

# School Fees Framework

Knowledge and Human Development Authority



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# The Purpose of the School Fees Framework

The objective behind the development of a framework to regulate school fees is to protect the students and their parents as beneficiaries of educational services, as well as to provide a favourable environment for investors in the education sector and encourage them to improve the quality of education in the Emirate of Dubai. This is achieved by creating a comprehensive mechanism for the implementation of tuition fees which takes account of the educational and economic aspects and protects the interests of all stakeholders.

The framework has been developed in line with the strategic goals of KHDA and as a result of community engagement through parent surveys and investor feedback on this issue. The framework motivates schools to improve the quality of education, whilst at the same time protecting the interests of both parents and investors.

### **General Definitions**

Not-for-profit school:

A registered school which teaches each cycle according to the curriculum that it is registered to teach; exists purely for educational reasons; one which is governed by an independent Board with parent representation and from which its shareholders, trustees or any third parties do not benefit financially. Fiscal surpluses, if any, are put back into the institution to further the pursuit of its goals.

#### For-profit schools:

Schools that are run by private, profit-generating companies or organisations. Fiscal surpluses are taken by shareholders and/or investors and any investments have a predetermined return on investment (ROI).

Embassy schools:

Schools that have been initiated and are funded by the embassy of a particular country for the benefit of the nationals of that country.



Educational Cost Index (ECI):

This is calculated on a regular basis and is announced by Dubai Statistics Center (DSC).

# School Fees Framework

A working group of representatives from various government departments was formed to agree on the scope and objectives of the framework. The framework was then developed through a consultative process with concerned parties. This involved the collection of information, the analysis of feedback and the employment of a methodology that is in line with government policy development.

The team has developed a comprehensive framework which can be applied in general to all private schools that have been operating for more than three years. The framework takes into account the quality of education as assessed by Dubai Schools Inspection Bureau (DSIB) and the educational cost index as calculated by DSC.

This framework will be adopted for the coming period from the date of its issuance until any further announcement that renders it null and void.

DSIB School Performance Results	Percentage
Outstanding	ECI x 2
Very Good	ECI x 1.75
Good	ECI x 1.5
Acceptable	ECI
Weak	ECI
Very Weak	ECI

Schools will be eligible to apply for increases to fees according to the table below:

The following conditions apply:

- 1. This framework is applicable to all tuition fees and cost for services that are provided by the school (for example, buses, uniforms and school books). However, this framework is not applicable for services provided by a third party.
- 2. New private schools will not have the right to increase tuition fees in the first three years from the date of starting their educational activity;



- 3. Fees and costs for non-tuition services provided by third parties must be optional for parents and are subject to the supervision and control of other government agencies;
- 4. Schools should consider all concerns and input received from parents regarding the fee increases.

## Not-for-profit and embassy schools

KHDA aims to provide flexibility to not-for-profit schools and embassy schools when submitting their applications for fee increases to KHDA. KHDA will study the details of the application, which will be evaluated in accordance with the justifications offered. The application should include at least the approval of the Board of Trustees of the school and the approval of the Embassy/Consulate (in the case of an embassy school), in addition to evidence of extensive consultation with stakeholders.

#### Exceptions

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1 In accordance with The Executive Council decision number 16/2015 replacing the Exceptional Fee Increase Framework for Private, For Profit Schools 2012. From 16 September 2015 applications for an exceptional fee increase will be considered according to the fair rate of return measurement and to be linked with the quality of education according to the DSIB rating from KHDA as follows

DSIB School Performance Results	Fair Rate of Return Threshold Percentage
Outstanding	10%
Very Good	9.5%
Good	9%
Acceptable	8%
Weak	7%
Very Weak	7%

# General conditions related to the approval of fee increase requests

a) Schools will not be able to apply for exception until they have been in operation for at least six academic years;



- b) School occupancy level must be at least 80%.
- c) Basic salary of teaching staff should be greater than or equal to 25% of total expenses
- d) Only one application would be allowed in a 12 month period
- e) Retention of a qualified auditing firm, as defined, for undertaking the exercise required by KHDA
- f) Have a rate of return below the prescribed threshold for the two most recently completed financial years
- g) If a school has been granted approval to increase its fees in line with an exception, the school cannot apply for any further increase in school fees for the following twelve months and until all fees granted have been applied for a full academic year;

For further clarifications please refer to the detailed Guidelines available on the KHDA Website.

#### Registration and Admission Fees

Notwithstanding the conditions mentioned in the parent-school contract, the registration and admission fees are regulated as follows:

#### Existing students:

A school may charge up to 10% of the school's tuition fees as a re-registration deposit to confirm the return of existing students in the new academic year. This deposit should be deducted from the total tuition fees for the academic year in which the admission is being sought.

#### New students:

A school may charge up to 30% of the school's tuition fees as an admission fee to confirm that selected students will opt to take up the offered places. This fee should be deducted from the total tuition fees for the academic year in which the admission is being sought.

#### Refund:

In the cases of both existing and new students, deposits and fees will not be refunded if students choose not to return to school for the next academic year or choose not to take the offered places. However, a school must refund the deposit under special circumstances. These circumstances include, but are not limited to, evidence of family travel to another country, a move to another Emirate or any unforeseen circumstances. Such cases may be submitted to KHDA for study.



In the case of refund and recovery, the school fees will be calculated as follows:

- If the student attends school for two weeks or less, a month's fees will be deducted;
- If the student attends school for a period ranging between two weeks and one month, two months' fees will be deducted
- If the student attends for more than a month, three months' fees will be deducted.

The value of the fee per month is calculated by dividing the total tuition fees by 10. Charges for books and school uniforms will not be refunded, but the above conditions for refund apply to transportation fees if the service is provided by the school.