

1. Purpose

To ensure that credit extended to Institute clients is compliant with the requirements of the Financial Management Practice Manual, Revenue Management.

2. Scope

This policy covers the provision of any goods and/or services where payment is not received at the point of commitment.

Credit may be extended to the following clients:

1. Students (Time to Pay Plans); or
2. General (including commercial businesses, government departments, other TAFE Institutes, agencies, statutory authorities, schools, corporations or sole traders).

3. Terms and Conditions

Credit will be provided at the discretion of the Institute Director or delegated officers and may be refused where the client does not supply adequate identification, or the default risk is deemed too high after disclosure of the applicant's financial circumstances or credit history.

Credit limits should be determined in accordance with the customer's needs and credit worthiness but should not exceed an amount which is beyond the debtor's ability to repay (as evidenced by a credit check), or which the debtor's past payment history suggests is beyond their trading ability.

Terms of trade for general debtors is payment within 30 calendar days after which time the account will be deemed overdue and further credit may be refused (i.e. no further enrolments or other services).

All applications for student payment plans are to be made using the payment plan application.

4. References & Documentation

- [Vocational Education Training and Employment Regulation 2000](#)
- Financial Management Practice Manual
- TAFE Queensland Student Refund Policy
- Work Instruction **WI94** Centrepay Deductions
- Work Instruction **WI82** Time to Pay / Fee Exemption
- Policy **IP33** Refund & Cancellation
- Form **IF091** Application for Time to Pay Form (Standard)
- Form **IF351** Application for Student Fees Special Arrangement (Non Standard Time to Pay)
- Form **IF380** Non Standard Time to Pay Form (Institute Counsellor use) – Access via Outlook
- Form **IF449** Application for Student Fees Exemption (Extreme Financial Hardship only)
- TP01 – TOL Policy – Payment Plan Policy
- Institute Delegations

5. Policy

5.1 Payment of Fees

As defined by the Vocational Training and Employment Regulation 2000: Part 5A TAFE Section 30A "A student must pay a student contribution when enrolling at a TAFE institute". The only exceptions are:

- A fee concession or an extreme financial hardship request for assistance has been approved;
- Where a payment plan has been approved in accordance with this policy; or
- Where authority is received from a third party stating they will accept liability for all or part fees and user charges as outlined in the third party contract.

5.2 General Debtors

Credit limits will apply to all customers who trade with the department on credit.

Credit worthiness must be determined prior to any debt being incurred by the department, to ensure that the incidence of bad debt is minimized. The credit application must be completed to disclose all relevant information from which credit worthiness can be determined.

Consideration is to be given to the credit status of a re activated debtor where a large contract is involved and the account has been dormant for some time.

In all circumstances, authorisation in writing from the approved debtor must be obtained prior to the provision of the goods or services. This may be a contract, purchase order etc.

Unless the debtor is exempt, the following levels of authority for approval of credit will apply:

- Where the amount is up to \$500 no credit check is mandatory,
- Where the amount exceeds \$500 a credit check is required This credit check is to be completed by Australian Receivables Ltd (ARL) with the application sent via the shared service provider, DET Accounts Receivable Finance Branch

Exempt categories of debtors will include:

- Government departments (Commonwealth and State);
- Local Authorities;
- Companies of significant size and importance where a credit assessment is not necessary e.g. Qantas, Telstra etc. (Details of such companies can be provided by Accounts Receivable Finance Branch;
- Vendors already listed in SAP/ISAS; and
- Students of TAFE courses including trainees and apprentices.

5.3 Student Time To Pay

Time to Pay shall only be approved by the Institute Director's delegated officer where all criteria for Time to Pay arrangements have been met.

Approval

The criteria for a Standard Time to Pay arrangement are:

- The total cost of enrolment must be greater than \$75
- Adequate Identification is provided to verify address
- Students under 18 years of age must have a parent/guardian complete the Guarantor Declaration section
- The student does not have a written off debt with TAFE Queensland
- The student does not have previous Time to Pay instalments **currently outstanding** (account must be at zero or in credit) and
- The student is able to pay a minimum deposit.

Time to Pay can be offered on a weekly, fortnightly or monthly repayment schedule.

Cancellation of enrolment does not necessarily cancel the obligation to make all payments under the Time to Pay plan. Please refer to TAFE Qld Student Refund Policy and BNIT Refund and Cancellation Policy.

The student's enrolment into this program of study is acceptance of the terms and conditions of the agreement into which they are entering.

Students unsure of which Time to Pay category their enrolment fits into should discuss with a Customer Service Centre officer or Faculty representative prior to enrolment.

Standard Time to Pay will be refused if the client **cannot** meet all criteria, however a Non Standard Time to Pay arrangement **may** be approved for a client who can not meet the criteria.

5.3.1 Time to Pay Plans - Government Funded

Time to Pay can only be offered if the total cost of enrolment is **greater than \$75.00**. A minimum deposit for Government Funded Time to Pay is:

- 30% of student contribution fee and embedded material fees; **and**
- \$35.00 annual Admin and Utility fee (if applicable); **and**
- 100% of all other fees, including excursions, textbooks and resources.

The total Time to Pay plan shall be completed at least 30 days prior to the end of the student's program of study for which a Time to Pay has been provided.

5.3.2 Time to Pay Plans – Leveraged

Time to Pay can be offered if the total cost of enrolment is **greater than \$500.00**. Such arrangements must be approved in writing by the relevant Faculty Director. Approval can be given as a blanket per program or on a case by case basis.

The minimum deposit for Leveraged Time to Pay is:

- 30% of total cost of enrolment including materials; **and**
- \$35.00 annual Admin and Utility fee (if applicable); **and**
- 100% of all other fees including excursions, textbooks and resources.

The total Time to Pay Plan shall be completed 30 days prior to the end of the student's program of study for which a Time to Pay has been provided.

5.3.3 Time to Pay Plans – Fee for Service

Time to Pay can be offered if the total cost of enrolment is **greater than \$1,000.00**. Such arrangements must be approved in writing by the relevant Faculty Director. Approval can be given as a blanket per program or on a case by case basis.

The minimum deposit for Fee for Service Time to Pay is:

- 30% of total cost of enrolment including materials; **and**
- \$35.00 annual Admin and Utility fee (if applicable); **and**
- 100% of all other fees including excursions, textbooks and resources.

The total Time to Pay Plan shall be completed 30 days prior to the end of the student's program of study for which a Time to Pay has been provided.

5.3.4 Time to Pay Plans – TAFE Open Learning (TOL) Programs

Time to Pay can be offered if the total cost of enrolment is **greater than \$75.00**, including for Fee for Service / Leveraged programs. Students may enter into a three month or five month payment plan dependant on nominal hours enrolled into. Nominal hours are indicated on the enrolment selection form against each unit. (Refer to TP01 for further details).

The minimum deposit for TOL government funded Time to Pay is:

- 20% of student contribution fee; **and**
- 50% of materials fees; **and**
- 100% of the total cost of enrolment-related fees not incorporated under the above listed fee categories (including but not limited to), the purchase of resource items and others fees of an administrative nature.

The minimum deposit for TOL Fee for Service / Leveraged Time to Pay is:

- 50% of total cost of enrolment; **and**
- 100% of the total cost of enrolment-related fees not incorporated under the above listed fee categories (including but not limited to), the purchase of resource items and others fees of an administrative nature.

TOL three month plan requires enrolment into the following amount of nominal hours:

- At least **64 nominal hours** for a full fee or fee for service paying student

- At least **158 nominal hours** for a concession fee paying student

The total Time to Pay plan shall be completed within 3 months of the plan's commencement date.

TOL five month plan requires enrolment into the following amount of nominal hours:

- At least **110 nominal hours** for a full fee or fee for service paying student
- At least **265 nominal hours** for a concession fee paying student

The total Time to Pay plan shall be completed within 5 months of the plan's commencement date.

5.3.5 Time to Pay Plans – International Students

International students must pay the first semester of enrolment upfront, prior to the commencement of study and any enrolment action takes place. All remaining semester tuition must be paid at least one full semester at a time prior to the commencement of study.

The student may request approval for a Time to Pay arrangement which will require sign off by the delegated authority. The terms of the International Student Time to Pay will be 50% deposit and two instalments of 25%, the final instalment being due no later than one month prior to the close of study.

5.3.6 – Exclusions – Time to Pay Plans

The following are excluded from a Time to Pay arrangement:

- Enrolment in ACE courses;
- Leveraged courses where the total cost of enrolment is less than \$500.00 and Fee for Service courses where the total cost of enrolment is less than \$1,000.00, or the program is not approved by a Faculty Director for Time to Pay arrangements.;
- To any person less than 18 years of age, unless a guarantor or third party contract is agreed to by the Institute;
- Where total cost of enrolment is less than \$75.00***
- Where a debt has been written off or previous Time to Pay instalments are **currently** outstanding.

***Where the total cost of enrolment is less than \$75.00 and the student requests a Time to Pay arrangement a Non Standard Time to Pay Arrangement may be appropriate. In this case the student must complete form (IF351) Application for Student Fees Special Arrangement (non standard time to pay) and attach detailed supporting documentation, which allows the Student Counsellor to review and make appropriate recommendations to the Director Organisational Capability or in the case of financial hardship resulting in a fee waiver approval to Institute Director.

5.3.7 - Application Process

An application for Time to Pay must be completed on the prescribed form (IF091) Application for Time to Pay (standard) prior to enrolment. Enrolment cannot occur unless the Time to Pay application has been approved and the first payment made.

Where an instalment plan is approved, the first payment must be made at the time of enrolment. The authorised officer will set payments according to the applicants' financial circumstances. A schedule of agreed payments will be issued at the time of enrolment. Payments must be made by the due date.

Students seeking extension of time to meet Standard Time to Pay arrangement: A student may seek an extension of time to meet the due payment if there is some difficulty (prior to the due date of the payment). In cases such as this the student should be directed to the Institute Counsellor to arrange a Non Standard Time to Pay.

5.3.8 - Recovery Action

When a payment becomes overdue, the full amount of the outstanding debt shall be due and payable immediately. The student will receive an overdue letter and is required to make full payment of the outstanding amount. No future Time to Pay plans shall be provided and no further enrolment will be allowed until the overdue debt has been cleared.

- a) Any debt outstanding past the due date stated on the overdue letter shall be referred to the Institute's debt collection agency. This may result in extra costs being incurred by the student.

- b) The Institute's debt collection agency shall pursue debts to the fullest extent, including Court proceedings, as authorised by the Director.
- c) If a student has an overdue debt greater than 30 days and the debt is over \$20, a message "Outstanding Fees Apply to this Student's Account", will be printed on the Result of Assessment.
- d) If a student has a write off or overdue amount and is unable to make immediate payment, then a repayment arrangement needs to be negotiated with the Senior Manager, Customer Service Centres, the Finance Officer – Debtors or Finance Officer Revenue.

International Students with overdue Time to Pay Plans risk cancellation of their Confirmation of Enrolment.

No Award, Statement of Attainment or Result of Assessment may be issued to a student without clearance of all financial debt to the Institute. The student is to be notified in writing that the qualification has been withheld in accordance with Section 43 of the Vocational Training and Employment Act 2000 and will be issued upon notification of full payment of the debt. The exceptions to this are:

- Apprentices or Trainees with outstanding financial debt;
- Students with an outstanding debt less than \$20; or
- Students whose accounts have been excluded from invoicing due to the requirement of investigation and system analysis.

When an Apprentice or Trainee has an outstanding financial debt to the Institute, the Award, Statement of Attainment or Result of Assessment **must** be issued but must be stamped with a red stamp stating "Outstanding Fees Apply to this Award" ensuring stamp does not interfere with the wording or seal on the award.

5.4 Refused applications for Time to Pay

If both a Standard and Non Standard Time to Pay is refused the delegated officer must give the person written notice of the reasons for refusal.

The person may, within 14 days after the written notice is given, apply to the Institute Director for a reconsideration of the refusal. NOTE: The Vocational Education, Training and Employment Regulation 30s states "The refusal must be reconsidered by an institute staff member more senior than the staff member who refused the original application".

5.5 Centrepay Deductions

Students who receive payment from Centrelink have the option to pay their fees via an automatic deduction from their Centrelink payments. Students must provide confirmation that they receive Centrelink benefits (Healthcare Card) and complete a Centrepay Deductions form. Eligibility is the same as for the Time to Pay arrangements outlined in this policy. Refer to Work Instruction WI94 Centrepay Deductions.

DOCUMENT AUTHORISATION

Owned by	(signature)
Position Title	Director, Finance and Business Performance
Authorised by	(signature)
Position Title	Institute Director