

SUBJECT: STUDENT ACCOUNTS RECEIVABLE BILLING AND COLLECTION**1. Purpose**

This policy is intended to establish standards for accounts receivable billing and to effect the timely collection of student accounts receivables.

2. Scope

This collection policy applies to:

- any individual with amounts due to the University, which for the purpose of billing, are posted as a Banner accounts receivable record;
- the personnel responsible for the administration of University policy;
- any private counsel or private collection agency employed by the University for the purpose of debt collection.

3. Authority

The Accounts Receivable (A/R) Officer reports to the Manager, Financial Services & Systems and is responsible for the administration of this policy and procedure. Authority for the policy rests with the Vice-President (Administration & Finance), through the Director, Finance & Budgets.

4. Definitions

- **University:** University of Northern British Columbia.
- **Individual:** Any person currently or previously enrolled in the University.
- **Student Account:** The financial record where all charges incurred by, and payments made on behalf of, an individual are recorded.
- **Student Schedule and Invoices:** The document which lists the individual's schedule of classes and shows the associated fees.
- **Due Date:** The date the debt is due and payable at the University. The Calendar states that unless otherwise authorized, all student fees must be paid in full on the first day of the semester.
- **Past Due:** Any student account that has not been paid in full by the due date.
- **Delinquent Account:** Any student account where the outstanding debt is from a prior term.
- **Debt:** Any sum due and owing to the University where the obligation has not been adjudicated, satisfied or set aside by court order, or discharged in bankruptcy.
- **Returned Cheque:** Any cheque tendered to the University that is subsequently dishonored by the bank.

5. Student Account Rights and Responsibilities

5.1 Rights: Each individual with an unpaid student account has the right:

- to be informed of the nature and amount of the charges incurred,
- to have adequate time to make payment of those same charges,
- to have access to his/her student account record,
- to dispute charges he/she believes to be in error,
- to petition for removal of charges due to hardship (see section 8c),
- to have the confidentiality of his/her student account protected,
- to be notified of any impending collection action,
- to be treated with respect and be free from harassment, and
- to have access to all policies governing his/her student account with the University.

5.2 Responsibilities: Each individual with an unpaid student account has the responsibility:

- to ensure that his/her financial account is in good standing at all times,
- to read and adhere to all written policies governing his/her student account,
- to insure payment of all charges legitimately incurred on the student account are made by the published payment due date, even if the payment is to be made by a third party,
- to insure that his/her billing address is correct and up-to-date,
- to notify the University if no billing statement is received,
- to submit disputes of charges and hardship petitions in writing (see section 8c), and
- to conduct all financial affairs with the University in a legal and ethical manner.

6. Billing

Timeliness of billing and effective collection procedures are essential to a sound student accounts receivable collection program. All correspondence as it relates to student accounts will be posted directly on the student web. The University shall insure that the individual receives adequate notification of the debt owing in the following ways:

- a) **Student Schedule and Invoice:** The Student Schedule and Invoice is issued to the student following the initial registration. Where there is subsequent registration activity, a revised Schedule and Invoice will be mailed within three weeks (based on the mail out schedule as established each term by the Registrar's Office). It should be noted that a student who withdraws from all classes will not receive a revised Schedule and Invoice.
- b) **Monthly Student Notice:** A monthly student notice shall be generated and posted to the student web account at 30, 60 and 90 day intervals to notify students of the current term balance outstanding on their account.
- c) **Notification of Collection:** The 90 day notice posted to the student web will include notification that the account must be settled within 15 days or it will be sent to collection.

7. Deferred Payment Plan

While the University is not in the business of lending money to students, the University shall provide for demonstrated cases of hardship, a deferral payment plan to assist an individual in meeting his/her financial obligation with the University. All plan requirements shall be established by the Accounts Receivable Officer (or their designate) and shall be clearly disclosed in writing to the applicant. The following conditions apply to all deferred payment arrangements:

- a) Upon the approval, an individual may apply for deferred payment of current term charges.
- b) A deferred student account is subject to the approved late payment penalties.

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- c) The deferred payment arrangements will be outlined on a Payment Plan form and will be signed by the individual and by the University representative.
 - d) The student account must be paid in accordance with the terms of the Payment Plan form and prior to registering for subsequent terms.
 - e) The deferred payment arrangement will be rescinded if the individual fails to comply with the requirements of the plan.

8. Contested Charges

- a) **Fee Disputes:** Notification of a dispute of charges or payments on a student account is to be filed in writing with the Manager, Financial Services & Systems or designate within ninety (90) days of the end of the term in which the dispute occurs. The dispute shall be researched and, if deemed to be valid, shall be immediately rectified. If there is insufficient evidence to make a determination, the individual must submit written evidence to support the dispute.
- b) **Academic Appeal:** All academic appeals must be submitted in writing to the Senate Committee on Academic Appeals (please see the Calendar in the section *Regulations and Policies* for more details). While it is acknowledged that certain academic appeals may impact the fees owing by a student, it is the position of the University that all fees are due and payable as stated previously. If a student wishes to delay paying these fees until the outcome of the appeals process is known, it is necessary for them to request a deferred payment option (see item 7 above).
- c) **Hardship:** The University understands that there are unforeseeable circumstances that may prevent an individual from continuing in studies for a given term. An individual may petition to have tuition charges waived on any class(es) he/she was unable to continue. The formal petition must be submitted in writing to the Senate Committee on Academic Appeals (please see the Calendar in the section *Regulations and Policies* for more details). Justifiable hardships, which occurred after the posted drop deadline for a term include, but are not limited to:
 - Illness or injury of a nature that would significantly impact the student's ability to continue attending class (physician's statement required).
 - Illness or injury of an immediate family member where the individual is the primary care giver, and unable to continue attending class (physician's certificate required).
 - Death of an immediate family member (copy of death certificate or obituary required).
 - Change in work shift which conflicts with the scheduled class (letter from supervisor on company letterhead required).

9. Non-Payment of Student Accounts

A student account is considered to be past due when payment of the amount due has not been received by the close of business on the due date. Failure to pay by that time shall result in:

- a) **Late Payment Penalties:** Late payment penalties, as approved by the Fees Committee shall be applied to the account until it is paid in full.
- b) **Financial Holds:** A financial hold will be placed on a student account, as it becomes delinquent. The hold will prevent future registration, the release of transcripts, and graduation.
- c) **Delinquent Accounts:** Accounts outstanding for 90 days will be sent a notice of pending collection action and where payment is not received within the grace period of 15 days, the account shall be assigned to an external collection agency.
- d) **Uncollectible Accounts:** (i) Where collection action has been unsuccessful, the student account will be written off as a bad debt. The account will be placed on a bad debt hold, which will prevent future registration, release of transcripts and graduation. The hold will be removed upon receiving payment in full of the bad debt amount, including interest charges, by certified cheque, credit card, cash, debit card or money order. (ii) The University reserves the right to initiate legal action in order to collect money owed by the student. The student will be notified in writing and given a 15 day grace period. If the student does not reply within this time frame, a court action will be undertaken.

10. Returned Cheques

A returned cheque is any cheque tendered to the University that is subsequently dishonored by the drawee's bank. The following steps shall be taken to deter any repeat issuance of a returned cheque by an individual:

- a) **Returned Cheque Penalty:** Cheques that are returned to the University will be assessed a \$15 penalty per occurrence. The penalty shall be waived if the cheque was returned in error from the bank (written confirmation required). Waiver of penalty for reasons other than bank error shall be considered on a case-by-case basis by the Manager, Financial Services & Systems or designate.
- b) **Second Occurrence:** A student who has a repeat occurrence of a returned cheque will have a NSF hold placed on the student account. A NSF hold prevents a student from paying their account with a cheque in the future. Accepted methods of payment will be cash, certified cheque, credit card, debit card or money order.
- c) **Billing of Returned Cheque:** An invoice will be sent to the student at the address or file as soon as the University receives the returned cheque from the bank. This invoice is due and payable immediately and becomes subject to the non-payment procedure as outlined in (9) above.

11. Administrative Withdrawal for Non-Payment

The University reserves the right to withdraw students where no attempt has been made to pay the account or make deferred payment arrangements. Students will be notified in writing of their pending withdrawal from classes and given one week to pay their account or to make payment arrangements. Students who fail to respond to this notification by letter will be withdrawn from all of their classes and the associated fees will be removed from the student account. The University will retain the registration deposit of \$100.

12. Credit Balances

Students who have a credit balance on their account may apply in writing to the Cashier's Office for a refund. Refund requests require a 2 week processing period. Where no refund request is received prior to the end of the term, the credit balance will be applied against charges in the following term. No refunds will be made on balances of \$10.00 or less.

Student accounts that have had no activity for two years will be considered dormant. The University will attempt to refund a credit balance to a student by mail to the address on file. In circumstances where an attempt to refund a credit balance is not successful after two attempts, the University will absorb the credit balance to revenue and a notation will be made on the student account. In the event that in the future communications are renewed with the student, this credit will be returned to their account.