



# **Fee Protection Scheme (FPS) Policy and Implementation Procedure**

## **1. Purpose**

The purpose of this document is to provide the guidelines for full compliance with the implementation of the Fee Protection Scheme (FPS) which is an insurance scheme that protects students' course fees in the event of insolvency and/or regulatory closure.

## **2. Scope**

With the introduction of the Private Education Act, course fees must be insured under the fee protection scheme (FPS). 5 Steps Academy appoints a CPE insurance company as the FPS provider and pays the FPS insurance premiums on each student's behalf. Do note that FPS providers may change from time to time.

## **3. Policy Details**

5 Steps Academy will purchase FPS for all paying students. FPS will be strictly administered to comply with the requirements established by the Committee for Private Education (CPE) and stipulated in the FPS instruction manual. The Headmaster will review the policy and procedures regarding fee protection once every two years or as and when necessary for continual improvement.

## **4. Implementation Procedure**

FPS is purchased based on course fees payable stated in a duly signed student contract.

### ***Discounts***

#### ***i. Staff Discount***

Staff discounts on course fees are stipulated within the eligible staff members' employment contracts and clearly stated within their children's student contracts. The FPS shall be purchased based on the discounted course fees that they pay. 5 Steps Academy will not purchase FPS for fully discounted course fees (100%), as no fees are paid to the College.

#### ***ii. Siblings Discount***

Siblings discount can be applied to course fees for a family who has 3 or more children enrolled with 5 Steps Academy. The FPS shall be purchased based on the discounted course fees. The course fees net of siblings discounts will be reflected in the Student Contract.

#### ***iii. Financial Aid***

At the discretion of the Headmaster, financial aid may be extended to an enrolled student. The FPS shall be purchased based on the course fees before applying the



discretionary financial aid, which is consistent with the course fees stipulated in the student contract.

### ***Annual FPS Bulk Purchase***

Annual FPS bulk purchase will be activated prior to the start of each academic year, after parents duly sign the relevant annual student contracts. Primary data from the school information system will be used to generate the list of the enrolled students. The accuracy of primary data will be verified by the Admin Officer.

The protection start date of the FPS will be the day of the FPS purchase date. The FPS is purchased for the full coverage of course fees stated in the student contract, regardless of the number of course fees' instalments. The end date is based on the last day of the course.

The fees (except application fees, if any) are collected only after the student contract has been executed.

The fees collected from students must not exceed the applicable fee collection cap. Course fees of not more than 12 months can be collected subject to the formula:

*Total Course Fees payable set out in Student Contract/Course duration set out in Student Contract x n*

where '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.

### ***Ad hoc Weekly FPS Purchase***

In addition to the annual FPS bulk purchase, a weekly list of signed ad hoc student contracts will be generated by the Admin Officer for purchasing the ad hoc weekly FPS.

### **FPS Purchase and School Fees Receipts.**

The school must issue an original receipt and maintain accurate records for every payment made by the students. The protection start date must precede the school fees receipt date. FPS Purchase must be made not later than the receipt date.

### ***Change of Course***

If there is any amendment to an enrolled course after the signing of the student contract, an addendum to reflect the amendment of the enrolled course and course fees will be sent to the parents as supplementary to the original student contract.



After the addendum is duly signed, a new FPS coverage will be purchased based on the course indicated in the student contract's addendum before the initial FPS is cancelled.

### ***Monitoring of FPS Purchase and File 1***

All FPS-processed data will be downloaded and recorded. This will form the basis for File 1 records for submission to CPE. File 1 data is for active students. File 1 may be requested as and when required by CPE.

The school conducts monthly revenue reconciliation by the accountant against the FPS provider's detailed invoices and credit notes, checked and reviewed by the accountant to ascertain accuracy and payment, and half-yearly reconciliation on the number of issued invoices against enrolling students for the next half-year's invoice issuance, checked and reviewed by the Headmaster.

### ***Cancellation of FPS Coverage***

FPS for students who withdraw from the course will be cancelled within 7 working days of the last date of the student's enrolment at 5 Steps Academy.

### ***Communication of FPS to Parents***

Information pertaining to FPS will be published through different communication platforms for parents to understand. Information on FPS is published on the School website stating the master FPS certificate.

### ***Certificate of Insurance***

As 5 Steps Academy is under the Fee Protection Scheme (Group), Certificates of Insurance will not be sent to parents. The Admin Office will keep the soft copies of the certificates that are available for printout as and when required. Parents may extract a copy of the Group Certificate of Insurance on the school website.

### ***Administration***

The school will keep accurate data of FPS purchased. In the administrative process of FPS purchase the following documents are expected to be well documented for every student:

- fee collection records
- fee coverage records
- course fees breakdown

5 Steps Academy will ensure that the data for FPS purchases is accurate. File 1 is required to be submitted to CPE for verification upon their request.

More information can be obtained from the CPE website (Fee Protection Instruction Manual).



The breakdown of all fees (inclusive of any non-refundable fees and discounts/rebates given) must be declared in the student contract and marketing collaterals.

The fee payment modes are communicated to students through the [school website](#)

### ***Claim Process***

The insured student needs to produce his/her identification documents, student contract, original course fees receipts and the school's FPS Policy Number when submitting a claim under FPS insurance. The FPS providers will notify all insured students of the relevant claim procedures that must be followed.

In the event that a student and/or parent (on a student's behalf) needs to make a claim, CPE (or any Singapore Government Authority) will take charge, inform all affected parties, and organise the claim pay-out if necessary.

Affected students and/or their parents will be advised of the steps they would need to follow in order to file an FPS claim during the claim process.

Documents to submit in the event of an FPS Claim:

- a) Valid student contract;
- b) Receipts of all invoices and bills related to their studies as per the student contract;
- c) Identity card, passport and other proof of identity;
- d) School FPS Policy Number (Refer to FPS Certificate uploaded on the school website).