# Exception to the fee limit on micro-credentials – application template

## How to prepare your proposal

You must use this template to apply for an exception to the per-credit fee limit on micro-credentials. Please complete all parts of the template and include any necessary supporting evidence.

For more guidance about the per-credit fee limit and the exception application process, see [Fee cap for micro-credentials](https://www.tec.govt.nz/funding/funding-and-performance/funding/fee-limits-and-regulations/fee-cap-for-micro-credentials).

This application template has three parts:

* **Part 1:** Organisation information and declaration
* **Part 2:** Micro-credential summary
* **Part 3:** Exception criteria.

## Micro-credential eligibility

This fee limit only applies to micro-credentials funded through these funds:

* Delivery at Levels 3 to 7 (non-degree) on the New Zealand Qualifications and Credentials Framework (NZQCF) and all industry training (DQ3-7)
* Delivery at Levels 7 (degree) to 10 on the NZQCF (DQ 7-10).

It does not apply to micro-credentials delivered in work-based learning modes funded through DQ3-7 or micro-credentials that are part of an approved programme leading to a qualification on the NZQCF.

For micro-credentials that are part of an approved programme leading to a qualification on the NZQCF, the Annual Maximum Fee Movement (AMFM) rules apply. Information about the AMFM can be found on [Annual Maximum Fee Movement](https://www.tec.govt.nz/funding/funding-and-performance/funding/fee-limits-and-regulations/annual-maximum-fee-movement).

## How we will assess your proposal

Your application will be assessed against the following criteria:

* **Criterion one: Higher actual and reasonable** **costs.** Applicants need to demonstrate that the fee cap makes it financially unsustainable to offer the micro-credential, in terms of the costs to deliver the micro-credential and taking into account the total income that the micro-credential would generate, and that there are no satisfactory alternatives to limit costs.
* **Criterion two: Strong industry/employer need.** Applicants must provide evidence that there is strong support from industry and/or employers to deliver the micro-credential and that it clearly meets industry and/or employer needs.

## What fees we will approve

For any micro-credential granted a fee limit exception, the Tertiary Education Commission (TEC) has discretion to determine the fees a tertiary education organisation (TEO) can set. This means that if we grant an exception, it may not necessarily be for the full amount you applied for.

We are not currently setting a maximum limit and will assess applications on a case-by-case basis. The fees must represent the actual and reasonable costs to sustainably deliver the micro-credential.

## How to submit your proposal

Email this application template and any other relevant supporting information to our Customer Contact Group at [customerservice@tec.govt.nz](mailto:customerservice@tec.govt.nz) with the subject line **[EDUMIS] – Micro-credential fee limit exception application**.

## More information

For all other questions, please email [customerservice@tec.govt.nz](mailto:customerservice@tec.govt.nz) with the subject line **[EDUMIS] – Micro-credential fee limit exception application**.

## Part 1: Organisation information and declaration

|  |  |
| --- | --- |
| **Organisation details** | |
| 1.1 Legal name |  |
| 1.2 EDUMIS number *(if applicable)* |  |
| 1.3 Trading name *(if applicable)* |  |

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| --- | --- |
| **Lead contact details**  *This is the person we will contact for more information if required. This person will also receive the outcome notification.* | |
| 1.4 Name |  |
| 1.5 Role or position in the organisation |  |
| 1.6 Phone |  |
| 1.7 Mobile |  |
| 1.8 Email |  |
| 1.9 Outcome notification email addresses  *Please list all emails that you would like outcome notifications sent to.* |  |

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| **Declaration**  *For tertiary education institutions (TEIs), the application must be authorised and signed by a delegated authority of the TEI’s Council. For private training establishments (PTEs), the application must be authorised and signed by the Chief Executive or Board Chair.* | |
| I declare that to the best of my knowledge the information given in this application is true and correct. | |
| Signature |  |
| Name and position |  |
| Date |  |

## Part 2: Micro-credential summary

Please note that we will compare the information supplied in this section with the cost information in Part 3, to consider feasibility of delivering the micro-credential.

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| **2.1** Micro-credential name |  |
| **2.2** Award code (code of the micro-credential) |  |
| **2.3** Micro-credential summary  *Please summarise the learning objectives of the micro-credential.* |  |
| **2.4** Level of the micro-credential |  |
| **2.5** Credit value |  |
| **2.6** EFTS factor (credit value/120) |  |
| **2.7** Proposed fee for full micro-credential |  |
| **2.8** Proposed TEC funding category  *Based on alphabetic and course classification funding (only applies to DQ 3-7 and DQ 7+; see the* [*rates table*](https://www.tec.govt.nz/funding/funding-and-performance/funding/funding-rates/)*). Micro-credentials are always at Level 1 (non-degree).* |  |
| **2.9** TEC funding rate (based on the category above)  *This is the full rate in the* [*rates table*](https://www.tec.govt.nz/funding/funding-and-performance/funding/funding-rates/)*.* |  |
| **2.10** Fees based on the per-credit cap (credit value x per-credit limit) |  |
| **2.11** TEC funding per enrolment (funding rate x EFTS factor) |  |
| **2.12** Total (based on proposed fee) (TEC funding (2.11) and proposed fee (2.7) combined per enrolment) |  |
| **2.13** Total (based on fee limit) (TEC funding (2.11) and fee limit (2.10) combined per enrolment) |  |
| **2.14** Forecast number of funded learner enrolments for the next calendar year for this micro-credential  *This is an indicator of industry demand and is used to calculate the potential fee revenue and tuition funding.* |  |
| **2.15** Forecast number of international learner enrolments for the following year for this micro-credential and the fee you will charge |  |

## Part 3: Exception criteria

## Criterion one: Higher actual and reasonable costs

### 3.1 Rationale for fees over the fee limit

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| Explain why the current per credit fee limit would make the micro-credential unsustainable to deliver.  You must:   * justify the cost of running the micro-credential for the next calendar year * provide evidence about the relative cost to deliver the micro-credential compared to other courses, micro-credentials or programmes (including comparisons to other TEOs delivering similar products) * demonstrate that there are no satisfactory ways of limiting costs.   Eg, if your overheads have increased and you need to charge a higher fee, please describe why this occurred and how you have determined the costs. |
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### 3.2 Costs of the micro-credential

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| --- | --- | --- |
| Use the cost breakdown table to outline all running costs **per year** and how they relate to the micro-credential. Add more rows as needed.  Please use the free text field to provide any further relevant information.  Note:   * Only list operating costs (ie, exclude any capital expenditure required). * Separate direct cost elements, eg, tuition costs, materials. | | |
| Item | Cost (GST excl) | How it is related to the micro-credential |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| GST | $ | |
| TOTAL COST | $ | |
| Further information | | |
|  | | |

## Criterion two: Strong industry/employer need

### 3.3 Evidence that the fee is reasonable and acceptable

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| Provide evidence that the fee is reasonable and acceptable to industry and/or employers.   * Evidence could include communications from industry and/or employers supporting the proposed fee to deliver the micro-credential. This could include support from the relevant Workforce Development Council.   You may also provide a description of how you have engaged industry and/or employers to support any evidence you submit. |
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### 3.4 Industry need or employer demand

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| The TEC can only grant exceptions where there is industry need or employer demand for the micro-credential. If your micro-credential is focused on a community need, please explain how it also satisfies industry needs and/or employer demand.   * This could consist of evidence from employers/industry that it meets a key need, and potentially from community groups/iwi, eg, DHB staff studying a te reo Māori micro-credential, which supports those staff to work with the Māori health sector.   If the micro-credential has already been approved on the basis of industry and/or employer need, you do not need to fill out this section. |
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