



Phillips Community College of the University of Arkansas

Accounts Receivable Policies & Procedures

Accounts Receivable Procedures

All students taking classes at PCCUA are allowed to charge tuition, fees, and related book rental charges to their student account upon registration. Payment is due in full before classes begin. Students who do not have complete, adequate financial aid or who do not pay their account balance in full at registration, will be required to pay a \$35 finance and handling charge to set up a tuition payment plan agreement.

Students, or their parents if the student is a minor, must sign the agreement agreeing to pay the balance in (3) three equal installments. The dates and amounts will be dependent upon the semester and the students account balance. A \$25 late fee will be charged to students who do not make payments according to the schedule as outlined in the tuition payment plan agreement.

All students must have their account cleared in the Business Office by the end of the eleventh week of classes or they may be administratively withdrawn from school for the semester. They will not be readmitted until their account is cleared.

Academic transcripts will be flagged for financial hold and will not be released to the student or another institution until the account has been cleared.

Probable Pell Recipients:

All students who submit a probable Pell will be required to sign a tuition payment plan agreement. The \$35 finance and handling charge will only be assessed if Pell is not approved and the payment plan becomes effective.

Monitoring of Accounts Receivable

The Business Office is responsible for monitoring the accounts receivable system.

Determination of Un-collectability

The Business Office is responsible for establishing procedures for the aging and collecting of those accounts. A.C.A. § 19-2-305, established guidance for the various state agencies to abate uncollectible monies owed them. In order to diligently and actively pursue the collection of accounts receivable, PCCUA may choose methods including, but not limited to:

- Contacting the debtor by telephone or letter within a reasonable time after an account becomes past due.
- Referral of the account to an external collection agency, to the extent that the cost of such referral does not exceed the maximum costs outlined in A.C.A. § 19-2-305(b)(2).
- Pursuing set-off of debt against income tax refunds as allowed by A.C.A. §§ 26-36-301 -- 26-36-320.
- Pursuing other means of collection that are deemed feasible and economically justifiable.

Aging of Accounts Receivable and Bad Debt

Accounts receivable are aged and an allowance realized for outstanding balances based on the following schedule:

Days Outstanding	Percentage Uncollectible
0 to 180 Days	10%
181 to 360 Days	50%
361 to 540 Days	75%
541 to 740 Days	85%
Over 741 Days	85%

Abatement of Debt

When the Business Office has completed its collection procedures, the listings of debts determined to be uncollectible are combined into a single request for abatement, which is sent to the Chief Fiscal Officer of the State of Arkansas. The Chief Fiscal Officer of the State will notify the College, in writing, when the request for abatement is approved.

All documentation relating to the abatement request is maintained by the Business Office and is available for audit review.

Academic transcripts for abated accounts will be flagged for financial hold and will not be released to the student or another institution until the account has been cleared.