

## Debtors Policy

### Debtors Policy

#### Policy

<b>Policy owner</b>	
---------------------	--

#### Approvals

<b>Prepared by</b>			
<b>Approved by</b>			
	<b>Name</b>	<b>Signature</b>	<b>Date</b>

#### Review date

<b>Date implemented</b>	
<b>Review cycle</b>	Every five years, or sooner if required

#### Revision History

Version	Prepared by	Summary of changes	Reviewed by	Approved by	Approval date

#### References

Reference No.	Document Ref No.	Document Title

## Debtors Policy

### 1. Purpose

- 1.1 The purpose of this policy is to outline the terms and conditions with regard to the payment of accounts and to standardise the procedures for the collection of outstanding accounts. This policy has been brought into line with provisions of the Consumer Protection Act (CPA), Act 68 of 2008.

### 2. Policy Statement

- 2.1 School tuition and boarding fees are determined annually by the School Governing Body.
- 2.2 The school wants what is best for the Learner in the short-term as well as in the long-term. We are aware that often parents will go to extraordinary lengths and make sacrifices to ensure that their children receive the best quality education possible. The school strives to meet the expectation of parents, learners and staff. In order do this, the school needs to ensure that it is adequately funded so that standards remain high and expectations are met. The school is committed to good governance with regard to school funds; funds should be spent responsibly and with due care. For their part, parents need to commit to settling their school accounts timeously.

### 3. Scope of the Policy

- 3.1 This policy deals with all charges to school accounts and the collection of outstanding accounts at St Mary's DSG.
- 3.2 This policy applies to:
- 3.2.1 The parents/ guardians of pupils at St Mary's DSG (hereinafter referred to as 'parents').
- 3.2.2 All staff (permanent and contract staff) who have children at St Mary's DSG and/or who are a debtor of St Mary's DSG at any point in time.
- 3.3 This policy should be read together with the Financial Policy.

### 4. Procedure

#### 4.1 General Information and Payment Options

Upon registration, parents are required to sign the 'Application for Enrolment' form and to complete the 'Payment Option' form – see Appendix A and B respectively.

The 'Application for Enrolment' form represents a contractual agreement between the school and the parents, with the commitment to payment of fees relevant to this policy. The 'Payment Option' form is updated annually to reflect the preferred payment option chosen by parents.

## Debtors Policy

Details for the payment of fees are available from the accounts department, or as described in the registration forms and on the schools' website. Methods of payment include:

4.1.1 Annual: Payable before 10 December of the preceding year or before 31 January of the year of enrolment. *(If unpaid, all school fees will revert to being payable termly in advance),*

4.1.2 Termly: Payable on the first day of each term.

4.1.3 Monthly\*: Payable on the first day of each month, charged over 10 months of the year.

*\*This option is only available to help facilitate easy payments for parents and is only available if a debit order is signed. If any debit order is returned as unpaid, this option will no longer be available to the particular parents and all school fees will revert to being payable termly in advance*

*\*The monthly payment options is only available to South African residence and South African identity document holders.*

All outstanding fees and/or school accounts/extras must be settled before the start of the new academic year.

All additional charges or incidental payments (e.g. camps, tours, functions, uniforms, stationery, PA fees etc.) indicated on the statement received on the 25<sup>th</sup> of every month are payable on the on the first day of the following month. If no statement is received the onus rests with the parents to enquire with the Accounts Department about the amount due.

No cash payments will be accepted at the school, but are accepted through deposits made at any branch of Standard Bank.

### 4.2 Foreign Learners

Due to the mobility of non-South African citizens and non-South African residence, it has become necessary to institute some controls to ensure that the school will receive due payment for services rendered.

On enrolment, the following will be required:

4.2.1 The application form must be completed in full and the original handed to the admissions secretary.

4.2.2 Fees for a whole term, including tuition, boarding and all additional charges must be deposited into the bank account before the learner attends her first day of school.

4.2.3 The full terms' fees for tuition and boarding, will be payable upfront before every term starts or before the boarders sign into boarding, which ever date comes first.

## Debtors Policy

4.2.4 No student will be allowed to sign into boarding or attend any classes unless the full term's fee for tuition and boarding, has been settled.

### 4.3 Procedure for the collection and payment of fees

4.3.1 Parents will be invoiced for school fees and additional amounts on a monthly basis. Statements will be emailed on a monthly basis. If no statement is received the onus rests with the parents to enquire with the Accounts Department about the amount due.

4.3.2 If the account remains outstanding for 15 (fifteen) days after the due date, which is on the first day of every month, a first warning sms will be sent requesting the amount to be settled to avoid further action being taken.

4.3.3 If the account still remains outstanding for 30 (thirty) days after the initial due date, a second warning sms will be sent. The sms will advise parents that they are in breach of the contract, and that should the situation not be rectified within 10 (ten) business days, the school will be entitled to cancel the contract and that the learner may be excluded from attending any classes or any school activities at the start of half-term or at the start of the next term, whichever comes first, as a consequence of the breach of contract.

Should the account remain unpaid after the 10 (ten) business days window period stated above, parents will receive a final demand letter advising them that the contract will be terminated at the start of half-term or at the start of the term, whichever comes first, but no less than 10 (ten) business days from receipt of the final demand letter. Once the final demand letter has been issued, learners will not be allowed to partake in any trips or tours whether local or international until the account has been settled in full.

4.3.4 If the full arrears payment is not made within the relevant period, the parent will need to make alternative arrangements for the education of the learner in question. No payment plan will be allowed. Parents may also be requested to meet with the Head of the school, Business Manager or the Financial Manager.

4.3.5 Once a learner has been restricted from attending school, the period allowed for the parents to pay the full fees due to allow the learner to return, will be at the discretion of the Head of the school and in the best academic interest of the learner.

4.3.6 If the contract does terminate and the parent subsequently re-enrols the learner concerned, the parent will be required to sign a new contract with the school and all fees will be payable termly in advance to ensure that no future defaults will occur. It will be the responsibility of the student to ensure that they stay up

## Debtors Policy

to date with any academic work and homework that they miss during the time of academic exclusion due to non-payment. After the student's return no catch up work will be expected from any teacher in any grade.

4.3.7 In the event of exams taking place immediately after half-term, learners will be allowed to write the exams; however, their results will be withheld until such time as their fees have been paid in full. The school may withhold reports if any amounts are overdue on the account. The report will be released on receipt of the full outstanding amount.

4.3.8 Once the contract has been terminated:

4.3.8.1 Learners cannot be guaranteed a place at the school and parents may have to re-apply for a position for the learner. No registration fee, application fee or non-refundable entrance fee will be required as long as the learner returns within twelve (12) months from the receipt of the final demand letter.

4.3.8.2 However, on re-acceptance of a learner who was previously excluded, a deposit, equivalent to a terms' fees, may be requested.

4.3.8.3 Parents will also be required to complete a new Application for Enrolment form at the school.

4.3.8.4 The outstanding account will be handed over either to a debt collection agency or to the school's attorneys for collection. All legal or administrative costs that are incurred in collecting this debt will be for the account of the parent/s / guardians.

4.3.9 In the event that a learner is re-accepted to the school the decision to hand an account over will rest with the Head of school, Business Manager or Financial Manager.

4.3.10 The school reserves the right to exclude Grade 12 learners from attending any classes, boarding, matric farewell events or representing the school in any academic, cultural, or sporting events once a final demand letter has been issued.

4.3.11 St Mary's DSG reserves the right to restrict admission of any learner in respect of whom monies due to the school are outstanding.

### 4.4 Additional charges

4.4.1 Once an account falls in arrears with amounts owing 30 days and older, the school will not allow any additional charges to the school account.

4.4.2 The School reserves the right to exclude the Learner from all extra-curricular activities, such as sports festivals, music tours, etc. should the account remain unpaid for 30 days after the due date.

## Debtors Policy

### 4.5 Interest on Overdue Accounts

Interest on overdue accounts is charged monthly on amounts 30 days and older. The rate is set at the prime lending rate.

## 5. General

5.1 Collections will be allocated against any outstanding account in the following order:

5.1.1 Legal and administrative fees

5.1.2 Interest

5.1.3 Tuition fees

5.1.4 Extras and additional amounts (tours, insurance premiums, PA fees etc)

5.2 The school reserves the right to charge administrative fees in respect of the following:

5.2.1 Returned debit orders

5.2.2 Final demand letters issued

5.3 Credit balances on the account of a learner who has left the school, will be refunded no later than 2 months after the learner has left the school. Refund payments will only be made via EFT into the bank account of the person responsible for payment of the account and not to any third party.

5.4 A term's written notice is required, on the first day of term, when withdrawing a learner from the school and/or boarding. Fees in lieu of notice will be charged for the following term if the term's written notice is not received. The written notice requirement does not apply to the final term of Grade 12, but does apply at any other time, including the final term of Grade 7 or if a learner is removed from boarding only.

## 6. APPENDIX

6.1 Appendix 1: Application for Enrolment Form

6.2 Appendix 2: Payment Option Form