

# Debt Management Policy



**Rationale** To provide guidance on debt management.

**Purpose** The purpose of this policy is to provide guidance around the management of debt and to outline the circumstances when girls are excluded because of unpaid debt.

## **Guidelines**

- Parents are responsible for applying for funding for girls in hardship situations. Applications may be made to other organisations such as the GirlGuiding NZ Foundation and Rotary or Lions clubs. These applications must be in the girl's name
- Where there is an outstanding debt it is expected that all reasonable efforts to reduce this debt will be made. Girls will be excluded from GirlGuiding opportunities (both programme and camps) if debt is outstanding for two terms, and if there is no payment arrangement in place staff will notify leaders to exclude girls at this point. Leaders can seek support from staff to enforce this if required. In addition the debt will be referred to an external collection agency.
- If a payment plan for repayment of overdue debt is agreed it should be for a period no longer than six months. These are different to regular weekly payment plans to keep within the current credit terms.
- Debt for girl members who are no longer active will be sent to debt collection if the debt remains unpaid at the end of the month following cessation of membership, unless they have a payment plan in place and are keeping to it.
- Debt collection costs will be recovered in addition to the original debt and this must be stated on the payment request.

*Policy Number*

*Policy Review* Two yearly

*Last reviewed* March 2017

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