

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.
 - **For Programme** Girls will be excluded from Guiding while term fees remain outstanding for two terms, and there is no payment arrangement in place. Staff will notify leaders to exclude girls at this point.
 - **For Events** Girls will be excluded from events if payment is not made by the due date, and there is no payment arrangement in place by the due date. Staff will notify leaders to exclude girls at this point from the applicable event.
 - Outstanding debt outside of these conditions will be referred to an external collection agency. This will only occur for events if a payment arrangement is defaulted.
- 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- Debt for girl members who are no longer active will be sent to debt collection if the debt remains unpaid at the end of the month following cessation of membership, unless they have a payment plan in place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.

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