

## Procedures for Collection of Balances Owed

### *Addendum to the Policy on Collection of Balances Owed to the University*

Laurentian University is committed to taking required and reasonable actions to ensure that the collection of overdue balances owing to the University are paid. The University will begin with internal measures to attempt to collect outstanding balances before ultimately referring unpaid balances to an external collection agency, if necessary.

### **Initial Steps and Financial Holds**

Fees for tuition, compulsory fees, incidentals fees, administrative fees, residence, and meal plans are due on specified and communicated deadlines within the Academic Year. Other receivables, including payroll overpayments, and miscellaneous vendor, grant or staff/faculty receivables are due upon notice unless otherwise specified.

### *Overdue Student Accounts*

Balances remaining on student accounts after the specified deadline are considered overdue and will be treated accordingly:

- **Late Fees and Interest:** After each Academic Deadline date (Fall, Winter, and Spring), the University will apply late fees to all accounts with outstanding balances. In addition, a monthly interest charge as approved each year by the Board of Governors will be automatically applied to past due accounts.
- **Financial Holds:** The University will take all necessary action to ensure that outstanding student balances are collected. A financial hold (restriction) may be placed on the student's account. This will prevent a student from:
  - Changing courses during the current term;
  - Registering for current and future courses;
  - Receiving Academic Documents, such as transcripts, diplomas, letters of permission, official confirmations, etc.; or
  - It may also lead to the student being de-registered for non-payment.

The University reserves the right to deny registration, releasing official transcripts and issue diplomas at graduation if outstanding balances exist. As a result, the University follows practices to ensure a fair and equitable internal process to collect on outstanding student balances as follows:

1. The student will be contacted by the University's collection department with a courtesy reminder of outstanding balances via telephone, email, and/or letter mail.
2. Statements of outstanding balances and final reminders are mailed to students. However, it is important to note that it is the student's responsibility to ensure that all contact information including but not limited to telephone number and address are up to date to ensure the University's collection department can successfully advise the student of these balances.

## **Other Receivable Balances**

Other receivables, including but not limited to payroll overpayment, staff/faculty receivables, miscellaneous vendor agreements, grant agreements, leasing agreements, or chargebacks due to services provided are considered due upon notice, invoice and/or signing of such agreement and will be recorded as a receivable balance on the University's financial statements accordingly.

### *Payroll Overpayments*

If an employee of the University is notified of a discrepancy in pay that results in an overpayment, the overpayment is due upon the payroll department notifying the individual. The payroll department may notify the employee via telephone, email, and/or letter mail regarding the balance.

### *Miscellaneous Vendor Agreements*

The University shall invoice businesses and individuals for agreed upon contracts for campus events and/or other services provided.

### *Grant Agreements*

Grant agreements that provide funding to the University shall be recorded as a receivable on the University's financial statements at the end of the fiscal year should the funds not be received within the fiscal year in which they relate.

### *Lease Agreements*

Lease agreements are invoiced as outlined within the agreement. Amounts owing are recorded as a receivable as the services are incurred for rental, utilities, and chargebacks.

## **Escalation and External Collection**

### *Overdue Student Accounts*

The University's ultimate goal is to resolve balances owing to the institution internally. As such, the University will attempt to work with current students in resolving the balance within their current term. However, if the balance is not paid in full by the following term, this will prevent the student from registering and/or obtaining any release of academic documents until such balance is paid in full. If an individual is no longer attending the institution and owes fees, the University will make reasonable attempts to collect the balance owing. In doing so, the University follows a three-point contact rule before escalating to an external collection agency. Therefore, should Laurentian's internal collection department still be unsuccessful in collecting these balances after three attempts and receives no response from the student via telephone, email and/or mailing of statements, the balance will ultimately be referred to an external collection agency.

## *Other Receivable Balances*

Balances owing to the institution that constitute as a balance receivable as stipulated above are considered due in full. The University will continue to follow up on a monthly basis regarding these balances. Consistent with our student process, the University continues to follow a three-point contact rule through the utilization of email, telephone and/or statements. If the University is unable to receive a response after three attempts to contact the respective party, the account will ultimately be referred to an external collection agency.

## *External Collection*

Referral to external collection creates a significant barrier between the debtor and the University and it is important to note that once referred to an external collection agency, the external agency will follow up with the debtor on behalf of the University regarding the outstanding balance. If an external agency is unsuccessful to resolve the balance with the debtor after a year of continual attempt to collect from the debtor, then this balance will ultimately be referred to the credit bureau for reporting.

## **Resolution**

Students, individuals, and businesses with outstanding balances owing to the University should take the following steps to resolve the situation and avoid consequences:

- **Contact the University's Collection Office:** By contacting the University's collection department at [collections@laurentian.ca](mailto:collections@laurentian.ca), the department can work with debtors to resolve the balance in a timely manner.
- **Explore Repayment Assistance Programs and Loan Agencies:** It is the debtor's responsibility to explore other channels that may be available to them to resolve the outstanding balance owing to the University such as lending agencies.

## **Fees Appeals**

All appeals must be submitted within the same Academic Year and can take up to four weeks to review. The University has the right to deny an appeal that has not been submitted within the required timeframe.

In certain exceptional situations, students may have grounds for an appeal to have their tuition fees reversed or refunded in part or in full. Incidental fees are non-refundable. Appeals will be considered on the following grounds:

- **Medical:** Supporting documentation from a physician or psychologist must be submitted to support the appeal.
- **Administrative:** Supporting documentation from a faculty and/or staff member of Laurentian University must be submitted detailing the reason for the appeal.

Appeals will not be reviewed in cases where:

- A student was unaware of or misinterpreted the policies, including course drop deadlines and related policies.
- Appeals will not be accepted solely on the basis of financial hardship.

It is also important to note that the decisions of the appeal office are final.

Students who are OSAP recipients for the term for which they are submitting an appeal will have any refund returned to OSAP on their behalf. In addition, students are required to pay a fee for the submission of any fee appeal. If the appeal is successful on the grounds of administrative error, the fee will be refunded to the student.

### **Student Restriction Committee**

The University has an internal committee named the *Student Awards & Fees, Financial Services, and Registration Committee* “SFRC”. This committee consists of individuals occupying the following positions at the University:

- Manager, Student Awards, Fees and Mylaurentian Hub
- Manager, Operations & Student Financial
- Director, Financial Services
- University Registrar & AVP, Student Enrolment Services

This committee ensures that students' accounts are considered using a process that is fair, equitable and financially secure. The purpose of this committee is to meet on a need basis to discuss restricted student accounts with outstanding balances over \$5,000 in which current students have requested registration due to extenuating circumstances. The committee considers student accounts based on the circumstance brought forth, timeline of expectation of payment to be provided from the student, previous payment history, and current academic standing of the student.

Students with a balance over \$25,000 that have been denied by the committee are forwarded to the Vice President Finance & Administration and to the Provost and Vice-President Academic for their review and final decision.

### **Writing Off Overdue Balances**

#### *Student Accounts*

During the year ended April 30, 2021 (“Fiscal 2021”) the University performed an inter-university polling exercise to obtain information regarding the practices of other universities regarding collection, interest and write-offs as it related to student tuition and associated fees. As a result of the responses received through this exercise, the Policy on Allowance for Doubtful Accounts (AFDA) was updated to include the write-off any balances that were greater than four years old unless:

- The student is currently an active registered student (i.e., the student may have left the university for 1+ years but have now returned to finish their degree)
- The student has agreed to a payment plan and is currently making payments

#### *All Other Parties*

All other receivable balances will be treated consistently with student accounts and will remain receivable for up to four years unless circumstances or events related to the balance occur that deem the balance uncollectible.