

# Payment Plan Procedure



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## PURPOSE

MADEC (MADEC Australia) is committed to supporting students to pay for their course fees by providing students who are unable to pay the full cost of their course fees up front or the course fee is more than \$1500, and who meet the eligibility requirements of this policy, equitable access to training opportunities by utilising a Direct Debit Payment Plan Agreement or a Centrepay Payment Plan Agreement.

## SCOPE

This policy applies to all MADEC sites that offer accredited training courses and the finance department that administers debtors.

## RESPONSIBILITIES

The National Training Manager has overall responsibility for ensuring compliance with this procedure.

## DEFINITIONS

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| Centrepay    | Students receiving a Centrelink payment are required to authorise an automatic deduction from their payment through Centrepay, if they wish to pay their fees by instalment.                            |
| Direct Debit | Students who wish to apply to pay their fees by instalment must agree to a direct debit from their bank/credit union account unless they have authorised a Centrepay deduction.                         |
| Guarantor    | a person who guarantees that any debt to MADEC will be paid, and agrees to pay any monies owed to MADEC should the student fail to do so. A Guarantor is mandatory for students under the age of 18yrs. |

## PROCEDURE

Payment Plans shall not be provided to any person less than 18 years of age, unless a guarantor is agreed to by MADEC.

Payment Plans shall not be provided for enrolment in short courses.

Payment Plans shall not be provided to employers or third parties.

Payment Plans may be refused where payment terms on a previous Payment Plan have not been adhered to.

Payment Plans shall only be provided for full qualifications whose fees are more than \$120 in total.

Payment Plans are mandatory for students whose course fees are more than \$1500 in total.

A Payment Plan is to be arranged and completed at time of enrolment along with appropriate accompanying document – ie. Centrepay or Direct Debit form with first payment to be dated at least a fortnight in advance. Finance will not accept Payment Plans with a commencement date in the past.

A minimum of \$20 is required per payment.

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Payment Plan form (under 10/over 10 instalments) must be used. Handwritten payment plans will not be accepted by Finance. Any handwritten Payment Plans or Payment Plans with errors will be returned to site for correction.

Payment Plan documents to be submitted to Administration Assistant – Training with enrolment paperwork. Payment Plan, Centrepay and Direct Debit forms are checked.

Administration Assistant – Training and Finance creates invoice on VETtrak. Payment Plan option is to be ticked during this process and payment type, frequency and payment amount entered.

A minimum deposit of \$100 is payable at the time of enrolment or payable on the first payment of the payment plan. The receipt number for deposits paid is to be included on payment plan, or copy of receipt to be included with enrolment form.

Invoice numbers are recorded on Centrepay and Direct Debit forms and forwarded with Payment Plans to Finance for processing. Centrepay forms are also forwarded to Centrelink via fax.

Credit card deposits recorded on a Payment Authority form are also forwarded to Finance for processing.

Payment Plan documentation is stored in student's file.

Direct Debit Payment Plans will incur an administration fee of \$15 which will be added to the Direct Debit Payment Plan.

The total Payment Plan shall be completed at least 30 days prior to the end of the student's course of study for which the Payment Plan has been provided. Delegation to vary this falls only with the National Training Manager.

Cancellation of enrolment does not necessarily cancel the obligation to make all payments under the Payment Plan.

Students who suspend their training are required to continue their payment plans or seek written permission from the National Training Manager to suspend payments until they return to their course of study.

Should a direct debit payment decline due to insufficient funds, it will be taken out with the next scheduled payment and a dishonour fee of \$15 will be included.

Failure to adhere to the payment terms stipulated in the agreement will result in the student enrolment being suspended and the student will not be permitted to attend classes until the amount outstanding has been paid.

Any remaining outstanding debts at completion of the program may be referred to a Debt Collection Agency for recovery. This may result in additional costs being incurred by the student.

Students will be excluded from further study and will have results and certificate's withheld until all outstanding debts have been paid.

## REFERENCES

ASQA RTO Standards 2015  
Victorian Training Guarantee Guidelines about Fees

## CUSTODIAN

National Training Manager