



Operating Protocol & Procedure

Details:

Number: 326

Title: Validity of Tuition and Fee Charges Billed

Category: Students

Office of Primary Responsibility: Cashiers Office

Approval Date: 5/3/21

Effective Date: 5/3/21

Revised:

Purpose:

To allow students the opportunity to dispute the validity of their tuition and fee charges.

Applicability:

Students

Definitions:

Valid Charges are confirmed by:

- Signed student payment agreement, or
- Signed registration form, or
- Evidence of attendance, or
- Evidence of grade earned on file

Non Valid Charges must be reasonably confirmed by:

- No evidence of registration, and
- No evidence of attendance, and
- No signed student payment agreement
- Documentation of institutional error.

References:

[Standard Accounting Principle 5 Manual, CCCS](#)

Attachments/Related Forms or Documents:

1. Standard Accounting Principle 5 Appendix C
2. Final Demand Letter

Operating Protocol:

Students must be permitted to appeal the validity of their student debt. Students will receive a Certification of Student Loan Debt letter (final demand) mailed to their address on file with PCC. This letter will notify the student of their right to contest the amount of certified loan debt within 30 days of receiving the letter.

Procedure:

Please contact the Cashier Office at 719-549-3212 for additional information.

Guidelines

- Validity of Charges review requests must be **submitted in writing no later than 30 days** after receiving the Certification of Student Loan Debt and Due Process Rights letter. These dates are typically:
 - Summer semester: End of August
 - Fall semester: End of December
 - Spring semester: End of May

***If the deadline falls on a weekend, the validity of charges review request will be due on the next business day.

- If you were forced to withdraw from class for extenuating circumstances or you believe the college has made an institutional error, please explain the situation and provide any supporting documentation that you have. See Tuition Credit Request for Extenuating Circumstances through the Records Office, 719-549-3018.
- Accounts involving identity theft will be processed according to the Student Financial Aid Fraud and Identity Theft Protocol. See PCC Identity Theft Protocol through the Records Office, 719-549-3018.

Instructions

- Notify Cashier Office by mail (PCC Cashier, 900 W. Orman, Pueblo, CO 81004) or email cashier@pueblocc.edu within 30 days from the date of receiving the Certification of Student Loan Debt and Due Process Right letter (final demand) in writing.
- Provide a factual explanation as to why the amount of certified debt is incorrect using the parameters outlined above.

Process

- Validity of Charges Review Requests are reviewed by the Cashier Office on the Friday following the month the request for review was received.
- Student is notified within three business days after the review is appraised and a decision has been made. Notification of the final decision will be sent to your PCC student email account.
- Accounts determined invalid will be remitted as a write off request to the System Controller or delegate, the decision will then be made to approve that the charges may be reversed.
- Accounts determined valid will be due and payable immediately. Outstanding student loan debt will be referred to a collection agency and will result in additional fees and expenses including a collection fee of 30%.

SAP-5: ACCOUNTS RECEIVABLE POLICY

DATE APPROVED BY CONTROLLERS' GROUP: December 1, 1999

EFFECTIVE DATE: July 1, 1999

REVISED DATE: June 6, 2017
December 1, 2018

PURPOSE:

Establish an accounts receivable billing, write-off, and collections policy that is consistently applied across the Colorado Community College and Occupational Education System in accordance with CCCS Board Policy BP 8-190. When students do not drop or cancel their courses by census date, the student is responsible for tuition and fee payment. As a result, withdrawing from a course after census date may create a financial burden for students. Therefore, it is critical that student drops and non-attendance are identified and processed by census date to minimize consequences to both students and the institution.

DEFINITIONS:

Acceptable Alternative Methods of Payment: Students may utilize additional resources for guarantee of payment of amounts due. Acceptable alternative methods or guarantee of payment may occur through 3rd party sponsors paying on behalf of the student, completion of an approved external IT supported payment plan, or internal college payment plan. All internal college payment plans must have a fully executed signed promissory note (see Appendix E for required promissory note template).

Census date: The last date of the registration adjustment period where a class may be dropped and the charges will be removed from the student's account and the student will not receive a grade. Typically, census date falls within the first 15 percent of the term or part of term. After the census date a student may only be withdrawn from a course (cannot be dropped) and the student is still financially responsible for payment in full. A "W" is reflected on the student transcript for the withdrawn course.

Concurrent Enrollment Students: High School students taking classes concurrently at the high school and college level for which they receive college level credit. These may also be referred to as dual enrolled students and previously known as Post Secondary Education Opportunity (PSEO). These would also include ASCENT and Options students taking qualified high school program courses for which they would receive college credit. This would not include courses that High School students take for credit and non-credit that are self paid. Depending on the specific district contract, the responsibility for the payment of certain fees may fall to either the district or the student. Concurrent enrollment student accounts for which a school district is responsible for payment in part or in whole must have the receivables moved to third party accounts and processed accordingly.

Continuing Education: Courses for which credit is not provided or reflected on a transcript. Colleges must either: 1.) require students to enroll in continuing ed terms, and use the rate table for charging students or 2.) record a receivable corresponding to an executed corporate contract prior to the start of the class, or, 3.) require prepayment through an online storefront/emarket/payment in full or at the cashier window. For every continuing education course without one of the options above, (1, 2, or 3) a student may not attend the course. **A student payment agreement is required in all cases.**

Dischargeable Debt: All debt that does not fall into Nondischargeable Debt, as defined below.

Government Receivables: All receivables due from Federal, State, or local governmental agencies resulting from grant and contract expenses. This excludes charges transferred from a student account to a third party account.

Nondischargeable Debt: Debt for an *educational* loan with formal written loan agreement (e.g., student agreement) or promissory note (which specifies amount owed). Nondischargeable debt includes, but is not limited to, all Title IV or other federal related student assistance as defined in 11 USC Section 523(a)(8).

Nonstudent Receivables: All remaining receivables exclusive of those considered student receivables or government receivables (see Government Receivables and Student Receivables in this section).

Outside Party: See “Third party”.

Previously Written Off Accounts (113055): This applies only to accounts that were previously held at Colorado Collection Services (CCS), but had already been written off in BANNER. These were reestablished with a related 100% allowance (113345) upon initiation of the CCCS tax intercept process for tracking purposes but to exclude the balances for reporting in the financial statements. These accounts should be fully written off by 6/30/2017 or allowed to be carried forward with approval from the System Controller or delegate, on an annual basis, going forward.

Regular Term: Fall and Spring terms. Summer term is not considered a “regular” term.

Sponsored Student: A student whose charges are transferred to a Third Party. A student is not considered sponsored if they are only receiving financial aid. Sponsored students include concurrent enrollment students as well as corporate and government contract students.

Student Receivables: Money owed to the college for educational related services incurred on behalf of a student. Student receivables include, but are not limited to; all receivables for tuition, fees, residence halls, bookstores, and food services. These balances also include receivable balances transferred from a student to a third party, such as Concurrent Enrollment but do not include charges for services, such as child care and parking fines. Nonstudent receivables should be charged to term 000000 (see Non-student Receivable in this section).

Third Party: A third party or third party sponsor is an entity or person who has entered into an agreement with the college to transfer charges from a student(s) account to the third party’s account. These may also be referred to as “Outside Party”. This includes school districts paying for concurrent enrollment students, in total or in part, as well as corporate and government contracts. If charges are not transferred to the third party, and a direct payment is made to a student’s account by the third party, that payment is considered a student payment and any refunds are due back to the student. See also “Outside Party” above.

Validity of a Student Receivable: A student receivable (including concurrent enrollment students attending at CCCS college campuses) is deemed valid at such time that a student has enrolled in classes and the student has *not* dropped classes by census date. Students may drop courses *only* up to census

date. After census date, this debt is considered valid and if the student is dropped for any reason (including nonpayment or non-attendance) or withdraws, the student is still financially responsible for payment in full, although the student may have a grade of “W” given for the course(s). Evidence of a valid debt may include, but is not limited to, the following: a signed student agreement, evidence of registration, evidence of attendance, evidence of grade earned, documentation of payments made, etc. Depending on circumstances, student may appeal charges (see the Appeal Section below). Concurrent enrollment students attending classes at a high school are only considered valid receivables in accordance with the district or high school contract upon finalization of rosters or billings with the district (no later than 30 days after the end of a term).

Validity of a Non-Student Receivable: A non-student receivable is deemed valid at such time that the purchase of goods has been made or services have been provided to parties outside of CCCS entities.

STUDENT RECEIVABLE PROCEDURES:

Billing

Colleges must send each student a bill detailing all charges and payments on a monthly basis during the term or until paid. A final demand notice must be sent by the Bursar or Cashier no later than 30 days before sending the student account to collections. This demand notice must include a certification of the amount due and provide the student with due process and an opportunity to appeal the amount owed pursuant to C.R.S. §38-21-108(3)(a)(1)(A) and notification that the past due receivable will be submitted to a collection agency with a 30% collection fee added to the balance. See Appendix C. Bills may be mailed by postal mail or made available to students via electronic billing. The final demand letter must be sent via postal mail, regardless of whether or not it is also sent via electronic billing.

Student Payment Agreement (see Appendix B for current version)

Students registering online must agree to the Student Payment Agreement before they are allowed to register. A signed Student Agreement ***must be received*** from all students, including all manual registrations for Continuing Ed and concurrent enrollment where the students do not agree to the terms online. For concurrent enrollment agreements where the district is not responsible for all charges related to those specific classes, the college must also obtain a student agreement from the parent or legal guardian. For students under eighteen, the manual agreement must be in place, signed by the parents or legal guardian of the student. It may be beneficial to require additional information on the standard agreement, including social security number of the parent or legal guardian. The original agreement language must not be modified and will be updated centrally on an annual basis, as needed. Each college must determine the best practice for obtaining the manual agreements and archiving them in Banner Document Management (BDM).

Payment Plans

All payment plans offered by a college must result in full collection of tuition and fees due by the end of the term or earlier. Colleges must first attempt to utilize the external payment processor/servicer. If the student does not qualify for the external processor services (e.g., no bank account or credit card, etc) the

college may then offer their own college plan within the guidelines below. Colleges may elect to require a prepayment of a portion of the amount due upon the initiation of the plan.

If a college utilizes an external processor for a student's payment plan, instances may occur by which a new term is opened for registration prior to the payment plan being completed (fully paid). The automated hold process has already applied a hold to each of these student accounts. These holds may be lifted in the following situations:

Temporarily remove the hold if a student requests it in order to register for the following term, as long as the college completes all of the following steps:

1. Verifies there is adequate student aid available for the student in the following term that covers both the future and current term in full (if applicable).
2. The student is current on all payment plan amounts due up to that date.
3. The student is notified in writing that they will still be submitted to collections per standard procedures for all amounts past due - in addition, the student will be dropped for nonpayment on census date for the new term.
4. The hold should be reestablished once registration has been completed manually or through the next automated process.

OR

Lifted by initiation of college personnel for the term for all students under the following circumstances:

1. Verifies there is adequate student aid available for the student in the following term that covers both the future and current term in full (if applicable), and
2. The student is current on all payment plan amounts due up to that date.
3. If a student fails to make the final payments due, the hold will be reapplied and submitted to collections per the standard procedures and timing. In addition, the student will be dropped for nonpayment on census date for the new term.

If a college elects to offer their own internal plan, they must have a signed and dated promissory note with payment in full received by the end of the term (see Appendix E for required promissory note template). College internal payment plans are not permitted after the term has ended and must be remitted to collections in accordance with the Student Collection section below. Students with internal payment plans must have a registration hold placed for subsequent terms until the amount is paid in full. At such time that the student must drop or add classes after an internal payment plan is in place, they must contact the Cashier's Office during business hours to update the payment plan.

Refund Reversal Process

See Appendix F.

Third Party Promises to Pay Student Charges

There must be a formal agreement between the college and the 3rd party sponsor in order for the college to recognize the sponsor as payer of the student's charges – ideally both the 3rd party and student should

sign the contract. Should the account need to be remitted for collection, proper supporting documentation must be available to substantiate the amounts due.

Conditional contracts (e.g. depends on passing grade) must either be paid by census date by the student or the contract must indicate that the amount due will be applied to the student account balance if the third party does not pay when a condition is not met. At the end of the term, the third party will be billed. Subsequent payment by the 3rd party will result in a refund to the student. If a 3rd party sponsor is not conditional, students are *not* required to make payment up front. The 3rd party will be billed in accordance with the contract and nonpayment will result in submission to collections no later than thirty days after the census date of the subsequent regular term.

Excluding Concurrent Enrollment as well as government and corporate contracts, if the sponsor does not make the required payment by the end of the term (including when the student does not pass the course), the college must determine whether the charges will be reversed back to the student's account, or the 3rd party sponsor will be submitted to collections.

- If charges are reversed back to the student's account, the student must be notified of the debt and the College's collection process and timeline. The 3rd party sponsor will also be notified that charges will be placed back on the student's account.
- If it is determined the 3rd party sponsor is to be referred to a collections agency, then the 3rd party sponsor will be notified and the college must follow standard collection policy. State Board Policy and Accounts Receivable Collections Policy require that delinquent debt be submitted for collections no later than 30 days past the census date of the subsequent regular term.

Concurrent enrollment charges that are not paid by the school district within 30 days after the subsequent regular term census date must be submitted to collections per the normal student receivable collection process.

Government and Corporate contracts that are not paid within 30 days of the due date must be submitted to collections.

Payment of Prior Year Student Account Balances Using Current Year Financial Aid

In general, federal financial aid regulations require funds provided by the federal government only be used to pay for student charges for the award year for which the funds were provided. However, 34 C.F.R. § 668.164(c)(3)(i) permits a college to apply current year award aid of under \$200 as payment for prior year tuition, fees, and institutionally provided room and board, **without** obtaining the student's authorization. With student's (parent's authorization for parent loans) written authorization under 34 C.F.R. § 668.165(b), current year aid may be applied to other prior year charges of \$200 or more for educational related goods and services provided by the institution.

By federal regulation, aid from a prior award year cannot be used to pay current award year charges, even if the student requests us to do so. These amounts must be refunded. Students would have to remit separate payment for these instances. CCCS defines the financial aid award year as starting with fall term and ending with summer term.

Late Fees

Colleges may charge late fees as a fee for service. The college must have a written policy documenting the process for application and reversal of late fees. The late fee must be a flat fee and is excluded from the calculation for the statutory limitations on collection fees.

Hold

This policy only addresses the use of the T coded finance holds within Banner. These holds are to be used for financial purposes only and be placed and removed by financial personnel only. All colleges must honor the holds set by other colleges. The holds may only be removed or reset, even temporarily, as noted in the payment plan section above or depending on the bankruptcy status of the student. The college that placed the hold can be identified in SOAHOLD. Holds must be placed for the reasons identified in Appendix A and can only be removed upon full collection of amounts due or instances identified in the payment plan section.

Note that other departments also place holds other than T holds. These holds must not be placed, changed, or removed by finance staff.

During the current term, students owing funds and without a satisfactory payment plan in place, will have a finance hold placed prior to the start of registration for the next term. These holds will not be removed until the balance is either paid in full or the student account has met the circumstances identified in the payment plan section above.

Additionally, depending on the type of hold applied, registration may still be allowed for some students, such as those under Bankruptcy. To see the impact of specific holds, see Appendix A.

Student Collections

A student is expected, no later than course census date, to pay charges in full or make satisfactory alternative arrangement for payment of any remaining balances after financial aid is awarded or 3rd party payments are applied. Determination of payment plans offered by the college should be made in accordance with BP 8-190 and should ensure complete payment by the end of the term for which the amounts are owed. See **Payment Plans** above.

Colleges are required to submit all accounts \$50 or more to a third party collection agency. All third party collection agencies used by the college must be system approved vendors for which the system has a master contract in place. Colleges will execute a task order with the selected agency(ies). Balances from \$5 - \$50 must be submitted for tax offset for at least two tax seasons. Amounts under \$5 may be immediately submitted for write-off.

Prior to sending student accounts to collection, a final demand notice must be sent by the Bursar or Cashier no later than 30 days before sending the student account to collections. This demand notice must include a certification of the amount due and provide the student with due process and an opportunity to appeal the amount owed pursuant to C.R.S. §38-21-108(3)(a)(1)(A) and notification that the past due receivable will be submitted to a collection agency with a 30% collection fee added to the balance. See Appendix C. Bills may be mailed by postal mail or made available to students via electronic billing. The

final demand letter must be sent via postal mail, regardless of whether or not it is also sent via electronic billing.

First party debt due directly from students must be submitted to collections no later than thirty days after the census date of the subsequent regular term. Title IV aid returned after the term should be submitted within thirty days of the return of funds to the granting agency or within thirty days after the census date of the subsequent term, whichever is later. In instances that 3rd party payments are reversed after the related term, students must be submitted to collections within thirty days of the reversal or thirty days after the census date of the subsequent term, whichever is later.

Recognition of Collection Fees

Collection fees must be assessed by each college at 30% of delinquent balance owed. The 30% assessment reflects only a portion of the cost incurred by the college for the collection of delinquent debt. Colleges pay collection vendors for services provided. Thus, collection fee revenue assessed by each college is a separate transaction from collection vendor expense. Collection agencies must remit gross payments from each student back to the colleges and bill the colleges for their related service costs. Colleges may not net collection vendor expense against collection fee revenue. Reversal of collection fees must be approved by the System Controller or delegate, through the normal write-off process. This includes those fees applied in error. See SAP 10 for additional requirements regarding review of all reversal of charges.

Payments Received on Campus for Students at Collections

Student accounts should already have the 30% collection commission included and posted in Banner, before payment is accepted directly from a student whose account is at collections. Cashiers receive the funds, post the payment amount to the student account, and report the amount of the payment received to the appropriate collection vendor as a “direct pay” item. If the account is paid in full, all holds, billing flags, and delinquent codes should be removed.

Appeals

Appeal of Validity of Charges on the Student Account

Each college must have a documented process allowing the student to appeal the validity of the tuition and fee charges on the student account. See C.R.S. 38-21-108(3)(1)(A) and Appendix C. Students must be permitted to appeal the validity of their student debt whether or not they were sent to collections. Any modifications needed by colleges to Appendix C must be reviewed and approved by the Legal Department.

If the debt is determined to be invalid through the college appeal process, it should be remitted as a write off request to the System Controller or delegate. A determination will be made at that time to approve that the charges may be reversed.

Once a debt is determined valid, students may also appeal an offset taken by the tax intercept process. See **Tax Offset**, below.

Appeal for Extenuating Circumstances

Each college must have a documented process allowing the student to appeal charges on their account due to extenuating circumstances (excluding appeal on validity of charges addressed above). If the appeal is granted, the student balance will not be written off or reversed *but will be processed in the following order, as follows:*

1. Refunded to any 3rd party that paid the original tuition with a withdrawal (w),
2. Repaid to any federal financial aid owed to the college as a result of the appeal,
3. Credit the student account for any remaining balance due with a withdrawal (w), and
4. For any remaining tuition credit with a withdrawal (w), the student may receive a voucher for a future term to be used within the following three terms, or later as deemed appropriate in the circumstances.
 - a. If the student is unable to attend in any future term and use their voucher by the expiration date, the student forfeits the value of such voucher
 - b. All approved vouchers must be applied through the Financial Aid disbursement process.

Appeal Under Title IX Legislation

Appeals covered under Title IX legislation are reviewed by the college Title IX Compliance Officer. Decisions for these appeals are made independently and confidentially, exclusive of the requirements of this policy.

Tax Offset

Student balances may also be collected by Colorado Department of Revenue intercept of income tax return refunds or gaming proceeds. Balances collected with tax offset should be reported to the respective collection agency handling the student account so the balance at collections is reduced. Colleges do not pay collection agency vendors for amounts collected via tax offset.

Colleges must certify the amount of student loan debt to the Colorado Department of Revenue pursuant to C.R.S. 38-21-108(3)(1)(B). See Appendix D. Students have the opportunity to request a hearing of an intercept of a tax refund or gaming proceeds. Students who appeal the tax offset/intercept process are **only** appealing the ability to satisfy their debt via tax offset, not the validity of the student debt. A form is available for the student to submit to the local Clerk of the Court requesting an Administrative Hearing. Students are required to submit the written request for hearing with the State Department of Revenue within 30 calendar days after the time in which a CCCS Institution receives the request. Failure to request such a hearing within the 30 days shall be deemed a waiver of the ability to request such a hearing.

In addition, students who wish to appeal the validity of their tuition and fee charges must be provided that opportunity. See **Appeal of Charges on the Student Account** above.

Bankruptcy

1. Notification of Chapter 7 and Chapter 13 Bankruptcy

- a. Bankruptcy notice from the Court or verbal from student: immediately stops all further collection efforts of debt
 - i. Take off finance holds and put *Bankruptcy Claim – Cash Only (T3) hold* on student account
 - ii. Change delinquency code to 04 so that a \$0 tax offset is sent to DOR (stops tax offset)
 - iii. Notify all persons involved in billing and collection of student account to stop all collection efforts, including the Colorado Department of Revenue for tax offsets.
 - iv. If at a collection agency, either notify them of the bankruptcy so the agency stops pursuing the debt, or pull the collection account back from the agency
 - v. Note: a no bill flag should already be posted from the automated collection process
 - vi. Colleges must ensure there are no attempts to collect past due balances from a student who has filed for bankruptcy protection. Students are protected by a bankruptcy stay and statutory penalties may be imposed by the Court for violations of the stay (see USC §362).
 - vii. The Bankruptcy Claim – Cash Only (t3) hold allows for registration to occur and transcripts to be requested by the student. Courts have ruled that restricting these acts constitute an effort to collect debt. Registration may continue after a student files for Bankruptcy, with a cash payment hold on registration.
- b. In addition, if Chapter 13 Notice to Creditors or Notice for Possible Dividends is received:
 - i. File proof of claim and indicate debt is not dischargeable (if supported by documentation)
 - ii. Wait until Plan is received. The Court will determine the order of priority for repayment from the debtor
 - 1. A stay is in place and payments may be received from the Trustee, however, collections cannot be pursued further by CCCS or Collection Agencies working on its behalf
 - 2. Debt discharged under the plan should be submitted for write-off and a Bankruptcy Discharge Cash Only (T4) hold should be applied.
- c. Discharge notice received from the Court
 - i. If a student agreement is in place
 - 1. Non-Title IV may be considered non-dischargeable and the decision on whether to pursue collections should be made in consultation with the System Legal Department. If a student agreement is in place for debt owing exceeding \$5,000, and CCCS Legal has determined assets are available and worthwhile to pursue:
 - a. The debt related to Title IV (Pell, FSEOG, FDL, FFELP, etc.) is *not* considered dischargeable and collections must still be pursued
 - b. Finance and cash only holds should be reestablished
 - c. If still in collections, delinquency code must be changed to 03
 - ii. If a student agreement is *not* in place
 - 1. Return of Title IV, regardless of dollar amount, is still not dischargeable and may be pursued with approval from the System Legal Department.
 - a. If still in collections the delinquency code must be changed to 03
 - 2. Non-Title IV debt should be submitted for write-off with copies of the associated discharge paperwork from the court submitted to the System Controller or delegate.

3. Bankruptcy Discharge Write Off Cash Only (T4) hold should be reestablished with an end date of at least 5 years but no longer than 10 years from that time. Exceptions may be made to override the Cash Only Hold if the student has verified student assistance to cover full payment of amounts due.
 - a. Bankruptcy Discharge - Cash Only Hold (T6):
 - b. Bankruptcy Discharge Hold: will require prepayment with cash or certified funds, or documentation for financial assistance coverage for registration for courses.

Write Off Procedures

Prior to year-end, the Accounts Receivable office will review, with the Controller, all past due balances (including student, non-student, and government accounts receivable). Accounts that are past due may be written-off with the following considerations:

- A. A college shall not write off individual accounts until a reasonable period of time has elapsed and there has been a determination that all collection efforts have been exhausted. At a minimum, uncollectible accounts must have been through tax offset for 24 months and worked by a collection agency for 24 months before determination of write-off, except in the case of a deceased student. Colleges may have discretion to immediately write off (not scholarship) the debt of deceased students by request to the System Controller or delegate or consider remitting collections to the decedent's estate. It is recommended however, that the deceased student's account be submitted for one season of tax offset from the decedent's estate.
- B. Balances cannot be held at collections for more than five years without prior approval from the System Controller or delegate. Five years is determined by the last day of the term for which the student debt is incurred, or the due date of the original non-student debt. Colleges should request a write-off for all accounts that have reached five years. If the colleges would like to continue collections on these old accounts, they must request this on an individual account basis from the System Controller or delegate annually.
- C. An approved write-off stops all pursuit of collection including tax offset and Write Off (T1) hold must be placed on the student account if it is not aged at least 5 years from the occurrence of the debt. This hold will prevent registration at all colleges. The write off hold must be end dated no later than 10 years from the occurrence of the debt, at the discretion of the college that placed the hold. Colleges should establish a documented end-date policy with applicable criteria to ensure consistent expiration of 'write off' holds is applied equally to all students. Criteria to be considered regarding the length of the write off hold include, but are not limited to, 1.) \$\$ thresholds of the debt outstanding, 2.) evidence of recent collection or tax offset activity, and/or 3.) status of bankruptcy.
- D. Students that have write-offs as a result of bankruptcy should have a cash only hold put on their accounts for no less than 5 years and not to exceed 10 years from the date the debt was originally due. These students should not have a Bankruptcy Write Off – Cash Only hold on their account. See Bankruptcy section.
- E. Colleges must request approval to write off accounts from the System Controller or delegate. If approved, colleges must pull all account balances from Collections at that time. For accounts of \$100 or less, after application of minimum steps detailed in (A) above, only a notice need be sent to CCCS prior to writing these off. For accounts greater than \$100, written approval by CCCS is required before write-off. All requests must include the following information:

- Student S#, if applicable
 - Debtor name
 - Current or former employee (yes or no)
 - Debt type
 - Term or date of original debt
 - Date of last payment
 - Current collection agency
 - Date of submission to current collection agency
 - Debtor balance including collection charges (sub-total at the bottom of the column)
 - Reason for requesting write off at this time
 - Support for Bankruptcy (discharge notice)
 - Support for Deceased (letter from agency or other official notification)
 - Assertion as to whether documented support for debt exists – hard or soft copies
 - Examples: Student account screens, promissory note, returned check
 - Must be signed and dated by the Controller and the Business Officer
- F. Once the College is notified of approval and balances have been pulled back from Collections, the individual accounts should be written off in Banner.
- G. Reversal of charges to student accounts: charges should ONLY be reversed in instances of errors by which the charge was not valid to begin with. Charges should not be reversed in order to remove legitimate account balances in lieu of write-off. See SAP 10 for additional requirements regarding review of all reversal of charges.

Student Financial Aid Fraud and Identity Theft

1. If contacted by an individual who claims they never registered or did not register for a particular class, this may be a case of Student financial aid fraud and identity theft.
 - a. Obtain all information to verify the facts and circumstances.
 - b. Advise the person their identity may have been stolen and used fraudulently in a financial aid application.
 - c. Refer the individual to IdentityTheft.gov and instruct them to follow all the steps to protect their identity.
 - i. File local police reports where the College is located and where the person resides.
 - ii. File an Identity theft complaint with the FTC on IdentityTheft.gov.
 - iii. Contact Credit Reporting Agencies and put a hold on their account.
 - iv. For student financial aid identity theft contact the U.S. Department of Education Office of Inspector General Hotline at www.ed.gov/misused. File a Loan Discharge Application: False Certification.
 - d. The individual must send a copy of the local police reports to the College Bursar or Cashier.
 - e. The Financial Aid Officer must report a security breach under the Gramm-Leach-Bliley Act on the same day a breach or suspected breach is discovered.
 - i. A suspected breach should be reported on the day the individual contacts the College to report a security breach.
 - ii. An actual breach is reported after receipt of the local police reports.

- f. Tuition and fees are written off by the College after the local police report and False Certification filing have been received by the College. If the individual is not willing to file a police report or False Certification, then the identity theft has not been reasonably confirmed and the amount of Tuition and fees will not be written off.
 - i. The remainder of Financial Aid that is refunded to the student is not written off until the US. Department of Education approves the False Certification. This could take several months or years.
 - ii. Stop all outside collections.
 - iii. Place a financial aid hold to prevent further fraud.
 - iv. Notify the System Financial Aid Director of suspected and actual Student Aid Fraud.

Non-Student Receivables

Posting non-student receivables into Banner Accounts Receivable allows for a separation of student receivables from other receivables. (For the definition of non-student receivables, refer to the 'Definitions' section above.) If the Accounts Receivable module is used to track these charges, term 000000 must be used. If the Accounts Receivable module is not used to track the receivables it must be recorded in the general ledger at the time the receivable is incurred. The related detail and aging must be tracked in a reconciliation going forward. Non-student receivables should be billed or invoiced or agreed upon by contract prior to delivery of goods or services.

Non-student Collections

Non-student receivables become delinquent 30 days after goods or services are received. The collection process must be initiated by issuing a final demand letter through postal mail no later than 30 days after the debt has become delinquent. Non-student receivables must be submitted to collections 30 days from the date of the final demand letter and must be sent through postal mail no later than 30 days before the account is submitted to collections. There can be a maximum of 90 days from the receipt of goods or services to the submission of an unpaid account to collections.

Non-student Write Off's

Follow applicable procedures under the 'Write Off Procedures' section above.

Non-student Aging

Non-student receivables should follow a 20% allowance per annual aging, as indicated below, except for those balances that are specifically identified with a respective analysis that supports a lesser amount or additional allowance as approved by the System Controller or delegate.

Example for Application of Allowances to Aging Receivables

- Year 1 Date of debt (July 1 – June 30 2017) x 20%
- Year 2 Date of debt (July 1 – June 30 2016) x 40%
- Year 3 Date of debt (July 1 – June 30 2015) x 60%
- Year 4 Date of debt (July 1 – June 30 2014) x 80%
- Year 5 Date of debt (July 1 – June 30 2013) x 100%

GOVERNMENTAL RECEIVABLES

Federal, State and Local governmental receivables are deemed 100% collectable and should be received within 30 days of the due date established in the written grant, contract, or agency agreement. (For the definition of government receivables, refer to the 'Definitions' section above.) These receivables are recorded via journal entry and are not posted in the Banner Accounts Receivable module.

At year end close of each year, all governmental receivables must be analyzed to ensure billing is up-to-date and any adjustments are considered and recorded as needed. CCCS will not recognize an allowance on governmental receivables, but rather, will specifically identify the uncollectable amount and immediately consider it for write off. Such adjustments should be limited to:

- Items considered uncollectible due to fiscal or program error resulting in the governmental agency declining payment in writing – if resolution cannot be immediately obtained, the receivable must be submitted for write-off approval with a detailed explanation resulting in its un-collectability
- Any other circumstance by which the College Controller and Business Officer have deemed the receivable to be uncollectible through specific identification of amounts due - the receivable must be submitted for write-off approval with a detailed explanation resulting in its un-collectability

Required Reconciliations

Reconciliation of collection inventory must be completed monthly and include a tie out from the General Ledger and the Accounts Receivable module to inventory by each collection vendor. In addition, colleges should monthly reconcile the funds received from the Department of Revenue Tax Offset Process with the funds received in CORE and posted to student accounts.

Calculation of the Allowance for Doubtful Accounts Student Receivables

20% per year *(excluding Prior Year write offs and related 100% allowance)

Year One (current year): 201X10 + 201X20 + 201X30 + 8201X1 + 8201X2 + 8201X3

Example as of 6/30/2017

Year 1 (201710 + 201720 + 201730 + 820171 + 820172 + 820173) x 20%

Year 2 (201610 + 201620 + 201630 + 820161 + 820162 + 820163) x 40%

Year 3 (201510 + 201520 + 201530 + 820151 + 820152 + 820153) x 60%

Year 4 (201410 + 201420 + 201430 + 820141 + 820142 + 820143) x 80%

Year 5 (201310 + 201320 + 201330 + + 820131 + 820132 + 820133 + older) x 100%

Note: Only the leading summer term is included for purposes of the aging allowance calculation (the 201810 and 820181 summer term is excluded in its entirety) as will third party student receivables established during that period. Prior year write off balances and related allowance, as well as restricted, agency, or non-student receivables are excluded for this allowance calculation.

*Appendix C Template for Bursar to Notify Student of Debt and Collection

[Date]

Re: [Name of Student, S #] Certification of Student Loan Debt and Due Process Rights

Dear: _____

This letter provides important information on your student loan debt as defined in the Student Payment Agreement to include all tuition, fees, fines and other charges, from [name of College] (the "College"). Please read it carefully.

The College has determined and hereby certifies that the amount of your student loan debt is \$_____ (excludes collection fees)_____. Payment of your student loan debt is delinquent and the College will refer this matter to outside collection unless you contact the Bursar's office and arrange for the immediate payment in full of any delinquency.

You have the right to contest the amount of certified student loan debt by contacting the Bursar's (or Cashier's or Accounting) office within 30 days from the date of this letter. Your objection to the certified student loan debt amount must be in writing and provide a factual explanation as to why the amount of certified debt is incorrect. The inability to pay the amount of certified debt is not a basis for objecting to the amount of debt.

The College is notifying you that unless arrangements are made for the immediate payment in full of any delinquency, the outstanding student loan debt will be referred to collection. Collection efforts can result in substantial fees and expenses, including a 30% collection fee, which will be added to the amount you owe.

The College will also notify the Colorado Department of Revenue of the amount of your certified student loan debt and direct the Department to offset any Colorado income tax return or other amounts you are entitled to receive from the State of Colorado. Your Colorado income tax refund may be reduced to pay for your certified student loan debt.

Please contact the Bursar's (or Cashier's or Accounting) office if you have any questions or to arrange for payment.

Sincerely,

College Bursar (CFO, Controller)

*Any changes to this agreement should be approved by the Legal Department.