



**Minnesota State Colleges and Universities**  
**System Procedures**  
**Chapter 5 – Administration**  
**Procedures associated with Board Policy 5.12**

### **5.12.5 Payment Plans**

**Part 1. Authority.** Board Policy 5.12 authorizes colleges and universities to provide payment plans for students, permitting them to pay tuition and fees after the tuition and fee payment due date.

**Part 2. Payment in Full.** Consistent with the definition of payment in full contained within procedure 5.12.3 at Part 3 Subpart A, students seeking to partially defer tuition and fee payments beyond the tuition and fee payment due date may enter into an approved payment plan option. A payment plan may be the student's primary method of payment, or it may supplement other forms of payment such as financial aid or tuition waiver.

Each college and university shall offer one payment plan option consistent with the parameters outlined in Parts 3 and 4 below; additional payment plan options may be offered as long as payment equal to or greater than 15 percent of total tuition and fees is received by the college's or university's tuition and fee payment due date, subject to Subpart A below, and final payment is received consistent with the final payment requirements specified below.

Students seeking to defer tuition and fee payment beyond the tuition and fee due date are expected to initiate a payment plan and make a partial payment plan payment ("down payment") consistent with the terms of the payment plan option selected.

#### **Subpart A. Minimum Payment Required by Tuition and Fee Due Date**

The college or university payment plan option conforming to the requirements of Parts 3 and 4 below shall offer students the option of a down payment in an amount that is the lesser of:

- 15 percent of total tuition and fees due, or
- \$300 of the total tuition and fee amount due.

All other payment plan options offered to students will require that as of the college's or university's tuition and fee payment due date the total amount paid (down payment plus any subsequent payments up through the announced tuition and fee payment due date) is at least 15 percent of total tuition and fees. Exceptions to the minimum payment requirement for other payment plans may be considered on a case-by-case basis where the college's or university's tuition and fee payment due date is set significantly before the first day of the applicable term. The principle to be followed in considering exceptions is that by the college's or university's first day of the applicable term the student opting for the alternative plan must have paid an amount equal to or greater than the amount paid by a student

electing the 15 percent or \$300 option outlined above. Requests for an exception must be submitted to the Associate Vice Chancellor—Financial Reporting.

### **Subpart B. Registration Holds**

In the event a final scheduled payment in an approved payment plan is due after the start of the next term's class registration, students in the plan will not be subject to a registration hold if their payment plan status is current. Payment plans that are not current will subject students to procedure 7.6.2 registration hold criteria for the next term, unless the delinquent plan is paid in full prior to registration. This registration hold requirement also applies once the final payment due date has passed if students in an active payment plan status fail to make the final scheduled payment, including cancellation of any next term class registrations.

### **Subpart C. Partial Payments Outside of Formal Payment Plans**

Students who by the tuition and fee payment due date have made a partial payment directly to the college or university in an amount equal to or greater than the minimum down payment requirements above will be placed on or be required to initiate a payment plan in accordance with Part 4 below. Alternatively, these students may drop classes and obtain a refund.

**Part 3. Student-Initiated Payment Plan.** Colleges and universities shall provide at least one payment plan generally consistent with the requirements below when requested by a student. The System shall offer one payment plan suite of options from a single source fully supported by and interfaced with ISRS. Students shall be charged a payment plan fee in accordance with policy 5.11.

### **Subpart A. Fall, spring and other terms at least 12 weeks in length**

The payment plan will consist of four payments generally four weeks apart starting with the first payment no later than the established tuition and fee due date as follows:

1. The first payment, or down payment, as defined in Part 2 Subpart A above is due by the close of business on the college's/university's tuition and fee payment due date. Failure to make this payment will result in registration cancellation according to system procedure 5.12.3.
2. The second payment of no less than one-third of the student's remaining tuition and fee balance is due no later than the close of business on the last business day of the fifth week of the term.
3. The third payment of no less than one-half of the student's remaining tuition and fee balance is due no later than the close of business on the last business day of the ninth week of the term.
4. The final payment of the student's remaining tuition and fees balance is due no later than the close of business on the last business day of the thirteenth week of the term, or last week of the term if earlier.

The sum of all payments must equal the total amount due. A late fee shall be charged for all payments not received by the due dates in accordance with board policy 5.11. As specified in Part 2 Subpart B above, failure to make required payments on a timely basis will subject a

payment plan student to a registration hold, the student's account balance must then be paid before the student may register for the next term.

### **Subpart B. Summer and other terms at least five but less than 12 weeks in length**

The payment plan will consist of three or two payments generally four weeks apart starting with the first payment no later than the established tuition and fee due date as follows:

1. The first payment, or down payment, as defined in Part 2 Subpart A above is due by the close of business on the college's/university's tuition and fee payment due date. Failure to make this payment will result in registration cancellation according to system procedure 5.12.3.
2. The second payment is due no later than the close of business on the last business day of the fifth week of the term.
  - For terms of at least nine weeks in length, this second payment shall be no less than one-half of the student's remaining tuition and fee balance.
  - For terms of less than nine weeks, this second payment is the final payment, and the student's remaining tuition and fee balance is due.
3. For terms of at least nine weeks in length, the final payment of the student's remaining tuition and fee balance is due no later than the close of business on the last business day of the last week of the term.

The sum of all payments must equal the total amount due. A late fee shall be charged for all payments not received by the due dates in accordance with board policy 5.11. As specified in Part 2 Subpart B above, failure to make required payments on a timely basis will subject a payment plan student to a registration hold, the student's account balance must then be paid before the student may register for the next term.

### **Subpart C. Terms less than five weeks in length**

Payment plans will not be used for terms less than five weeks in length.

## **Part 4. Institution-Initiated Payment Plan**

Procedure 5.12.3 intends that all students will pay in full no later than the college's or university's tuition and fee payment due date. This means that students are required to pay or initiate a payment plan for any balance due that will not be covered by financial aid or waivers. However, as described in Part 2 Subpart C above, colleges and universities shall either establish or require the student to establish a payment plan for those students who have made a partial payment but have not paid in full, initiated a payment plan, or dropped courses by the close of business on the college's/university's tuition and fee payment due date. These students shall be charged a payment plan fee in accordance with board policy 5.11.

### **Subpart A. Fall, spring and other terms at least 12 weeks in length**

A payment plan shall be established for students who have made a partial payment as described above but have not paid in full, initiated a payment plan or dropped courses by

the close of business on the college's/university's tuition and fee payment due date. The payment plan for the remaining balance due will consist of three payments generally four weeks apart starting with the established tuition and fee due date as follows:

1. The first payment of no less than one-third of the student's remaining tuition and fee balance is due no later than the close of business on the last business day of the fifth week of the term.
2. The second payment of no less than one-half of the student's remaining tuition and fee balance is due no later than the close of business on the last business day of the ninth week of the term.
3. The final payment of the student's remaining tuition and fees balance is due no later than the close of business on the last business day of the thirteenth week of the term, or last week of the term if earlier.

The sum of all payments must equal the total amount due. A late fee shall be charged for all payments not received by the due dates in accordance with board policy 5.11. As specified in Part 2 Subpart B above, failure to make required payments on a timely basis will subject a payment plan student to a registration hold, the student's account balance must then be paid before the student may register for the next term.

**Subpart B. Summer and other terms at least five but less than 12 weeks in length**

A payment plan shall be established for students who have made a partial payment as described above but have not paid in full, initiated a payment plan or dropped courses by the close of business on the college's/university's tuition and fee payment due date.

The payment plan will consist of two payments generally four weeks apart starting with the established tuition and fee due date, or one payment as follows:

1. The first payment is due no later than the close of business on the last business day of the fifth week of the term.
  - For terms of at least nine weeks in length, this first payment shall be no less than one-half of the student's remaining tuition and fee balance.
  - For terms of less than nine weeks, this first payment is the only payment, and the student's remaining tuition and fee balance is due.
2. For terms of at least nine weeks in length, the final payment of the student's remaining tuition and fee balance is due no later than the close of business on the last business day of the last week of the term.

The sum of all payments must equal the total amount due. A late fee shall be charged for all payments not received by the due dates in accordance with board policy 5.11. As specified in Part 2 Subpart B above, failure to make required payments on a timely basis will subject a payment plan student to a registration hold, the student's account balance must then be paid before the student may register for the next term.

**Subpart C. Terms less than five weeks in length**

Payment plans will not be used for terms less than five weeks in length.

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*Date of Implementation:* 08/15/06,

*Date of Adoption:* 05/16/06,

*Date and Subject of Revision:*

08/15/07 – Part 3, the first paragraph was amended. Part 3, Subpart A, the final paragraph was amended. Part 3, Subpart B, the final paragraph was amended. Part 4, the first paragraph was amended. Part 4, Subpart A, the final paragraph was amended. Part 4, Subpart B, the final paragraph was amended. These amendments make the procedure consistent with policy changes.

05/16/06 – at the time of adoption, the following amendments were approved to take effect on August 15, 2007: Part 3, the first paragraph was amended. Part 3, Subpart A, the final paragraph was amended. Part 3, Subpart B, the final paragraph was amended. Part 4, the first paragraph was amended. Part 4, Subpart A, the final paragraph was amended. Part 4, Subpart B, the final paragraph was amended. These amendments make the procedure consistent with policy changes which will take effect at the same time.