

POLICY



Student Sponsorship Management

Contact Officer

Assistant Director, Revenue Services; Manager Revenue Services
Office of Financial Services

Purpose

The purpose of this policy is to ensure efficient Management of processing and collection of student fees and charges for all the University's sponsored students.

Overview

This policy covers the key aspects of processing fees for sponsored students from the time the sponsor is set up in the Student One System, to the collection of fees and to the steps taken by the University to recover unpaid fees.

This policy aims to clarify the process for invoicing and collecting fees/charges from sponsored students. The following areas are relevant.

- Provide guidelines for the documentation required from prospective sponsors and information regarding sponsorship financial guarantees.
- Provide direction in invoicing and collecting fees from sponsors.
- Outline the steps to be taken when the fees/charges become overdue.

This policy is designed to ensure the University meets the requirements of the NSW Public Finance and Audit Act 1983(as amended) and the International Accounting Standards specifically with regard to the recording of monies owed to the University and Debt Management.

Scope

This policy is applicable to all students whose fees are either partially or fully paid for by a sponsor.

Foreign Currency Offshore students and Study Abroad students are not deemed to be sponsored students for the purpose of this policy.

The Policy

1. Definition

1.1 Sponsor

A sponsor is an entity that guarantees the payment and /or settlement of student fees and charges either partially or in full for a specified period.

1.1.1 External Sponsor

An external sponsor is an external organization that guarantees the payment and /or settlement of student fees and charges either partially or in full for a specified period, e.g. AusAid

1.1.2 Internal Sponsor

An internal sponsor is a Macquarie University Faculty and/or Office that guarantees the payment and /or settlement of student fees and charges either partially or in full through providing its general ledger account code details, e.g. Centre for Continuing Education

2. Documentation

The Sponsor must provide the following information, in writing e.g. a guarantee letter, to Revenue Services:

- The name and contact address including the name of a contact person whom Revenue Services can liaise on a regular basis throughout the duration of the sponsorship
- The study programme and/or unit(s) being sponsored
- The proportion of fees and charges to be paid by the sponsor (e.g. 100%, 50% etc) or specify a fixed amount of sponsorship
- The names and Macquarie University student identification numbers of all students to be sponsored
- The duration of the sponsorship.
- The Finance 1 Account Code if the sponsorship has been approved within any internal area of the university.

3. Credit Terms

Net 30 Days from the date of the Invoice/Statement of Charges.

4. Generating an invoice

All Invoices/Statement of Charges for Sponsors in respect of their sponsored students' fees and charges must be raised through the University's Student System where possible.

A sponsor is liable for all debt of its sponsored students. A sponsor cannot choose between which student it is paying for other than by withdrawing sponsorship, in advance of any fees becoming due, for a student. The sponsor's module will allocate payments received to total debt owing.

5. Accountability

All outstanding sponsor debts must be recorded in the University Finance System.

6. Generating a credit

All credit adjustments must be processed through the University's Student System and approved by the Chief Financial Officer, Office of Financial Services, or nominated representative.

7. Debt Recovery

The recovery of outstanding debts of Sponsors is the responsibility of the Office of Financial Services in consultation with Faculties, Departments and Offices. The recovery of outstanding debts should be carried out in accordance with the approved procedure and the Fee Rules stated in the University's Calendar of Governance, Legislation & Rules.

8. Doubtful Debts

8.1 Reporting Requirement

The University is required to provide for doubtful debts in its annual accounts in accordance with Accounting Standard AASB 139.

8.2 Timing

The provision for doubtful debts will be reviewed on an annual basis and adjusted accordingly to reflect the risk of non-recovery of outstanding monies.

8.3 Methodology

The provision for doubtful sponsor debts will be based on specific student debts where the student is no longer enrolled in a program at Macquarie University.

8.3.1 Review

The methodology used to calculate the provision for doubtful debts will be reviewed on an annual basis to ensure it represents a reasonable estimate of risk to the University based on historical data obtained.

9. Bad Debts

The University will write-off any bad debts on a regular basis, with a minimum of once a year, after all attempts to recover the debt have been exhausted.

9.1 Approval

All requests for bad debt write-offs must be approved by the Chief Financial Officer, Office of Financial Services.

9.2 Accounting

All bad debts that have been written-off will be written back to the cost centre that received the credit when the invoice was raised unless otherwise authorized by the Chief Financial Officer, Office of Financial Services.

9.3 Reporting

All bad debts written off shall be reported to the Finance and Facilities Committee as detailed below:-

<\$5,000 twice a year in aggregate.

	<p>>=\$5,000 to the next meeting of the committee in detail.</p> <p>10. Responsibilities</p> <p>The Chief Financial Officer is responsible for administering this Sponsorship Policy on behalf of the University.</p>
Keywords	Sponsorship; sponsored student; external sponsor; internal sponsor; fee rule 12

Date Approved	<i>TBA</i>
Approval Authority	<i>Chief Financial Officer</i>
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Amendment Dates	<i>NA</i>
Date for Next Review	<i>2 January 2010</i>
Related Policies, Procedures and Guidelines	<i>Debtor Management Policy Debt Recovery- Student Debtors Procedure</i>
Policies Superseded by this Policy	<i>NA</i>