



Catholic Education
Diocese of Cairns
*Learning with Faith
and Vision*

Guideline/Procedure

Guideline/Procedure no:	
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Next review date:	2018
Author:	CFOO/MGE

School fees - collection

Purpose

This guideline is intended to provide a consistent approach to the collection of tuition fees and levies for all schools in the Diocese of Cairns.

It provides a staged process for the collection of unpaid fees and levies.

Application

This guidelines will be used by all schools in the Diocese of Cairns.

Guideline or Procedure

- Guiding Principles:** This procedure is to be applied in circumstances where the school has a valid concern that school fees may not be paid. It should not be applied where the school believes that fees will be paid, but not necessarily by the due date.

Schools and CES will apply discretion as needed to achieve the best possible outcomes.

The process involves a staged and documented procedure that seeks compliance with the obligation to pay fees or negotiate an alternative arrangement.
- Fee Procedures (this is outlined in the flowcharts – Attachment 7 – primary schools and Attachment 8 - Colleges)

 - All parents are informed of the amount and timing for payment of Fees on acceptance of enrolment. They are also advised that a condition of enrolment is to pay fees and levies by the due date unless alternative arrangements such as fee concessions are in place due to genuine financial hardship. This is outlined in the enrolment form.
 - The application for enrolment contains financial terms of enrolment which include an authority to the school to access and make changes to a parent's credit information file maintained by a credit reporting agency and to disclose personal information of the parent in doing so.
 - An invoice for Fees ("**Invoice**") is sent to parents by the end of week one in each school term. If this is not achievable in term 1 invoices are to be issued as soon as possible (by the end of Week 3 at the latest).
 - The due date for payment of the Invoice will be 14 days after the date of issue of the Invoice. The Invoice will prominently record this date as the due date for payment ("**Invoice**").

Due Date”). A suggested letter to attach to this invoice is provided (**Attachment 1**)

- 2.5. If payment of the Invoice is not made by the Invoice Due Date, a reminder letter is promptly sent giving a further 14 days from the Invoice Due Date in which to pay the invoice. (**“First Reminder Letter” - Attachment 2**).
- 2.6. If payment has not been received after 14 days and/or the parents have not contacted the school to make alternative arrangements, the school administration officer will ring the parents to arrange a meeting with the Principal to discuss the matter. The suggested content for this conversation is provided in **Attachment 3**. A file note should be made of the conversation.
- 2.7. If the parents decline the meeting and/or do not respond to the telephone call and have still not paid their fees, the Principal will advise and consult the Parish Priest (for Parish schools) who may endeavour to have pastoral discussions with the parents.
- 2.8. With the approval of the Parish Priest, if fees due for a term have not been paid by Week 8/the end of the term, then primary schools will send a **Final Demand – Overdue Invoice (see Attachment 4)** foreshadowing reference to a debt collection agency and possible cancellation of enrolment in the following year. Colleges will send a similar Final Demand letter.
- 2.9. If fees still have not been paid or contact made to arrange alternative arrangements within 7 days the school will advise CES, with the signed approval of the Principal and Parish Priest, to refer the matter to a debt collection agency, authorising a Solicitor’s demand letter. CES will review each case to ensure process compliance before engaging a debt collection agency. CES will continue to liaise with the school. Colleges will undertake this step independently.
- 2.10. When the Solicitor’s demand letter is issued through the debt collection agency there are 14 days to respond to the letter. If any repayment plan is proposed CES, or the college as the case may be, will have to decide whether it accepts or rejects the plan. Primary schools will be advised of the outcome.
- 2.11. If there is no response or the offer is rejected, the debt collection agency will make a further attempt at contact in an effort to avoid litigation.
- 2.12. If this fails, the debt collection agency, through the school, should seek written permission (Attachment 5) from the Bishop of Cairns through the Executive Director, Catholic Education Services, for the debt collection agency to commence a Magistrate’s Court Claim. A decision to proceed on behalf of the Roman Catholic Trust Corporation for the Diocese of Cairns will be based on the history of the action to date, the likelihood of success, pastoral considerations and the assessment of risk. Costs will be met by CES but these costs will be added to the Claim or Debt.
- 2.13. If the service of the Magistrates Court Claim is ignored and fails to produce any contact or payment, the Judgement will be sought in the Court for the amount of the Debt together with all legal costs incurred. The debt collection agency’s Solicitors will then post a copy of the Judgement to the Debtor(s) with a letter, once again, requesting that they make contact and set up a satisfactory repayment arrangement. At this time the Judgement debt is also listed automatically on a debtor(s) Credit File, Australia wide for a period of 5 years or until the debt is paid.
- 2.14. If all the above has failed the Solicitors will commence the process of enforcing the Judgement where the Debtor(s) are required to attend Court for an examination of their financial affairs and to see if a repayment plan can be arranged or maybe a Garnishee Order

of salary put in place to obtain payment.

- 2.15. If this is unsuccessful no further action will be taken to recover the debt, that is, no bankruptcy process will be commenced.
- 2.16. If all efforts by the school, the Parish Priest, CES and the debt collection agency are unsuccessful by the end of Term 3, CES will send a further letter (**Attachment 6**) asking the family to show cause within 5 days why the student's enrolment will not be continued in the following year and/or advising that enrolment in any other diocesan school or college will be declined while there are outstanding fees or the absence of an agreed alternative arrangement. This action may be taken independent of any actions undertaken by the debt collection agency and/or court related activity to recover debts.
- 2.17. If the family fails to show cause the school will commence the cancellation of enrolment consistent with the **Guideline – Cancellation of enrolment**. This will require consultation with the school Principal, and through the Principal, the Parish Priest. The family will also be placed on the diocesan debtors' list which will be circulated to all schools.
- 2.18. Schools will continue to apply local arrangements such as withholding report cards, statements of service and references, until fees are paid in full or alternative arrangements put in place.

Enquiries

Chief Financial and Operating Officer; Directors, School Development.

Reflection

n/a

See also (Related Policies and Guidelines)

Policy – Enrolment in Catholic schools

Guideline – Cancellation of Enrolment

Guideline – Fee remissions

Guideline – Referral to a debt collection agency

Enrolment form/agreement - Schools

Attachment 1: Initial letter to be sent with fee invoice

Dear

School fees due for Term (1,2,3,4)

Attached is our invoice for fees and levies for Term (1,2,3,4). Payment is required within 14 days unless alternative arrangements are in place. These arrangements might include:

- Regular direct debits from a bank or financial institution account. Please contact the school if you wish to set up a direct debit facility.
- Seeking to defer the payment until a later agreed date. This may be appropriate for some self-employed parents with irregular incomes.
- Consideration of genuine family financial hardship. Please contact the school and your circumstances will be treated in the strictest confidence.

The payment of school fees and levies is an important component of the income of this school and contributes to the high quality education enjoyed by your children. Together we need to place a high priority on giving our students – your children - the best possible start in life. Paying fees in full on time is an important way in which you can contribute to this outcome.

We look forward to receiving your payment by the due date. Please contact the school on (date) should you require any further information.

Yours sincerely

Principal

Attachment 2 – first follow up letter

Dear

First reminder – overdue school fees

According to our records you may have overlooked your school fees payment for Term (1,2,3,4) which was due on (date). Please disregard this letter if you have paid this account very recently or contact the school office if you believe the payment has been made and perhaps overlooked by us.

If there is a reason why this account cannot be paid within the next 14 days I invite you to contact me at your earliest convenience to discuss the matter – there are alternative arrangements we can put in place.

If the fees are not paid and I have not heard from you by (date) we will call you to arrange a meeting to discuss the matter.

We recognise that all families have regular bills and expenses and often the family budget requires a lot of juggling. We ask that you continue to place a high priority on our shared responsibility to give your children the best possible education. The prompt payment of fees helps us to provide that education.

Yours sincerely

Principal

Attachment 3 – telephone call from School Administration Officer

Content should include:

- Friendly tone. Introductions.
- Mention school fees have still not been paid – is there a reason? Again a friendly tone – easy to overlook bills, lots of bills to pay at this time of year etc.
- If there is a reason advise there are alternatives – direct debit, agreement to a deferred payment, possible fee remissions in cases of genuine family hardship.
- Would the family like to talk to the Principal about alternative arrangements? If so set up an appointment. (Some schools may have alternative arrangements with independent assessors).
- If there is no valid reason apart from simply overlooking the bill seek a commitment that the bill can be paid in the next week, indicate you will follow up again if this does not occur.
- Re-inforce their commitment to the agreed course of action – payment or alternative arrangements.
- Conclude the call on a positive note – talk about an upcoming school event etc.
- Note: if the call becomes argumentative or confrontational on their part, seek to politely terminate the conversation after reminding them of their obligations and commitments as part of their enrolment agreement.

Following the conversation prepare a file note summarising outcomes.

Attachment 4 Final letter of demand

Dear

Overdue school fees - final letter of demand

It would appear from our records that your school fees and levies for Term (1,2,3,4) have still not been paid despite several reminders from the school. School fees are an important part of our school's income and their timely payment contributes to the quality of the education we can provide to all children at this school, including your own.

We have provided advice to you that there are alternative arrangements available including direct debit, deferral in special cases, and concessions in cases of genuine hardship. You have not sought to discuss these alternatives with the school.

If we have not received your payment within seven days we will be referring your account to a debt recovery agency – this is consistent with your signed enrolment agreement.

You are also advised that your children's continued enrolment at this school may be reviewed, as may their future enrolment in other diocesan schools and colleges. As a consequence of your failure to pay school fees or make alternative arrangements you may be asked to show cause why their enrolment should not be discontinued.

This would be a decision we take with extreme reluctance. We also have a commitment to your children's education but we cannot operate our school effectively without the payment of family tuition fees and levies.

I now ask that you make the necessary payments or to contact me to make alternative arrangements within the next seven days.

Yours sincerely

Principal

Attachment 5: Draft letter from debt collection agency via the school to the CES Executive Director seeking the Bishop of Cairns' authorisation for court action

Dear (name of ED)

Name of family:

Name of school:

Extent of overdue debt:

On behalf the school (named) I request that Catholic Education Services seek the permission of the Bishop of Cairns to authorise a Magistrate's Court action to recover unpaid fees and charges as indicated above.

- The history of this matter is as follows:
(detail all written and verbal communication with the family by the school and the Parish Priest and provide copies/notes of any responses received)

- We estimate our chances of success in the courts on this matter to be low/medium/high (select one) based on the following analysis:
(detail)

- We identify the risks associated with this course of action to be as follows:
(detail any identified risks relating to the health and wellbeing of the family, possible public reputational risk to the school and Catholic Education, and any shortcomings in the process followed)

Based on the above analysis we seek your approval to commence court action.

Yours sincerely

Debt collection agency

School Principal
(countersigned)

Executive Director only:

Recommendation to the Bishop of Cairns:

Points to note/advice:

(signed)

Executive Director

Catholic Education Services

Attachment 6 –Show cause letter for cancellation of enrolment

Dear

Overdue school fees - Show cause for cancellation of enrolment

I refer to our earlier letters and phone calls (list and date as appropriate) regarding the non-payment of tuition fees and levies for your children at this school.

Despite repeated attempts by us to remind you of your agreed commitments as part of the signed enrolment agreement, these fees have still not been paid nor alternative arrangements put in place.

In our most recent letter we advised that your family's future enrolment in this school and other schools and colleges in the diocese might be in jeopardy.

I now ask you to show cause why the enrolments of (names) should not be terminated at the end of this year and why their enrolment at other Catholic schools and colleges in the Diocese of Cairns should not be declined. You have 5 working days to advise your response or to alternatively pay your school account in full.

Your response will be discussed with the Parish Priest (Fr) before being forwarded to the Executive Director of Catholic Education Services and the Bishop of Cairns for their determination of future enrolment. Their decision will be final and binding.

In accordance with our policy we will maintain our commitment to the education of (names) for the remainder of this year – we have no intention to disadvantage them by asking them to leave the school during the school year.

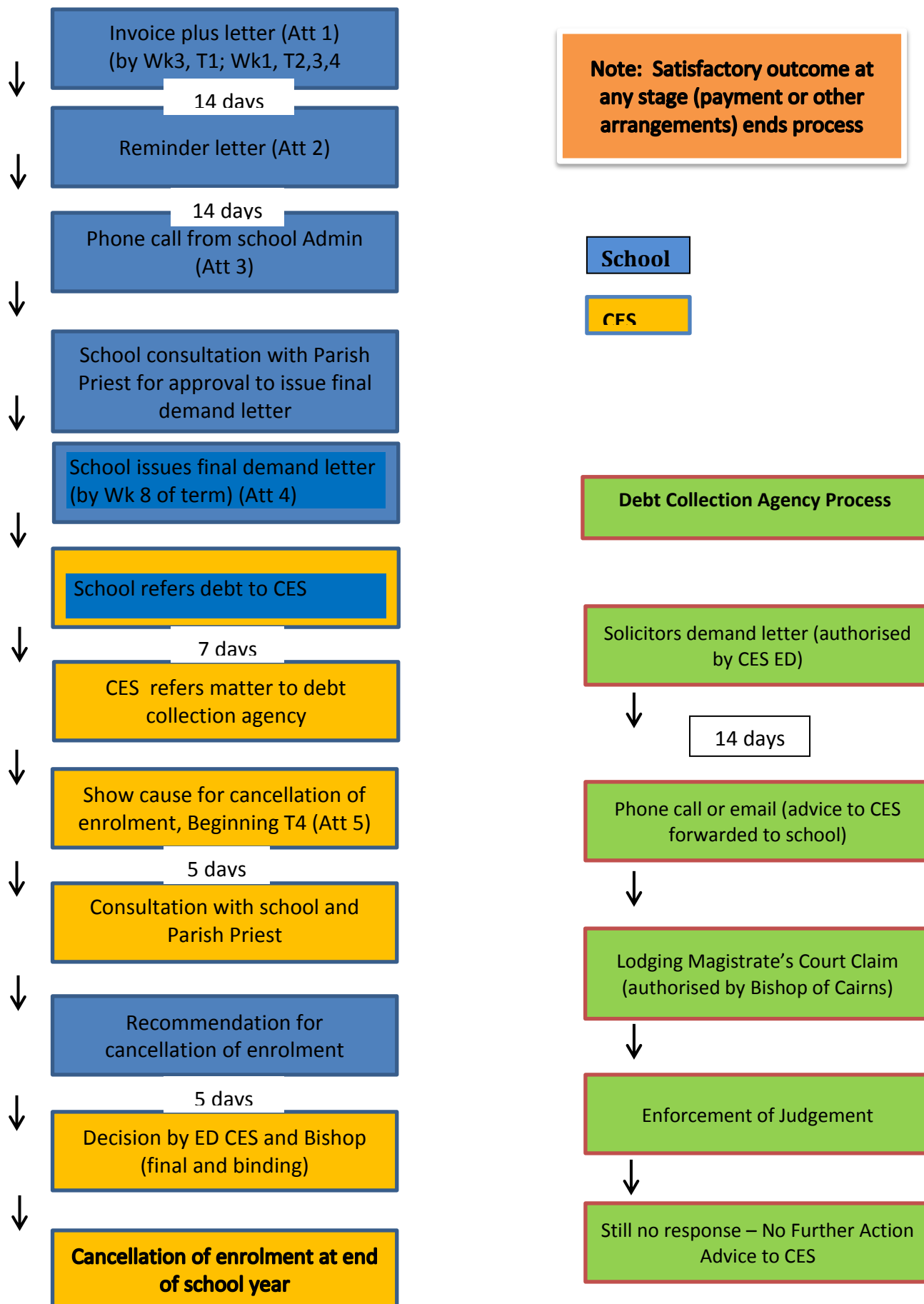
Should a decision be made to cancel the enrolments and your payment is made at a later date you should be aware that their re-enrolment at our schools will be subject to the possible application of waiting lists – a consequence is that re-enrolment cannot be guaranteed.

This letter presents a very regrettable set of circumstances. We have a high regard for your children and their continued involvement with their school. I ask you to consider your position in relation to their best interests.

Yours sincerely

Executive Director

Attachment 7 – Flow Chart for Fee Collection Process – Primary schools



Attachment 8 – Flow Chart for Fee Collection Process, Colleges

