



Bacchus Marsh
Grammar

School POLICY

FINANCE

Debt Collection Policy

Approved by the School Board: 30 July 2025

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Debt Collection Policy

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1 Overview

- 1.1.1 The Bacchus Marsh Grammar (School) Board authorises the School, via the Business Manager and the Principal and or their delegate, to investigate any non-payment of fees (Payment Default) and or take any necessary steps to recover outstanding fees.
- 1.1.2 In the event that fees are not paid by the due date, or instalment payments are not made by the required date, the School will follow this Policy when considering debt collection action and or charging any related administrative fees.
- 1.1.3 The School has a discretion to waive debt collection action against parents/guardians who have contacted the School in a timely manner to discuss alternative financial arrangements, and or have a legitimate reason for not making payments as when they fall due, e.g. demonstrated financial hardship, with supporting evidence. Please refer to Sections 3 and 4, respectively, below for further details.

2 Administration Fees

- 2.1.1 The School reserves the right to charge an administrative fee to parents/guardians for overdue accounts and or for breaches of an approved payment plan as follows:

Table 1

Action/Administrative Fee Type	Timing of the Action	Amount
Payment Default/ Payment Default Fee	Will apply for each occasion a parent/guardian defaults on an instalment	\$30
Overdue Account/ Overdue Account Fee	Administration Fee will be charged for each month the account is in arrears	\$100
Fees remain unpaid/ School will send a Reminder	After fees are not paid by the due date	Nil
Fees remain unpaid/ School will send a Second Reminder	After fees are not paid by 7 days after due date	\$50
Fees remain unpaid/ 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	\$200
Legal Action	if the Debt Collection Procedures prove unsuccessful	Legal Fees On-Charged

- 2.1.2 A Payment Default Fee will apply for each occasion a parent/guardian defaults on instalment unless the reason for the default is an administrative error on behalf of the School. The School will reattempt to deduct the instalment on the next business day. After three (3) consecutive unsuccessful reattempts, Debtor Management Procedures will commence.
- 2.1.3 Parents/guardians should be mindful that if payment plan instalment, default more than three (3) times within the current school year, the payment plan may be cancelled. If this occurs, all remaining instalments for the year will be required to be paid in full immediately.
- 2.1.4 An Overdue Account Fee will apply for each month an account is in arrears.
- 2.1.5 Each time the School issues a Second Reminder or Final Reminder, an administration fee will be applied to the relevant account, as set out above, unless a satisfactory financial arrangement has been formally agreed to by the School.
- 2.1.6 When an account has been referred for Debt Collection, an administration fee will be charged as set out above.
- 2.1.7 Any administrative fees charged in accordance with this Policy will be billed to the parent/guardian account and are payable in addition to any outstanding instalment fee(s), or other administration charges and or interest applicable (if any).



- 2.1.8 Non-payment of any administrative fee will be considered a Payment Default for the purposes of the operation of this Policy.

3 Debt Collection Fees and Legal Costs

- 3.1.1 Parents/guardians will be responsible for the payment of all debt collection and or legal fees incurred by the School for the recovery of outstanding debts. These charges will be billed to the parent/guardian account once invoiced to the School.
- 3.1.2 If the School is required to undertake debt collection procedures and or legal action for the recovery of outstanding fees due to default of payment, then the School may suspend the student's enrolment at the School without further notice until such time that the amounts are paid in full or an arrangement satisfactory to the School has been agreed to.
- 3.1.3 If a default payment is not remedied after debt collection procedures have commenced, the School may seek legal action in accordance with 'The Timing of the Action' for Legal Action listed under Section 1.2.
- 3.1.4 Further sanctions may also apply as per Section 4 below.

4 Sanctions for Payment Defaults

- 4.1.1 If in the Principal or their delegate's opinion any parent/guardian is considered to be persistently or deliberately defaulting on payment obligations, whether for school fees or under an AFA or APP, then in addition to any consequences outlined in this Policy, the School may also impose one or more sanctions listed on any student enrolment(s), as listed in the Conditions of Enrolment.

5 Financial Arrangements and Payment Plans

- 5.1.1 In extenuating circumstances, and in accordance with this Policy, the School has discretion to consider requests for alternative financial arrangements (AFA), from parents/guardians who are unable to pay the fees due to medical, financial or domestic circumstances that may require compassionate consideration.
- 5.1.2 Under these circumstances, the School may agree to enter into an AFA where:
- a) repayment of fees can be deferred; or
 - b) an alternative payment schedule can be arranged.
- 5.1.3 Note: An AFA does not alter the contractual arrangement between the parties pursuant to the Enrolment Agreement and the School reserves the right to pursue its full legal rights against the parents/guardians at any time with reasonable notice, notwithstanding the existence of such alternative financial arrangements, should it choose to do so.
- 5.1.4 Parents/guardians must apply for financial arrangements in writing to the School.
- 5.1.5 AFAs are entirely at the discretion of the Principal and or their delegate, and the School is not obliged to provide reasons for refusal to grant such an arrangement.
- 5.1.6 Any agreed AFA 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.
- 5.1.7 Further debt collection action will cease, if formal financial arrangements are agreed to by both the School and the parents/guardians and the arrangements are adhered to.
- 5.1.8 Any AFA not strictly adhered to will be withdrawn immediately upon default and recovery action on the outstanding debt will commence/re-commence.
- 5.1.9 An AFA will involve a minimum repayment, the equivalent of 5% of the outstanding balance, as a sign of good faith by the parents/guardians.
- 5.1.10 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 owing must be paid.
- 5.1.11 All AFA will be reviewed at the end of each School year to assess if the parent/guardian's financial circumstances have changed or require updating.



6 Authorisation

School Document Name	Debt Collection Policy	
Approval Authority	Chair of the School Board	
Approval Signature	Cathy Jeffkins Chair of the School Board Bacchus Marsh Grammar	
Administrator	Company Secretary	Greg Gough
Approval Date	30 July 2025	
Date of Next Review	30 July 2028	To be reviewed every three years

7 History

Date	Amendment
26 October 2019	1. Reviewed
28 October 2020	2. Reviewed and updated format
30 November 2022	3. Reviewed and updated debt collection referral fee
30 July 2025	4. Reviewed and updated amounts in Table of Actions