

8.02

MERCY EDUCATION POLICY 8.02 COLLECTION OF OUTSTANDING SCHOOL FEES AT MERCY COLLEGES

Introduction:

To support the provision of outstanding educational *Service* to their communities, the Colleges governed by Mercy Education Ltd set an appropriate fee level for their individual situations. *Justice* to all requires that fees be collected, while *Compassion* is shown to those in need. The procedures for fee collection embody *Respect* to all involved.

Definition:

School fees: are the amounts charged by Colleges to families to contribute to the education of their children. They include tuition charges, levies, and contributions to building funds.

Legal action: is defined as any process involving interaction with the court system.

Outstanding school fees: are those not paid within the time frame established by the individual College.

Parent: includes all other forms of legal guardianship as well.

Policy Statement:

- A01 Each College will have clear written internal procedures for the collection of outstanding fees.
- A02 When fees are in arrears, written, electronic, personal or telephone contact will be made with parents or guardians. Records must be maintained of all communication with parents.
- A03 Every effort will be made to ascertain the ability of the parent to pay outstanding fees. A payment plan will be negotiated where possible.
- A04 Procedures to enable the collection of outstanding school fees will be enacted when parents who appear to have the capacity to pay fees refuse to do so, or when parents consistently refuse to engage in good faith discussions regarding their fee position.
- A05 Where no evidence of hardship or special circumstances can be substantiated Colleges may engage a recognised Debt Collection Agency or issue a solicitor's letter. Parents must be notified that they will be responsible for any consequential costs incurred.
- A06 Prior to initiating legal action or seeking judgement, Colleges must obtain permission from Mercy Education.

The Chief Executive of Mercy Education is authorised to approve all legal action for fee collection on behalf of the Mercy Education Board. This includes the authority to apply for a bankruptcy notice, however the actual service of a bankruptcy notice on a debtor requires Board approval.

All legal actions authorised by the Chief Executive are to be tabled for information at the following meeting of the Mercy Education Finance Committee.

- A07 All students, regardless of fee account status, should be permitted unimpeded access to all core school programs and activities. However, if significant fees are outstanding, Colleges may discretely limit or refuse access to optional school programs (such as instrumental music lessons, school formals, overseas or interstate travel programs).
- A08 Under no circumstances can the enrolment of a student be terminated owing to outstanding fees.
- A09 Legal and other associated costs are the responsibility of the individual College. Such costs may be charged back to the fee payer if suitable advice to this effect has been provided.
- A10 Colleges will be supportive and practical in assisting parents who separate during the term of the student’s enrolment at the College.
- A11 Actions associated with collection of outstanding fees will be confidential on a ‘need to know’ basis.
- A12 The Board of Mercy Education will be regularly informed of the level of fee debt at each College.
- A13 Action taken for collection of outstanding fees will not contradict the current practice and policies of the relevant Catholic Education Offices.

Related Documents:

Catholic Education Melbourne (CEM)

- *CEM: Policy 2.27 School Fees*

Catholic Education Commission of Western Australia (CECWA)

- *CECWA: School Fees Setting and Collection (2017)*

South Australian Commission for Catholic Schools (SACCS)

- *SACCS: Fees Policy: 2006*

Mercy Education Ltd (MEL)

- *8.01 Policy: Setting of School Fees at Mercy Colleges*
- *8.01 Operational Instructions: Setting of School Fees at Mercy Colleges*
- *8.02 Operational Instructions: Collection of Outstanding Fees at Mercy Colleges*
- *Mercy Education Debtor Legal Action Request Form*

Review History

| Version | Date Released | Next Review | Author | Approved |
|---------|---------------|---------------|--|-----------|
| 1.0 | 1/5/2014 | May 2018 | Group Finance Manager | MEL Board |
| 2.0 | 1/10/2018 | October 2020 | Group Finance Manager | MEL Board |
| 3.0 | 1/11/2019 | November 2021 | Group Finance Manager Head of Business Operations | |