

MITCHELL HOUSE



Debtors Policy

(Reviewed and approved by the Board of Governors on 08 September 2015)

1. Purpose

The purpose of this policy is to standardise the procedure for the collection of outstanding debt and has been brought in line with provisions of the Consumer Protection Act (CPA), Act 68 Of 2008, and will apply to all Parents/Guardians of a child/children who are learners at Mitchell House at or from the date of implementation of this policy. All outstanding debt, including monies outstanding prior to this policy being implemented by the Board of Governors, will be covered by this policy.

2. Fee payment terms

- 2.1. Fees are charged and payable in advance no later than the 1st of each month. Ad-hoc fees are payable on presentation.
- 2.2. Fees may be paid annually and termly in advance at a discount. This percentage will be reviewed annually and may be obtained from the administrative office.
- 2.3. The standard requirement for collection of fees is by debit order.
- 2.4. Non-residents and those paying in foreign currency are not eligible to pay their fees by debit order.
- 2.5. A term's written notice is required should a child be withdrawn from the School or the Boarding Establishment. A term's fees will be charged in lieu of such notice should it not be given.

3. Procedure for payment of fees

- 3.1. Statements will be issued between the 15th and 20th of each month. As a norm, all statements, notices and communications will be emailed to the account holder unless specific arrangements are made by the parents/guardian. Please note that it is the account holder's responsibility to ensure that the Finance office has the correct and most recent contact information on record.
- 3.2. Debit orders will generally be presented for payment on the 1st of the month for amounts due in the current month and the 16th of the month for amounts due for the following month.
- 3.3. The school does accept debit and credit cards at the finance office. (American Express and Diners Club Cards are not accepted)

4. Procedure for non-payment of fees

- 4.1. All parents/guardians who do not comply with the payment of fees are effectively in breach of contract.
- 4.2. In the event of an account not being settled before the 7th day of the month parents/guardians will be notified in writing.
 - 4.2.1. The letter will give notice to the account holder that he/she is in breach of contract and that the account needs to be rectified within 20 business days to avoid termination of the contract and possible legal action.
- 4.3. Should no response be received within 15 days of the 20 day period, a reminder will be issued to the account holder.
 - 4.3.1. This 2nd Notice will remind the account holder that he/she is in breach of contract and that if the account is not settled within the 20 business day period, the Learner/s will be excluded from school and the contract terminated.
- 4.4. Non-payment will result in a final letter being issued informing the account holder that, because the breach in contract has not been remedied, the learner has been excluded from Mitchell House and the contract terminated in accordance with the terms and conditions of enrolment signed on entry to Mitchell House. This notice will further inform the account holder that the full outstanding amount must be settled within 15 days to avoid legal action. The legal cost, collection commission, VAT and accrued interest will be for the account holder's account.
- 4.5. Grade 12 learners will not be registered for the final IEB exams if the account is not paid to date by the end of the first term.

5. Termination of Contract

Once the contract is terminated:

- 5.1. The learner will be excluded from Mitchell House and alternative arrangements for the learner/s education will need to be made by the Parent/Guardian.
- 5.2. Parents/Guardians may reapply to Mitchell House after the account has been settled in full, but a learner cannot be guaranteed acceptance. A new enrolment contract will need to be signed if a learner is readmitted.
- 5.3. Any bursary or scholarship that was previously awarded will be withdrawn.
- 5.4. On re-acceptance of the learner, a refundable deposit equivalent to 3 (three) months fees may be required. The account holder will be obliged to pay subsequent fees by monthly debit order.

(No enrolment fee will be required as long as the learner returns within 6 (six) months of termination).

6. Exception to Excluding a Learner from Mitchell House

- 6.1. In the event that the notice period falls within a formal exam period, grade 1 to grade 11 learners will be permitted to complete the exams. However, their results will only be available from the Bursar's office and should be collected by the account holder. Learners will be excluded from Mitchell House at the conclusion of the exam period.
- 6.2. Grade 12 learners will not be excluded after the first term. However, the learner will not be included in any extra-curricular activities including matric farewell events, or be allowed to represent the school in any academic, cultural, or sporting events. Fees for the year will be deemed payable and the account will be handed over for legal intervention.

7. Making arrangements on outstanding accounts

- 7.1. All requests for arrangements must be submitted in writing.
- 7.2. No arrangement will be deemed accepted unless written approval is given by the Bursar.
- 7.3. Parents/guardians will only have an opportunity to make an arrangement during the 20 day notice period (see 4.2.1). **Thereafter no arrangements will be accepted.**
- 7.4. The Bursar may request an interview with the parents/guardian before any arrangement is accepted. At the discretion of the Bursar, the Chairman of the Board and/or the Financial Portfolio Chairman may be requested to attend such a meeting.

8. Interest and Administrative Charges

- 8.1. Interest on overdue accounts is charged monthly on all outstanding fees. The interest rate has been set at 2 % per month.
- 8.2. The following administration fees are applicable:

8.2.1. Returned Debit Order / RD cheques	-	R 150.00
8.2.2. Notice of outstanding account	-	R 200.00
8.2.3. Notice of termination	-	R 250.00

9. Refunds on accounts and deposits

A credit balance on the account of a learner who has left the school will be refunded to the account holder within 6 months of the date of departure.

- 9.1. Refunds will only be made via EFT.
- 9.2. Refunds will only be made into the bank account of the person/s responsible for the payment of the account, and not to any third party.
- 9.3. Should the banking details not correspond to those used for the debit order, banking details must be confirmed via a letter from the bank, a cancelled cheque or copy of the bank statement. Payment will only be effected after confirmation is received.