

Outstanding Student Debtors Procedure

Section 1 - Introduction

(1) The University may take action to recover any outstanding student fees for the use of its facilities and the provision of its services. This includes monies owed in respect of tuition, student contributions, amenities fees, library fines, accommodation, and other miscellaneous fees, fines and charges.

(2) Action to enforce settlement of outstanding student debt will be taken in respect of all current and former students who have failed to engage with the University to find a solution to any outstanding debt, or who have failed to honour agreements to pay.

Section 2 - COMPLIANCE

(3) This is a compliance requirement under the [Charles Darwin University Act 2003](#) part 8, section 33.

Section 3 - INTENT

(4) This document outlines the recovery process for outstanding debts incurred by students of the University in a timely and efficient manner.

Section 4 - RELEVANT DEFINITIONS

(5) In the context of this document:

- a. Accounts Receivable means a University Ledgers/Accounts Receivable staff member responsible for raising invoices in the Oracle system, contacting sponsor debtors for overdue debts and Authorised Officers in relation to outstanding debtor follow up;
- b. Bad Debt Write-Off means those debts where all avenues for recovery have been completely exhausted and the outstanding debts are considered not recoverable;
- c. Callista means the University's student management system;
- d. CSP (Commonwealth supported place) means a place at an approved provider that is subsidised by the Australian Government and students pay student contributions for their units of study. Students enrolled in a CSP are referred to as Commonwealth supported students. Note: Eligibility for a CSP is different to eligibility for HECS-HELP;
- e. Debt Recovery means to collect or recover monies owed to the University by a student debtor. Such action may include engagement of a debt collection agency to act on the University's behalf;
- f. Domestic Student means a student who is an Australian Citizen or a holder of an Australian permanent humanitarian visa;
- g. Encumbrance means a 'flag' is added to a student's enrolment record for non-payment of fees, fines or charges. Students with encumbrances cannot apply to attend graduation, obtain academic transcripts or enrol into a different program of study until the debt is paid and encumbrance is relieved;

- h. Enrolment and Fee Advice - Invoice means an official individual student enrolment record for an academic year that outlines unit(s) of study, fee details and corresponding financial obligations;
- i. Fee means the following types of fees:
- i. Full Fees (or Fee for Service) that are charged to VET students who are enrolled in a program of study that is not subsidised by the Northern Territory Government;
 - ii. Vocational Education and Training VET Domestic Tuition Fees that are charged to students who are enrolled in a program of study that is subsidised by the Northern Territory Government;
 - iii. Recognition of Prior Learning (RPL) Fees that are charged to domestic VET students for an RPL Self-Assessment Tool and/or an actual RPL assessment. For international students, the cost of self-assessment and RPL are covered by the international fee for the particular course;
 - iv. Higher Education (HE) Domestic Tuition Fees that are charged to students who are not in a Commonwealth-supported place;
 - v. Student Contribution (previously known as HECS) that is the amount a student in a Commonwealth-supported place contributes, which may be paid up-front to the University, or deferred to a Higher Education Loan Program (HELP) debt through the tax system;
 - vi. International Tuition Fees that are charged to international students for both HE and VET program of study and may include an application fee;
 - vii. Student Services and Amenities Fee (SSAF) that is charged to students for services and amenities of a non-academic nature; and
 - viii. Ancillary Fees which includes, but is not limited to, school or course specific fees.
- j. Fine means the various monetary penalties which are imposed on students found to be in breach of discipline and Library fines. These fines include requirements to make good any loss, damage or injury caused to the property of the University;
- k. HECS-HELP means an Australian Government scheme to help eligible students enrolled in a Commonwealth supported place (CSP) pay their student contributions;
- l. HELP (Higher Education Loan Program) means an Australian Government loan program that assists eligible students pay their student contributions (HECS-HELP), tuition fees (FEE-HELP and VET FEE-HELP), overseas study expenses (OS-HELP) and student services and amenities fee (SA-HELP). All HELP loans are repaid through the Australian Taxation Office system;
- m. International Student means a student who is a temporary resident (visa status) of Australia; a permanent resident (visa status) of New Zealand; or a resident or citizen of any other country who holds an Australian Student Visa and must pay the international student fees for a course of study at the University;
- n. Overseas Student Health Cover means the compulsory Australian Government visa requirement for international students studying on a student visa to ensure they have access to affordable medical and hospital treatment while studying in Australia, for the duration of their student visa;
- o. StarRez means reservation system used to manage the University's on-campus accommodation;
- p. Student Debtor means a student of the University, past or presently enrolled, that has an outstanding invoice for fees, fines or charges;
- q. Sponsor means a third party who has authorised they are responsible for the payment of a student's fees, such as an employer of an apprentice or trainee undertaking a VET course with the University; and
- r. VET Customer Service Team means staff members responsible for creating and maintaining VET student enrolment details as well following up on outstanding VET student debts.

Section 5 - Procedures

(6) The University will at all times seek to be sympathetic to, and understanding of, an individual student's financial circumstances. However, to enable the University to do so, the student must engage in dialogue with officers of the

University if financial difficulties are being experienced. A student who is experiencing financial difficulties may seek help and advice from the Student Engagement (SE).

Student Debtor

(7) A student will be classed as a student debtor if they fall under one of the following (this list is not exhaustive and individual circumstances may be taken into account):

- a. Defaults on any due payment of fees as defined above;
- b. has an outstanding Library debt, or has not returned materials to a University Library, or any reciprocating library within a reasonable time of completing a unit or course of study;
- c. defaults on any due payment to the University for Accommodation; and/or
- d. fails to make payment of a student misconduct penalty fine by the specified date.

Terms

(8) Enrolment and Fee Advice – Invoices are generated in Callista upon enrolment and sent to the student's postal address or official University email address (in the case of continuing students). The Enrolment and Fees Advice - Invoice outlines the unit/s a student is enrolled in, the amount owing and the due date. Any time a change is made to unit enrolments, a new Enrolment and Fees Advice – Invoice is generated and sent to the student's postal address or official University email address.

International Students

(9) Payment by an international student for both Higher Education and/or VET courses is required in full prior to the commencement of each semester or study period.

(10) The University will not issue a Confirmation of Enrolment to a new international student unless the first semester or study period's tuition fees and Overseas Student Health Cover (OSHC) are paid in advance.

Higher Education (HE) Students

(11) Payment by a domestic student for all undergraduate and postgraduate unit/s or courses is required in full by the applicable census date.

(12) A Commonwealth supported student may pay some or all contributions directly to the University and/or defer some or all fees and/or contributions to the Australian Tax Office (ATO) through HELP Loans (HECS, FEE or SA Help) by submitting the relevant forms and Tax File Number (TFN) to the Student Engagement prior the applicable census date.

(13) A student not enrolled in a CSP, is a fee paying student and as such, is charged fees with payment required in full by the applicable census date.

Vocational Education and Training (VET) Students

(14) Payment by a domestic student for all VET unit/s or courses is required in full within fourteen (14) days of classes commencing.

(15) A Commonwealth supported student may pay some or all contributions directly to the University and/or defer some or all fees and/or contributions to the Australian Tax Office (ATO) through HELP Loans (VET FEE-Help) by submitting the relevant forms and Tax File Number (TFN) to the Student Engagement by the due date.

(16) A student not enrolled in a CSP, is a fee paying student and as such, is charged fees with payment required in full by the due date. A VET student who cannot afford to pay the entire student contribution amount upfront, may be

eligible to apply for a payment plan through the relevant VET Customer Service Team.

(17) Payment may be transferred from the student to a Third Payment Sponsor, in which case, payment will be due within thirty (30) days of the date of issue of the invoice.

CDU Short Courses

(18) Payment is required in full, in advance, upon receipt of the Enrolment and Fee Advice – Invoice.

Encumbrance

(19) A student who has not completed payment of his or her compulsory fees and charges by the approved census date is judged to have an outstanding debt and sanctions may be imposed on his or her enrolment record or cancelled in accordance with the University's Charles Darwin University (Fees and Charges) By-laws. Graduation or re-enrolment may not be permitted, nor will Academic Transcripts be issued until all outstanding debts have been paid.

(20) The encumbrance will be removed only when all debts are fully discharged, or arrangements for the discharge of the debt have been agreed by the University. Non-receipt by a student of an invoice, reminder or demand for payment does not change the student's outstanding debtor status.

(21) The University may, in exceptional circumstances, waive fees or fines, at its discretion.

Removal of Financial Penalty

(22) A student whose enrolment has been cancelled for non-payment of compulsory fees may apply for re-instatement of his or her enrolment at the discretion of one of the following:

- a. International Students – Director International Services;
- b. HE Students - Director Student Administration and Equity Services; or
- c. VET Students - General Manager VET Business Improvement.

(23) Domestic students may apply for the removal of a financial penalty, in exceptional circumstances. Student's must complete the HE107 HE Application for Removal of Academic and/or Financial penalty for Domestic Students form and submit to the Student Engagement (SE), along with sufficient documentation to support the application.

(24) A student will only be removed from the student debt collection process when payment is made to the satisfaction of the Director Finance. The removal of an encumbrance from the student's enrolment record does not prevent re-instatement at a later date if there is subsequent default.

Debt Recovery

(25) The University will maintain an ongoing process of student debt collection for all debts that remain unpaid. The process used varies according to which organisational unit in the University is responsible for the fees, fines or charges.

International Students

(26) A student, who does not make payment in full by the due date, will be advised in writing by the CDU Global that immediate payment must be made and that the University may cancel the student's enrolment in accordance with the [International Students – Changes to Enrolment Procedures](#) and the [Education Services for Overseas Students Act 2000](#).

(27) The CDU Global is responsible for:

- a. informing international students of the requirement to pay tuition and other fees on the due date; and
- b. follow up actions with international students, including cancellation of enrolment and liaison with the Department of Immigration and Border Protection.

Higher Education Students

(28) A student, who does not make payment in full by the relevant census date, will have his or her enrolment cancelled and the student will be withdrawn from the units.

(29) A Commonwealth supported student who does not submit the relevant HELP Loan forms and tax file number, will not be eligible to use a HECS-HELP loan.

(30) The Student Engagement is responsible for all follow up actions with the Higher Education student, including cancellation of enrolment.

Vocational Education and Training (VET) Students

(31) A student, who does not make payment by the applicable census date, will have the outstanding debt referred to the VET Customer Service Team.

(32) Under the direction of the General Manager VET Business Improvements, the VET Customer Service Team is responsible for all follow up actions with VET students.

(33) Where applicable, the VET Customer Service Team will obtain completed Third Party Authorisation forms and forward them to Accounts Receivable.

(34) Where a student debt remains outstanding, four (4) weeks after the due date, the VET team will:

- a. record the debt in the relevant student management system and place a financial encumbrance on the student's enrolment record;
- b. advise the student in writing of his or her obligation to make payment, payment options and penalties for non-payment; and
- c. encourage the student to contact the relevant Customer Service Officer to discuss payment options, which may include a payment plan by instalment.

Fee Payments by Third Payment Sponsors

(35) The VET Customer Service Team processes Third Party Authorisation (TPA) forms and authorises the transfer of debt from a student's University account into a sponsors account. At the end of each teaching period, the Accounts Receivable team will generate an invoice in the Oracle system and send it to the sponsor. The sponsor has thirty (30) days from the date of issue to make payment.

(36) Any Third Party Sponsor account that remains unpaid after thirty (30) days will be managed in accordance with the [Debtors Procedure](#).

Accommodation Charges

(37) Accommodation charges may vary depending on the campus and the student's length of stay in on-campus accommodation. The Residence Manager is responsible for the management of rent and accommodation fees and fines using the StarRez management system.

(38) An encumbrance may be imposed on a student's enrolment and/or eviction from on-campus accommodation may take place in cases of continued non-payment. The decision to apply this sanction will be at the discretion of the

Residence Manager in accordance with the [Charles Darwin University \(Student Residences\) By-laws](#).

Library Fees and Fines

(39) The University Library is responsible for the management of student borrowing and may impose fines and fees, in accordance with the [Library's Conditions of Borrowing](#). The Library will advise students in writing of any fees and fines imposed and students are expected to make full payment as they are incurred. The Library may impose borrowing sanctions or encumber the student enrolment when debts exceed \$50.00.

Misconduct Penalties

(40) Penalty fines may apply to a student who breach's any of the University's By-laws. Fines that are not paid to the University by the date due may result in a financial encumbrance and the student may not be permitted to re-enrol in a course or unit or be allowed to graduate.

Parking Offences

(41) Parking on University premises is monitored by campus Security and regulated by the [Charles Darwin University \(Site and Traffic\) By-laws](#).

External Debt Collection

(42) After all avenues have been exhausted and the University is unable to recover payments, outstanding invoices will be considered for external debt collection by the Vice-President Corporate and CFO.

(43) The General Manager VET Business Improvement will make recommendations for the external debt collection of outstanding student invoices to the Vice-President Corporate and CFO. External debt collection must be approved by the Vice-President Corporate and CFO.

Doubtful Debts Provision and Bad Debt Write-Off

(44) The University will make provisions against bad debt arising from the non-payment of fees, charges or fines or other debts based on the outcome of all of the stages above and will be charged back to the Provision for Bad and Doubtful Debts account.

(45) Outstanding debts will be reviewed annually and the relevant Senior Manager may recommend to the Vice-President Corporate and CFO any bad debt write-offs up to \$50,000.00 per individual item.

(46) At the end of each financial year on approval from the Vice-President Corporate and CFO, any outstanding debts that are eighteen (18) months or more old or individual amounts in excess of \$50,000.00 per item will be forwarded to the Vice-Chancellor for write-off approval under advice to Council.

(47) Upon authorisation the accounts will be written off, costed back and any GST remitted to the Australian Tax Office claimed back.

(48) All debts that have been written-off will be reported to the University's Finance and Infrastructure Development Committee on a monthly/yearly basis.

Section 6 - Non-Compliance

(49) Non-compliance with Governance Documents is considered a breach of the [Code of Conduct - Staff](#) or the [Code of Conduct - Students](#), as applicable, and is treated seriously by the University. Reports of concerns about non-compliance will be managed in accordance with the applicable disciplinary procedures outlined in the [Charles Darwin](#)

[University and Union Enterprise Agreement 2022](#) and the [Code of Conduct – Students](#).

(50) Complaints may be raised in accordance with the [Code of Conduct – Staff](#) and [Code of Conduct - Students](#).

(51) All staff members have an individual responsibility to raise any suspicion, allegation or report of fraud or corruption in accordance with the [Fraud and Corruption Control Policy](#) and [Whistleblower Reporting \(Improper Conduct\) Procedure](#).

Status and Details

Status	Historic
Effective Date	15th January 2022
Review Date	15th January 2022
Approval Authority	Vice-Chancellor
Approval Date	16th December 2021
Expiry Date	9th September 2024
Responsible Executive	Louise King Provost
Implementation Officer	Sharon Green Manager Student Finance
Enquiries Contact	Sharon Green Manager Student Finance