

Debtor Management Policy

Schools



Introduction

Each MACS school is responsible for:

- issuing invoices its fees and levies
- collecting payment for fees and levies
- effectively managing the school's debtors.

MACS schools must consider the families' ability to pay when collecting fees and managing the school's debtors

Purpose

To establish how MACS primary and secondary, special and special assistance schools will manage and collect payment of school fees and levies for local and full fee paying overseas students enrolled in MACS primary and secondary, special and special assistance schools.

Scope

This policy applies to:

- MACS primary, secondary, special and special assistance schools
- MACS primary, secondary, special and special assistance school Principals, staff and external advisors involved in setting and collecting school fees and levies (private income)
- MACS primary, secondary, special and special assistance School Advisory Councils
- MACS Executive Director and staff involved with private income on behalf of MACS schools
- Fee and levy collection decisions made in and on behalf of MACS primary schools, secondary, special and special assistance schools

Definitions

Acronym term	Full name and explanatory text
Business manager	Staff members appointed in MACS secondary, special and special assistance schools
Delegate	A role, position or group (such as a committee) that has authority to act or make decisions in the manner and to the extent prescribed in a policy, framework or delegation instrument
Delegation instrument	Document that sets out the powers, authority, duties and functions delegated to roles, positions or groups (such as a committee) by the MACS board and prescribed in a policy or framework

FFPOS(s)	Full fee paying overseas students who are not funded by Australian or State recurrent grant funding
MACS	MACS is a reference to Melbourne Archdiocese Catholic Schools Ltd, and / or its subsidiaries, MACSS and/or MACSEYE (<i>as the context requires</i>)
MACS board	The board of Melbourne Archdiocese Catholic Schools Ltd (MACS), being also the board of Melbourne Archdiocese Catholic Specialist Schools Ltd (MACSS) and the board of Melbourne Archdiocese Catholic Schools Early Years Education Ltd (MACSEYE) in an ex officio capacity (<i>as the context requires</i>)
Principal	Individual appointed as principal by MACS in MACS schools
School(s)	A school which operates with the consent of the Catholic Archbishop of Melbourne and is owned, operated and governed by MACS, directly or through MACSS (<i>as the context requires</i>). References to schools or MACS schools also includes boarding premises of schools operated by MACS and specialist schools operated by MACSS
School fees	The tuition fees a school charges family to educate students enrolled at the school, for both local and FFPOS students
School levy	A specific purpose school charge that is charged per student, in addition to school fees, for both local and FFPOS students

Principles

The Catholic Church's preferential option for the poor obligates MACS schools to ensure that no baptised student is denied a Catholic education because of an inability to pay. Taking into account student accessibility to Catholic education, MACS schools must consider the families' ability to pay when collecting fees and managing the school's debtors.

Policy

1. Collection of Fees and Levies

- 1.1. The preferred method of payment is direct debit, established as part of student enrolment prior to commencing at the school, or at the start of each school year, where a direct debit was not established on enrolment.
- 1.2. Schools are to make every effort to help families understand their obligation to pay fees and levies.
- 1.3. Each school is responsible for its own debt collection throughout the school year.
- 1.4. Recovery of unpaid fees and levies, particularly if recovery involves legal action, must be approached pastorally and sensitively to protect the student as much as possible from public embarrassment that could arise.
- 1.5. All collection approaches to families should be based on appropriate pastoral procedures.
- 1.6. A judgment as to whether families are unable to pay because of their financial situation must err on the side of leniency, lest the Church be seen to be unsympathetic to the family's situation.

2. Provision for Doubtful Debt and Fee Write Off

- 2.1 The MACS Board has delegated the power to provide for and write off fees and levies to school Principals.
- 2.2 Delegated specific powers to provide and write off fees and levies are detailed in the MACS primary and secondary, special and special assistance school Financial Delegation Instruments:
 - 2.2.1 Principals are responsible for creating a suitable provision for uncollectible debt.
 - 2.2.2 Principals are responsible for writing off debt when it is deemed uncollectible.

Policy information

Responsible director	Director, Finance and Infrastructure Services
Policy owner	Director, Finance and Infrastructure Services
Approving authority	Executive Director
Assigned board committee	Finance and Audit
Approval date	December 2021
Risk Rating	Moderate
Date of next review	September 2024

POLICY DATABASE INFORMATION	
Assigned Framework	Financial
Related documents	
Superseded documents	
New policy	New