



FEE COLLECTION POLICY

Policy	Fee Collection
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Rationale	<p>This policy details the spiritual and philosophical underpinning of Kildare Education Ministries' (KEM's) approach to the setting of fees in KEM schools. It sets out in practical detail how and why KEM fee policy is to be set, having regard to justice and equity, and to the circumstances of individual families. It also outlines the actions to be taken when fees are overdue, again with proper regard for fairness, justice and diverse family circumstances.</p>
Principles and Values	<p>Justice Central to KEM's compulsory fees policy is a commitment to the core value of justice. From this commitment it follows that those who manage school resources will:</p> <ul style="list-style-type: none"> • be mindful of the realities of family incomes and maintain a fee structure that is as low as practicable • approach the issue of fee collection in a sensitive, confidential and just manner. <p>Accessibility and Affordability For those families who seek enrolment for their children in KEM schools, there must be an emphasis on issues of accessibility and affordability. Central is a willingness on the part of KEM schools to offer concessional fee rates to low-income families or to consider waiving fees in situations of extreme economic hardship.</p> <p>Confidentiality All matters relating to fees must be regarded as confidential to the family, Principal, Business Manager and necessary office staff. Students should not be involved in discussion about family debts or fee arrangements unless students have independent status and are receiving a government education allowance.</p>
Audience	<p>The audience for this policy is the Board and Secretariat of KEM, all personnel employed or engaged in KEM schools, families and the wider community.</p>
Definitions	<p>Family/Families can be taken to include parents, guardians and carers.</p> <p>Compulsory fees cover the delivery of the core school based program including onsite and offsite.</p>

	<p>Fees for optional activities cover the cost of optional activities students may participate in voluntarily.</p>
<p>Procedure</p>	<p>Initial considerations In developing an appropriate approach to fee setting and collection, schools administrators should take into account:</p> <ul style="list-style-type: none"> • The complexity of making judgements regarding the capacity of families to pay school fees • The need to set fees at sustainable levels in light of government funding levels • A need for justice for families who pay fees despite significant economic hardship • A need for systematic follow-up of unpaid fees where families are financially capable of paying them. This follow-up must not prejudice the enrolment of students or cause them embarrassment. <p>Indicators of capacity to pay In determining the financial capacity of families to pay fees, each family’s situation should be assessed on its own merits. There should be a willingness to engage in conversations about individual family circumstances. If unfamiliarity with English inhibits that conversation, translation assistance should be provided.</p> <ul style="list-style-type: none"> • Factors to take into consideration should include: The parents / carers’ previous record of fee payments • The number of children in the family • The number of persons in the household earning an income, and whether it is a regular and consistent and adequate income • The existence of a Health Card for the family • The extent to which the family is dependent on social security benefits • The number of dependents (including adults) in the family. <p>Consideration should also be taken of traumatic events within a family that may temporarily reduce their capacity to pay fees. Such events could include loss of employment, death of a family member or onset of natural disasters such as flood, fire or drought. Pro-active support, including possible remission of fees, should be made by the school in situations of extreme trauma.</p> <p>Fee Setting For fee setting and collection, the following procedures should be followed:</p> <ol style="list-style-type: none"> 1. Fees and other compulsory charges should be reviewed and set annually as part of the process of budget preparation. Approval of annual fees should initially occur within the subcommittee of the Stewardship Council responsible for finance, and be ratified by the Stewardship Council itself. In setting fees, consideration should be given to the total cost of education, which includes fees, uniforms, books and the cost of camps and excursions. Further, it should not

be assumed that fees need to increase each year. A decision to increase fees should only be made as a budgetary imperative after all other aspects of income and expenditure have been reviewed.

2. The annual level of fees and charges, together with other known costs (e.g., camps and excursions) should be **communicated** as early as possible to enable family budgeting to occur.
3. The structure of the fee schedule will be the responsibility of each Stewardship Council. **Discounts** should be provided to families who have more than one student enrolled at the school, and may be provided where children are enrolled at other Catholics schools. In keeping with a preferential option to assist families in most need, discounts should not be offered to those families able to pay fees on an annual basis.
4. Although the preference would be direct debit, families should be offered a number of **methods of paying** fees. Such methods should include the options of cash, cheque, direct debit, credit card or EFTPOS payments.
5. Schools may offer to accept fees on a payment plan basis (weekly, fortnightly, monthly, per term or annual basis). **Periodic billing** statements, for example, each term, should be issued, indicating each individual family's position regarding progress in making payments for the year.
6. **Voluntary levies** (to registered school building funds for example) must remain voluntary.
7. **School administrators** should allocate an appropriate level of human resources to monitor fee payments, and implement systems that involve regular contact with non-paying families at all year levels. This will be especially important with new families, to ensure that patterns of non-payment are identified early and corrective measures taken to address the issue. Pastoral staff may be able to assist here in identifying problems before they escalate, and forward relevant information to the appropriate staff.
8. All attempts to follow up arrears in fees on a personal basis must be conducted by an appropriate person or persons in a **sensitive, discreet and confidential manner**. Where such processes reveal situations of pastoral need, appropriate and confidential reporting should occur to persons responsible for pastoral care and welfare within the school.
9. Families unable to meet their responsibility to pay fees should be encouraged to discuss the matter with school authorities and, where appropriate, advised to enter into **concessional agreements** as per the KEM *Delegation of Authority Manual*, regarding periodic part payment. All concessional arrangements should be

	<p>documented, authorised by the Principal of the school, and a copy of each arrangement signed by both families and a representative of the school. All agreements should include the length of the term of the agreement and when it will be reviewed. Where such agreements are not honoured, early follow up should occur. When entering into concessional arrangements, families should be asked to pay a nominal fee promptly as confirmation of contract.</p> <p>10. In situations where personal contact is unsuccessful in obtaining a satisfactory response from families with fees in arrears, letters may be used to remind people of their obligations.</p> <p>11. The services of a debt collector or solicitor are likely to fracture the pastoral relationship between school and family and may only be used after strenuous and systematic steps have been taken by the school for the collection of monies owed (<i>See Appendix B</i>). Such services may be used only if the following circumstances obtain:</p> <ul style="list-style-type: none"> • The school is of a genuine belief that there exists a capacity to pay • The Principal of the school has researched and is confident that the ethical practices of the debt collecting firm comply with current legislation, and clearly understands that the school can be liable for the actions of a debt collector who acts in an illegal or unethical manner. • The Principal, having been satisfied about a family’s capacity to pay and the ethical practices of the debt-collecting agency, may then instigate collection procedures using a debt collector (but not court action). Schools must seek the approval of the KEM Finance & Audit Committee, without having the identity of the debtor revealed, before engaging a debt collector. • The arrangement entered into with the debt-collecting firm is to be on a fee-for-service basis and is to be restricted to letter writing, field visits and/or telephone calls. <p>12. Further action to collect a debt, such as the initiation of court proceedings, is not to occur without consultation with, and approval of, the Finance and Audit Committee of Kildare Education Ministries (<i>KEM Delegation of Authority Manual</i>).</p> <p>13. A review of unpaid fees should be conducted by the Principal with the Business Manager, preferably bi-annually, with a view to writing off, either wholly or partly, debts that are unlikely to be collected. Such write offs should be signed by the Principal in accordance with standard auditing procedures.</p> <p>14. Any write offs of \$10,000 or more require approval from the KEM Finance & Audit Committee.</p>
<p>Responsibilities and Communication Obligations</p>	<p>At the time of pre/enrolment, families should be notified about the fee remission process. The implications of this policy should be conveyed to all teaching staff.</p>

Breaches of this policy	Breaches of this policy may be addressed by further education or, when judged necessary, corrective or disciplinary action.
Appendices	APPENDIX A: Fee policy summary communique to families APPENDIX B: Background
Related Policies and Procedures	<ul style="list-style-type: none"> • KEM Enrolment Policy • KEM Optional Tour and Intercultural Experiences (OPTICE) Policy • KEM Delegations of Authority Manual
Resources	<p>National</p> <ul style="list-style-type: none"> • The Living Justice Living Peace Charter – Kildare Ministries 2021 • Kildare Ministries’ Values, Vision and Mission Statement • Kildare Education Ministries’ Mission Statement • KEM Stewardship Councils Handbook

Appendices

APPENDIX A: Fee policy summary communique to families

FEE COLLECTION POLICY - SUMMARY FOR FAMILIES

Principles and Values

Justice

Central to KEM's compulsory fees policy is a commitment to the core value of justice.

From this commitment it follows that those who manage school resources will:

- be mindful that families have limited incomes and keep fees as low as practicable
- approach the issue of fee collection in a sensitive, confidential and just manner.

Accessibility and Affordability

For those families who seek enrolment for their children in KEM schools, there must be an emphasis on issues of accessibility and affordability. KEM schools are willing to offer concessional fee rates to low-income families or to consider waiving fees in situations of extreme economic hardship.

Confidentiality

All matters relating to fees must be regarded as confidential to the family, Principal, Business Manager and necessary office staff. Students should not be involved in discussion about family debts or fee arrangements.

Procedure

Regarding fee collection, schools administrators should take into account:

- A need for justice for families who pay fees despite significant economic hardship
- A need for systematic follow-up of unpaid fees where families are financially capable of paying them. This follow-up must not prejudice the enrolment of students or cause them embarrassment.

School administrators allocate staff to monitor fee payments and implement systems that involve regular contact with non-paying families.

All attempts to follow up arrears in fees on a personal basis must be in a **sensitive, discreet and confidential manner**. Where such processes reveal situations of pastoral need, appropriate and confidential reporting should occur to staff responsible for pastoral care and welfare within the school.

Families unable to meet their responsibility to pay fees should be encouraged to discuss the matter with school authorities and, where appropriate, advised to enter into documented **concessional agreements** for periodic part payments. Where such agreements are not honoured,

early follow up should occur. When entering into concessional arrangements, families should be asked to pay a nominal fee promptly as confirmation of contract.

In situations where **personal contact** is unsuccessful in obtaining a satisfactory response from families with fees in arrears, letters may be used to remind people of their obligations.

The services of a **debt collector** or **solicitor** may only be used after numerous systematic steps have been taken by the school for the collection of monies owed. Such services may be used only if the school is of a genuine belief that the family has a capacity to pay.

APPENDIX B: Background

Overdue Fee Guidelines

KEM recognises that overdue fee paying by families is an issue of concern for schools. The circumstances surrounding the problems causing these concerns can be more complicated than previously experienced, due to the variety of family situations that are now current in schools.

These guidelines are designed to give more detailed direction to schools when dealing with the sensitive issue of fee collection, particularly when fees become overdue. These guidelines are to be read in conjunction with ***Fee Setting Policy for Kildare Education Ministries Schools***.

Ultimately it is the school's decision as to how it approaches dealing with overdue fee accounts, so where suggested direction is given, these directions are not mandatory.

Two key statements of principle should be kept in mind when dealing with fee collection issues:

1. Compassion should govern situations where a genuine inability exists to pay all or part of fees.
2. Students should not be penalised for the decisions that families, parents, guardians or carers make in relation to the payment of fees.

Legal Liability of Fee Payment

- **Enrolment Form**

The enrolment form is the legal document that binds and confirms the requirements and the obligation of fee payment. It is imperative that both parents (where families are still together) sign this enrolment form when a student is first enrolled in the school. Where families have separated prior to a student enrolling at the school, schools are advised to work with families to facilitate the best possible arrangement for the payment of fees based on their circumstances. The person/s responsible for the payment of fees must be indicated on the enrolment form with a note that, should circumstances change, the school be informed. The enrolment form should clearly indicate that Kildare Education Ministries is the legal entity for the schools.

- **Families whose circumstances change whilst students are at the College**

Family disruption is a reality for some students who are enrolled in KEM schools. Discussing fee payment arrangements can be delicate and, at times, challenging. A level of discernment is required when discussing fee payment arrangements in challenging and changed circumstances.

When there is animosity between parties, or when both parties are refusing to take responsibility for fees, it is important that the school remains neutral when communicating with both parties and does not get involved in discussions that are essentially private arrangements or part of an arrangement with the family court.

Appendix B deals with this situation in more detail (see below) and has some examples of what can happen and some possible options of how schools can respond in these circumstances.

Where there is a mutual request for a change in fee arrangements (the fee payer may become the other parent, 50/50 division, etc), schools are to have the appropriate forms available and these are

to be used. These new forms will supersede the original enrolment form with regard to legal responsibility of fee payment unless it is clearly stipulated on the form that this is not the case.

Family refusing to engage with the school to discuss fees

In some cases families will not respond to any form of communication (phone calls, letters, email, etc) from the school to discuss outstanding fees. This can be a major frustration for schools but it is important to follow a process. Appendix B provides a flow chart that can be followed to ensure resolution of the fee collection issue.

It is also worthwhile seeking additional information from appropriate school personnel regarding the family, as there may be pastoral issues that need to be taken into consideration when putting a plan in place.

Maximum length of arrangement

When deciding on an arrangement with a family, and more specifically the repayment amount, it is recommended that repayments are calculated so that there will be no debt outstanding for more than 3 years after the family's last student leaves the College. Most debts over 3 years since the last student left the school should also seriously be considered a bad debt and written off as uncollectable.

Capacity to pay

The main pressure for families and fee payment is cashflow due to 2 major factors –

1. a lack of funds, or
2. a redirection of funds to things that are deemed more important than paying school fees.

Assessing a family's cashflow is an important part of determining whether a family has the capacity to pay school fees. When having discussions with families regarding outstanding fees, some families will claim that they do not (and some cases never will) have the capacity to pay the fees. In most cases you will find that this is true due to point 1 above, but in some cases, after further discussions and through investigation, it may become apparent that they do have capacity to pay (point 2 above). However, they might just need to restructure themselves financially to increase capacity (for instance they may be able to dispose of an investment property that they are reluctant to sell).

With regard to assessing capacity to pay and then making potential suggestions to families, wisdom and respectful confidential conversations will be key. Schools may also choose to seek advice from the Finance Committee of their Stewardship Councils.

Other important information

Other important information to consider when formulating plans and arrangements with families that have outstanding fees:

- The KEM Board and Finance & Audit Committee will not endorse the attachment of earnings for any families that are on a Health Care/Pension Card unless undeniable proof that there is a capacity to pay can be produced.

- It is therefore recommended that this be taken into consideration before engaging debt collection agencies and in particular, the expensive components of debt collection (complaint, judgement, etc) when following up fee collection for families with Health Care / Pension Cards.
- Schools should request the advice of the KEM Finance & Audit Committee before the engagement of a debt collector who will act in accordance with the values of KEM.
- Principals and Business Managers are encouraged to seek the advice of their Principal and Business Manager colleagues or from the CFO and EO of KEM in particularly complex circumstances.