



KENTUCKY STATE UNIVERSITY POLICIES AND PROCEDURES

POLICY TITLE:

Collections Policy

VOLUME, SECTION & NUMBER:

4.1.19

ENTITIES AFFECTED:

Students

ADMINISTRATIVE AUTHORITY:

Department of Finance & Business Affairs

APPROVED BY:

The Kentucky State University Board of Regents

EFFECTIVE DATE:

November 28, 2023

POLICY STATEMENT:

Students at Kentucky State University are responsible for settling all incurred charges on or before any specified deadlines. This policy aims to outline the precise course of action for addressing unresolved student account balances. It is imperative for every student to understand their charges and fulfill their financial responsibilities in a timely manner. While the University understands that many students receive financial assistance from external sources, including federal financial aid, it is nevertheless essential to emphasize that any financial liability ultimately rests with each student.

PAYMENT GUIDELINES:**Payment Upon Registration**

Students are obligated to completely clear their account balances on or before the designated semester due dates, regardless of whether they have received a statement notification. Students will be required to sign and initial a "Statement of Student Financial Responsibility" at the start of each semester. Students who do not meet financial aid requirements, or who are unable to pay the entire balance by the published deadlines, must enroll in a payment plan with the University. The University currently offers a payment plan through CashNet, which is interest-free but requires a processing fee of \$35 per semester.

To avoid the potential consequences of registration termination, including but not limited to financial holds, eviction from University-owned residence halls, and ID card restrictions, students should be aware of published payment deadlines and ensure that they remit any outstanding payment on or before said deadlines.

Past-Due Balances

A balance is considered past due if it is not paid within thirty (30) days of a payment's due date. Students with unpaid account balances will be placed on a financial hold by the Bursar's Office. Students placed on a financial hold become ineligible for further registration, and their transcripts will not be released until their accounts are fully paid.

A late payment fee may be assessed when a student's account balance is not paid in full by the last day to add or drop classes. As aforementioned, other actions may also be taken, including but not limited to removal from registered classes, restriction on ID card use, and eviction from University-owned residence halls.

Students who do not make satisfactory payment arrangements on their past-due accounts may have their accounts sent to a collections agency. If the University retains a collections agency and/or attorneys to collect any amounts owed to it by a student, the student will be responsible for reimbursing the University for any fees charged by the agency or attorneys. Such fees may be based on a percentage of the delinquent account balance, with forty percent (40%) being the maximum percentage that can be applied. The student will also be responsible for all reasonable attorneys' fees and any costs and expenses incurred by the University as a result of its collections efforts. The University, or its associated vendors, may also report any information regarding an unpaid obligation to credit bureaus.

EXCEPTION:

Students whose balances remain \$500 or less after receipt of financial aid, scholarships, or partial payments will not be removed from their registered courses. These students will remain responsible for the outstanding balance, regardless of attendance, and a financial hold will be placed on their accounts until their balances are fully settled.

APPEALS:

If students believe there are errors with their bills, or if they require additional information about transactions listed on their bills, they must contact the Bursar's Office within sixty (60) days of their bills' dates of issuance.

COLLECTIONS PROCESS:

Mail and email notifications will be sent on predetermined dates to notify students and attempt to recover outstanding balances prior to using the services of a collections agency or law firm.

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	<p>Student will receive a past-due notice email and a written warning letter at least monthly.</p> <p>Financial holds will remain on the account. Additional actions to collect past-due payments may be taken.</p> <p>Note: After a student has not returned to the school for one term, the Bursar’s Office will send a <u>final notice</u>.</p> <p>After fourteen (14) days from the <u>final notice</u>, the Bursar’s Office will begin the process of referring the account to an outside agency for collection.</p>
