



KENTUCKY STATE UNIVERSITY POLICIES AND PROCEDURES

POLICY TITLE:

Financial Clearance and Collections Policy

VOLUME, SECTION & NUMBER:

4.1.19

ENTITIES AFFECTED:

Students

ADMINISTRATIVE AUTHORITY:

Department of Finance & Administration

APPROVED BY:

The Kentucky State University Board of Regents

EFFECTIVE DATE:

June 12, 2026

REFERENCES:

Citations KY SB 185, KY HB 379

Purpose

The purpose of financial clearance is to ensure that students have satisfied their financial obligations to Kentucky State University prior to registration, housing occupancy, and other University services.

Policy

All students must obtain financial clearance before registering for classes each academic term. Financial clearance is granted when a student has:

- Paid all outstanding balances due to the University; or
- Established an approved payment arrangement through the Office of Student Accounts; or
- Secured sufficient financial aid, scholarships, grants, loans, or other authorized funding sources to cover University charges.

Students who do not obtain financial clearance by the established deadline will be subject to:

- Registration holds.
- Cancellation of course registration.
- Ineligibility to move into University housing.
- Restricted access to University services and programs.
- Withholding of official transcripts, diplomas, and other academic records as permitted by applicable laws and regulations.

Exceptions

Requests for exceptions to this policy must be submitted in writing to the Office of Student Accounts and will be reviewed on a case-by-case basis. Exceptions are not guaranteed and will not be provided as an exception to federal or state law. If approved, the approval must be provided in writing.

Administration

The Office of Student Accounts, in coordination with the Office of Financial Aid, and under the direction of the VP of Finance and Administration, Chief Financial Officer is responsible for administering this policy and determining a student's financial clearance status.

Definitions

Financial Clearance: The official determination that a student has met all financial requirements established by the University and is authorized to register for classes, occupy University housing, and receive designated University services.

Charges

Tuition, fees, room, board, and housing will normally be assessed at the beginning of each semester. Additional charges may be applied to student accounts for enrollment changes, dining plan changes, housing and conduct fines, activity and club participation fees, laptop rental, and fees related to other violations of University policy.

Credits

Payments, financial aid disbursements, and other adjustments that reduce the balance due.

Payment Guidelines

To maintain financial clearance and remain eligible for registration, housing, and other University services, students must adhere to the following payment guidelines:

1. Payment Due Dates

- Tuition, fees, housing charges, meal plans, and other assessed charges are due by the payment deadlines established by the University for each academic term.
- Students are responsible for reviewing their account balances and payment deadlines through the University's student information system.

2. Financial Clearance Requirements

Students must satisfy one of the following conditions by the published payment deadline:

- Pay their account balance in full;
- Enroll in an approved University payment plan;
- Have sufficient approved financial aid, scholarships, grants, loans, or third-party sponsorships to cover outstanding charges.

3. Payment Methods

The University accepts approved forms of payment, which may include:

- Online electronic payments;
- Credit or debit cards (where applicable);
- Cashier's checks, money orders, or personal checks;
- Approved financial aid and sponsorships.

Students should consult the Office of Student Accounts for a current list of accepted payment methods.

4. Payment Plans

- Eligible students may participate in University-approved payment plans.
- Enrollment in a University approved payment plan requires payment of the first installment.
- Failure to make scheduled payment plan installments may result in cancellation of the payment arrangement and the assessment of applicable holds or fees.

5. Outstanding Balances

Students with unpaid balances after the due date will be subject to:

- Financial holds on their account;
- Restrictions on registration and enrollment;
- Restrictions on housing assignments;
- Denial of financial clearance for future terms;
- Referral to collection efforts in accordance with University policy.

6. Returned Payments

- Payments returned by a financial institution for insufficient funds, closed accounts, or other reasons may result in additional fees.
- The University reserves the right to require future payments in certified funds following returned payments.

7. Financial Aid Recipients

- Students receiving financial aid are responsible for ensuring that they maintain required Satisfactory Academic Progress (SAP) and that all required documentation is submitted by established deadlines.
- If financial aid is reduced, canceled, or otherwise insufficient to cover charges, the student remains responsible for the remaining balance.
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8. Student Responsibility

Students are responsible for:

- Monitoring their University account regularly;
- Maintaining current contact information with the University;
- Paying all charges by established deadlines; and
- Promptly addressing any account discrepancies with the Office of Student Accounts.

Failure to comply with these payment guidelines may affect a student's ability to register, attend classes, receive academic records, or access other University services.

Past Due Balances

Under SB 185, Kentucky State University is required to diligently pursue collection of debts and refer qualifying debts to the Kentucky Department of Revenue for collection. Accounts with balances exceeding \$1,000 that remain due and owing for more than 60 days must be referred for collection. Students who are actively complying with and making the required payments an approved payment plan are excluded from certain restrictions.

Students are responsible for paying all tuition, fees, housing charges, meal plan charges, fines, and other financial obligations by the published due dates. Any unpaid balance remaining after the established payment deadline will be considered **past due**.

Financial Holds

The University will place a financial hold on the account of any student with a past due balance. Financial holds may restrict registration, financial clearance, and access to other University services until the account is brought into good standing.

Continued Enrollment

In accordance with applicable Kentucky law and University policy, a student with an outstanding balance exceeding **\$1,000** that has remained due and owing for more than **60 days** may be prohibited from enrolling or continuing enrollment at the University unless the student is making payments under a university-approved payment plan.

Collection of Past Due Balances

The University will make reasonable efforts to notify KYSU students of past due balances through official University communication channels, including email, wired account notifications, mailed correspondence, and telephone communications. Students are responsible for maintaining accurate contact information with the University.

Consequences of Past Due Balances

Students with past due balances may be subject to one or more of the following actions:

- Placement of a financial hold on the student account.
- Ineligibility to register for future academic terms.
- Restriction from modifying class schedules.
- Denial of financial clearance.
- Ineligibility for University housing assignments or renewals.
- Restriction of access to certain University services and privileges.
- Withholding of official transcripts (non-federal aid recipients), diplomas, or other academic records, as permitted by applicable laws and regulations.
- Assessment of late payment fees and other authorized charges.
- Removal from current courses and access to CANVAS.
- Removal from University housing and dining plans,

Payment Arrangements

Students experiencing financial difficulties are encouraged to contact the Office of Student Accounts before their account becomes delinquent. The University may approve payment arrangements at its discretion and in accordance with established procedures.

Referral to Collections

Accounts that remain unpaid after reasonable collection efforts may be referred to a third-party collection agency, the Kentucky Department of Revenue, or other authorized collection services as permitted by law. Students may be responsible for any collection costs, fees, interest, attorney fees, or other expenses associated with the recovery of the debt, to the extent allowed by applicable law.

DAYS PAST DUE	PROCEDURE/REQUIRED ACTION
1–30 Days	These payments are considered current; no action required.
31–45 Days	An email will be sent to the student’s KSU email address and any other known email address. Student will be contacted at least monthly until full payment is received.
30–90 Days	Student will receive a past-due notice email and a written warning letter at least monthly.
Financial holds will be placed on the account. 90–150 Days	Student will receive a past-due notice email and a written warning letter at least monthly. Financial holds will remain on the account. Additional actions to collect past-due payments may be taken. Note: After a student has not returned to the school for one term, the Bursar’s Office will send a final notice . After fourteen (14) days from the final notice , the Office of Student Accounts will begin the process of referring the account to an outside agency for collection.

Responsibility for Debt

A student's withdrawal from the University, dismissal, graduation, or failure to receive billing statements does not relieve the student of responsibility for satisfying outstanding financial obligations owed to the University.

Reinstatement of Good Standing

Financial holds and collection actions may be removed once the account balance has been paid in full or other satisfactory arrangements have been approved by the Office of Student Accounts.

