Credit Control and Debt Management Policy

1. Introduction

Effective credit control maximises cash flows and minimises the risk to the Institute of bad debt. This policy is to enable effective control of all debts owed to the Institute; to manage the levels of debt and to minimise bad debt.

The Metanoia Institute receives income from the following sources:

Tuition Fees

Research Grants

Project Income

Clinic Income

Each type of income is collected differently and Institutes Credit Control and Debt Management Policy reflects this.

2. Purpose

The purpose of this policy is to:

- help to manage any financial and reputational risks to the Institute
- provide efficient procedures
- reduce the time and effort required to chase overdue debts
- prevent bad debt provision being lodge against the Institute accounts
- prevent loss through minimising the writing off bad debt

3. Responsibility

It is vital that all decision-makers in the institute are aware of the importance of cash management and fully co-operate with the Finance Team.

It is the expectation of the Institute that all students and other debtors will adhere to the payment terms and conditions specified in the contract agreement or invoice that relates to services provided.

It is the responsibility of the Institute to:

- raise fee notes and invoices and invoices on a timely basis
- to ensure income is recorded accurately and promptly
- to collect all income by the due date
- to follow up all debts not paid by the due date with an escalating process.

Metanoia Institute will communicate periodically with debtors to notify any money outstanding, with the expectations that debtors will respond by paying outstanding amounts or advising the Institute of any reason why the debt is not due. If an inadequate response is received from the debtor, the Institute will implement an escalating process of sanctions.

4. General Information

Student Payment Methods

The following payment methods are available

Cash – **Clinic only**

Cheque

Bank Transfer

Credit/Debit card

Direct Debit

Student Payment Options

- Fees can be paid in full
- An employer or sponsor may be invoiced direct for all or part of the fees. If this option is taken then a deposit is required. The student will be liable for any outstanding fees in the event of default on the part of the employer or sponsor.
- Students may pay fees with a deposit payable on acceptance of an offer followed by five further direct debit payments. **Deposits are non-refundable**

Tuition Fee Collection Procedures

Tuition fees become due on the last working days of the following months:

November

January

February

March

April

Other Debtors

Metanoia Institute standard terms and conditions apply. Invoices are due for payment on or immediately at invoice date.

Payment terms can only be changed with prior agreement with the Chief Executive Officer.

5. Debt Management Policy

Tuition Fees

If two consecutive direct debit payments are returned unpaid, the remaining outstanding balance will become immediately due.

If a Student Finance Loan or Post Graduate Loan is not approved, the student will be liable for the full fee.

The process to be followed in the event of tuition fees and other charges remaining unpaid after the due date will be:

- Emailed reminder letter – immediately payment has not been received
- Second emailed reminder letter – 7 working days after first email
- Final emailed reminder letter detailing sanctions to be applied – 7 working days after the second email reminder has been sent.
- Referred to Faculty Head for them to contact the student stating the following sanctions will be applied if payment of fees is not made.

Sanctions which will be applied to tuition fee debt

- Removal of Library/IT facilities
- Assessments not being carried out
- Exclusion from award ceremonies
- Removal from training
- Removal from enrolment
- Refusal of further enrolment

Research/Project Funders

All research or project funding invoices are due for payment according to the terms of the contract or agreement.

Metanoia Institute expects the co-operation of the principal employee involved in obtaining the contracts if invoices remain unpaid after the due date.