

BLP BRIEF

Fee Collection and the Enrolment Contract

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Catholic schools are charged with the obligation of ensuring that no baptised student is denied a Catholic education by reason of financial incapacity. Recurrent funding structure agreements with state and federal governments recognise the differential capacity of families to meet school fees and allow for a school to absorb shortfalls in fee payments by those families.

However, what options are available to you as a Principal in circumstances where a student's fees are outstanding and you are not aware of any financial hardship preventing payment?

Enrolment Contract

When enrolling a child in your school, the parents of that child are entering into a contract with the school. An essential element of that contract is the payment of school fees as and when they fall due. Unfortunately, not all parents meet their fee paying obligations adding further strain to the already thin primary school budget. Indeed, this can create a situation of injustice for other students and families within your school community.

"Prevention is the best cure"

Accordingly, ensuring parents are fully informed of their financial obligations when enrolling their child at your school can greatly assist in ensuring fees are paid and paid on time. Your enrolment contract, therefore, must clearly identify the requirements that parents are agreeing to when they sign the contract. A full statement of fees payable should be included in the enrolment contract and issued to each family at the commencement of each school year.

Furthermore, ensuring that your school offers appropriate payment structures will greatly assist in minimising fee payment issues. Direct debit and instalment payment plans should be offered to ensure the financial burden on families is manageable.

What are your options in circumstances where parents have outstanding fees?

Unfortunately, despite all of your efforts to inform parents of their obligations and ensure different payment options are available, there may still be circumstances where some parents do not meet their fee payment obligations.

In those circumstances, to ensure that other students do not suffer injustice through lack of school funding, you may be required to take active steps to recover the outstanding monies.

Of course, as a Catholic institution, your practices must align with the Catholic mission and principles. Accordingly, the CECV recommends the following course of action be followed:

- Issue a reminder notice to the parents regarding the outstanding fees.
- If no response is received, personally follow up with the parents, by telephone or face to face meeting, to discuss the issue of outstanding fees. During this meeting, invite discussions about any financial hardship the family may be facing and discuss any payment options that would assist.
- If the fees are still not paid, issue a letter from the school reminding the parents of their obligations regarding fees. This letter should invite payment by a specific date and offer the option to contact a specified person to discuss the matter.
- Failing this, you may wish to engage us to issue a letter requesting payment of the outstanding fees. It is important to be aware at this stage that there may be diocesan procedures in place and you may need to inform the Diocesan Director of your actions.
- If all else fails, you may consider issuing legal proceedings but only once the approval of the Director of Catholic Education has been obtained.

You must remember, however, that under no circumstances must the ongoing enrolment of a student be terminated by reason of outstanding fees.

Also, all communications and correspondence with parents on the issue of outstanding fees must be conducted with sensitivity and compassion.

How can Brennan Law Partners assist?

Now is a good time to ensure that your enrolment contract is up to date and as tight as it can be, not only on the issue of school fees but on all issues pertaining to the enrolment of students at your school.

A clear and detailed enrolment contract can greatly assist to protect you against a plethora of issues, legal and otherwise, that may arise at your school.

Accordingly, we welcome you to contact us to review your enrolment contract and associated policies and procedures to ensure that you are well protected.

If you are in the unfortunate position of having to recover unpaid school fees, contact us to discuss the appropriate steps or to have us assist you with following up the outstanding fees.

If you have any questions regarding any information in this BLP Brief, we welcome you to contact us at any time.

This is meant as a guide only.



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