

Late Fees, Holds and Collection of Student Accounts Policy

Date Effective: August, 2018 - Updated December 2018

Issued By: President's Executive Council

Contact: Student Financial Services, 814-393-1071

Policy:

This document establishes guidelines for the prudent collection of student accounts receivable in the best interest of Clarion University of Pennsylvania. This policy does not apply to the write-off of any federal loans. Policy procedures will be maintained by the Student Financial Services office.

Students are responsible for the payment of tuition/room and board bills by the due date as stated on the Student Statement of Account Invoice. The following information includes the billing process and procedures regarding student account balances:

Enrolled Students

- It is the responsibility of the student to ensure that their billing address is correct.
- The exact due date will be printed on the initial billing invoice.

Students who fail to comply with the statement due date and have a balance of \$1,000 or more will receive monthly past due invoices for a minimum of three invoices per semester. In addition, a Student Financial Hold will be placed on the student account. The consequences of a Student Financial Hold include:

- Being prevented from making any changes to the student's current registration
- Not being permitted to register for any upcoming semesters
- Clearance to take state or professional examinations will not be granted
- Requests for copies of Official Transcripts will not be accepted

To avoid having a Student Financial Hold placed on their account, students may take the following steps:

- Complete all financial aid paperwork according to the filing deadlines. Failure to do so, in a timely manner, causes delays in the awarding of student aid and will result in a past-due balance and a Student Financial Hold

- Pay tuition and fees in full, by initial billing due date, if financial aid is not yet in place.
- Apply for loans (federal/private) before payment due date
- Arrange to have payment vouchers for Employer Tuition Deferral Plans on file in the Student Account's Office prior to the start of classes each term.
- Arrange for the Monthly Payment Plan with to sufficiently cover each semester's charges for tuition and fees.

Late Fees

Late payment fees are assessed to invoice amounts equal to, or greater than, \$100, that are not paid by the invoice due date. Following are the late fees charged based on the unpaid invoice amount:

Unpaid Balance	Late Fee
\$100 - \$999.99	\$10
\$1000 - \$1999.99	\$20
\$2000 - \$3999.99	\$40
\$4000+	\$50

Maximum Late Fees per Semester = \$150

Returned Payment Fee

In the event your payment is returned unpaid for any reason, a \$40 Return Check Fee will be added to your MyClarion student account and a registration hold will be placed on the account until repayment is received. Repayment should be made with a **certified check or money order**. Please include a copy of the notification you receive, make the check payable to Clarion University, and mail to:

Clarion University
 Student Financial Services
 840 Wood Street
 Clarion, PA 16214

At the discretion of the university, if an account has more than two returned paper checks or electronic checks, payments will need to be made in the following manner:

- **Online:** Debit or credit (convenience fee applies to credit)
- **Mail:** Certified check or money order
- **In person:** Certified check, money order, cash or debit

Non-Enrolled Students

Once the semester has ended, and if the student is not enrolled in a future semester, financial holds are placed on all delinquent accounts regardless of the balance. Students will not be permitted to register for courses, add additional courses, or receive academic records (transcripts and diplomas) until the entire balance has been paid.

For the purpose of student retention, students whose balances are under \$1,000 will not be submitted to the Office of the Attorney General until after the drop/add period for the latest starting 7-Week sessions in mid-October and mid-March each academic year to give the student every opportunity to re-enroll in the current semester.

Also at this time, Clarion University Foundation owned housing charges will be removed from the student account for collection by the foundation's contracted collection vendor.

Per Management Directive, Commonwealth of Pennsylvania, Governor's Office, No. 310.10:

Agencies have the responsibility to collect on delinquent accounts in accordance with Management Directive 310.10. Once an agency exhausts all local collection efforts and has satisfied the three Dunning Letter requirement in MD310.10, the agency is authorized to refer their delinquent accounts to the Collections Unit under the Comptroller of the Pennsylvania Office of Attorney General (hereinafter referred as OAG). The OAG is statutorily authorized to collect delinquent debt for all state agencies and state universities within the Commonwealth of Pennsylvania.

Delinquent claims must be referred, compromised, or written-off in accordance with procedures

If the amount is less than \$100, the university can continue in-house collection efforts or write-off the account. Write-Off accounts of \$20 or more retain a Student Financial Hold. The consequences of a Student Financial Hold include:

- Being prevented from making any changes to the student's current registration
- Not being permitted to register for any upcoming semesters
- Clearance to take state or professional examinations will not be granted
- Requests for copies of Official Transcripts will not be accepted

If the amount is equal to or greater than \$100, the university must refer the receivable to the Office of the Attorney General for collection.

The OAG's collections process is as follows:

- The OAG sends out 2 dunning letters (30 days apart);
- The OAG sends out 3 dunning letters if the debt is over \$10,000.
- If the OAG has exhausted its attempt to collect the debt, the debt is then referred to a
 - First placement vendor and will work the accounts for 180 days; if efforts are exhausted the debt will then be referred to a Second placement vendor;
 - Second placement vendor will work the accounts for 380 days.

- After the debt has been exhausted by the efforts of the OAG, first and second placed vendors, the debt will automatically cancel as “exhausted.” The debit will then be returned to the university.

Third-Party Collection:

Accounts that are returned by the OAG with remaining balances will be written-off and then submitted to one of Clarion University’s contracted vendors for additional collection.

Regulatory Compliance of Third-Party vendors:

- Compliance with all higher education acts, rules and regulations, and due diligence protocols
- Fair Debt Collections Practices Act (FDCPA)
- Family Educational Rights Privacy Act (FERPA)
- Gramm-Leach-Bliley Act (GLBA)
- Red Flag Rules (FTC)
- Telephone Consumer Protection Act (TCPA)
- Unfair, Deceptive, or Abusive Acts or Practices (UDAAP)

Student Financial Holds will remain on accounts until paid in full.