

# **POLICY: DEBTORS**

## **Purpose**

1. The purpose of this policy is to standardise the procedure for the collection of outstanding accounts.

## **Definitions**

2. Unless the context indicates a contrary intention, the following words and expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings:

2.1. "Contract of Enrolment" refers to the agreement signed by Parents / Guardians on the initial admission of the student to the College.

2.2. "contract" refers to the Contract of Enrolment.

2.3. "the Policy" means this Debtors Policy, as amended from time to time, and any annexures and/or schedules thereto.

## **Important Notice**

3. This Policy forms part of the Contract of Enrolment concluded between the Parent / Guardians and the College. It must be read in conjunction with and interpreted together with the Contract.

4. Some provisions contained in this Policy may be duplicated in other documents. If any inconsistency exists between provisions contained in this Policy and such other document, the provisions contained in this Policy will prevail.

5. By signing the Contract of Enrolment the Parents / Guardians agree to the terms and conditions contained in this document. It is incumbent on the Parents / Guardians to request an explanation of the College of any provision in this document that is not fully understood.

6. This Policy contains certain terms and conditions which appear in similar text style to this clause and which:

6.1. may limit the risk or liability of the College or a third party;

6.2. may create risk or liability for the Student, the Guardian or a third party;

6.3. may compel the Student, the Guardian or a third party to indemnify the College or a third party; and/or

6.4. serves as an acknowledgement, by the Student, the Guardian or a third party, of a fact.

7. Attention is drawn to these terms and conditions because they are important and should be carefully noted.

## **General**

8. Both parents and/or guardians, as the case maybe shall be responsible and liable jointly and severally for the payment of all fees and other charges applied by the college.

9. Details for the payment of the account are available from the Bursar's department. The methods of payment are in advance:

9.1. annually by the last working day of January; which entitles you to a rebate or

9.2. monthly for 10 months (January to October), by the latest, 7th of every month for fees; or

9.3. termly by the end of the first week of the term.

9.4 additional fees in respect of additional goods/services (e.g., excursions, books, subject levies, sports kit, school equipment, remedial therapy, aftercare etc.) are payable at the end of the month in which they are debited.

**9.5 under no circumstances will Students be permitted to attend optional tours, courses, workshops etc. unless all fees, including additional fees for additional goods/services are paid up in full. This includes Student/Students in Form 5 and IB2.**

10. No cash payments may be made at the school. They can only be made at any branch of Standard Bank. Cash deposit fees will apply.

11. Additional Goods and / or Services, as determined by the College from time to time, must be paid on receipt of the statement.

12. Statements are sent to parents and/or guardians every month.

13. Interest on outstanding balances is charged on each statement. The rate has been set at Eswatini prime plus 5% (per annum) to discourage late payment of accounts. Interest not paid to Waterford Kamhlaba by the last day of the month in respect of which such interest accrues, will bear further interest at the same rate . In addition to interest Waterford Kamhlaba will be entitled to recover from the Parent/Legal Guardian/Third Party default administration costs and collection costs.

14. Enrolment: Parents / Guardians are obliged to complete the Contract of Enrolment when students are first admitted to the College.

15. Annual Enrolment: any outstanding fees from the previous year must be settled before a student may enroll at the start of the year. In the event that a Parent / Guardian is not able to comply, they must make an acceptable arrangement with the Bursar indicating when fees will be paid. Should they fail to meet that promise, they will be deemed to be in breach of the contract, and the student will not be able to enroll for the new academic year.

16. To the extent permitted in law, all communication with Parent / Guardian will be recorded on a data collection system. The Parent / Guardian hereby consents to the College recording any conversation with the Parent / Guardian for the purpose of providing the Services and/or the Additional Goods and / or Services, or for any other purpose that may be communicated to the Parent / Guardian, from time to time, in writing.

17. All communications concerning arrangements for the payment of outstanding accounts will be confirmed in writing by the College.

18. Collections will be allocated against the account in the following order:

18.1. Legal fees on the scale as between attorney and own client

18.2. Interest;

18.3. Extras / Additional Amounts (books; trips; insurance premiums; etc.);

18.4. Fees.

18.5. Examination fees. (This means that any examination fees required by an external agency will not be paid and the student will not be able to write the relevant examination until all other fees and charges have been paid for.)

19. Credit balances on the account of a Student who has left the College will be refunded to the person(s) responsible for the account two months after the Student has left the College.

20. Any indulgence that the college may grant the parent / guardian shall not be considered as a relaxation or waiver of the college's right in terms of this debtor's policy or the contract of enrolment.

### **Procedures for Collection**

21. An initial reminder may be informal and can be made either in person (when a parent/guardian comes to collect/drop off the child), or by telephone. The date of the initial reminder should be recorded. If action is to proceed further, it is necessary to prove that all reasonable attempts have been made to recover the debt, and that these attempts have been made in a timely manner, i.e., at the time that the debt first became overdue. The date of the initial reminder letter should be recorded. Debtors are expected to settle the amount owed by a single payment as soon as possible after receiving the first 'overdue payment' reminder. If a debtor requests for 'repayment terms' these may be negotiated at the discretion of the Finance Committee and/or Governing Council. A record of all such agreements entered will be retained. In all cases, a letter will be issued to the debtor confirming the agreed terms for repayment. The settlement period should be the shortest that is judged reasonable. Finance Committee and/or Governing Council will decide whether any debtor who has been granted extended settlement terms will not be offered any further 'credit' and will, in future, be required to pay in advance. This decision and its basis will be recorded and reported to the Finance Committee and/or Governing Council.

22. Failure to settle the debt and come with a payment arrangement, a first warning letter will be issued. The debtor may be advised that they will be required to pay in advance for all future supplies and services or the supply will no longer be available to them. The letter will warn Parent / Guardian that they are in breach of the contract, and that the Student may be excluded from the start of the next term, as a consequence of the breach of contract. The Parent / Guardian will be given 10 (ten) business days to settle the full account.

23. Second warning letter: Should the account remain unpaid after the 10 (ten) business days stated above, Parent / Guardian will receive a second letter advising them that the contract will be terminated at the start of the next term, and if full arrears payment is not made within the relevant period, that the Parent / Guardian will need to make alternative arrangements for the education of the student in question.

24. Third warning letter: this will be issued on the termination of the Contract.

25. If the Contract is terminated and the Parent / Guardian subsequently re-enrolls the Student concerned, the Parent / Guardian may be required to sign a new contract with the College.

26. The College may in its absolute discretion withhold statements of results, reports and / or any certificates once a second warning letter has been issued. The report will be released on receipt of the full outstanding amount. Once a second warning letter has been issued students will not be allowed to go on trips or tours whether local or international until the account has been settled in full.

27. Once the Contract has been terminated:

27.1. Students cannot be guaranteed a place at the College and Parent / Guardian may have to reapply for a position for the Student. (No application fee or deposit will be required as long as the student returns within twelve (12) months).

27.2. Parent / Guardian may be required to complete a new Contract of Enrolment with the College.

27.3. The outstanding account may be handed over to either a debt collection agency or the College's attorneys for collection.

27.4. On re-enrolment of the student, who was previously excluded, the school may require an upfront payment of up to a year's fees.

28. In the event of the college having to institute legal proceedings for recovery of any amounts due, the parent/guardian shall be liable for all costs and collection charges on the scale as between attorney and own client including collection commission.

29. At its discretion the school may decide further measures to recover any outstanding balances on any account. These include, inter alia:

29.1. Refusing admission to the school of a sibling not already at the school.

29.2. Not supporting the student's application for tertiary study.

29.3. Disallowing IB2 and Form 5 students from attending any farewell events or representing the College in any academic, cultural, or sporting events. They may not be allowed to sit any external examinations (International Baccalaureate / IGSCE) unless the account has been settled.

30. Credit balances on the account of a Student/Students who has/have left the School will be refunded to the person(s) responsible for the account within a reasonable time period, provided that the person(s) responsible for the account has written to the School requesting a refund and providing bank details for such refund to be processed, such written request being received by the School no later than 3 (three) months after the Student/Students have left the School.

31. Review of the policy: This policy will be reviewed from time to time.

32. Costs of debt recovery:

Where the school incurs material additional costs in recovering a debt then the Finance Committee and/or Governing Council will decide whether to seek to recover such costs from the debtor. The debtor will be formally advised in writing that they will be required to pay the additional costs incurred by the school in recovering the debt. This decision and its basis will be recorded and reported to the Finance Committee and/or Governing Council.

33. Bad debts:

In order to write-off any debt over the value of E5,000 the written approval of the Finance Committee is required; debts over the value of E10,000 will be referred to the Full Governing Council. A record of the write-off, the reason for it, and the approval for it, will be retained for 7 years.

**Approved by the Governing Council: 2013-11-23**

**Amended by Governing Council: 2015-04-11**

**Amended by Governing Council: 2018-07-14**

**Amended by Governing Council: 2023-04-15**