

## Wyndham Community and Education Centre Inc Policy and Procedure

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Policy name	<b>Debt Collection Policy and Procedure</b>
Responsible person	Business Services Manager
Staff involved	CEO, Finance Coordinator
Review dates	2016
Related documents	<b>Legislation:</b> Australian Consumer Law and Fair Trading Act 2012 <b>Policies:</b> Concessions, Fees, Charges & Refunds Policy & Procedure, <b>Other:</b> Ministerial Directions on Fees and Charges, Schedule of Fees and charges, Enrolment Form, Request for Fee Reduction or Fee Waiver Form, Payment Plan, Payment Plan Terms and Conditions

### **Policy Context**

Wyndham Community and Education Centre Inc. (Wyndham CEC) endeavours to offer quality education and training opportunities to the Wyndham community at affordable prices.

Many courses delivered at Wyndham CEC are government funded depending on meeting eligibility requirements\*. If eligible, these courses still have a contribution fee that is paid by the person enrolling. Courses that are not government funded are known as full fee paying courses or fee-for-service courses.\*\*

**\*Eligibility for government funded places needs to be determined before enrolling.**

**\*\*See Concessions, Fees, Charges & Refunds Policy & Procedure for full details.**

Course fees need to be paid prior to commencing a course, a maximum of \$1,000 can be paid before a course commences\*\*. In circumstances of financial hardship, students can request they be considered for a Payment Plan. This request should occur at the enrolment interview. Requests will be considered on a case by case basis. The Business Services Manager (BSM) or Education Manager (EM) should be notified and must approve the Payment Plan.

### **Debtors**

Wyndham CEC Debtors can include:

- Accredited Training clients entering into payment plans
- Catering clients for Saffron Café
- Secondary schools and other service providers
- Venue hire and other Wyndham CEC clients from time to time

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This document was reviewed and accepted by the Board of Governance of the Wyndham Community and Education Centre Inc on 12/06/15 and supersedes all previous versions.

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### **Debtors' Report**

1. The Finance Coordinator (FC) is required to ensure that an accurate record of all outstanding invoices is maintained.
2. The FC is required to prepare a monthly Debtors report for the BSM.
3. The BSM is responsible for presenting this report at the monthly managers meeting.

### **Procedure for Training Services Unit clients**

1. Course fees must be paid prior to commencing a course, up to a maximum of \$1,000, unless on a payment plan.
2. The Business Services Unit (BSU) must be advised of any changes to set fees or any Payment Plans issued.
3. Anyone on a Payment Plan must make an agreed deposit before commencing a course.
4. Agreed Payment Plans must be strictly adhered to.
5. Payment terms are strictly 14 days from the date of invoice.
6. No interest on debts will be charged.
7. Requests for Instalments must be made in writing and must be approved by the BSM or EM.
8. Debt recovery action will be suspended while instalments are maintained.
9. Accounts that are 30 days in arrears will be followed up by the issue of a reminder letter with the debt collector's stamp, followed by a telephone call if payment is not made.
10. Accounts that are 60 days in arrears will be issued a demand letter on the debt collector's letterhead.
11. Accounts that are 90 days in arrears will be referred to the appointed Debt Collection Agency for collection, if recommended by the Management team. Wyndham CEC will monitor the status of the collection.
12. Bad debts recommended by the Collection Agency of less than \$300 must be authorised by the BSM after consultation with the management team.
13. Bad debts of more than \$300 will be referred to Board for recommendation and/or resolution.
14. No certificates will be issued to any student who has not paid for their course in full.
15. If two payments of a payment plan are missed, the payment plan will be cancelled. The late payments and all remaining payments will be referred to the appointed Debt Collection Agency for collection.

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## **Procedure for Saffron Café and Catering clients, venue hire and others**

1. Payment terms are strictly 14 days from the date of the invoice.
2. Statements will be issued to all debtors at the end of each month.
3. If payment still has not been received 5 business days after the due date a statement is sent to the client reminding them of the overdue payment.
4. If payment still has not been received 10 business days after the due date a reminder call is made to client requesting payment.
5. The client may make a request to pay in instalments. Requests for Instalments must be made in writing and must be approved by the BSM or Community Strengthening Manager (CSM).
6. Debt recovery action will be suspended while instalments are maintained.
7. Accounts that are 30 days in arrears will be followed up by the issue of a reminder letter with the debt collector's stamp, followed by a telephone call if payment is not made.
8. Accounts that are 60 days in arrears will be issued a demand letter on the debt collector's letterhead.
9. Accounts that are 90 days in arrears will be referred to the appointed Debt Collection Agency for collection, if recommended by the Management team. Wyndham CEC will monitor the status of the collection.
10. Bad debts recommended by the Collection Agency of less than \$300 must be authorised by the BSM after consultation with the management team.
16. Bad debts of more than \$300 will be referred to ~~the executive of~~ the Board for recommendation and/or resolution.
11. If two payments of a instalment plan are missed, the instalment plan will be cancelled. The late payments and all remaining payments will be referred to the appointed Debt Collection Agency for collection.

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