

CONTENTS

1	PURPOSE	1
2	SCOPE	1
3	POLICY STATEMENT	2
4	PROCEDURE	2
	Student debtors	2
	Debt recovery - student accounts and student loans	2
	Debt recovery - overseas centres	3
	Disputes - student accounts	3
	Commercial and general debtors (includes student sponsors)	4
	Disputes	4
	Commercial operations	5
	Travel advances, corporate credit cards and overpayments (creditors and salaries).....	5
	Write offs	5
	Monthly reviews	5
	Student debtors and sanctions	5
	Student debtors recovery communications	5
	Commercial and general debtors recovery letters	7
5	RESPONSIBILITIES	7
	Compliance, monitoring and review	7
	Reporting	7
	Records management.....	7
6	DEFINITIONS	7
	Terms and definitions	7
7	RELATED LEGISLATION AND DOCUMENTS	8
8	FEEDBACK	8
9	APPROVAL AND REVIEW DETAILS.....	8

1 PURPOSE

- 1.1 This policy and procedure outlines the requirements for the management and collection of debtors. It establishes controls to minimise the occurrence of bad debts and supports the University in meeting its obligations under the [National Consumer Credit Protection Regulations 2010](#) (Cwlth) and [Financial and Management Performance Standard 2009](#) (Qld).

2 SCOPE

- 2.1 This policy and procedure applies to all CQUniversity students and all persons or organisations owing monies to CQUniversity, including students in breach of their student loan payment terms as set out in the [Special Assistance for Students - Student Loan Scheme Policy and Procedure](#).
- 2.2 This policy and procedure does not apply to employees of the University's subsidiary companies or to persons or organisations owing monies to such subsidiaries.

3 POLICY STATEMENT

- 3.1 Students with overdue amounts owing to the University will have sanctions placed on their record until the debt is cleared. Students will be issued with relevant overdue communications (reminders). If the debt remains unpaid after the period identified in this policy and procedure, and meets the relevant threshold, the student will be referred to the University's debt collection agency.
- 3.2 Commercial and general debtors with amounts owing to the University will be issued with relevant reminders. If the debt remains unpaid after the period identified in this policy and procedure, the person or organisation will be referred to the University's debt collection agency and future supply of goods and services will be reviewed.
- 3.3 The University may enter into payment arrangements with full fee paying overseas and domestic students, vocational education and training (VET) students, and commercial and general debtors with a recorded debt. The University expects such debtors to finalise and pay any amounts outstanding by the due dates specified in their payment arrangement. Sanctions will apply for the duration of the payment arrangement if the debt has not been satisfied in full by the original due date. Students who have entered into a payment arrangement for their overdue debt will have their access to Moodle reinstated, but all other sanctions will remain until the debt has been cleared in full.
- 3.4 Payment plans for the repayment of outstanding fees and debts via instalments may be granted, however will only be granted to those full fee paying overseas and domestic students, VET students, or commercial and general debtors who:
- are unable to pay the outstanding debt due to severe hardship, and
 - have not been subject to previous collections action for any debt.
- 3.5 Applications will be assessed on a case-by-case basis by a delegated officer of the University. Credit worthiness of the applicant will be the primary focus of the assessment.
- 3.6 The last repayment date for a payment arrangement will be no later than the last teaching day of the term to which the charge relates, and may not exceed one term's fees.
- 3.7 Payment plans must not be extended to VET students for longer than 30 days prior to the end of the student's qualification or course of study.
- 3.8 Payment plans must not be extended to commercial and general debtors for longer than 60 days from the date of the agreement.
- 3.9 The threshold amount for payment plans is specified in the [Payment Plans Procedure \(FMPM\)](#) and [Payment Plan Procedure \(VET\)](#).

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 collection of debts is managed centrally within the University's Finance and Planning Division.
- 4.3 The administration of student accounts and sanctions for overdue tuition fees and Student Services and Amenities Fees is managed within the Student Governance Centre.

Debt recovery - student accounts and student loans

- 4.4 The following actions are available 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 The Finance Operations Manager will ensure all practical means are taken to recover amounts due to the University from Student Accounts and Student Loans.
- 4.7 A fee notice is published in MyCentre each term for all students with a student contribution or tuition charge or Student Services and Amenities Fee. The due date for payment or deferral of all student contribution amounts and Student Services and Amenities Fees is census date each term. The due date for payment of tuition fee amounts is census date each term. All other students should refer to their student account or their relevant fee notice for further details of due dates and how to pay.
- 4.8 An invoice will be issued for non-enrolment-based charges when an amount becomes payable to the University. Payment terms are detailed on the invoice.
- 4.9 Fee Notices for VET students are available on request for fees raised in StudentOne or can be generated by the student from MyCentre. Payments for VET fees (excluding fees covered by an approved VET Student Loan) are due the day before the intake commences and credit is only provided to students with an approved payment plan in place. VET fees for students who have received a VET Student Loan are due by the census date. Students should refer to their student account or to a copy of the relevant fee notice. User choice students are enrolled in advance, however the fee is not due until the first day of their study block.
- 4.10 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.
- 4.11 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.
- 4.12 Students charged a Student Services and Amenities Fee 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.
- 4.13 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 Student Services and Amenities Fees, through emails, SMS and Student Broadcast email newsletters.
- 4.14 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.
- 4.15 The approval of the Finance Operations Manager is required prior to pursuing legal action. Recoverable court costs will be added to the outstanding debt.

Debt recovery - overseas centres

- 4.16 Overseas centres will be responsible, in conjunction with the Finance and Planning Division for debt collection, if not specified contractually.

Disputes - student accounts

Disputes relating to services rendered or charges imposed

- 4.17 A person wishing to dispute whether an amount is payable must submit their dispute to the Coordinator, Student Fees and Timetabling via email (sgc@cqu.edu.au). The dispute resolution will be communicated in

writing to the debtor within five business days from the date received. Debtors will be notified if additional time is required for investigation. 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

- 4.18 A person wishing to dispute whether an amount has been paid must raise their complaint with the University's Debtor Team via email (cqudebtors@cqu.edu.au). The dispute resolution will be communicated to the debtor within five business days from the date the complaint was received.

Unresolved disputes relating to services rendered and payments

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

Commercial and general debtors (includes student sponsors)

Debt recovery

- 4.20 Action to successfully recover outstanding debt for 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 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 approval of the Finance Operations Manager will be obtained and 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 administered within the student database.
 - Debts will be recommended for write off by the Finance Operations Manager in consultation with the University's debt collection agency where appropriate.

Disputes

Disputes relating to services rendered

- 4.21 A person who wishes to dispute whether an amount is payable should raise their concerns with the University's Debtors Team (cqudebtors@cqu.edu.au) to be forwarded to the relevant School/Division/Department for attention.

Disputes relating to payments

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

Unresolved disputes relating to services rendered and payments

- 4.23 Having taken the appropriate action mentioned above, should the complaint remain unresolved, the person can submit their complaint in writing to the attention of The Finance Operations Manager via email (cqudebtors@cqu.edu.au).

Commercial operations

- 4.24 CQUniversity Bookshop and Student Residences will be responsible for their own collection processes with regards to issuing account reminder letters, performing recovery procedures similar to the general debtor recovery procedures outlined in these procedures and referral to the University's debt collection agency.

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

- 4.25 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 document.
- 4.26 Expenditure deemed private includes, but is not limited to:
- staff 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.
- 4.27 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 document.
- 4.28 Should a salary overpayment occur, an invoice will only be raised after all other methods of recovery have been exhausted.

Write offs

- 4.29 The write-off of debts shall occur as detailed in the University's [Bad Debts Procedure \(FMPM\)](#).

Monthly reviews

- 4.30 A monthly review of University Debtors will be undertaken to ensure compliance with this procedure.

Student debtors and sanctions

- 4.31 Debt recovery against a student debtor commences at the point where the student:
- fails to pay any fine, fee, charge or debt due to CQUniversity, or
 - fails to repay to the University a student loan in accordance with the terms of the loan agreement.
- 4.32 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.
- 4.33 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.
- 4.34 Sanctions will remain on the student account until the student pays the overdue debt in full. In the circumstance where the University recovers previously written-off bad debt, the sanction will be removed from the student's account.
- 4.35 In the circumstance 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.

Student debtors recovery communications

- 4.36 The communications emailed to students with an outstanding amount on their student record are detailed in Table A. An appeal period is provided for 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).

Table A: Student debtors

The following table details the communications that will be issued to students and the sanctions that will apply for all 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.

An appeal period for overdue SSAF/Tuition fees is provided for in the Notice of Intent to Report/Cancel in accordance with the [National Code](#).

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			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	LPS1	Late Payment Sanction: - Transcript not available - Cannot collect award - Cannot receive results - Moodle access removed - No new enrolment – ability to drop only
		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	LPS2	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
		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	LPS3	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

Commercial and general debtors recovery letters

- 4.37 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, as follows:

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

- 4.38 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 Finance Operations Manager will be notified.
- 4.39 Finance and Planning Division 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.

5 RESPONSIBILITIES

Compliance, monitoring and review

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

Reporting

- 5.3 A monthly review of Accounts Receivable is undertaken to ensure compliance with this policy and procedure.

Records management

- 5.4 Staff must maintain all records relevant to administering this policy and procedure in a recognised University recordkeeping system.

6 DEFINITIONS

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

Terms and definitions

Delegated officer/s: for the purposes of payment plans will be as per the [Payment Plan Procedure](#) and [Payment Plan Procedure \(VET\)](#).

Sanction: A form on 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.

Student debtor: a student who:

- fails to pay any fine, fee, charge or debt due to CQUniversity

- fails to repay to the University a student loan in accordance with the terms of the loan agreement.

7 RELATED LEGISLATION AND DOCUMENTS

[Bad Debts Procedure](#)

[Financial and Performance Management Standard 2009](#) (Qld)

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

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

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

[Payment Plans Procedure](#)

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

[Special Assistance for Students – Student Loan Scheme Policy and Procedure](#)

[Student Email Account Policy and Procedure](#)

8 FEEDBACK

- 8.1 University staff and students may provide feedback about this document by emailing policy@cqu.edu.au.

9 APPROVAL AND REVIEW DETAILS

Approval and Review	Details
Approval Authority	Council
Advisory Committee to Approval Authority	Audit, Risk and Finance Committee
Administrator	Deputy Vice-Chancellor (Finance and Planning)
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Notes	