

DEBT RECOVERY POLICY

Policy owner	Executive Management Committee
Policy category	Operational
Policy status	Approved
Approval body	MIECAT Council
Last amended	8 th March 2023

PURPOSE

The purpose of this policy is to outline the strategies MIECAT employs in managing debt recovery. The procedures apply to student debts, particularly for those students paying upfront fees.

SCOPE

All students at MIECAT.

POLICY AND PROCEDURES

1. MIECAT Payment plan

- 1.1 MIECAT offers a payment plan option which allows eligible students to pay fees in instalments via direct debit / direct payment (electronic transfer).
- 1.2 Upon enrolment, all students must agree to pay their fees by the due date. Students must be prepared to pay the full amount upfront in the event that they do not qualify for alternative options or if they do not agree with the instalment amounts calculated for them.

The payment plan option is subject to approval by the MIECAT finance department and acceptance of the terms and conditions on which it is offered.

1.3 Eligibility

To be eligible for the payment plan, students need to:

- be a full-fee paying student.
- not have any overdue fees from a previous fee period.
- apply before the due date on their fee invoice/statement.
- understanding that the payment plan does not extend past November of the current year (academic calendar).

1.4 Instalments and payments

All payment plans must finish by the end of November of each calendar year.

The length of the payment plan and the instalment amount is determined by the MIECAT Finance department by calculating how many fortnights or months remain until November.

MIECAT reserves the right to change the instalment amount if a student's fees/enrolment changes after your payment plan has been created.

1.5 Direct debit / Direct payment

Direct payments are to be received into MIECAT's account on the due date. If the funds have not cleared on the due date, an additional late fee may be applied.

1.6 Additional costs of establishing a payment plan (for example third party fees) will be charged to the student.

1.7 Extreme financial difficulty

If a student is experiencing extreme financial difficulty they may be eligible for an extension of their fee payment plan.

Students are required to email a request to Student Services for an extension providing:

- supporting documentation attesting to a change of circumstances beyond their control which have impacted their capacity to pay their fees
- supporting documentation demonstrating their capacity to pay outstanding fees by the proposed due date (e.g. proof of income, bank statements)

1.8 Payment plans cannot be extended beyond 90 days. If payments are not received debt recovery procedures will be activated.

2. Debt recovery procedure

2.1 Invoices for fees are issued to students within 1-2 days of the census date.

2.2 Payment is due 30 days from the date of the invoice.

2.3 All invoices are sent to students' @miecat email addresses as well as personal email addresses.

2.4 *Xero* system reminders are activated for all accounts: due in 7 days, due in 2 days, 7 days overdue, 14 days overdue, 21 days overdue.

2.5 If payment is not received by the due date:

- a. Student Services will contact students via email and/or phone requesting payment. All relevant payment information is reiterated to the student.
- b. Phone calls are followed up by an email which is copied to the Accounts department. Notes are added to the student's *Xero* account/invoice.

2.3 If there is no response after 14 days, a letter/email is sent to the student outlining the consequences of non-payment:

- a. the student's assignments will not be assessed
- b. the student will be unable to attend further classes
- c. a student cannot enrol into the next unit until previous unit fees have been settled
- d. students who do not pay according to an agreed payment plan will not be eligible for future payment plans

e. students will not receive their certificate until they have fully paid all fees

2.4 If there is no response after a further 14 days, a final notice letter / email will be sent advising the student that if fees are not paid within 14 days MIECAT will register the student with a credit record agency (or refer the matter to a debt collector).

3. Support for students

For support in the case of dispute over debt students can consult:

- The Victorian Small Business Commissioner
- Victorian Civil and Administrative Tribunal (VCAT)
- Consumer Affairs Victoria.

RESPONSIBILITY FOR IMPLEMENTATION

The Operations Manager, Student Services and Finance teams are responsible for implementing these procedures and the Executive Management Committee is responsible for monitoring debts and the progress of recovering debts.

KEY STAKEHOLDERS

Executive Management Committee, Operations Manager, Student Services Team, Finance Team, all students at MIECAT.

SUPPORTING DOCUMENTS

Competition and Consumer Act 2010 (Commonwealth - CCA)

Australian Consumer Law and Fair Trading Act 2012

MIECAT Payment Plan Agreement

VERSION HISTORY

Date of Issue	Version	Author	Summary of changes
11/05/2017	1.0	Y. Hanks	Completed for EMC approval

21/07/2020	1.1	Y. Hanks	Added two related acts and moved links from related legislation to supporting procedures
08/03/2023	2.0	J. Mitchell	Added payment plan, additional details in debt recovery procedure and student support

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