

## DEBT COLLECTION POLICY

**This policy was first developed in 2009, reviewed and amended in 2012 and 2016; and is due for review again in 2021.**

This policy is based on the school's values:

- **Respect**
- **Quality**
- **Commitment**
- **Diversity**

This policy provides guidance for the recovery of all debts due to the School Council; and is to be applied within DECD administrative and legal requirements.

### Liability for debt

Our school's subject charges are legally recoverable, as a commitment to pay has been entered into by parents or schools through signing the enrolment form. Invoices are sent out with the term 1 reports. Payment is expected within 14 days.

For students who enrol after Term 1, invoices will be sent in Week 4 of the following term.

### Outstanding charges that remain unpaid after the 14 days

For students who enrol prior to the end of Week 2 Term 2:

- For all outstanding invoices a reminder statement will be issued to all persons liable for the charge at the end of term 2.
- For all remaining outstanding debts at Week 5 Term 3, a final statement (stamped final notice) will be issued to all persons liable for the charge. This statement will include the sentence: "further action will be taken if this account remains outstanding after a period of no less than 14 days."

For students who enrol prior to the end of Week 2 Term 3:

- For all outstanding invoices a reminder statement will be issued to all persons liable for the charge at the end of term 3.
- For all remaining outstanding debts at Week 5 Term 4, a final statement (stamped final notice) will be issued to all persons liable for the charge. This statement will include the sentence: "further action will be taken if this account remains outstanding after a period of no less than 14 days."

For students who enrol prior to the end of Week 2 Term 4:

- For all outstanding invoices a final statement (stamped final notice) will be issued to all persons liable for the charge by the end of Term 4. This statement will include the sentence: "further action will be taken if this account remains outstanding after a period of no less than 14 days."

Debts which remain outstanding at the end of the 14 day period will be referred to an independent debt collection agency. Any costs incurred in pursuing these outstanding charges will be passed to the debtor.

Prior to going to the debt collection agency the Business Manager will organise for a SMS to be sent letting parents know that payment has not been made and debt collection will formally commence with a date of 5 business days from the date of the SMS.

After the 5 business days has elapsed, the Business Manager will then ring parents who still have an outstanding account requesting direct payment or advising them that the outstanding amount will be sent to the debt collectors.

The Business Manager must document all steps undertaken by the school to recover the debt. This includes:

- the dates that invoices and statements are distributed
- phone calls and letters that have been sent to debtors
- communications with the independent debt collection agency.

### **International Students who are paying their own charges**

The Business Manager shall provide the Coordinator International Students with a list of students who have been identified as paying their own charges. The Coordinator International Students will liaise with day schools to help facilitate the payment of the charges.

Should payment still be outstanding, then the Business Manager will advise International Education Services, who will then contact the student's agent and advise that should the fee remain outstanding, the student will not be issued with a report and their grades not released.

### **Special requests**

Requests for payment by instalment or to have special circumstances taken into account may be made in writing to the Principal.

The Principal has the discretion to waive or reduce the charge. Any waiving or reduction of the charge is to be dealt with confidentially.

For payment by instalment:

- The School and the debtor must negotiate and sign a formal instalment agreement. The agreement must detail the amount and due date for each instalment.
- If the debtor defaults on an instalment payment and fails to notify the school prior to this payment of any financial difficulty, the school without further notice, may cancel the agreement and legally pursue the debt.
- The amount that has been agreed upon is the legally recoverable amount. The school must have a copy of the agreement as signed by the debtor.

### **Writing Off Debts**

A debt may be written off by resolution of the School Council on the recommendation of the Principal.

A recommendation to write off a debt can be made when all reasonable avenues to recover the debt have been exhausted, and where it is not cost effective to pursue the debt through legal action.