

دبي

المعرفة Knowledge

School Fees Framework

Knowledge and Human Development Authority

The purpose of the School Fees Framework

The framework aims to regulate school fees and protect the students, and parents (as beneficiaries of educational services); as well as to provide a favourable environment for investors in the education sector, encouraging them to improve the quality of education in the Emirate of Dubai. This is achieved through a comprehensive mechanism taking into account of the educational and economic aspects and protects the interests of all stakeholders.

The fee framework has been developed based on the Executive Council's decision 43/2011, and has been revised based on Executive Council's decision TEC/OUT/2019/194 and in line with the strategic goals of KHDA and stakeholder feedback. It will be implemented at the start of the academic year 2019-2020.

General Definitions

For-profit schools: Schools that operate for a profit and are run by individuals, profit-generating companies or organisations.

Not-for-profit schools:

A school which is governed by an independent board with parent representation and operates for non-profit purposes with no parties benefitting financially, and gets its non-profit status from the relevant authorities as per their licensing procedure. Fiscal surpluses, if any, are invested back into the institution to further the pursuit of its goals.

Schools with no fees:

Schools that don't charge tuition fees for providing their services.

Educational Cost Index (ECI):

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

The scope of the School Fees Framework

This framework is applicable to all private schools in Dubai that have completed three years of operation. It is not applicable to schools that don't charge tuition fees.

Services covered by the Fees Framework

This framework is applicable to all tuition fees and cost of services that are provided by the school (for example, transportation, uniforms and school books). However, this framework is not applicable for services outsourced by the school or provided by third parties, that are optional for the parents, and which are governed by other Government Authorities.

General framework for calculating the fee increase in private schools

Non-profit schools:

The percentage of increase proposed by non-profit schools will be approved provided the following are submitted:

1. Board approval for the proposed increase
2. Evidence of parental engagement and endorsement by the parents' representative

Profit Schools inspected for the first time:

Schools which are inspected for the first time by Dubai School Inspection Bureau (DSIB) are eligible for tuition fees increase by ECI only.

All other profit schools:

School fee increases for profit schools are based on the performance of the school (as per the results of the Dubai School Inspection Bureau (DSIB)) and Educational Cost Index (ECI), and are calculated as per the table below:

School	Eligible Percentage
Eligible schools that have maintained the same rating of the previous year*	ECI
Schools that have improved their rating from*: Very Weak to Weak Weak to Acceptable Acceptable to Good	ECI x 2
Schools that have improved their rating from*: Good to Very Good	ECI x 1.75
Schools improved their rating from*: Very Good to Outstanding	ECI x 1.5
Schools that have dropped in performance (from their current rating to a lower one) *	No increase in school fees

*For profit schools in Dubai, the last inspection rating conducted by DSIB will be considered while implementing the fee increase as per the above table.

General conditions for fee increase:

1. Schools with performance ratings 'Acceptable' and lower are required to submit (as part of their application), a KHDA approved action plan detailing how the school will invest in the educational process to improve the quality of education in the school.
2. If schools choose to re-structure their tuition fees to a lower fee structure, then they cannot revert back to the previous fees, and all fee increases (according to the fee framework) will be applicable to the re-structured fees.
3. Fee increases meant for a particular academic year can only be implemented in that year and cannot be carried forward to the upcoming academic years.

Mechanism for fee increases based on Fair Rate of Return (FRR)

This is in accordance with The Executive Council's decision number 16/2015 that replaced the Exceptional Fee Increase framework issued in 2012. As per this decision, applications will be reviewed based on the Fair Rate of Return (FRR) measurement and be linked to the performance of the school as per the results of the Dubai School Inspection Bureau (DSIB) as follows:

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

Conditions related to approving the fee increase based on FRR

- Schools will not be able to apply for exception until they have been in operation for at least six academic years
- School's occupancy must be at least 80%
- Basic salary of teaching staff should be greater than or equal to 25% of total expenses
- Only one application will be allowed in a 12 month period
- Retention of a qualified auditing firm, as defined, for undertaking the exercise required by KHDA
- Have a rate of return below the prescribed threshold for the two most recently completed financial years
- Schools that have been granted approval to increase its fees using the mechanism for FRR as mentioned here, cannot apply for any further increase in school fees for the following 12 months and until all exceptional fees granted have been applied for a full academic year