Sandy Creek PS
Debt Recovery Policy & Procedures

General

1. These Procedures provide guidance to the school management for the recovery of all outstanding monies due to the Governing Council. Most of these debts will be for the Compulsory Materials & Services charge. This procedure may be applied, with any necessary modifications, to other debts.

2. These Procedures are to be read and applied subject to DECD administrative requirements.

3. The Compulsory Materials & Services Charge may consist of two components.
   
   a. The enforceable Materials & Services Charge, as defined in Education Regulations.
   b. Any additional amount charged by the Governing Council, to help meet the school’s budgeted expenditure for the year concerned.

   These components are clearly identified on the Schedule of School Charges attached to the Materials & Services charge Invoices.

4. Information relating to individual instances of unpaid Materials & Services charge is to be treated as confidential and is not to be disclosed to any person without the authority of the Principal.

Invoicing

1. Monies owed to the Governing Council are to be invoiced as soon as they are incurred.

2. Invoices are to contain the following minimum data:
   
   a. name, address, telephone and fax numbers of the school
   b. the date of the invoice
   c. name and postal address of the debtor
   d. the date on which the debt was incurred
   e. particulars of the transaction or the facts giving rise to the debt
   f. the total amount of the debt including GST if applicable

Invoicing and Debt Recovery Action Plan

Every opportunity will be given to the debtor to make arrangements for payment of the debt.

The debtor will be offered three options.

Option 1: Compulsory Materials and Services Charge may be paid in full.
Option 2: Compulsory Materials and Services Charge may be paid by instalment plan.
Option 3: School Card Scheme or part paid with Abstudy payments.

All parents/caregivers wishing to use the instalment scheme will be asked to sign a commitment to that effect. If the commitment is not signed the school will automatically expect the charge and other accounts to be paid in full. Should parents/caregivers fail to meet these commitments, or fail to contact the school re non-payment, the Governing Council will start the necessary steps to retrieve the outstanding Compulsory Materials and Services Charges.
<table>
<thead>
<tr>
<th>Time for Action</th>
<th>Description</th>
<th>Time for Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1 of Term 1</td>
<td>Invoice all families</td>
<td>60 days</td>
</tr>
<tr>
<td>Week 1 of Term 2</td>
<td>Statements to be sent to all families requesting payment with a friendly reminder note</td>
<td>30 days</td>
</tr>
<tr>
<td>Week 7 of Term 2</td>
<td>Letter No. 1 (see attached) Overdue Compulsory M&amp;S Charges</td>
<td>30 days</td>
</tr>
<tr>
<td>Week 2 of Term 3</td>
<td>Letter No. 2 (see attached) Final Notice with copy of highlighted current Act Regulations (see attached) for 2001 it's Regulation 106A</td>
<td>30 days</td>
</tr>
<tr>
<td>Week 9 of Term 3</td>
<td>Debtors will be placed in the hands of DECD Collection Agency in preparation for action.</td>
<td>Note that Debt Collectors cannot be sent until after Term 4.</td>
</tr>
<tr>
<td>Term 4</td>
<td>Legal Action to be considered for non Material &amp; Services debts. Families with debts of less than $200 who have left the school and the local area and also families with any debts whose whereabouts are unknown to be written off as bad debts approved by Governing Council</td>
<td>As early as possible in Term 4</td>
</tr>
</tbody>
</table>

**Bad Debt Procedures**

An outstanding balance will be declared a Bad Debt when all reasonable avenues, taking into account the financial position of the debtor, have been pursued but the debt remains outstanding.

Outstanding balances will not be written off as Bad Debts until the student/s and/or family has left the school and local area.

The total of Bad Debts will be presented to the Governing Council for approval, giving only details of number and total of debts to be written off. Following approval of Bad Debts to be written off, the Chairperson will sign a statement to that effect and the Finance/Officer Manager will write off the debts in the EDSAS system as per DECD requirements.
Dear,

Re: Overdue Compulsory Materials & Services Charge

Payment of your account for Compulsory Materials & Services Charge was due on ____________________.

The School’s operating budget is based on the assumption that the Compulsory Material and Services Fees will be paid by parents/caregivers within the time limit stated on the invoice. The non-payment of your fees puts the school’s finances under very real strain and adds to the pressure for the fees to be increased in future years. As you know, the Compulsory Materials and Services Charge is used to provide our students with textbooks, classroom materials and consumables. Unless parents and carers contribute their fair share, on time, our students’ education will undoubtedly suffer.

The Regulations under the Education Act provide schools with the legal power to enforce payment of Compulsory Materials and Services Charge.

These procedures are in line with the policies of the Department of Education and Child Development and have been endorsed by the whole school community through the Sandy Creek Primary School Finance Committee and the Governing Council.

Your account is now overdue please pay promptly.

Yours sincerely

Janice Roberts
Principal
On behalf of the Governing Council
Date _____________________
FINAL NOTICE

Dear

Overdue Account - $

I wrote to you recently concerning your failure to pay your account for the Compulsory Materials and Services Charge, which was due on

I am disappointed to note that I have had no response. The school simply cannot afford to carry overdue accounts and it is unfair on the rest of the school community to ask them to bear more than their fair share of the burden.

I therefore advise you that, unless payment of the overdue sum is made within 30 days from the date of this letter, legal proceedings for the recovery of this debt may be commenced against you.

The Regulations under the Education Amendment Act 106A (see enclosed copy) give schools the legal power to enforce payment of Compulsory Materials and Services Charges.

These procedures are in line with the Department of Education and Child Development Policies and have been endorsed by the whole school community through the Sandy Creek Primary School Finance Committee and the Governing Council.

Yours sincerely

Janice Roberts
Principal
On behalf of the Governing Council
Date __________________________
Bad Debts for Approval by Governing Council

The following ______ Bad Debts, totalling $ __________ have been approved to be written off.

Approval granted at meeting of Sandy creek Primary School Governing Council held on

__________________.

Signed ________________________________

Chairperson
Sandy Creek Primary School Governing Council
Date ______________________________