

TEXAS SOUTHERN UNIVERSITY
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Fiscal Affairs

NUMBER: 03.08.06

AREA: Billing and Collections

TITLE/SUBJECT: Student Financial Obligation
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I. POLICY STATEMENT

This policy details all procedures relating to student financial obligations.

II. PURPOSE AND SCOPE

This policy outlines the circumstances within which a student with an outstanding debt to the institution may enter into an agreement to pay the debt over time. The policy also summarizes the federal guidelines regulating the application to outstanding balances of financial aid—commonly called Title IV, and administered through the US Department of Education.

III. DEFINITIONS

IV. POLICY PROVISIONS

1. Students with an outstanding account balance from previous terms may pay the debt over time specified in a Promissory Note (Exhibit A) for that purpose. Students with exceptional circumstances that demonstrate a financial need and ability to pay may be granted a Promissory Note with extended payment terms (Exhibit B). Extended Payment Promissory Notes will be evaluated on an exceptional basis.
2. The Promissory Note must be repaid within the prescribed payment period. This program is not intended to supplement or replace any regular long-term aid or assistance offered by the Student Financial Aid Office.
3. A Promissory Note is available only while school is in session.
4. A financial hold on a student's account can be removed with an executed and approved Promissory Note.
5. Students are responsible for paying their debt within the established Promissory Note deadline.
6. Non-payment of a Promissory Note within established deadlines can result in the reapplication of a financial hold. A financial hold on a student's account can result in a hold of their transcript, registration, and/or denial of future Promissory Notes.

7. A past due Promissory Note can be sent to a collection agency.
8. As stated in the *Federal Register Department of Education Federal Student Aid Programs 34CFR Part § 668.164 Disbursing Funds*, the institution may use title IV, HEA program funds to credit a student's account at the institution to satisfy:

- 8.1 Current year charges for:

- 8.1.1 Tuition and fees;
- 8.1.2 Board, if the student contracts with the institution for board;
- 8.1.3 Room, if the student contracts with the institution for room; and
- 8.1.4 Other educationally related charges incurred by the student at the institution, if the institution obtains the student's or parent's authorization under 34 CFR § 668.165(b).

- 8.2 Prior award year charges for a total of not more than \$200 for:

- 8.2.1 Tuition and fees, room, or board; and
- 8.2.2 Other educationally related charges incurred by the student at the institution, if the institution obtains the student's or parent's authorization under 34 CFR § 668.165(b).

- 8.3 Books and materials purchased with a book voucher, as stated in the Financial Aid Handbook Chapter 2 page 5-41:

- 8.3.1 The cost of books and materials purchased with a book voucher can be considered institutional charges if a book voucher issued by a school cannot be used to purchase course materials from a convenient unaffiliated source. The student does not have a real and reasonable opportunity to purchase his or her course materials elsewhere.

9. PROCEDURE

- 9.1 Up to \$200 of prior *aid-year*, outstanding financial obligations can be paid with current *aid-year* Title IV funds, consistent with Federal Department of Education regulations.

- 9.2 Students must sign and check the appropriate authorization boxes on the TSU Federal (Title IV) Authorization Statements (Exhibit C) before the university can apply current year aid towards a student's prior year outstanding balance.

- 9.3 Current *aid-year* funds can only be used to pay for non-qualifying charges if the appropriate authorization box is checked on the Texas Southern University

Federal (Title IV) Authorization Statements Form. All other amounts must be paid by the student.

- 9.4 The Promissory Note amount will be determined by The Office of Student Accounting.
- 9.5 Students may pick up Promissory Note applications in the Office of Student Accounting or on-line via the MyTSU web portal.
- 9.6 Students complete the applications and submit to the Office of Student Accounting. Processing time is usually one (1) business day; however, during peak times, such as the beginning of the semester, it may take up to three (3) business days. Incomplete applications will not be considered.
- 9.7 Students can have only one Promissory Note per term. If the Promissory Note is not paid in full by the due date, both transcripts and registration will be blocked (a hold placed on the account) until the account is paid in full. Failure to repay a Promissory Note can result in ineligibility to receive future Promissory Notes.
- 9.8 Decisions to approve the Promissory Note will be based on certain student criteria, such as the number of hours enrolled, GPA, and other outstanding promissory notes.
- 9.9 If approved, the Promissory Note will be applied to the student's account automatically. A receipt and copy of the approved Promissory Note application will be given to the student directly or e-mailed to the address on the Promissory Note application.

V. APPROVAL

Christina Ordonez-Campos, CPA

Controller

Kenneth Huewitt

Vice President of Administration & Finance/CFO

[Signature]

President

Effective Date 5/9/2018

Exhibit A – Promissory Note



Texas Southern University Student Accounting



Promissory Note Application
Outstanding Financial Obligations of Previous Term(s)

Date: ___/___/___ Name: _____
Last First M

Student ID#: _____ Phone #: (____) _____
Area Code

Address: _____
Street Number Preferred Email

_____ City State Zip Code

Outstanding Account Balance: \$ _____ Cumulative GPA _____
Anticipated Graduation Date

What financial resources do you have to make the monthly payments and repay this promissory note on time?

Promissory Note Terms & Conditions

I promise to fully repay this promissory note as shown above by [DATE]. I understand this promissory note represents an obligation to TSU. I understand that **A STUDENT WHO FAILS TO MAKE FULL PAYMENT OF TUITION AND FEES, INCLUDING ANY INCIDENTAL FEES, BY THE DUE DATE MAY BE PROHIBITED FROM REGISTERING FOR CLASSES AND RECEIVING TRANSCRIPTS UNTIL FULL PAYMENT IS MADE. A STUDENT WHO FAILS TO MAKE FULL PAYMENT PRIOR TO THE END OF THE SEMESTER OR TERM MAY BE DENIED CREDIT FOR WORK DONE THAT SEMESTER OR TERM.** I understand that a Texas state hold can be placed on my account, and that the past due promissory note can be sent to a collection agency. I agree to pay any and all collection costs associated with this promissory note. I hereby authorize TSU to initiate a transfer from my student account and apply against the balance remaining on my promissory note if allowable by DOE. If I withdraw from TSU for any reason, the amount of the promissory note is due immediately. I also understand that my signature represents that I have read and am in full agreement with the requirements for this promissory note. Payments on the promissory note are to be made at the Customer Service window in the Bell Building at 3100 Cleburne Avenue, Houston, Texas 77004 - (713) 313-7032. The terms of approved promissory notes will be available and will not change for 30 days after approval except as a result of adjustments permitted by law.

I certify that all information provided is true, accurate, and complete.

Applicant's Signature _____ Date _____

For Official Use Only			
<input type="checkbox"/> Approved	<input type="checkbox"/> Denied	<input type="checkbox"/> Forwarded for Further Action	<input type="checkbox"/> Refund Processing Authorization Form
Comments: _____			
Signature: _____		Date: _____	
Student's Acknowledgement: _____		Date: _____	
Entered By: _____		Date: _____	



Texas Southern University Student Accounting



REFUND PROCESSING AUTHORIZATION

Dear Student,

It is anticipated that you will receive a refund during Spring 2017. This refund is the result of receiving Title IV funds in excess of your allowable educational costs as defined under the Title IV regulations for federal financial aid. Your current term charges will be paid to the extent possible with your Title IV funds.

Title IV regulations do not allow us to deduct charges from a prior aid year or unallowable costs from current aid year funds without your authorization. Therefore you will need to pay the outstanding balance of \$_____ to prevent a financial hold from being placed on your account. If a financial hold is placed on your account, you cannot receive grades or transcripts, and you may be unable to register for additional classes. You will also be prevented from graduating until all financial obligations are satisfied.

For your convenience, we are offering the following refund processing options to you:

Refund Processing Options

- I would like my full refund issued to me.
- I would like TSU to deduct the full outstanding balance from my refund.
- I would like TSU to deduct a partial amount of \$_____ from my refund.

Authorization Statements

I am aware of my current outstanding balance of \$_____, which is _____ days past due. I understand that non-payment of this outstanding bill may result in a financial hold being placed on my account. I understand that not paying this debt may prevent me from selecting classes, reviewing grades and obtaining transcripts. In addition, I understand that non-payment of this outstanding bill will make me ineligible for future payment arrangements and my account is subject to being sent to an external collection agency after 120 days.

My authorization is valid for this agreement only. Any future authorizations require another agreement.

Name: _____ T# or SS: _____

Signature: _____ Date: _____

Please select one Refund Processing Option, sign and return this form to Student Accounting



Texas Southern University Student Accounting



Texas Southern University

Promissory Note Requirements

Definition: Promissory notes are legal and binding agreements between the student and the University. They are used to defer prior term/semester/year outstanding financial obligations that have been incurred but are not eligible to be paid by current year financial aid.

Purpose: Promissory notes at Texas Southern University are established to provide assistance to students who experience temporary financial difficulty in paying outstanding financial obligations from previous terms/semesters. The maximum promissory note amount and the repayment period for extenuating circumstances will be determined by Student Accounting in conjunction with Student Financial Aid and TSU Business Affairs.

Eligibility Requirements:

1. Currently enrolled at TSU with 6 hours or more
2. 2.0 GPA or higher
3. No past due promissory note balances
4. Not graduating in the upcoming semester

Repayment Terms:

This is a zero interest promissory note. There is no option to defer payments. There is no penalty for early payment of the debt. There are no late payment fines. However, failure to pay by the due date can prevent you from registering from classes, receiving transcripts, and receiving additional promissory notes or installment payment plans. Additionally, you can be denied credit for classes taken. Filing for bankruptcy does not relieve you of the obligation to repay this promissory note. You may still be held responsible for full payment. The terms of approved promissory notes will be available and will not change for 90 days after approval except as a result of adjustments to interest rates and other changes permitted by law. Upon graduation the promissory note balance is due immediately. Otherwise the student risks not receiving a diploma and may have to reapply for graduation to receive a diploma the following semester.

Cancellation:

This promissory note may be cancelled at any time. There is no penalty for cancellation. However, the balance due on your account will become immediately payable in full.

Cancellations are allowed in person and via email or fax. Cancellations are only allowed with photo identification.

Repayment Period: The promissory note must be repaid within the prescribed payment period as agreed upon. The promissory note represents an obligation to TSU. If the promissory note applicant withdraws from TSU for any reason, the amount of the promissory note is due immediately. Should the promissory note applicant have a credit balance on their student account and at the same time an outstanding amount on this promissory note, TSU can initiate a transfer from the student account and apply against the balance remaining on the promissory note. It is not the intent of this program to supplement or replace any regular long term aid or assistance offered by the Student Financial Aid Office. Promissory notes are available only while school is in session.

A student can have only one promissory note per term. A student who fails to make full payment of tuition and fees, including any incidental fees, by the due date may be prohibited from registering for classes and receiving transcripts until full payment is made. A student who fails to make full payment prior to the end of the semester or term may be credit for work done that semester or term. Additionally, failure to repay a promissory note can result in ineligibility to receive future promissory notes.

Processing Time: Please allow up to three business days for an update by email. Incomplete applications will not be considered.

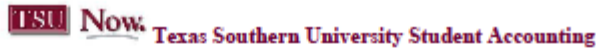
Application Process: The application must be typed or printed legibly and must be signed by the applicant. The student will present the completed and signed application to the Accounts Receivable Section of the Student Accounting Office in Bell Building along with their student ID and driver's license/state ID.

Promissory Note Decisions: The promissory note amount will be determined by Student Accounting in conjunction with Student Financial Aid and TSU Business Office. Decisions will be based upon university guidelines and ability to pay the amounts due. If approved, the student will be sent an e-mail and must either respond to the e-mail for further processing or return to Student Accounting to sign as acknowledgement of being approved. The promissory note will be not be applied to your student account automatically. If you are denied, you will be sent an e-mail letting you know why you were denied.

Alternative Financing

TSU may have alternative financial assistance available to you. You may obtain additional information concerning Federal financial assistance from TSU Financial Aid office or at the U.S. Department of Education website www.ed.gov. To find out about TSU specific financial assistance, please contact the TSU Financial Aid Office at <http://em.tsu.edu/financialaid/index.php>

Exhibit B – Promissory Note Extended Payments



**Promissory Note Application
Outstanding Financial Obligations of Previous Term(s)**

Date: _____ Student ID: _____

Student Name: _____
 (Last) (First) (Middle)

Local Telephone #: _____ Student Email Address: _____

Permanent Street Address: _____ Permanent Phone# _____

City _____ State _____ Zip _____

Outstanding Account Balance: \$ _____ Cumulative GPA _____ Number of Hours Enrolled _____

Please check the payment terms requested:
 1 Payment Extended Payments

Determining Payment Due Date For The 1 Payment Option - Circle the Current Term			
Fall	Spring	Summer I	Summer II
Payment Due By: _____	Payment Due By: _____	Payment Due By: _____	Payment Due By: _____

What caused your request for extended payments (brief background of your account and financial situation):

What financial resources do you have to make the monthly payments and repay this promissory note on time?

List the name and complete address of your nearest relative (excluding parents) who will always know your address (i.e., aunt, uncle). If no other relative is available, a close friend of the family is acceptable. **No student is allowed to be used as a reference!**

Name _____ Relationship _____ Telephone # _____
 Address _____ City _____ State _____ Zip _____

Promissory Note Terms & Conditions

I promise to fully repay this promissory note as shown above. I understand this promissory note represents an obligation to TSU. I understand that **A STUDENT WHO FAILS TO MAKE FULL PAYMENT OF TUITION AND FEES, INCLUDING ANY INCIDENTAL FEES, BY THE DUE DATE MAY BE PROHIBITED FROM REGISTERING FOR CLASSES AND RECEIVING TRANSCRIPTS UNTIL FULL PAYMENT IS MADE. A STUDENT WHO FAILS TO MAKE FULL PAYMENT PRIOR TO THE END OF THE SEMESTER OR TERM MAY BE DENIED CREDIT FOR WORK DONE THAT SEMESTER OR TERM.** A Texas state hold can be placed, and that the past due promissory note can be sent to a collection agency. I agree to pay any and all collection costs associated with this promissory note. I hereby authorize TSU to initiate a transfer from my student account and apply against the balance remaining on my promissory note if allowable by DOE. If I withdraw from TSU for any reason, the amount of the promissory note is due immediately. I also understand that my signature represents that I have read and am in full agreement with the requirements for this promissory note. Payments on the promissory note are to be made on-line or at the Customer Service window in the Bell Building at 3100 Cleburne Avenue, Houston, Texas 77004 · (713) 313-7052.

The terms of approved promissory notes will be available and will not change for 30 days after approval except as a result of adjustments to interest rates and other changes permitted by law.

I certify that all information provided is true, accurate, and complete.
 Applicant's Signature _____ Date _____

For Official Use Only		
<input type="checkbox"/> Approved	<input type="checkbox"/> Denied	<input type="checkbox"/> Forwarded for Further Action

TSU Now Texas Southern University Student Accounting

<p>\$ _____ Total Promissory Note</p>	
<p>Extended Payment Promissory Note Terms:</p>	
<p>_____ # of payments (principal & interest) due in the amount of \$ _____ on the xxth day of each month.</p>	
<p>The first payment is due _____ and the last payment is _____</p>	
<p>Comments: _____</p>	
Signature: _____	Date: _____
Entered By: _____	Date: _____

**Texas Southern University
Promissory Note Requirements**

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Eligibility Requirements:

1. Currently enrolled at TSU with 6 hours or more
2. 2.0 GPA or higher
3. No past due promissory note balances

Repayment Terms:

This is a zero interest promissory note.

There is no option to defer payments.

There is no penalty for early payment of the debt.

There are no late payment fees. However, failure to pay by the due date can prevent you from registering from classes, receiving transcripts, and receiving additional promissory notes or installment payment plans. Additionally, you can be denied credit for classes taken.

Filing for bankruptcy does not relieve you of the obligation to repay this promissory note. You may still be held responsible for full payment.

The terms of approved promissory notes will be available and will not change for 30 days after approval except as a result of adjustments to interest rates and other changes permitted by law.

Cancellation:

This promissory note may be cancelled at anytime. There is no penalty for cancellation. However, the balance due on your account will become immediately payable in full.

Cancellations are allowed in person and via email or fax. Cancellations are only allowed with photo identification.

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A STUDENT CAN HAVE ONLY ONE PROMISSORY NOTE PER TERM. A STUDENT WHO FAILS TO MAKE FULL PAYMENT OF TUITION AND FEES, INCLUDING ANY INCIDENTAL FEES, BY THE DUE DATE MAY BE PROHIBITED FROM REGISTERING FOR CLASSES AND RECEIVING TRANSCRIPTS UNTIL FULL PAYMENT IS MADE. A STUDENT WHO FAILS TO MAKE FULL PAYMENT PRIOR TO THE END OF THE SEMESTER OR TERM MAY BE CREDIT FOR WORK DONE THAT SEMESTER OR TERM. ADDITIONALLY, FAILURE TO REPAY A PROMISSORY NOTE CAN RESULT IN INELIGIBILITY TO RECEIVE FUTURE PROMISSORY NOTES.

Processing Time: Normal processing time is one working day; however, during peak times, such as the beginning of the semester, it could be as long as three days. Incomplete applications will not be considered.

Application Process: The application must be typed or printed legibly and must be signed by the applicant. The student will present the completed and signed application to the Accounts Receivable Section of the Student Accounting Office in Bell Building along with their student ID and driver's license/state ID.

Promissory Note Decisions: The promissory note amount will be determined by Student Accounting in conjunction with Student Financial Aid and TSU Business Office. Decisions will be based upon university guidelines and ability to pay the amounts due. If approved, the promissory note will be applied to your student account automatically. A receipt and copy of your approved promissory note application will be given to you directly or e-mailed to the address on the promissory note application.

Alternative Financing

TSU may have alternative financial assistance available to you. You may obtain additional information concerning Federal financial assistance from TSU Financial Aid Office or at the U.S. Department of Education website www.ed.gov. To find out about TSU specific financial assistance, please contact the TSU Financial Aid Office at <http://em.tsu.edu/financialaid/index.php>

