The Schools Blog: Part 2 - Recovering fees whilst retaining relationships

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Unpaid school fees can cause a strain in the relationship between the school and parents and guardians. The school is often left in a difficult position where the desire to educate children competes with the financial viability of running the school. There are however, a few simple steps that can be taken to resolve conflicts about unpaid school fees between the school and parents and guardians.

1. **Telephone Discussions** – Informal discussions are an undervalued tool in resolving fee disputes. Whilst it may be more convenient in the short term to send statements to parents and guardians, a quick conversation with the parents and guardians can help to identify the underlying issues which are preventing payment. Smaller issues can be addressed quickly and efficiently so that the school fees are paid without the need to escalate the non-payment. Larger issues can be referred to a solicitor for consideration of the most efficient and cost effective forward in rectifying the non-payment.
2. **Payment Plans** – Breaking down the payment of school fees into smaller, more manageable amounts can do a world of good for parents and guardians who struggle with lump sum payments. It also gives the school peace of mind in knowing that the fees will be paid without having to chase parents and guardians for payment on a constant basis.
3. **Deeds** – Second only to Terms of Enrolment, Deeds are the single most useful agreement for schools in recovering school fees. Deeds can be easily incorporated into the package of enrolment documents provided to parents and guardians. A properly drafted Deed can be set out in easily understood English rather than legal jargon. Depending on the terms of the Deed, a Deed will provide the school with enforceable legal rights at a much reduced cost in comparison legal proceedings.

The options above are just a few ways in which the school can recover its unpaid legal fees whilst preserving the relationship with parents and guardians. For help with any of the informal recovery methods listed above, contact the Debt Recovery team at Matthews Folbigg on 9635 7966