

COLLECTIONS POLICY AND PROCEDURE



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1 PURPOSE

- 1.1 This policy and procedure outlines the controls CQUniversity will establish to minimise bad debts including the management and collection of debtors.
- 1.2 This policy and procedure forms part of the financial management practice manual, which contributes towards meeting the University's obligations under and [Financial and Management Performance Standard 2019](#) (Qld) and the [National Consumer Credit Protection Regulations 2010](#) (Cwlth).

2 SCOPE

- 2.1 This policy and procedure applies to CQUniversity students and persons or organisations owing monies to CQUniversity.
- 2.2 This policy and procedure does not apply to employees of the University's controlled or non-controlled companies or to persons or organisations owing monies to such companies.

3 POLICY STATEMENT

- 3.1 The University expects debtors to finalise and pay any amounts outstanding by the due dates specified in their payment terms.
- 3.2 The University may enter into payment arrangements with full fee paying international and domestic students, vocational education and training (VET) students, and commercial and general debtors. Details are specified in the [Payment Plans Procedure](#) and [Payment Plan Procedure \(VET\)](#).

- 3.3 Sanctions will apply for the duration of the payment arrangement if the debt has not been satisfied in full by the original due date.
- 3.4 Students who have entered into a payment arrangement for their overdue debt will have their access to the University's Learning Management System (Moodle) reinstated, but all other sanctions will remain until the debt has been cleared in full.

4 PROCEDURE

Student debtors

- 4.1 Students with an overdue debt will have sanctions placed on their record until the debt is cleared in full. An overdue student debt occurs when a student fails to pay their debt to the University within the terms specified. The list of sanctions that may be imposed on student debtors are set out in [Table A](#) below. Sanctions are imposed based on the type and the amount of the debt.
- 4.2 The Finance Directorate will manage the collection of debts. Student Central will manage the administration of student accounts and sanctions for over tuition fees and Student Services and Amenities Fees (SSAF).

Debt recovery- student accounts

- 4.3 Debt recovery against a student will commence where the student:
- fails to pay any fine, fee, charge or debt due to the University, or
 - fails to repay to the University in accordance with the terms of a payment arrangement.
- 4.4 The following actions may be used to deter students from defaulting on their payments and to successfully recover outstanding debt:
- sanctions (Refer [Table A](#))
 - correspondence and contact where appropriate, and
 - referral to the University's Debt Collection Agency.
- 4.5 Where sanctions are imposed on a student debtor, the student will be notified accordingly. Refer to [Table A](#) for the list of sanctions.
- 4.6 Fee notices for students with a student contribution, tuition charge or SSAF will be published in the University's Student Portal (MyCQU) each term.
- Student contribution amounts and SSAF will be due for payment or deferral by census date each term.
 - Tuition fee amounts will be due for payment by census date each term.
- 4.7 Invoices will be issued for non-enrolment-based charges when an amount becomes payable to the University. Payment terms are detailed on the invoice.
- 4.8 Fee notices for VET students will be available on request for fees raised in the University's Student Management System (StudentOne) or can be generated by the student from MyCQU.
- Payments for VET fees will be due for payment the day before the intake commences. Credit will only be provided to students with an approved payment plan in place.
 - User choice students will be enrolled in advance, however the fee will not be due for payment until the first day of their study block.
- 4.9 Domestic students in a Commonwealth Supported place who are eligible to defer their fees are responsible for ensuring their [Request for a Commonwealth Supported Place and a HECS-HELP Loan Form](#) is fully completed and submitted by census date. If this form is not completed the student will be withdrawn from their enrolment for that term in accordance with Government requirements.

- 4.10 Full-fee paying domestic students who are eligible to defer their fees are responsible for ensuring their [Request for a FEE-HELP Loan Form](#) is fully completed and submitted by census date. If this form is not submitted to these fees will not defer and will remain payable by the student.
- 4.11 Students charged SSAF who are eligible to defer their fees are responsible for ensuring their [Request for a SA-HELP Loan Form](#) is fully completed and submitted by census date. If this form is not submitted these fees will not defer and will remain payable by the student.
- 4.12 Students will be reminded prior to census date of the upcoming due date for payment or deferral of their student contribution amounts, tuition fees and/or SSAF, through emails, SMS and Student Broadcast email newsletters.
- 4.13 Once a debt becomes overdue, students will be sent overdue reminders (as set out in [Table A](#)), after which the debt will be forwarded to the University's debt collection agency.
- 4.14 Where legal action is required, the Manager Finance Operations must approve prior to pursuing. Recoverable court costs will be added to the outstanding debt.

Sanctions

- 4.15 A sanction restricts a student's access to various entitlements to which they would normally have access. [Table A](#) contains a list of sanctions which the University will apply to student debtors. These sanctions will be applied until the student's account has no overdue amounts.
- 4.16 Where a student's course enrolment is cancelled, a grade of Withdrawn Fail (WF) will be applied to any enrolled units in that term. Future enrolments will be removed as part of the course cancellation process.
- 4.17 Where the University recovers previously written off bad debt, the sanction will be removed from the student's account.
- 4.18 Where a student is declared bankrupt, the University will write off the debt upon receipt of substantive documentation. A sanction will be retained on the student's record, although there will be no impacts recorded.
- 4.19 Communications emailed to students with an outstanding amount on their student record are detailed in Table A.

Table A: Student debtors

- 4.20 The following table details the communications that will be issued to students and the sanctions that will apply for overdue student debt. Debt has been separated into two categories – SSAF/Tuition and Other. Debt thresholds are cumulative overdue amounts equal to or greater than the dollar figure specified. Examples of 'other' debt includes administration fees, library fees and VET course or materials fees.
- 4.21 An appeal period for overdue SSAF/Tuition fees will be provided to students in the Notice of Intent to Report/Cancel in accordance with the [National Code of Practice for Providers of Education and Training to Overseas Students 2018](#) (Cwlth).

Overdue Period (from due date)	Reminder Notification (issued by Email)	Debt Type (Tuition/ SSAF/ Other)	Debt Thresholds Applied	Sanction Applied (Stage)	Sanction Code	Sanctions
2 days	First Reminder Sent by SMS and email; advises fees were due by census date, and Moodle access will be removed if payment not made immediately.	Tuition SSAF Other	\$1		LPS	None – notification only
6 days	Overdue Notice and Notice of Intent to Report/Cancel Sent by email; includes advice that Moodle access has been removed, and the appeal period for the Notice of Intent to Report/Cancel. SMS sent advising Moodle access removed and to check email.	Tuition	\$1	Stage One	LP1	Late Payment Sanction: - Transcript not available - Cannot collect award - Cannot receive results - Moodle access removed - No new enrolment – ability to drop only

	Overdue Notice Sent by email; includes advice that sanctions have been applied.	SSAF Other	\$1	Level One	TRAN	Transcript not available
					PRR	Prevent student receiving results
					CCA	Cannot collect award
14 days	Final Reminder Sent by email; includes advice future enrolments have been withdrawn, course will be cancelled and debt referred to debt collection agency if payment not received in full by the end of the appeal period as identified in the Overdue Notice and Notice of Intent to Report/Cancel	Tuition	\$1	Stage Two	LP2	Late Payment Sanction: - Transcript not available - Cannot collect award - Cannot receive results - Moodle access removed - No new enrolment – ability to drop only - Withdraw future enrolments
	Final Notice Sent by email; includes advice that sanctions remain.	SSAF Other	\$1	Level Two	TRAN	Transcript not available
					PRR	Prevent student receiving results
					CCA	Cannot collect award
33 days	Cancellation Warning SMS sent advising course enrolment will be cancelled soon, that the appeal period ends the next day, and to refer to previous emails for further details.	Tuition	\$1	Notification only		
36 days	Cancellation Notice Sent by email; includes advice course enrolment has been cancelled (and reported to the Department of Home Affairs, for international students) and debt referred to debt collection agency. Course enrolment cancelled.	Tuition	\$500	Stage Three	LP3	Late Payment Sanction: - Transcript not available - Cannot collect award - Cannot receive results - Moodle access removed - No new enrolment – ability to drop only - Withdraw future enrolments
					PDC	Passed to Debt Collector
					CCA	Cannot collect award
					PRR	Prevent student receiving results
					WFE	Withdraw future enrolment
					PDC	Passed to debt collector

Disputes

Disputes relating to services rendered or charges imposed

- 4.22 A student wishing to dispute whether an amount is payable must submit their dispute to the Senior Coordinator Course Advice and Student Financials via studentgovernance@cqu.edu.au.
- 4.23 The dispute resolution will be communicated in writing to the student within five business days from the date received. Students will be notified if additional time is required for investigation.
- 4.24 Disputes must be submitted within three years of the end of the term the charge was recorded on their student account. Disputes for older fees will be considered if extenuating circumstances can be demonstrated that prevented the dispute from being lodged within three years of the end of the applicable term.

Disputes relating to payments

- 4.25 A student wishing to dispute whether an amount has been paid must raise their dispute with the University's Debtors Team via cqudebtors@cqu.edu.au.
- 4.26 The dispute resolution will be communicated to the student within five business days from the date the dispute was received.

Unresolved disputes

- 4.27 Having taken the appropriate action mentioned above, should the dispute remain unresolved, the student can submit their dispute via email to the Student Ombudsman (student-ombudsman@cqu.edu.au).

Commercial and general debtors (includes student sponsors)

Debt recovery

- 4.28 Action to successfully recover outstanding debt from commercial and general debtors may include discontinuation of any future supply of goods and services for those accounts that have been forwarded to the University's debt collection agency until settlement of the overdue amounts.
- An invoice will be issued after an amount becomes payable to the University. Payment terms are 30 days from date of invoice or as agreed within a legally binding contract.
 - Three collection letters will be sent in respect to outstanding debt after which the debt will be forwarded to the University debt collection agency. For sponsor debtors, statement of accounts will be issued periodically.
 - Where legal action is required, the Manager Finance Operations must approve prior to pursuing. Recoverable court costs will be added to the outstanding debt.
 - Non-payment of commercial and general debts by University students will result in sanctions being applied to their student account.
 - Debts will be recommended for write off by the Manager Finance Operations, in consultation with the University's debt collection agency, where appropriate.

Recovery letters

- 4.29 Overdue commercial and general debtors will be issued with collection letters applicable to the number of days overdue on the day that the letters are processed. The schedule of letters is outlined in Table B below.

Table B: Commercial and general debtors

Aging Category	Number of Days Overdue	Collection Letter	Letter Description	Dollar Threshold
Future	0 days	No Collection Letter issued	N/A	N/A
1-30	1 – 30 days	Collection Letter 1	1 st Reminder	Any amount
31 – 60	31 – 60 days	Collection Letter 2	2 nd Reminder	Any amount
61 – 74	61 – 74 days	Collection Letter 3	Final Notice	Any amount
75 +	75 +	Collection Letter 4	Sent to Debt Collector Notice	\$500 or greater

- 4.30 It is imperative to the success of this process that any disputes are reported immediately to the Debtors Team so that the debtor's account can be placed on 'hold'. This will ensure that the invoice is excluded from the collections process until the dispute is resolved. Where disputes are not resolved within 30 days the Manager Finance Operations will be notified.
- 4.31 Finance Directorate employees may also contact the debtor by phone or by email in an effort to have the debt paid, prior to accounts being referred to the debt collection agency.

Disputes

Disputes relating to services rendered

- 4.32 A debtor who wishes to dispute whether an amount is payable should raise their concerns with the University's Debtors Team via cqudebtors@cqu.edu.au to be forwarded to the relevant business area for attention.

Disputes relating to payments

- 4.33 A debtor who wishes to dispute whether an amount has been paid must raise the dispute with the Debtors Team via cqudebtors@cqu.edu.au.
- 4.34 The dispute resolution will be communicated to the debtor within five business days from the date received.

Unresolved disputes

- 4.35 Having taken the appropriate action mentioned above, should the dispute remain unresolved, the debtor can submit their complaint in writing to the Manager Finance Operations via email cqudebtors@cqu.edu.au.

Commercial operations

- 4.36 The CQUniversity Bookshop and Student Residences will be responsible for their own collection processes including:
- issuing account reminder letters
 - performing recovery procedures similar to the general debtor recovery procedures outlined in this policy and procedure and
 - referring to the University's debt collection agency.

Overseas centres

- 4.37 Overseas centres will be responsible, in conjunction with the Finance Directorate, for debt collection, if not specified contractually.

Travel advances, corporate credit cards and overpayments (creditors and salaries)

- 4.38 All University expenditure must be approved. In the event an employee or student incurs unapproved or personal expenditure, an invoice will be raised and recovery procedures commenced in accordance with the [Commercial and General Debtor section](#) of this policy and procedure.
- 4.39 Expenditure deemed private includes, but is not limited to:
- employees and students who receive travel advances that are not acquitted by the due date
 - corporate cardholders who make inappropriate use of corporate credit cards, and
 - other expenses deemed private by any other University policy document.
- 4.40 Should an overpayment by the University occur (excluding salaries or salary-related payments), an invoice will be raised and recovery procedures commenced in accordance with the [Commercial and General Debtor section](#) of this policy and procedure.
- 4.41 Should a salary overpayment occur, an invoice will only be raised after all other methods of recovery have been exhausted.

Write offs

- 4.42 The write off of debts will occur as detailed in the [Bad Debts Procedure](#).

5 RESPONSIBILITIES

Compliance, monitoring and review

- 5.1 The Chief Operating Officer, with delegated responsibility to the Manager Financial Operations, is responsible for implementing, monitoring, reviewing and ensuring compliance with this policy and procedure.
- 5.2 If at any time the Manager Finance Operations considers that the objectives cannot be met, written notice will be sent to the Chief Operating Officer.

Reporting

- 5.3 A monthly review of University Debtors and Accounts Receivable will be undertaken to ensure compliance with this policy and procedure.

Records management

- 5.4 Employees must manage records in accordance with the [Records Management Policy and Procedure](#). This includes retaining these records in a recognised University recordkeeping information system.
- 5.5 University records must be retained for the minimum periods specified in the relevant [Retention and Disposal Schedule](#). Before disposing of any records, approval must be sought from the Records and Privacy Team (email records@cqu.edu.au).

6 DEFINITIONS

- 6.1 Terms not defined in this document may be in the University [glossary](#).

Terms and definitions

Sanction: an indicator or penalty typically applied to restrict or limit access to services, e.g. a sanction may be to prevent a student without outstanding fees from graduating. Sanctions are not always restrictive, e.g. they can set up to warn students, and if action is not taken, to apply a restriction.

7 RELATED LEGISLATION AND DOCUMENTS

[Bad Debts Procedure](#)

[Financial Accountability Act 2009](#) (Qld)

[Financial and Performance Management Standard 2019](#) (Qld)

[National Code of Practice for Providers in Education and Training to Overseas Students 2018](#) (Cwlth)

[National Consumer Credit Protection Regulations 2010](#) (Cwlth)

[Payment Plan Procedure \(VET\)](#)

[Payment Plans Procedure](#)

[Request for a Commonwealth Supported Place and a HECS-HELP Loan Form](#)

[Request for a FEE-HELP Loan Form](#)

[Request for a SA-HELP Loan Form](#)

[Student Email Account Policy and Procedure](#)

8 FEEDBACK

- 8.1 Feedback about this document can be emailed to policy@cqu.edu.au.

9 APPROVAL AND REVIEW DETAILS

Approval and Review	Details
Approval Authority	Council
Delegated Approval Authority	Audit, Risk and Finance Committee
Advisory Committee	N/A
Required Consultation	N/A
Administrator	Chief Operating Officer
Next Review Date	30/09/2024

Approval and Amendment History	Details
Original Approval Authority and Date	Council 07/10/2002
Amendment Authority and Date	Council 22/09/2006; Director, Division of Finance 15/03/2010, Minor Amendment 21/06/2012; Council 24/06/2013; Council 26/08/2013; Council 26/08/2015; Deputy Vice-Chancellor (Finance and Planning) 15/03/2017; Audit, Risk and Finance Committee 8/08/2018; Deputy Vice-Chancellor (Finance and Planning) 18/10/2018; Deputy Vice-Chancellor (Finance and Planning) 10/04/2019; Editorial amendment 02/09/2020; Editorial amendment 28/04/2021; Vice-President (Student and Corporate Services) 30/09/2021; Editorial amendment 03/01/2023.
Notes	This document was formerly known as the Collections Policy and Procedure (FMPM) (last approved 28/04/2021).