

04-02-00 Accounts Receivable

PURPOSE

The purpose of this policy is to provide clear and specific responsibility for collection procedures, define circumstances under which student records may be put on "hold," and define procedures for withholding amounts owed by employees from paychecks.

DEFINITIONS

- **Types of Receivables.** Accounts and notes receivable may be generated from programs and activities including but not limited to: Student loan programs; deferred payment programs; traffic and parking fines; library fines; bad checks; contracts; property rental; damage, loss, or liability to the institution by others; and financial aid adjustments.

POLICY/GUIDELINE

I. Student Fees and Enrollment

- A. All assessed fees by an institution governed by the Tennessee Board of Regents are due and payable at the time of registration.
- B. An institution may implement deferred payment plans as may be allowed under a TBR Guideline B-010 and as authorized for the student.
- C. An individual will not be considered for admission/readmission as a student until all past due debts and obligations of \$100 or greater incurred in prior academic terms, of whatever nature, have been paid, or the student, if allowable, has entered into an acceptable acknowledgement of debt/promise to pay agreement with the institution for the past due debts and obligations.
- D. A student must pay all past due debts and obligations incurred in prior academic terms before being permitted to register, with the exception of balances below \$100. No grade reports, certificates of credit, diplomas or transcripts will be issued to any student with any unpaid debt or obligation owed to NSCC unless the debt or obligation is evidenced by notes or other written contracts providing for future payment.

II. Employee Receivables

- A. Employee receivables (including student employees) may result from, among other things, traffic and parking fines, library fines, NSCC services or bad checks. Receivables

from employees may be deducted from an employee's paycheck. In order to recoup the amount owed from the employee's paycheck, a notice of intent will be emailed to the employee email address. The notice should inform the employee of the amount alleged to be owed and should specify that he may elect to pay the debt in full, authorize deductions from his paycheck or, if the employee is terminating, the check for accrued but unused annual leave, or contest the intent to withhold through a hearing. Subsequent to receiving a pre-deprivation notice of the debt owing, the employee, within 15 calendar days of receipt of such notice must:

1. Pay the debt in full;
2. Authorize NSCC to withhold a designated amount from each subsequent paycheck or, if the employee is terminating, from the accrued but unused annual leave until the debt is paid in full;
3. Elect to contest the intent to withhold through an institutional hearing; or,
4. Elect to contest the intent to withhold through a contested case hearing held pursuant to the Tennessee Uniform Administrative Procedures Act (TUAPA), TCA Section 4-5-301, and et. seq.

III. Recovery of Overpayments to Employees

Unlike cases in which the employee owes NSCC money, in instances of overpayments to employees, there is no obligation to provide a hearing. NSCC is obligated, however, to attempt to recoup the funds. The method of repayment will depend upon the amount of the overpayment, the time which has elapsed between the overpayment and its discovery, the hardship which immediate repayment might cause the employee because of amount of current salary and personal expenses, the culpability of the employees in not reporting the overpayment, and the longevity as well as the expectation that the employee will remain in state government until the repayment is completed.

SOURCES

- [TBR Guideline B-010 Collection of Accounts Receivable](#)
- Tennessee Code Annotated Section § 49-9-108

Approved by NSCC Cabinet 8/9/21