



# CREDIT & COLLECTION POLICY

ISSUED	October 2003	LOCATED	T:\Admin\Executive\1.College Policies - All major College policies\College Policies		
REVISED	July 2008 2005	January 2012	June 2017	September 2018	

## 1 Introduction

This policy outlines the terms for fee payments and fee collection for Nambour Christian College Ltd, herein referred to as the College. It details the contractual responsibilities for payment of tuition fees, levies and charges and consequences of non-payment. The College is a not-for-profit organisation and therefore timely payment of fees is crucial for the effective provision of educational services and ongoing financial viability.

## 2 The Law

The law requires that the College operate with sufficient financial resources for its day-to-day operations. Likewise, the law provides the College with avenues to follow-up unpaid fees.

## 3 Principles

The Strategic Plan for Nambour Christian College identifies that:

- 3.1 The College will be a good steward of the finances and resources in its charge. We are committed to use our finances and resources wisely in managing the College affairs while at the same time ensuring accessibility to all families who genuinely desire a Christian education for their children.
- 3.2 The College seeks to develop and maintain the physical resources and facilities in order to maximize the education experience and outcomes for its students.
- 3.3 The College seeks to conduct relationships, programs and business dealings in a way that will demonstrate Christian values and ethics.

## 4 Definitions

- **Contractual party/ies:** The parent/s or guardian/s who signed the enrolment contract
- **Fee Payer** The Fee Payer is the person/s who signed the enrolment form as being responsible for fees. The Fee Payer may be the same as the contractual party/ies. The nomination of another person as the fee payer does not absolve the contractual party of their responsibility under the contract of enrolment with the College.

## 5 **Scope**

This policy sets out clear responsibilities and obligations of the Contractual Party/ies and/or Fee Payers intending to, or who have enrolled their students at the College.

## 6 **Terms of credit – due date for fees**

Fees are due and payable in full on the first day of each term.

## 7 **Extension to Terms of Credit & Payment Options**

The Fee Payer may apply to the College for alternative arrangements for payment of fees. These are:

- 7.1 Payment is made in full by a specified, and agreed upon date.
- 7.2 An automatic payment schedule is agreed upon whereby the Fee Payer authorises to College to set up a direct debit payment; or
- 7.3 An Agreed Payment Schedule. This is where a detailed payment schedule is submitted by the Fee Payer and accepted by the College.

## 8 **Credit card surcharge**

All credit card payments will incur a 1% fee which at the time of this policy.

## 9 **Implementation**

This policy will be implemented immediately upon enrolment and acceptance of a child/ren into the College.

## 10 **Responsibilities**

### 10.1 **The College**

- (a) The Strategic Plan for Nambour Christian College identifies that the College is to conduct its relationships, programs and business dealings in a way that will demonstrate Christian values and ethics.
- (b) The College will at all times, be open to negotiate mutual payment arrangements with the Fee Payer and they are encouraged to keep the Business Manager informed of any relevant circumstances.
- (c) The Principal will be kept informed, as necessary, maintaining the confidentiality and dignity of the Contractual Party/ies and/or Fee Payer at all times.

### 10.2 **Contractual party/ies**

- (a) The Contractual Party/ies who sign the Enrolment Contract are responsible for fees, including outstanding debts, irrespective of who is nominated as the Fee Payer.
- (b) In situations when the Contractual party/ies is not the Fee Payer, awareness of the state of the account is to be maintained.

### 10.3 Fee Payer

- (a) Fee Payer/s are accountable to the College for prompt and full payment of fees in recognition of their acceptance of these terms at the time of enrolment of their child/ren into the College
- (b) In situations when the Fee Payer/s are experiencing difficulties making payment of fees by the due date, they are requested to contact the Business Office *before* the account becomes overdue.
- (c) The Fee Payer/s will reinstate all dishonoured direct debits within 7 days of the payment default.
- (d) An ongoing payment arrangement must be established when there is a debt outstanding beyond the terms outlined in Clauses 6 and 7 above. This also applies when enrolled children leave the College and amounts remain outstanding. Failure to comply may result in the College proceeding with collection of outstanding fees through legal channels. In most situations, Fee Payer/s will be required to authorise a regular Direct Debit authority to avoid referral to a professional collection agency.

## 11 Procedure for recovery of Outstanding Fees

The process for fee collection and when necessary recovery of overdue fees is initiated in a considerate and consistent manner. At each step, at least two efforts will be made to contact the Fee Payer via phone, email and/or SMS and in the later stages through registered mail.

The details of the steps which staff from the College will take are as follows:

- 11.1 Fees are payable on the first day of each term.
- 11.2 **Seven (7) days** into the term, fees are deemed to be outstanding, after non-payment and no contact with the school seven (7) days after the due date. The Business Office will email a statement advising the Fee Payer/s that fees are overdue.
- 11.3 **Fourteen (14) days** into the term, if the account is unpaid and no response to prior contact, the Business Office will again contact by SMS and/or email the Fee Payer/s.
- 11.4 **Twenty-one (21) days** into the term, if account remains unpaid and no response, an emailed letter from the Business Manager will be sent to the Fee Payer/s, requesting either payment or a detailed response for the non-payment.
- 11.5 **Twenty eight (28) days** into the term. The Principal will make every effort to make personal contact with the Fee Payer/s and or Contractual Party/ies to seek rectification. This will be followed with an email and registered letter, advising the Contractual Party/ies and Fee Payer/s that they have defaulted in their contractual obligations and seeking full payment within the next 7 days or contact to be made with the Principal's office.
- 11.6 **Thirty five (35) days** into the term, and when no response has been received by the College from the Fee Payer/s and/or Contractual Party/ies.

In this case, the outstanding debt will be referred to a Professional Collection Agency. Default payments may result in the Contractual Party/ies being listed with a credit reporting agency. Costs and commissions associated with the collection will be added to the outstanding balance

- Simultaneously, with the action stated in Clause 11.6, the Principal may call for a show cause meeting regarding the continuation of the enrolment.

## 12 **Prescribed direct debit payments**

In instances where fees have remained outstanding beyond the 35 days, and legal action is imminent, a direct debit authority will be required if the College agrees for the enrolment to continue.

## 13 **Cancellation of Enrolment**

13.1 This will never be the College's preferred course of action.

13.2 Cancellation of enrolment may, at the Principal's discretion, be a consequence of extended non-payment of fees and charges payable to the College.

## 14 **Late Fees and Charges**

Accounts with overdue fees and charges, where satisfactory payment arrangements have not been entered into, and/or adhered to, will incur a non-refundable administration fee of up to \$50 per term.

## 15 **Policy Review**

This policy will be reviewed every three years, or as necessary.

# Credit Policy Flowchart

## payment expectations summarised



**NOTE: Fees are due on first day of Term**

