

Board of Trustees of the Nebraska State Colleges

Business and Finance

POLICY NAME: Delinquent Accounts and Write-Offs

POLICY NUMBER: 6303

A. PURPOSE

To document the expectations related to delinquent student accounts.

B. DEFINITIONS

1. **Delinquent Account** – Student accounts that are not fully paid by the established due date and that have no payment arrangements are considered delinquent.
2. **Write-Off** – The process of removing a student receivable from the accounting records.

C. POLICY

1. **Delinquent Account Collections**

1.1. Internal Collections

At the end of each semester, the College will conduct collection efforts internally for all delinquent accounts in accordance with System Student Account Guidelines.

1.2. Collection Agency

Within four months following the end of a semester, all delinquent accounts greater than \$200 that remain unpaid, or without a reasonable payment plan in place and with without an initial payment made, will be referred to the contracted collection agency.

- Accounts will remain at the collection agency for a minimum of twelve months.
- The Chancellor is granted the authority to file suit for the collection of delinquent accounts, on behalf of the Board, after appropriate preliminary steps have been taken to collect on those accounts.

2. Student Account Flags

Students may be restricted from registering or enrolling in the next term without an acceptable payment arrangement.

2.1. Global Service Restrictions

When a student account is past due, global service restrictions may be placed on the student account that prevent future registrations. Application and removal of restrictions must follow the System Student Account Standards.

3. Writing Off Bad Debts

The Colleges shall prepare a listing of uncollectible accounts for write-off including those returned from the collection agencies and those that are less than \$200. The lists shall be approved annually but could be more often according to the Student Account Guidelines and shall be approved in writing by the Vice President for Administration and Finance (VPAF) and shared with the Vice Chancellor for Finance and Administration (VCFA).

3.1. Permanent Restrictions

A record of the unpaid amount is retained in the student record system and account restrictions remain on the student account.

FORMS/APPENDICES:

None

SOURCE:

Legal Reference: Neb. Rev. Stat. 85-307 State colleges; president; collection of fees.

Policy Adopted: March 1994

Policy Revised: September 2013, January 2020, July 2022, August 2022, April 2024 -
Effective July 2024