

DAVIDSON-DAVIE COMMUNITY COLLEGE

Business Services

NON-STUDENT DEBT COLLECTION

PROCEDURE 6.2.9.2

Scope of Procedure

This Procedure shall be used for all College non-student accounts receivable. Accounts receivable or uncollected billings that may be submitted for collection include, but are not limited to: salary overpayments, contract work completed by the College for which the College has not received payment, fees owed to the College, deposited checks returned unpaid for insufficient funds, and nonpayment for goods or services purchased from the College.

Age of Accounts and Collections of Past Due Billings

- A. Current: An account is considered current if invoiced and paid within 30 days.
- B. Past due: The College will mail a past-due letter (demand letter) to the debtor and make phone contact once an account is 30 days past due.

Assessment of Late Fees & Collection Techniques

If, after the current semester, there is no satisfactory response to the letter, the College shall apply a one-time late payment penalty fee of ten percent (10%) of the balance due (rounded to the nearest whole dollar).

- A. If there is no satisfactory response to the second letter, the College shall:
 - 1. Refer the matter to one of the State approved collection agencies; and
 - 2. Refer the matter to the North Carolina Department of Revenue pursuant to the Set-off Collection Act and the State Employees Debt Collection Act.
- B. The College reserves the right to take all appropriate legal action to collect the debt.
- C. If the debtor is paying a debt in periodic payments satisfactory to the College, the account may be retained until the account is satisfied.

Use of Late Fees

Any funds the College accrues as a result of late fees shall be used as follows:

- A.** Applied towards any fees incurred by the College for the collection effort;
- B.** Student aid; and/or
- C.** Other expenditures of direct benefit to students.

Adopted: April, 2020