



# How to Improve Your School's Financial Health



## **How would you rate your school's financial health? Do you have a clear tuition fee policy that's communicated and enforced? Do you offer families flexible payment options and manage arrears professionally and consistently?**

As an organisation, do you have strong real-time oversight of key financial measures? Can you forecast expected revenue and cash flow? Do you know if delinquencies are increasing or decreasing? And crucially – do your processes keep sensitive personal and payment information safe?

If your school's approach to financial management offers room for improvement, read on for some best practice tips to improve your school's financial health – even in times of uncertainty.

### **► Communicate and enforce your tuition policy**

A clear tuition fee policy that's regularly shared will help your school avoid delinquency and reduce the administrative burden of tuition management.

- Have a transparent payment policy that's actively enforced.
- Your policy should be communicated regularly and posted in an easy-to-find location on your school's website and family portal.
- Don't formally communicate any grace periods to the school community, as this could encourage delinquency.
- Begin your payment plan before the start of the school year and ensure it finishes at least a month before the year ends so that you can chase any slow payers before the summer holidays.
- In hardship cases, try to get a commitment for a smaller-than-usual payment to be made on the regular date. Skipping an entire payment cycle can make it more difficult for families in the long run

### **► Offer flexible payment plans and a range of payment options**

- Provide flexible due dates and offer a wide range of payment methods to make it easier for families to pay in full and on time.
- Offer flexible due dates that accommodate varying family payroll dates and frequencies.
- Provide a variety of payment options including credit or debit card, online and phone payments.
- Encourage automatic payments to eliminate forgotten payments.
- Use discretion to allow certain families to manage their tuition payments autonomously by making manual payments within the nominated period at a time chosen by them.
- In hardship cases, work with each family individually and encourage them to make at least some contribution towards their regular payment. Offer to move a due date out by a week or fortnight or extend their payment plan by a month to lower instalments throughout the year.

## ► Use reporting and forecasting to manage your cash flow

With all tuition payments managed by one system, you'll have complete oversight of your school's current and expected financial position.

FACTS gives your school a real-time view via:

- Remittance reports: Show tuition payments that have arrived in your bank account and project future remittances, giving you cash flow certainty and helping your school manage paying its bills.
- Balances reports: Let you track outstanding tuition balances.
- Adjustment reports: Allow you to view charges and credits against each family's account so you can easily see how much that family owed initially and any discounts or financial aid they received.
- Delinquency reports: Highlight families that are falling behind with their payments and at risk of not fulfilling their tuition contract.
- Custom reports: Build customised reports and schedule them to be created and shared with key stakeholders.
- Reconciliation reports: Match FACTS to your integrated finance solution to identify uncleared direct debit payments, prepayments and other timing discrepancies.

## ► Manage arrears professionally and consistently

FACTS lets you see if any families are falling behind with their tuition payments and sends automatic reminders to boost your school's collection rate.

- An automated arrears management approach ensures no manual intervention or awkward conversations with families are required.

## ► Strengthen your data security

Schools must capture and hold a vast amount of sensitive information, including personal and payment data. FACTS ensures that this information is managed and stored safely and securely.

- Stop accepting cash and cheque payments so that there's an electronic record of all transaction.
- Use a PCI DSS (Payment Card Industry Data Security Standard) compliant payment processing platform.

Managing tuition payments effectively will allow your school to significantly improve your financial health. FACTS is a powerful tuition management platform that supports a best practice approach to tuition fees, with less administration, fewer errors and better security.

FACTS expands payment options for families and simplifies billing, budgeting, cash flow management and financial reporting for schools.

For more information, visit [www.factsmgt.com.au](http://www.factsmgt.com.au)

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