

Administrative Services

Policy Manual Fiscal Year 2007 – 2008

The office of Administrative Services has assembled the following approved College policies:

- Billing, Collections, Cash Management and Travel Reimbursement
- Purchasing guidelines, purchasing card procedures
- General Procedures

BILLING, COLLECTIONS, CASH MANAGEMENT AND TRAVEL REIMBURSEMENT

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Billing Procedures for Students

The following is an explanation of the Business Office procedures for billing and collecting fees, a billing calendar, the semester schedule of tuition and fees, and an explanation of the charges and credits that will appear on student bills throughout the year.

Tuition, room, and board charges for each semester are due the first day of the semester. Students unable to pay in full must make other arrangements with the Student Account Services Office by the second week of the semester.

Students, both full-time and part-time, who have financial need, should apply for financial aid. Contact the Financial Aid Office for full information and application forms – a new application is required each year. This paperwork should not be neglected as early filers will avoid problems with deadlines. Financial aid awards usually contain a combination of government and private grants and loans and campus work-study job wages.

Awarded and accepted financial aid, namely grants and loan assistance, will be applied directly to the student tuition account. A master Promissory note must be signed in the Student Account Services Office, Bamberger Hall Room 110 for all Federal Perkins Loan advances. Additionally, a master promissory note must be signed electronically for Stafford Loan advances. More information regarding this procedure is available through the Financial Aid Office. The Financial Aid Office will contact students by mail to endorse Federal Stafford Student Loan checks for loans not remitted electronically.

If the financial aid award includes work-study wages, it is the student's responsibility to secure a campus job through the Financial Aid Office. The College will pay work-study job wages to the student by direct deposit when wages are actually earned. The student may also authorize, in writing, that all wages be automatically applied to their tuition account.

Students are responsible for all costs not covered by financial aid.

The Cashier's window, in the Bamberger Hall, is open weekdays between 8:00 a.m. and 6:00 p.m. Monday through Thursday; and 8:00 a.m. and 5:00 pm on Fridays. There is also a depository located next to the Cashier's window where payments or other documents can be dropped off. On-line tuition payments are available via "Webadvisor" on the College website.

Billing Calendar

Fall/Spring Semesters

5 days before the start of school: Statements are mailed

First day of the semester: Payment due in the Business Office

May Term & Summer Semesters

5 days before the start of school: Statements are mailed

First day of the semester: Payment due in the Business Office

Semester Schedule of Fees

Each March, the Board of Trustees approves tuition and fees for the following academic year. Please refer to the campus information regarding tuition and fee costs.

Monthly Bills

If an account is paid in full, there will be no further bills sent from the Business Office until additional charges are added to the account. If, however, a balance exists on the student's account due to unpaid charges, additional charges, or an under budgeted payment plan, students will continue to receive a bill each month.

Late Payment Fee

An additional charge of 1 percent per month, 12 percent per annum, on the unpaid balance will be added if payment is not received in the Business Office on or before the last business day of each month and on the unpaid balance of each succeeding month throughout the semester until paid in full.

Financial Holds

The College will not issue transcripts and reserves the right to withhold grades, diplomas, subsequent registrations, housing assignments, etc., for any student whose account has an outstanding financial obligation.

Fees and General Regulations

Please refer to the College's undergraduate catalog regarding a more detailed explanation of tuition charges.

Tuition and Room Deposits

All students, upon notice of acceptance, are required to deposit \$250 as an advance payment toward the tuition of their first semester. This deposit is nonrefundable and will be applied to semester tuition charges.

The newly accepted resident student is required to deposit the tuition advance, plus an additional \$200 to reserve a room for the first semester living on campus. At the conclusion of the housing contract, the deposit less any damages will be refunded to the student. The deposit is nonrefundable if the student has damages in excess of \$200 or if the student breaks their housing contract.

Bookstore Transactions

Charging

Departments may charge on a department account with the appropriate budget number. These charges will be settled by billing the college.

Discounts

Faculty and staff receive a 10 percent discount on supplies, gifts, and clothes (excluding books) at the Bookstore, while departments received a 20 percent discount.

Food Service Transactions

Charging

Departments may charge on a department account with the appropriate budget number. These charges will be settled by billing the college.

Student ID Card Use and Billing

The Student ID Card is the student's pass to campus wide privileges, providing maximum security and ease of use.

The Student ID Card is an electronically readable, multiple-use photo ID, issued to students free of charge. It is the official means of identification for students attending the College, and it gives access to a wide variety of facilities, activities, and services, such as the following:

- Campus Events
- Food Services
- Library – Book Checkout
- Access to Health & Wellness facility for members

If a food service account is opened using the Student ID Card, it can be used to make purchases at the Food Servery.

All registered students may obtain a Student ID Card at the front desk of the Health & Wellness facility. Student ID photos are taken during the scheduled registrations and during regular business hours. Special appointments may be arranged for groups or individuals on request.

Resident Students

Resident students automatically receive a food account. The Campus Card is credited with a designated dollar amount each semester. The total amount is billed to the student's billing account.

When the card is passed through an electronic reader, the appropriate account is assessed and the purchase amount is electronically deducted. The account balance is displayed each time a purchase is made. The funds in the food account are for purchases in the food service dining and Library areas only.

Additional cash deposits may be made to the food accounts at any time during the semester. To do so, students must go to the Food Service Office.

At the end of the school year, or when the student leaves the College, any remaining balance will not be reimbursed to the student.

Commuter Students

Commuter students may choose to open a food account. To do so, students must go to the Food Service Office.

Additional Information

- Students may have a food account during the summer sessions.
- A lost or stolen card should be reported immediately, by phone or in person to the Dean of Students Office, the Campus Patrol Office, or the Food Services Office. When the loss is reported, the card will be deactivated immediately. If the student finds his or her card and needs it reactivated, or needs a replacement card, the student must go to the Student ID Office in the Library in person. A fee is charged for a replacement card. Once a replacement card is requested, the lost card is invalid, even if found.

Questions, suggestions, or any information needed regarding the Campus Card may be directed to the Dean of Students Office.

Employee ID Card Use

Introduction

The Employee ID Card is the employee's pass to campus wide privileges, providing maximum security and ease of use.

The Employee ID Card is an electronically readable, multiple-use photo ID, issued to employees free of charge. It is the official means of identification for employees attending the College, and it gives access to a wide variety of facilities, activities, and services, such as the following:

- Campus Events
- Library – Book Checkout

If an account is opened on the Employee ID Card, it can be used to make purchases at the Food Servery.

All employees may obtain an Employee ID Card at the front desk of the Health & Wellness facility. Employee ID photos are taken during the scheduled registrations and during regular business hours. Special appointments may be arranged for groups or individuals on request.

Cash Management

The goal of these procedures is to provide for the safe handling of all cash receipts and the prompt investment of cash balances into appropriate securities and funds.

Most on-campus payments of bills and miscellaneous items are made or received by mail at the Cashier's Window, where receipts are prepared and issued to the payers for every transaction. Smaller sums of money may be received in many other campus offices for athletic events, theatrical productions and student activities. Regular tuition payments can be made on-line in "Webadvisor".

The Cashier's Office electronically deposits all checks received on a daily basis via "Desktop Deposit".

To facilitate investing, operating cash is kept separate from endowment cash and debt service reserve cash. Payroll checks are written on a separate bank account, but the funds to cover net pay are automatically transferred from the operating account.

The Director of Accounting Services will facilitate operating cash investments, excluding endowment. The emphasis is on liquidity and safety with a reasonable return. Approved investment vehicles are the Common Fund Short Term Fund and local bank certificates of deposit. The Director of Accounting Services is to determine the amount to be invested by evaluating the day's and week's disbursement needs. Investments and redemptions or withdrawals are done by electronic means and approved by at least two authorized personnel, President, Vice President of Finance and Administration, Managing Director of Financial Affairs or Director of Accounting Services.

Check Cashing

The Business Office has funds available to cash checks for currently employed faculty, staff, and enrolled students.

Checks may be cashed between 8:00 a.m. and 6:00 p.m., Monday through Thursday and 8:00 a.m. and 5:00 a.m. on Friday, subject to the following limitations and events:

- Personal checks are limited to \$50 per person, and may be denied to an individual if previous checks have been returned to us with nonsufficient funds.
- A current valid College identification card is required.
- No second-party checks will be accepted.
- A \$25 charge for any check returned by the bank for any reason will be invoked.

Student Tuition Payment Options

Payments

Tuition, fees, and room and board charges are due in full the first day of the given semester. Students unable to pay in full must make other arrangements with the Student Account Services Office by the second week of the semester. Other arrangements include:

- 1 . 10 Month Payment Plan. A student can pay their estimated fall and spring balance owed to the College over a period of 10 months. This option requires a promissory note to be signed. Payments are due the first of each month, beginning in August and ending in May. A \$50 fee is charged, however, no interest is charged. A \$10 late fee is assessed to payments received more than 10 days after the due date. This option may not be extended to students who have previous credit problems. A 5 month payment plan is also available under the same term, except a \$35 fee is charged.
2. Semester Payment Plan. A student can pay the remaining semester balance owed to the College over a period of 4 months. This option requires a signed promissory note and charges .5% interest, 6% per annum, on the remaining balance on the last business day of each month. This option may not be extended to students who have previous credit problems.

Payments must be received in sufficient time for posting to the students account on or before the payment due date as negotiated with the Student Account Services Office.

- a. *Payment by Mail.* Make checks payable to Westminster College. All checks should include a student number (social security or assigned number). Allow enough time to ensure postal delivery before the College's last business day of the month to avoid a interest charge.
- b. *Payment by Credit Card.* VISA, MasterCard, American Express, or Discover Card will be accepted for payment of a student account. Complete the requested credit card information on the detachable remittance portion of the billing statement and mail it to the College. Allow enough time to ensure postal delivery before the College's last business day of the month. Charges to the bank card are subject to receipts of an authorization from the banking institution. Payment by credit card or debit card can also be made in person at the Cashier's Window, on-line through Webadvisor or by calling the Cashier's Window directly.
- c. *Payment by Cash.* Cash payments can be made during business hours at the cashier window. Payments and credits made are posted as of the date

they are received or issued. Payments and credits are allocated to the oldest amount owed.

Finance Charges

Any account with a balance greater than zero, on the College's last business day of the month, will be assessed a finance charge on the ending monthly balance of the account at a periodic rate of 1% per month (annual rate of 12%) unless arrangements have been made with the Student Account Services office.

Failure to Pay

Upon default of any balance or promised installment the whole unpaid balance, plus interest, shall become due and payable in full on demand. The College will refer the account to an outside agency for collection and will report the status of the account to a credit reporting service. If the account is placed in the hands of an attorney and/or collection agency, attorney's fees, legal expenses, and collection costs of up to 50% of the unpaid balance will be added to the account and become the responsibility of the student.

Returned Checks or Bank Card Payments

If any check or bank card payment tendered to the College is returned unpaid by the bank, the amount of the check or bank card payment, plus a \$25 returned check or bank card payment fee, will be assessed and added to the account.

Account Termination/Suspension

The College has the right without prior notice to stop or suspend the extension of credit and to withhold services and registration for classes and workshops if required minimum monthly payments are not made on time.

Credit Limits

The College will establish a credit limit on the account and may raise or lower that limit at any time without prior notice.

Grades and Transcripts

The College reserves the right to cancel registration and/or place holds on grades, transcripts, and any other information developed by the college, for any student who fails to comply with all the terms of his or her financial obligation with the college.

Changes in the Terms

The College may change the terms of this agreement at any time. Notice will be made in advance of any such changes, as required by law. Any changes will be applied to any existing account balance and to future charges.

Credit Reports

The College may obtain information about students from credit reporting agencies and other creditors as permitted by law. Credit information so obtained will be used in the College's own credit operation and for forwarding information about students' accounts to other credit reporting agencies and to other creditors.

Delinquent Account Collections and Bad Debt Write-offs

Student Accounts

During the course of the semester or year, students may incur additional fees, fines, or assessments that must be paid in full at the time they are billed.

When an account becomes delinquent, the following steps are taken:

- An overdue notice is sent to the student.
- A hold is placed on the student's transcript.
- The student may be barred from registration for a subsequent term.
- A final demand, requiring payment in 30 days is mailed.
- The bad debt is referred to a collection agency.

Student Loans

The College administers the following loan programs:

- Employee Loan (institutional)
- Perkins Loan (federal)
- Emergency Short-Term Loan (institutional)

Each of these programs has its own specific due diligence procedures; however, delinquent accounts are basically handled as noted in the section above.

Bad Debt Write-Offs

Bad debts, as determined by the Director of Student Account Services, are handled as follows:

Student Accounts

- Amounts under \$50 are written off by Director of Student Account Services and turned over for collection.
- Amounts over \$50 must be approved by the Managing Director of Financial Affairs and the Director of Accounting Services and turned over for collection.

Loans

- Perkins Loans are forwarded to the Department of Education for collection according to federal regulations.
- Employee Loans are written off after approval by the Director of Human Resources.
- Short-Term Loans are written off with the approval of the Managing Director of Financial Affairs and the Director of Accounting Services.

Others

- Other College receivables are written off as determined by the Director of Student Account Services, with the approval of the Managing Director of Financial Affairs and the Director of Accounting Services.

An annual report is made to the Managing Director of Financial Affairs showing details of all write-offs made during the year, regardless of amount. A cumulative listing of written-off accounts is maintained by the Director of Student Account Services.

Enrolled Students

Registration occurs approximately in midterm for the following semester. Students with delinquent balances receive a letter advising them that a hold has been placed on their account prohibiting registration for the following term. The letter also reviews financial aid procedures and offers assistance to students needing special arrangements. If the college does not receive full payment of the delinquent balance by the end of the term (a specific date is given), it will cancel the registration for the following term, along with applicable housing and meal contracts. A student paying in full after the cancellation would have to re-register, risking the loss of closed classes and room assignment.

Non-enrolled Students

Students who leave the college owing a balance and without making payment arrangements receive a collection letter approximately 30 days after the start of the first term, for which they are not registered. It asks for immediate payment or the making of payment arrangements.

A series of three additional collection letters may follow, each depending on the student's response to date. This process can take up to six months. The later letters warn of collection agency involvement or legal action. The last one is a "*final notice*" letter indicating that the account is being given to an outside collection agency. When the account is sent to a collection agency, the College will write the account off the student receivables and monitor the account in a separate fund.

The College utilizes several collection agencies. The College monitors the performance of the agencies and insists on strict compliance with the standards of the Fair Debt Collection Practices Act. Collection agency activity, if unsuccessful, can take up to twelve months before the account is closed with the agency and returned to the College.

The College holds closed accounts for about three months and then refers those thought to hold some prospect of payment to a second agency.

The College maintains records of accounts written off, and will reinstate collection activity if the former student requests transcripts or any other college service, or, if new credit reports or other information become available.

The accounting for payments remitted by collection agencies credits the student's account maintained in a separate fund and the allowance account as the account was already written off. The collection fee is kept by the collection agency and generally runs 25 percent on first referrals and 33 percent on second referrals.

Miscellaneous Accounts Receivable

The Accounting Office is responsible for preparing and mailing monthly statements, receiving and recording payments, and delinquent account collections on miscellaneous receivables.

Refunds to Students

If a student drops a course or withdraws completely the student must notify the Registrar's Office immediately. The Accounting Office will make the necessary adjustments to the account, based on the data furnished by the Registrar's Office. Tuition will be refunded according to the published class schedule.

Refunds of tuition and other charges for students on financial aid who drop courses or withdraw completely will be made in accordance with the policy in the guide to financial aid. All refunds will be made as a credit on the bill and then refunded to the student, loan institution or credit card, in order of the type of payment applied last.

Returned Checks

A check that is issued to the College and returned because of insufficient funds or for any other reason will be held by the Accounting Office for collection. The person issuing the check will be notified and will have 10 days from the date of notification to redeem the check. In addition, a \$25 service charge will be levied for each returned check. Legal collection proceedings may follow when a returned check is not redeemed.

Tours and Trips for Students

This policy covers the student tour or trip that is not part of the instructional program, but for which the participants pay all or part of the costs.

Approval

Any trip or tour that is promoted on campus, uses the College's name, or is related in any other way to the College, must first have permission from the Provost and the Council of Deans.

Before the approval can be granted, any student group or college staff member wishing to promote a trip or tour must submit to the Provost the following information:

1. Names of campus group and other sponsor or cosponsors
2. Purpose of the activity
3. Tour or trip plans:
 - A. Preliminary itinerary, including approximate dates and arrangements for meals, lodging, and transportation
 - B. Breakdown of estimated costs
 - C. Description of size and nature of group
 - D. Information on insurance coverage

Sponsors

The sponsor must be a member of the college staff. A cosponsor may be another staff member, the spouse of the primary sponsor, or an outsider approved by the Provost.

Each sponsor or cosponsor may receive his or her full expenses, including room, board, transportation, and incidental expenses, paid from the proceeds of the tour or trip.

A sponsor who performs a service that would ordinarily be performed by a paid professional, such as a travel agent, is entitled to a fee not to exceed the amount normally charged by an agent.

A trip or tour should have no more than one expenses-paid sponsor for each 15 students participating.

Monies

All monies for the activity must be collected in the name of the College and handled through the Accounting Office.

The sponsor may arrange for funds to be released for such expenses as deposits, ticket purchases, restaurant bills, and tips.

Participants

College-sponsored tours and trips are open to present college staff members, students, and alumni. Other persons may join upon special arrangement with the Provost.

All participants must sign waivers stipulating release of the College and the sponsors from liability. For students under 21, a parent or legal guardian must also sign.

Waiver

Each participant must submit a waiver freeing both the College and the advisors of responsibility for loss or damage to tour members or their personal effects.

Travel Reimbursement

These instructions are intended to make known the College's policy with regard to those expenses that may legitimately be listed on travel and expense reports for reimbursements.

Expenses that may be included are:

1. Travel costs, including airfare (the lowest fare available) and necessary ground transportation at the destination, including shuttle bus, bus, taxi, other public transportation, or rental car if no other feasible form of ground transportation is available. For automobile travel from the College, mileage will be paid at the current reimbursement rate and tolls, but will be limited to the lowest airfare available. A rental car may be used if no College car is available and you do not have a dependable car at your disposal.
2. Lodging costs, including the cost of a room and associated taxes, plus parking expenses.
3. Meals, including costs for food and nonalcoholic beverages.
4. Registration fees for professional conferences.
5. Tips.
6. Parking costs.
7. Telephone calls that involve College-related business.
8. Costs for entertaining a College guest off campus, including expenses for the guest and College employee, unless previous authorization has been given for additional College personnel. (College dining facilities should be used for entertainment of College guests whenever possible.) An explanation, including the purpose and the names of those entertained, must be attached.

Expenses that *may not* be included:

1. Travel insurance.
2. Insurance on rental cars. No additional insurance coverage is required when you have been approved as a driver for the College and you pay for the rental car with the College American Express Credit Card.
3. TV movies.
4. Gasoline costs if mileage reimbursement is used.

5. Cost of mileage beyond the amount that would be required to travel by coach-class air or car rental. In some cases, renting a car will cost less than reimbursement for mileage using the published IRS rate.

6. Personal telephone calls.

7. Alcoholic beverages.

8. Dry cleaning or laundry service.

9. Costs for meals, travel, or lodging for spouses or other personal guests.

Travel Advance

A travel advance may be requested upon supervisor approval. Funds requested in advance should be supported with appropriate documentation and should be included and reconciled with the final travel reimbursement.

General Procedures

Assessing Business Risks

There are many business risks that affect the College's ability to fulfill its mission. There are many groups, committees and departments that review and evaluate various risks for the College that are ultimately evaluated by the Board of Trustees.

The major business risks of the College are presented along with the processes the College uses to assess any risk.

Revenue

The College continually plans and evaluates current and future revenues.

Tuition revenue is evaluated strategically considering price sensitivity and enrollment demand. Periodically, outside consultants are used to assist in determining financial aid awards as it is connected to enrollment management. The office of Admissions and Financial Aid bring recommendations to the senior officer budget committee for determining tuition rate increases and financial aid planning. Trends with other higher education institutions, local institutions and the general economy are considered when establishing tuition rates. The Board of Trustees is presented analysis as budget issues are evaluated by the College and ultimately approved. Continual monitoring and evaluating enrollment and financial aid effectiveness is performed throughout the year.

Contribution revenue is a planned process whether a large or small gift is being requested. The operating fund is supported by contributions between 4% and 6% and depends on these contributions to fund scholarships, program funding and general support. Contribution budgets are determined by the institutional advancement office by evaluating prior year activity and planning the next year goals. Contributions from donors are effected by the general economy, disposable income, competing fundraising events, the stock and bond markets, natural disasters, war and the threat of war and other events. Continual monitoring, evaluating and strategizing is performed throughout the year.

Review of New Accounting Standards

Financial reporting by the College is governed by various levels of practice. The FASB, the Audit Guide for Not-For-Profit Organizations and industry practice determine the generally accepted accounting principals to be followed. The College utilized several methods to determine new changes in practice to be followed. The College subscribes to a financial reporting service published by NACUBO where all new accounting pronouncements and best practices are documented. The College also subscribes to the "Business Officer" a periodical published by NACUBO where upcoming pronouncements would be reported. Additionally, the College subscribes to the AICPA publication "The Journal of Accountancy" where new pronouncements are discussed.

The College makes every effort to inform itself of new pronouncements in sufficient time to properly adopt and implement accounting changes.