

## **Credit Control and Debt Management Policy**

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## 1. Introduction

Contained within this document are the terms and conditions under which debt owed to Glasgow Caledonian University is controlled. The aim of the Credit Control and Debt Management Policy of Glasgow Caledonian University is to ensure that the debt profile of the University is managed effectively, that debt owed to the University is converted into cash in a timely manner, that debt converted to cash is maximised and any potential bad debt is minimised. The University has many sources of income, which are collected by different methods.

This policy specifically covers the collection of academic debt relating to student tuition fees and Sponsorship Income, non-academic debt arising from ancillary services (including but not limited to accommodation, study trips, consumables) and Commercial debt.

Any student experiencing financial difficulties in repaying their University academic or non academic debts are invited to contact the Finance Office to discuss their account by telephone on 0141 331 8195 or by email on [arstudent@gcu.ac.uk](mailto:arstudent@gcu.ac.uk). In addition the University has experienced members of staff who will be able to provide advice for a wide range of issues that students may be facing. Full contact details are available in the Counselling Services and Funding Advice section of this Policy.

For the avoidance of doubt, in terms of the Credit Control and Debt Management Policy, we utilise professional and reputable debt collection agents, together with interaction with government agencies as required, to collect outstanding sums, and those third parties may apply charges. The collection procedure in respect of payment plans as detailed in the Credit Control and Debt Management Policy or otherwise does not involve any interest, charges or fees being levied by us.

The Sheriff Court at Glasgow will have exclusive jurisdiction to deal with any legal proceedings undertaken and in any such proceedings the Term (and any contract into which they are imported) will be governed by and interpreted in accordance with the law of Scotland and judicial interest/costs will be applied as appropriate.

## 2. Student Tuition Fees

As detailed in the **Fees and Refund Policy** all students on a programme of study at Glasgow Caledonian University will be required to pay tuition fees in respect of each academic year of the period of study.

The **Fees and Refund Policy** provides guidance on funding that may be available to students together with guidance on the payment terms and methods that apply.

Students retain the ultimate liability for the payment of their tuition fees. This applies in the event of payment default by a third party sponsor, such as the Student Loan Company or corporate sponsor/employer.

The University reserves the right to apply sanctions against any students who do not pay their tuition fees, or make satisfactory arrangements to pay, during the course of their studies. Sanctions that can be applied are detailed in Section 3. For the avoidance of doubt, no such charges, interest or fees will be levied by the University on any sums due by students under payment plans entered into

(except legal costs and judicial interest after a default) in line with the Fees and Refund Policy and other policies of Glasgow Caledonian University.

### **3. Student Tuition Debt Collection Procedure and sanctions applied**

Whilst the procedure to collect monies outstanding is specific to each individual case the following steps will be taken for all outstanding academic debt:

1. First reminder from the University – 14 days after due date
2. Second reminder from the University – 28 days after due date
3. Pre-Registration/ Graduation reminder from the University
4. If you do not pay your tuition fees in relation to your course then the University will;
  - Prevent you from registering or re-registering unless payment is made or payment plan is agreed. As a result you may be suspended from classes.
  - Prevent you from graduating unless payment is made or payment plan is agreed
  - Prevent you from receiving your official Academic Transcript unless payment is made or payment plan is agreed.
5. Legal Action Notice from the University
6. The University utilises the employment of professional and reputable debt collection agents, together with any interaction with government agencies as required.
  - Students who leave the University with any outstanding debt will be traced via the Debt Collection Agency engaged by the University and debts will be recovered via the appropriate legal process.
7. Withdrawal from Programme of study

**The University reserves the right to request payment in full prior to re-registration and Graduation from any student who has had previous outstanding academic debts to the University.**

### **4. Counselling Services & Funding Advice**

The University has a Campus Life Team who can assist students in a wide range of additional support; they offer both practical and counselling support to help students be successful in their studies.

The Counselling Team can be contacted on 0141 273 1143 or e-mail [positiveliving@guc.ac.uk](mailto:positiveliving@guc.ac.uk) .

### **5. Sponsorship Debtors**

The University's standard terms and conditions state that all invoices are due for immediate payment. Exceptions to this must be agreed in advance with the Financial Controller.

If the student has arranged for the tuition fee to be paid in whole or in part by a sponsor, the Finance Office will invoice the Sponsor directly. In the event of a sponsor defaulting on payment, it is the student's responsibility to pay the fees. The student will receive an invoice for all outstanding fees. This invoice will be due immediately as per the standard terms and conditions and student debt collection procedures as outlined in section 3 will thereafter apply.

## 6. Sponsorship Debt Collection Procedure

Sending reminders to debtors is the responsibility of the Credit control team within Finance. Whilst the procedure is specific to each case the following steps will be taken to recover debt:

1. Written reminder from the University
2. Final reminder from the University
3. Direct Contact from the Credit Control team at GCU
4. Invoice direct to student

## 7. Non-academic Student Fees

As detailed in the **Fees and Refund Policy** students may receive an invoice for non-academic services, including accommodation, study trips and consumables.

The **Fees and Refund Policy** provides guidance on the payment terms and methods that apply.

Students retain the ultimate liability for the payment of these services.

For the avoidance of doubt, no charges, interest or fees will be levied by the University on any sums due by students under payment plans entered into in line with the Fees and Refund Policy and other policies of Glasgow Caledonian University. The University reserves the right to claim legal costs and judicial interest after default from students who fail to pay in accordance with any agreements made with the University.

## 8. Non-academic Student Debt Collection Procedure

Whilst the procedure to collect monies outstanding is specific to each individual case the following steps will be taken for all outstanding non-academic debt:

1. First reminder from the University – 14 days after due date
2. Second reminder from the University – 28 days after due date
3. Legal Action Notice from the University
4. Contact to guarantors for accommodation debt
5. The University utilises the employment of professional and reputable debt collection agents, together with any interaction with government agencies as required.
  - Students who leave the University with any outstanding debt will be traced via the Debt Collection Agency engaged by the University and debts will be recovered via the appropriate legal process.

## 9. Commercial Debt Collection Procedure

The University's standard terms for external customers are 30 days from invoice date

Sending reminders to debtors is the responsibility of the Credit control team within Finance. Whilst the procedure is specific to each case the following steps will be taken to recover debt:

1. Written reminder from the University
2. Final reminder from the University
3. Direct Contact from the Credit Control team at GCU
4. Referral to a Debt Collection Agency

Queries on commercial debt should be made to the Accounts Receivable team by emailing [arcommercial@gcu.ac.uk](mailto:arcommercial@gcu.ac.uk) or calling 0141 331 8195.