

1. Purpose

To ensure that credit extended to Institute clients is compliant with the requirements of the Financial Management Practice Manual, Section 04.01, 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

- [Training and Employment Regulation 2000](#)
- Financial Management Practice Manual
- Work Instruction **WI94** Centrepay Deductions
- Work Instruction **WI82** Time to Pay / Fee Exemption
- 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)
- Form **IF449** Application for Student Fees Exemption (Extreme Financial Hardship only)
- 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 tuition fee or student services fee 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 provider, Corporate Solutions Queensland (CSQ).

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 Financial Operations, CSQ);
- Vendors already listed in SAP/ISAS; and
- Students of TAFE courses including trainees and apprentices.

5.3 Student Time To Pay

The TAFE Queensland and Brisbane North Institute Time to Pay policy is applicable to:

- a) Individual students for fees and charges of courses; and
- b) Any third party or guarantor responsible for a student's fees and charges of courses.

Approval

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.

The criteria for a Standard Time to Pay arrangement are:

- The total cost of enrolment must be greater than \$75;
- Adequate Identification is provided;
- The student does not have a debt or unsatisfactory credit history with TAFE Queensland; and
- The student is able to pay a minimum deposit.

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

Time to Pay Plans

Time to Pay can only be offered if the total cost of enrolment is **greater than \$75.00**.

A minimum deposit of \$75 or 20% of the total cost of tuition and amenities fees, whichever is the greater, is payable at the time of enrolment. The student ID card, utility fee and **at least** 50 % of the material fees must be paid in full at time of enrolment, along with the deposit against tuition and amenities.

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 or, for an open learning student, it shall be completed within 3 months of the date of approval.

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

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

Exclusions

The following are excluded from a Time to Pay arrangement:

- Enrolment in ACE courses;
- Fee for Service and leveraged courses unless approved for such arrangements by the Faculty Director and the total cost of enrolment is greater than \$1000.00. If material fees are not built into the total course cost for a Fee for Service or leveraged course, at least 50% must be paid in full at the time of enrolment. (Commercial contracts do not fit in this category. Reference must be made to the contractual specifications for the individual project.);
- International student enrolments. International students must pay at least one full semester at a time and this must be paid prior to the commencement of study. All International students are welcome to pay in advance and have funds credited on ISAS for future studies but they can not access 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; or
- Where total cost of enrolment is less than \$75.00***

***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.

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.

Student seeks extension of time to meet Standard Time to Pay arrangement:

- a) 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.

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 Manager, Facilities & Infrastructure.
- 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. **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	Manager, Finance & Infrastructure
Authorised by	Institute Director