



Doctrina Vitae

Bacchus Marsh  
Grammar

# POLICY

## Debt Collection Policy

Approved: 26/10/2018



## 1 Statement of Context and Purpose

- 1.1.1 The Bacchus Marsh Grammar Council authorises the Business Manager and the Principal to take any necessary steps to recover outstanding fees.
- 1.1.2 The School will take the following course of action in the event that the terms fees are not paid by the due date or instalment payments are not made by the required date. The Principal has the discretion to waive the debt collection procedures for parents/guardians who have contacted the School and have a legitimate reason for not making payments when they are due e.g. financial difficulty.

Action	Timing of the Action	Admin Fee
School will send a Reminder	After fees are not paid by the due date.	Nil
School will send a Second Reminder	After fees are not paid by 7 days after due date.	\$50
School will send a Final Reminder	After fees are not paid by 14 days after due date.	\$50
Debt Collection Procedures will commence	If the Final Reminder is ignored.	\$100
Legal Action	If the Debt Collection procedures prove unsuccessful.	Legal Fees Charged

## 2 Financial Arrangements

- 2.1.1 In special circumstances the School will consider requests from parents/guardians who are unable to pay the fees in accordance with the Fees Collection Policy due to medical, financial or domestic circumstances that may require compassionate consideration. Under these circumstances, the School may agree to enter into a formal financial agreement where (a) repayment of fees can be deferred or (b) an alternative payment schedule can be arranged.
- 2.1.2 Parents/guardians must apply for financial arrangements in writing to the Principal.
- 2.1.3 Financial arrangements are entirely at the discretion of the Principal.
- 2.1.4 Further debt collection action will cease, if formal financial arrangements are agreed to by both the School and the parents/guardians.
- 2.1.5 The agreed financial arrangements will be confirmed in writing by the School and parents/guardians will be required to agree to the terms of the agreement before it is formally accepted by the School.
- 2.1.6 Any approved financial arrangements not strictly adhered to will be withdrawn immediately upon default and recovery action on the outstanding debt will commence.
- 2.1.7 Any financial arrangement will involve a minimum repayment, the equivalent of 5% of the outstanding balance, as a sign of good faith by the parents/guardians.
- 2.1.8 The length of the agreement period will be for a maximum period of 2 years (from the time of the agreement) by which time all Fees must be paid.
- 2.1.9 All Financial arrangements will be reviewed at the commencement of each School year.

## 3 Fees and Charges

### 3.1 Administration Fee

- 3.1.1 The School reserves the right to charge an Administrative Fee to parents/guardians for overdue accounts or for breaches of an approved instalment agreement.
- 3.1.2 Each time the School issues a Second Reminder or Final Reminder, an Administration Fee of \$50 will be applied to the relevant account unless satisfactory financial arrangements have been formally agreed to by the School.



- 3.1.3 An Administration Fee of \$100 will be charged when an account has been referred for Debt Collection.
- 3.1.4 An Administration Fee of \$50 will apply for each occasion a parent/guardian defaults on an instalment unless the reason for the default is an administrative error on behalf of the School.
- 3.1.5 These amounts will be billed to the parent/guardian account. Non-payment of the Administrative Fees will be considered non-payment of fees for the purposes of the operation of the Debt Collection Policy.

**3.2 Debt Collection Fees**

- 3.2.1 Parents/guardians will be responsible for the payment of all legal fees incurred by the School for the recovery of outstanding debts. These charges will be billed to the account when advised to the School.

**3.3 Persistent/Deliberate Default of School Fees**

- 3.3.1 If in the Principal’s opinion parents/guardians are considered persistent or deliberate default payers, then the Principal can choose to suspend a student’s place at the School until such time that the outstanding fees and charges have been paid or remove the student from the School roll permanently.

**4 Implications of Legal Action**

- 4.1.1 If the School is required to seek legal action for the recovery of outstanding sums, then the student(s) will be debarred from school, until such time that the amounts are paid in full or an arrangement satisfactory to the School has been agreed to, or remove the student from the School roll permanently. [Refer to Conditions of Enrolment].

**5 Related Policies and Documents**

Conditions of Enrolment  
 Enrolment Policy GOV.015  
 Billing and Payment of Fees Policy

**6 Authorisation**

<b>Policy Document Name</b>	Debt Collection Policy	
<b>Approval Authority</b>	Andrew Neal	
<b>Approval Date</b>		
<b>Effective Date</b> <small>[Current version if different from amended date]</small>		
<b>Amendment History</b>	26/10/2018	Reviewed – version 1.2
<b>Date of Next Review</b>	23/10/2020	To be reviewed every two years