

Financial Management of Sponsored Students Procedure

Section 1 - Purpose and Scope

- (1) Third Party Contract (TPC) is the term used to define sponsorship arrangements between The University of Queensland (UQ) and external bodies in relation to the financial liability for charges incurred by a student whilst studying at UQ. These can be with domestic or international partners.
- (2) This Procedure supports the [Student Fees Policy](#) by providing a process for the financial administration of student sponsorship agreements with external third parties during a defined term.
- (3) This Procedure applies to coursework and Higher Degree by Research (HDR) students applying for sponsored enrolment and the various departments within UQ tasked with administering the contractual arrangement, the fees scheme, and international agreements.

Section 2 - Process and Key Controls

- (4) The following requirements apply to the management of TPCs at UQ:
- a. Applicants seeking admission as sponsored students must provide evidence of sponsorship to support their UQ admission. Evidence will normally be in the form of a contract between UQ and the third party, or a Financial Guarantee (FG) or Financial Affidavit provided by the sponsor.
 - b. The FG, Financial Affidavit or contract between UQ and the third party must outline the provision of financial support for the student for the entire duration of their studies.
 - c. All accepted TPCs must be processed and administered in UQ's student system (SI-net).
 - d. Approval from the Chief Financial Officer is required for:
 - i. agreement to non-standard TPC billing terms; and
 - ii. write-off of debt in excess of \$100,000 in accordance with UQ's [Schedule of Financial Delegations and Sub-delegations](#).
 - e. Students remain responsible for their fees even when covered by a third-party agreement. If the third party does not make full payment the student assumes full responsibility for payment of any outstanding fees.

Section 3 - Key Requirements

Admissions and Application

- (5) Via the UQ admissions process, applicants wishing to be admitted as sponsored students must provide evidence of sponsorship to support their UQ admission, usually in the form of a contract between UQ and the third party, or a Financial Guarantee (FG) or Financial Affidavit provided by the sponsor. This can be a visa requirement for international students to meet financial capacity under the [Student Visa \(Subclass 500\)](#) conditions.

(6) Depending on the course of study the student is enrolling in, this FG or Financial Affidavit will be forwarded to the Sponsored Students Unit (SSU) or Graduate School to verify if the sponsorship organisation already has an agreement with UQ. If no current agreement exists the new sponsor will be asked to complete an online registration outlining their billing address details, level of financial support, and any conditions of sponsorship.

(7) UQ's Sponsored Students Unit (SSU) will assess the returned sponsorship registration and determine whether the application for a TPC is successful, including any conditions of sponsorship.

Acceptance and Establishment

(8) Should the registration process meet UQ conditions, a Confirmation of Enrolment (CoE) will be issued to the applicant, and, if applicable, a new TPC account will be set up in SI-net by the Student Billing team in Finance and Business Services (FBS).

(9) Additionally, the SSU will:

- a. add the student to the SI-net Scholarship module;
- b. add a Positive Service Indicator (PSI) to the individual student record to identify the student as sponsored; and
- c. activate the TPC to absorb tuition and if applicable, [Student Services and Amenities Fee](#) (SSAF) and Overseas Student Health Cover (OSHC) charges, when the student officially enrolls.

Creation of TPC

(10) FBS will create the TPC in line with the conditions of sponsorship outlined through the registration process. The TPC will be established according to one of two categories:

- a. sponsorships that cover the full cost of the program (non-capped); and
- b. sponsorships that pay partial tuition fees (capped) annually in line with the financial support outlined in the sponsorship FG.

(11) It will also outline the three fundamental entitlements that are carefully assessed during the sponsorship registration in relation to:

- a. Tuition fee entitlement (full cost or partial amount).
- b. OSHC entitlement.
- c. SSAF entitlement.

(12) A fourth entitlement, living allowance entitlement, is also assessed at the point of registration for visa purposes, however it is not applicable when establishing a TPC.

(13) Additionally, some sponsors outline their support conditions in \$USD for which a conversion to \$AUD is required to determine the tuition support entitlement.

Tuition Fee Discount

(14) As per UQ's [Student Fees Policy](#) ('Varying Fees' provisions), some UQ registered sponsorship organisations have long-standing relationships with UQ and, over time, formal collaboration agreements have been established through Memorandums of Understanding, Research Collaborations and executive missions as outlined in the [International Agreements Policy](#) and [Procedure](#). These have resulted in the organisations being entitled to tuition fee discounts.

(15) Tuition fee discounts, or waivers, are applied at the student level by the FBS Student Billing team prior to the fee liability being transferred to the TPC SI-net account. Care is taken to manually apportion the waiver evenly across the

units of study.

(16) A list of registered sponsors and conditions, inclusive of fee discounts can be found in the SSU SharePoint site.

Sponsored Student Management

(17) SSU ensure all TPC changes are completed by census date to bring in line with fee liability timelines. This may include TPC inactivation/cancellation for students who:

- a. have completed their studies;
- b. are no longer sponsored;
- c. have deferred their commencement;
- d. receive a suspension of scholarship;
- e. have a HDR interruption; or
- f. have their TPC cancelled due to non-arrival.

Financial Liability

(18) Regional Coordinators, SSU determine the AUD equivalent of capped foreign currency sponsorships using the conversion given on the date of the student's FG. This is recorded in an Excel spreadsheet which is sent to the student's TRIM record and recorded in the SI-net Scholarship module.

(19) Short/over payments of capped amounts due to exchange rate fluctuations are communicated to SSU by FBS, and the assigned AUD capped amount is adjusted accordingly.

(20) In some instances, International Admissions requires sponsored students with shared liability for their fees, i.e., capped TPC students, to pay a deposit upfront. SSU works with FBS to ensure this deposit stays locked on the student's account for use at the end of their course of study.

Invoicing

(21) The FBS Student Billing team invoice sponsors after each census date. This is achieved by running a report in SI-net shortly after census date to return all TPC accounts with a balance and cross-checking that balance to determine if it relates to the teaching period being invoiced. If a match is found that sponsor will be invoiced.

(22) Sponsors can nominate to receive one of two types of invoices:

- a. consolidated invoice showing the full amount of fees outstanding for that period, along with a summary sheet detailing the breakdown of the invoice; or
- b. individual student invoices.

(23) Sponsors are invoiced according to debt amount, with the largest being invoiced first, and are given 30-day payment terms.

Debt Management

(24) The FBS Credit Services team actively monitor sponsorship accounts and follow up unpaid debit in line with standard UQ practice.

(25) Overdue payments are reported to the Senior Manager, SSU on a regular basis.

Section 4 - Roles, Responsibilities and Accountabilities

Chief Financial Officer

(26) The Chief Financial Officer is responsible for:

- a. agreeing to non-standard TPC billing terms; and
- b. approving the write off of debt in excess of \$100,000 in accordance with the [Schedule of Financial Delegations and Sub-delegations](#).

Senior Manager, Sponsored Students Unit

(27) The Senior Manager, Sponsored Students Unit is responsible for:

- a. directing the Regional Coordinators;
- b. registration of new sponsors;
- c. requests for new TPC establishment; and
- d. works with FBS Credit Services team to follow up on unpaid TPC debt.

Sponsored Students Unit

(28) Members of the Sponsored Students Unit are responsible for:

- a. assigning sponsored students to the TPC in SI-net;
- b. acting as the front office for sponsored student enquiries, and forwarding any finance-related enquiries onto FBS;
- c. adding a positive service indicator to the student's SI-net account;
- d. inactivating students no longer covered by a TPC arrangement;
- e. determining equivalent \$AUD rate covered by foreign currency FGs and maintaining assigned capped amounts due to exchange rate fluctuations; and
- f. liaising with sponsors to seek approval for internal program change requests from enrolled students, and requests for revised Financial Guarantee letters if required.

Student Billing - FBS

(29) The Student Billing team in FBS is responsible for:

- a. TPC creation and adjustments;
- b. applying tuition fee waivers to entitled students' SI-net accounts;
- c. invoicing sponsors after each census date; and
- d. correcting sponsored student SI-net accounts to reflect liability ownership.

Credit Services - FBS

(30) The Credit Services team in FBS is responsible for:

- a. advising on TPC payment allocation;
- b. monitoring of TPC debt;

- c. review and cleanse accounts (i.e. small balances to be absorbed, credit balances to be refunded/re-allocated); and
- d. liaising with SSU on aged or unrecoverable amounts.

International Admissions

(31) International Admissions is responsible for:

- a. administering the international student admissions process;
- b. receiving FG or other evidence of sponsorship from students wishing to apply for admission as sponsored students;
- c. forwarding FG or other sponsorship evidence through to the SSU;
- d. organising the student's initial OSHC, when not arranged by sponsor;
- e. issuing CoE to students who meet UQ's admission requirements; and
- f. processing internal program change requests from enrolled students and liaising with the SSU for program change approvals.

Student Enrolments and Fees

(32) The Student Enrolments and Fees team is responsible for:

- a. management of student CoEs;
- b. reporting changes to student enrolments to the [Department of Home Affairs](#);
- c. producing outstanding liability reports; and
- d. approving payment extensions and payment plans.

Section 5 - Monitoring, Review and Assurance

(33) Compliance with this Procedure will be overseen by Senior Manager, SSU and the Manager, Collections and Receivables.

(34) The Student Billing team, FBS, Regional Coordinators, SSU, and the Student Enrolments and Fees will periodically review this Procedure to ensure best practices are in place, and it provides for efficient and effective management of TPCs at UQ.

Section 6 - Recording and Reporting

(35) The activities relating to the successful management of TPCs are recorded internally according to the systems available to the teams involved:

- a. The Student Billing team, FBS will keep copies of all invoices issued to sponsors in a central repository filed according to teaching period.
- b. The SSU will keep sponsorship registrations on their SharePoint site and FGs will be uploaded to UQ's central document management system, TRIM.
- c. Credit Services, FBS will meet with the Senior Manager, SSU on a quarterly basis to discuss delinquent accounts.

Section 7 - Appendix

Acronyms

Term	Definition
CoE	Confirmation of Enrolment
FBS	Finance and Business Services
FG	Financial Guarantee
OSHC	Overseas Health Cover
SSAF	Student Services and Amenities Fee
SSU	Sponsored Students Unit
TPC	Third Party Contract

Status and Details

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Effective Date	25th January 2023
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Enquiries Contact	Academic Services Division