

# Procedure: Student fee distribution

## Purpose

To provide authoritative guidance on the Universities process for Student Fee Distribution to Colleges

## Procedure

### Fee Calculations and Posting to General Ledger

1. Student Fees are calculated based on the courses a student selects pertaining to their program of study.
2. Fees are generated by running a fee calculation (Tuition calc) program in the Student Campus Solutions module. Student Business Systems (SBS) are responsible for ensuring that the Student Fee Calculations are generated (or regenerated) on a periodic basis.
3. Tuition calc is run nightly and a global tuition calc is run each weekend.
4. The fee generation process updates the subsidiary ledger debtor accounts and generates the following general ledger journal entries:  
Dr Student Debtors Control Account  
Cr Fee Income
5. Every time a tuition calc program is run, new entries are generated. If a Student changes enrolment options between tuition calcs, the next time the program is run, the old entries are reversed and new entries populated in the Student System. However in the general ledger only the net financial impact per student account is posted. This means that although there may be financial debits and credits in a student's account for reversal of fees relating to a withdrawn course and creation of new fees for enrolment in another course, the net entries in the General Ledger could be zero, if the course fees for both the new and old course is the same.
6. After census date, a student remains liable for any outstanding fees to the university regardless if the student continues or not. Students do not have the ability to alter their enrolment after two weeks into semester.

7. In practice however, by exception, a student may still be allowed to make changes. However any changes to a student's enrolments can only be made by the Enrolments office after census date.

### Fee Distribution Process

8. Fees are distributed to Colleges after a deduction for some direct costs and overheads. Deductions are based on a percentage of the gross fees charged for a course.

9. Using the 2012 approved deduction percentages, the distribution of Domestic non commonwealth supported and International places are as follows:

	International	Domestic
<b>Overheads</b>	24.0%	24.0%
<b>Capital Contribution</b>	18.5%	Nil
<b>Agent's Commission</b>	3.5%	Nil
<b>Net Fees - To Program Owner ( Nil / 20% of Net Fees)</b>	Nil	15.2%
<b>To Teaching Area(100% / 80%) of Net Fees)</b>	54.0%	60.8%
<b>Total</b>	100.0%	100.0%

### Fee Distribution Schedule and Determination

2. Full Fee paying Student Fees are distributed to Colleges four times a year as follows:

- Period 6 – Summer (Jan/Feb), Semester 1 (Feb–Jun) and Autumn
- Period 10 – Winter and Semester 2
- Period 12 – Spring
- End of Financial Year – Wash Up (All Terms)

3. Fees are therefore distributed on an accrual basis, with the first distribution of a teaching period timed so that by the distribution date, most students would have either paid their fees in full or withdrawn without penalty. Exceptions will exist for cases such as where a student's Fee Help application has been denied, and resulting in the reversal of the Fee Help deferral.

4. In order to determine the actual fees to be distributed by student by course, Student Business Systems has developed a Student Fee Distribution Report that collates information obtained from course financial and non-financial information (course information, General Ledger Distribution etc.) into a single report.

5. The Student Fee Distribution Reports is reconciled back to the Student Debtor Trial Balance in order to ensure the integrity of the financial data in the former report.

6. The Student fee Distribution report is downloaded onto an excel spreadsheet to create the journal upload onto PeopleSoft financials

7. The journal entries are as follows:

*Net fees*

Dr 7015 FXXXXX

Cr 7015 RXXXXX

*Capital*

Dr 7015 FXXXXX

Cr 7015 R19088

*Agent Commission*

Dr 7015 FXXXXX

Cr 7015 Q76010.01

*Overheads*

Dr 7015 FXXXXX

Cr 7015 R19996

XXXXX = GL department which owns the course

For DTF account 7015D is used instead of 7015

8. In order to pick up any changes to teaching period distribution due to subsequent changes to enrolments, Student Business Services has to run the Student Fee Distribution Reports and Student Trail Balance again, and determine the delta between the latest reports and the previous reports.

9. Where changes to enrolments have happened, the distribution journal reversals the old entries and inserts new entries, so that gross changes affecting all the College Departments are transparent in the General Ledger and Colleges are able to reconcile income changes in the General Ledger to Fee Distribution reports available to each College.
10. At the end of the financial year, a final wash up is done in order to pick up any remaining last minute changes to teaching period enrolments. In practice Semester 2 distributions include Semester 1 changes as well as Semester 2 initial distribution. While end of year distributions will include Semester 1, 2 and all other teaching period wash up as at Period 13.

### **Bad Debts and Provision for Doubtful Debts**

11. The process for Student Debt Write off must comply with the Financial Procedures on Student fee Collection and Debt Management.
12. Where a debt write off has been approved, adjustments to the General Ledger are made once a year in Period 13 as follows:

- a. Recognise bad debt in P & L

Dr Bad Debt Written Off F Ledger

Cr Student Debtor Control

- b. Transfer debt to Teaching Area/Program Owner

Dr Bad Debt Written Off RXXXXX

Cr Bad Debt Written Off F Ledger

13. Student Business Services also revises the provision for doubtful debts account at the end of every financial year, by reversing the prior year provision and making a full provision for all non-sponsored debt that is greater than 90 days as at the end of Period 13.

### **Special Provisions – Annual Course Fee Increases and PhD students with extensions**

14. The University has decided to cap their annual course fee increase for existing students at 5% over and above the fees payable at commencement of their course.
15. New students will pay the fees set for their year of enrolment, but will have subsequent year course fee increases capped at 5% of the fees payable at the time of first enrolment.

16. PhD students who require an extension to complete their coursework are charged a proportion of the full course fee. In the Student System and for accounting purposes, students are initially charged the full fee and then awarded an “Internal Sponsorship” to reduce the total fee payable.

17. The accounting entries are as follows:

Dr Student Debtor

Cr Fee Income – F Ledger

Dr Student Fee 9390i

Cr Student Debtor

## Document information

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