

# Auburn Primary School



## Materials & Services Charges Policy

### Scope

This policy provides a definition and direction for the recovery of all Material & Services Charges (the 'Charge') imposed at Auburn Primary School, in compliance with Section 129 of the *Education and Children's Services Act 2019* (the 'Act').

### Rationale

The Act allows schools, in consultation with the governing council, to set, collect and recover a materials and services charge. All materials and services charges must reflect the actual cost of the essential items and services used or consumed by an individual student during the course of study.

Students must be given all items and services required for essential curricular activities. A student must not be refused materials and services necessary to undertake essential curricular activities, even if their materials and services charge has not been paid.

Governing councils are legally able to recover an outstanding materials and services charge. All information relating to outstanding accounts will remain confidential and can only be disclosed with the Principal's authorisation.

The Charge is determined each year by the Auburn Primary School Governing Council and verified by site financial policy.

### Implementation

The annual Materials and Services Charge is determined and approved by the process outlined in the Department for Education *Materials and Services charge Instruction* and *Materials and Services Charges flowchart*; and informed by the prescribed amount set out in *Regulation 81* of the

*Education and Children's Services Regulations* as the compulsory component of the materials and services charge.

### 1. Invoicing the Charge

**By the end of the first week of Term 1** - an invoice of the approved Materials and Services Charges, with a breakdown of the items and services included as per the watermarked notice on the invoice, is raised and distributed.

### 2. Collecting the Charge

**Friday, Week 5, Term 1 – DUE DATE** - parents are requested to finalise payment of Materials & Services Charges or arrangements to pay.

The Charge can be paid with cash, cheque, EFTPOS (credit or debit card), School Card, or direct debit by instalment:

1. In full by the due date.
2. In half by the due date, with the balance payable *on or before Monday, Wk 1, Term 2*.
3. By deposit, with the balance payable by instalments *on or before Monday, Wk 1, Term 3*, as negotiated in person with the Principal and outlined in an *Agreement for payment of M&S Charges by instalments*.
4. By School Card, with an application to be lodged by the due date.

Parents must advise the School of the preferred method of payment as early as practicable, and before the DUE DATE for collection, above.

#### Fee extension:

Parents/caregivers requiring further financial assistance can apply to the Principal for a fee extension beyond the Wk 1, Term 3 cut-off date of two-months only. All requests for fee extension will only be valid for the year of application.

### 3. Recovering overdue Charges

Unless an agreed payment arrangement or extension is in effect, overdue and outstanding Materials and Services Charges will be recovered through the following process, as guided by the Department for Education *Deb collection flowchart*.

1. **Friday, Week 5, Term 1 – DUE DATE –**  
**Reminder 1** is sent. A statement marked 'OVERDUE' with notice ('With Compliments' slip) is issued to outstanding debtors.
2. **Friday, Week 1, Term 2**  
**Reminder 2** is sent. A statement with letter requesting payment is issued to outstanding debtors.
3. **Friday, Week 5, Term 2**  
**Final Notice** is sent. A statement with letter requesting payment within 30 days to avoid debt recovery action is issued to outstanding debtors. *The Governing Council are informed of the distribution of any final notice.*
4. **Week 1, Term 3**  
**Debt recovery** options discussed with Governing Council (refer below). *Subsidisation of excursions/camps by the school will cease if no effort has been made to contact school to organise payment of fees.*

The payment of the Charge must be handled confidentially between the principal, appropriate administration staff and the parents/caregivers.

#### 4. Legal action

If accounts remain unpaid following recovery processes, the following options are available from **Week 1, Term 3**:

- Waive or reduce the Materials and Services Charge
- Write-off Bad Debts
- Engage debt collection (independent, Magistrate's Court or central Department for Education services)

Payment arrangements and subsequent legal action must consider the specific circumstances of the family, including any financial hardship.

#### Fee reduction or waiver:

When a family experiences financial hardship, but does not qualify for School Card, the principal is authorized to waive or reduce the Charge. This arrangement is to be dealt with confidentially between the principal and the parent/caregiver.

#### Bad debt write-off:

Only the Governing Council can approve the write-off of bad debts. The recommendation must come from the principal and maintain confidentiality (the governing council under no circumstances can know the name of the debtors); the approval must be minuted by the Governing Council.

## Roles and responsibilities

### 1. Principal

Ensure that the School complies with relevant legislation, SA Government requirements and departmental policies, instructions and procedures. *This includes correctly establishing, documenting, communicating and implementing financial management processes and procedures.*

### 2. Finance Officer

Provide operational support to the principal and governing council. The support must comply with relevant legislation, SA Government requirements and departmental policies, instructions & procedures.

### 2. Parents/caregivers

In the primary setting, a student's parents/caregivers are jointly and severally liable for the Charge. If parents/caregivers are separated and the enrolment form is signed by both parents, a single Charge invoice will be issued in the name of both parents and sent to both parents. If the enrolment form is only signed by one parent, the invoice can only be in the name of this parent, and only this parent is liable.

## Appendices

To ensure consistent implementation, the following local documents must be used, as required:

1. Agreement for payment of M&S Charges by instalments
2. Reminder 1. - 'With Compliments' slip
3. Reminder 2 – letter re: overdue materials and services charges
4. Final Notice – letter re: outstanding materials and services charges
5. Notification of debt write-off
6. Central debt collection formal request

In further support of implementation of this Policy, the following may also be consulted:

- Section 129 of the *Education and Children's Services Act 2019 (the 'Act')*.
- *Materials and Services Charge Instruction*
- *Materials and Services Charges process flowchart*
- *Debt collection (options) flowchart*

## Policy review

The principal, finance officer and Governing Council regularly monitor and review the effectiveness of this Policy and revise it as required (at least every 3 yrs).

**Policy reviewed and ratified: October, 2021**

**Date of next policy review: October, 2024**