt Value end date is when the Student completes the course for which the Course Fees were paid
Data Accuracy Date	YYYYMMDD	The data provided by PEIs in their monthly declaration will be accurate as at the first day of the following month.

7. WAIVER ON FPS

- (a) PEI shall submit a written application with relevant and supporting documents to SSG if the PEI wishes to request for waiver from EduTrust requirement C4.2.2 on the item Fee Protection Scheme, e.g., if student has local government funding, scholarship or corporate sponsorship. For clarity, other items stipulated in C4.2.2 including fee collection, issuance of receipts and revenue recognition policy will continue to be assessed and will not be waived.
- (b) Please refer to Training Partners Gateway website for the template on C4.2.2 waiver.