

## College Operating Procedures (COP)



**Procedure Title:** Deferred Payment of Fees and Third-Party Billing  
**Procedure Number:** 04-0303  
**Originating Department:** Office of Financial Services

**Specific Authority:**

Board Policy 6Hx6: 4.05  
Florida Statute 1004.65, 1009.27 FS  
Florida Administrative Code 6A-14.054(17) FAC

**Procedure Actions:** Adopted: 07/1993; 06/2009; 01/21/2021

**Purpose Statement:** This procedure pertains to all deferred payment types such as Financial Aid, Tuition Installment Plan (TIP), Veteran Deferments, and other Third-Party contracts.

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**Guidelines:**

This procedure applies to all public or private entities which agree to pay for tuition and fees on behalf of Florida SouthWestern State College students whom they designate as eligible to participate in their program

**Procedures:**

I. GENERAL REQUIREMENTS

When institutional, state, or federal financial aid other than veterans' benefits is delayed in being transmitted to students through circumstances beyond their control, registration fees may be deferred up to sixty (60) days, but not beyond the end of the term, unless the institutions, state, or federal rules or regulations require additional time, events, or documentation that cannot be completed within the prescribed sixty (60) day period. Failure to make timely application for such aid shall not be a reason for granting deferral. The deferment shall be in accordance with rules adopted by the board of trustees setting forth the conditions under which the deferment shall be granted. A list of persons for whom fees are deferred and the amount of fees deferred shall be maintained. When Florida Prepaid College Program benefits are delayed in being paid from the program to the community college through circumstances beyond the control of the student, registration fees covered by the benefits shall be deferred until the benefits are paid.

A. Third Party Billing

1. Deferred payments and third party billing accounts are not automatic. A billing agreement with the company, government unit or other entity must be approved by the Vice President of Operations/ Chief Financial Officer (CFO) prior to the deferral of fees and establishment of a third-party billing account.
2. An entity requesting a deferred billing account must demonstrate the ability to pay their debt. This requirement is waived for any Federal, state, county or city government unit or agency.

3. An agreement of payment or form of aid by an authorized representative of the business, government unit or other entity is required for deferred billing.
4. All deferred charges must be paid within thirty days of the invoice date, but not beyond the end of the term unless the billed organization's rules or regulations require additional time, events or documentation that cannot be completed within the prescribed thirty (30) day period.
5. Students must identify themselves as qualifying for deferred billing at time of registration. They must also provide proof of eligibility as defined in the agreement of payment from their sponsor.

B. Tuition Installment Plan – TIP

The College has contracted with a third-party provider which offers students a tuition installment plan based on an agreement signed between the student and the third party. The third party guarantees the College payment on behalf of the student for up to 100% by a specified date based on its cutoff dates. The agreement specifies the period of time over which the student must pay the third party back, usually a semester. Violation of the TIP will lead to the specific student losing privileges for future use of the plan. Examples include:

1. Signing themselves or others up for the plan repeatedly in the same semester to wait for financial aid authorization or personal funds to be in place.
2. Using account numbers to issue payments that do not process correctly due to NSF or invalid information being provided.

C. Veterans Deferments

Veterans shall receive, upon request, one (1) deferment per academic year for the payment of registration fees. Upon request, such persons shall receive an additional deferment each time there is a delay in receipt of such benefits. Such deferments shall be for sixty (60) days, except they shall not extend beyond the end of the term.

## II. REQUEST FOR DEFERRED BILLING

- A. The requestor must submit their request for a deferred billing account, in writing, to the Director of Finance and Accounting. The request must include a written "Promise to Pay" agreement. This agreement must include the following information:
1. Full legal name of the entity (e.g.: Florida Power & Light Company, Inc.; Florida Department of Labor and Employment Security, Division of Vocational Rehabilitation).
  2. Billing Address.
  3. Payment Terms (i.e.: "Payment will be made to Florida SouthWestern

State College on or before the due date on the invoice").

4. Method of Identifying Eligible Students at time of Registration (e.g.: Corp. ID, Letter of Authorization).
5. Statement that the termination of "Promise to Pay" must be received by the college sixty days prior to termination of the agreement,
6. Statement that the entity "will be responsible for payment of all tuition and fees (and optionally, books and/or supplies) pertaining to students who provided required proof of eligibility".
7. Statement that the entity "will be responsible for payment of all tuition and fees pertaining to eligible students without regard to the student's grade received for the course(s)".
8. Failure to comply with the terms of the agreement will void the agreement.

- B. Proof of ability to pay must be provided by private companies and not-for-profit agencies. Publicly traded corporations that can be researched in Moody's, Dunn & Bradstreet or similar rating services need not provide written proof. It is recommended that proof of ability to pay be in the form of the most recent certified financial statement.
- C. The request, including the deferred payment agreement, must be submitted to the Director of Finance and Accounting for approval.

### III. APPROVAL PROCESS

- A. The Director of Finance and Accounting will review the request and promise to pay and make a determination as to the feasibility of allowing deferred billing for this account. If the Director of Finance and Accounting is in favor of extending deferred billing privileges to this entity, he or she will approve the request for deferred billing and forward to the Vice President of Operations/CFO for signature approval. If the request is denied, the Director of Finance and Accounting will notify the requestor.
- B. The original Promise To Pay agreement will be kept on file in the Bursar's Office.
- C. The Office of Financial Services will assign a Banner ID and Detail Code to the approved agency/business. This code will be used by the cashiers and Accounts Receivable clerk to identify payment of fees by the appropriate agency/company.
- D. The Bursar's Office will provide each cashier office with a listing of companies and agencies and related billing codes, which have been approved for deferred billing.

### IV. STUDENT REGISTRATION

- A. Any student who is registering for a class, or classes, and whose tuition and fees are to be paid by an approved deferred billing account must present proof to the college cashier as to their eligibility in the company, government or other entity's tuition payment program BEFORE the college's published PAYMENT DUE date in order to avoid having their classes dropped for non-payment on the drop date. The eligibility requirements are defined in the Promise To Pay agreement on file in the Bursar's Office. NO HOLD will be entered against the student's record.

- B. The authorizing documentation provided by the agency/company will be attached to the student's fee receipt. If the company/agency permits only selected courses and fees or otherwise limits the amount which can be billed to them, the agency/company will be responsible for identifying these courses and informing the Accounts Receivable specialist so that proper adjustments are made to the students schedule/bill.

NOTE: If the schedule/bill includes other charges, which will not be deferred, the student must pay the additional fees at the time they elect to apply their sponsor's financial aid.

- C. When the cashier receives the "Deferred Billing" schedule/bills, the cashier will enter student ID numbers in the appropriate contract using the TSACONT Contract Authorization screen in the accounting system. Cashier will then accept charges/credits and process payment for any monies due from student on Student Payment Screen TSASPAY. The student's validated schedule/bill will display \$0.00 in the PAYMENT DUE section of the receipt indicating that all fees have been deferred and/or paid.

## V. BILLING PROCEDURES

- A. The Accounts Receivable Specialist separates all schedule/bills which the cashiers have
  - 1. Identified for "Deferred Billing" from other fee receipts. The "Deferred Billing" schedule/bills are batched by sponsoring agency/company and each sponsor is invoiced immediately after the published Drop/Add date established by the Board.
  - 2. Invoices not paid within 60 days of the invoice date, or before the end of the term, whichever is sooner, will be considered delinquent and subject to collection action unless an extension of the payment date has been granted.