



BUCKINGHAMSHIRE  
NEW UNIVERSITY

EST. 1891



# Commercial Debt Policy – Payment and Debt Procedures

Effective from January 2013 (updated March 2016)

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## Preamble

All University formal documents relate to the policies, strategies, procedures and regulations of the University having been approved by the appropriate formally recognised and constituted body. All University employees and students are required to adhere to the formal processes and regulations of the University.

This document should not be read in isolation as other University processes/formal documents could be relevant. A full listing of all formal documents is available on the University's website.

Any interpretation of the content of this formal document will be at the discretion of Finance Directorate

All previous versions of this document as approved by SMT shall be rescinded.

The names of committees and titles of posts may change from time to time. This shall not invalidate the powers of the equivalent successor committees or post holders.

**We will consider any requests for accessible formats eg Braille, tape, disc, email or a larger font size. Please let us know what you need by contacting the Finance Directorate**

Prepared by:	Finance Directorate	Date:	January 2013
Final Approval by:	SMT		
Review Date:	January 2014 – Reviewed 21.01.2014 Next review January 2015.		
Updated on:	March 2016		
Analysis of the effects on equality completed:			

## 1. Introduction

This document sets out the policy of the University in relation to commercial debt and student debt where the fee is paid by a sponsor, along with the debt management procedures.

The University's policies dictate the following:

- To ensure payment for invoices, tuition fees and charges are received at the correct time.
- To avoid high levels of debt each year and to reduce the amount of irretrievable debt.
- To reduce the amount spent on collection and legal charges.
- To provide clarity for customers, students and Bucks employees alike.

The Director of Finance along with the Finance Operations Manager is responsible for managing and reviewing this policy.

Finance employees within the Finance Directorate, Student Experience Directorate (The Student Centre) and Faculty Finance Employees are responsible for the effective operation of debt management procedures. All University employees are expected to be familiar with this policy and to contribute to its effective implementation.

## 2. Credit and Contracts

### 2.1 Credit Checking

Faculties or departments should carry out a credit check on any company or individual where they feel it necessary to assure the risk of debt to the University is minimised.

Conduct credit checks by one or more of the following methods you deem appropriate:

- taking up trade references
- taking up bank references
- obtaining a credit status report from a business information company
- analysis of audited accounts

### 2.2 Credit Limits

The Finance Directorate reserves the right to apply a credit limit should a customer's payment history or other information indicate that this is necessary.

### 2.3 Contracts

It is the responsibility of faculties and departments to ensure that contracts are agreed at the appropriate level within the University.

To minimise the risk of debt, purchase orders should be received prior to the provision of goods or services.

### 3. Invoicing and Credit Notes

All goods supplied and services rendered must be accounted for through the University's accounting systems.

Income must be billed through the University's financial systems. Faculties and departments are responsible for ensuring that invoices are created and issued via our finance system (QLX). No other invoice must be produced.

Value Added Tax (VAT) will be added to invoices as appropriate. It is the University's responsibility to determine the correct VAT rate. Customers cannot ask for a particular rate to be applied.

The Finance Department is solely authorised to create credit notes. Faculties or Departments should send a credit note request form to the Finance Directorate (OH4), via the internal post or via email to [income@bucks.ac.uk](mailto:income@bucks.ac.uk) providing full details for the credit to be applied. The Finance Directorate will create the credit note and either post or email to the customer or return to the Faculty or Department for issue.

Customers purchasing goods or services through our online store will receive an electronic VAT invoice at time of purchase. No other invoices for these goods/services will be issued.

Income received to our bank account which cannot be identified against an invoice may not be applied to the correct income codes. The Finance Directorate should be fully informed of all sources of commercial income expected; research, grants and contracts, as well as income from the provision of goods and services where an invoice has not been issued. Email details to [income@bucks.ac.uk](mailto:income@bucks.ac.uk).

### 4. Process for Pursuing Debt

4.1 The University standard credit terms are:

- Immediately in full on enrolment for tuition fees –
  - A student's account will be regarded as outstanding/in default where a payment is not received for enrolment.
- 30 days from date of invoicing for all other commercial activity, unless otherwise stated in a separate contract.
  - Accounts not paid within the 30 days payment period (NOT student fees) are in default.

The following collection procedures will commence on accounts that remain unpaid:

- When Finance representatives are pursuing debts, a series of overdue letters are issued to all customers. These are sent by post or via email, or both.
  - The usual timescale is
    - Letter 1 – 30 days from invoicing date.
    - Letter 2 – 45 days from invoicing date – confirming account in default.
    - Letter 3 – Final 'letter before action' notice.
- This timescale may vary according to the information supplied to the Finance Directorate. Telephone or email follow up is undertaken as necessary.
- Statements are issued to all customers on a regular basis.
- Regular liaison is maintained with originating departments who provide assistance in resolving queries.

4.2 Where an alternative payment arrangement is in force and that customer fails to keep to the agreement, the account will immediately be in default.

#### 4.3 **Allocation of Funds**

If a partial payment is made in respect of an account, the sum paid will be allocated against the oldest outstanding transaction.

#### 4.4 **Account in Default**

If, after the procedures detailed above are undertaken and payment is not forthcoming, the debts will be placed with an external debt collection agency.

#### 4.5 **Legal Action**

The University may opt to take County Court legal action on any unpaid account. The customer will be liable for any court costs associated with the legal process. If a County Court Judgment is awarded against a customer this may affect their future ability to raise funds or enter into credit agreements.

## 5. How to Pay

### **Option 1 – Direct transfer to bank**

You can transfer funds direct to our bank account. Our bank details are printed on all invoices.

Barclays Bank PLC  
High Street, High Wycombe,  
Bucks,  
HP11 2BG.

Account No: 90344443  
Sort Code: 20-40-71  
Swift Code: BARCGB22  
IBAN Number: GB93BARC20407190344443

Please quote the invoice number, account number or student ID as reference. Please ensure you transfer the required amounts. Any bank charges must be covered by the payer.

### **Option 2 – On-line payment**

Payment for short courses, conferences, events and some goods are available on-line through our online store at <http://store.bucks.ac.uk/>.

Payment of student fees only can be made online. Simply click on <http://bucks.ac.uk/epayments/>. You will need to enter the Student Identification Number and the student's date of birth. Simply choose tuition and enter the amount; you will then be prompted to enter your debit or credit card details. You will be sent an email receipt for any payment made.

### **Option 3 – Cheques**

Sterling cheques should be payable to 'Bucks New University' and posted to:

The Finance Directorate OH4, Buckinghamshire New University,  
Queen Alexandra Road, High Wycombe, Bucks HP11 2JZ  
Please note we are unable to accept euro-cheques.

## 6. Student Tuition Fees - Sponsorship

- 6.1 Students who have agreed with a commercial sponsor to fund their course should supply before enrolment and for each invoicing period:
- a sponsorship form at enrolment – available at [http://bucks.ac.uk/fees\\_funding/returning\\_fees/how\\_to\\_pay](http://bucks.ac.uk/fees_funding/returning_fees/how_to_pay) , or
  - a purchase order, or
  - a letter from that sponsor confirming sponsorship, clearly stating the amount of the sponsorship.
- 6.2 The payment of fees is due in full at or before the enrolment date. An instalment option, exceptionally, may be agreed at the discretion of the Finance Directorate before or on the enrolment date.
- 6.3 Students who withdraw or suspend
- Liability is for each term in which a student is in attendance on day 1 (typically, this would be one-third of the annual fee for each term) due at the beginning of each term, or
  - Students on courses with durations longer or shorter than the normal academic year will have fees calculated in accordance with the substantive delivery. Fees due at the start of each period. The specific dates will be set according to the start date and length of each course.
  - There is no cooling off period.

## 7. Other Student Debt Issues

### 7.1 Graduating Students

Students whose personal sponsor has not paid the fees will be treated as though they personally have a debt. It is the student's responsibility to ensure their fees are paid.

### 7.2 Sanctions for Students with Debt

Sanctions will be applied to students who do not conform to University policy for the payment of any amount owing in respect of tuition fees relating to the academic study.

Where a sponsor has failed to pay the student will be asked to pay the outstanding account.

A sponsor who withdraws sponsorship should write to the Finance Directorate immediately.