Past Due Payment Plans: Help Students Get Back on Track

April 2024 Illinois Community College CFO Conference
Tammy Betancourt, Danville Area Community College
Whitney Yoder, Danville Area Community College
Sandy Gjermstad, Nelnet Campus Commerce
Agenda

➢ Introductions
  ➢ Danville Area Community College
  ➢ Nelnet Campus Commerce
➢ Payment Plan Overview
➢ Danville’s Experience
➢ Q and A
Danville Area Community College

- Danville, IL
- 2-year public institution
- ~ 2,000 students
- Colleague SIS
Nelnet Campus Commerce

$2.9 billion publicly traded company (NNI)
30 years and 1300 Institutions
Comprehensive payment processing
Integrated technologies
   Ellucian
   Workday
   Oracle/PeopleSoft CS
   Others
Security and Compliance
Outstanding Partnerships
Nelnet Payment Plans

Traditional term based plans
- Tuition, Housing and books
- 2-12 monthly or bi-monthly payments

International payment plans
- Offered specifically for International Students
- Payments through Convera

Past Due Payment Plans
- Pre-collections
- Balance repayment

Long Term Payment Plans
- Beyond 12 months of payments
- TILA and HEOA compliant
Benefits of traditional payment plans

- Provides flexibility and affordability for students and families
- Increased student retention
- Reduces student debt accrual
- Self-service and automation reduces overhead
- Stabilizes business office cash flow
Past Due Payment Plans

- Last ditch effort prior to sending student to Collections
- Address outstanding debt while also providing for transcript requests
- Down payments provide for student commitment and reduction of receivables
- Allow students to re-enroll with commitment to pay past due balance
- Automation and Integration are available
Danville’s Business Need and Solutions

Historically…
Students with past due debt not allowed to register for current term

2015 – Second Chance Scholarship Program
2019 – Past Due Payment Plans offered through Nelnet
Second Chance Program – Application Requirements

• DACC past-due balance of at least two years
• Good student conduct standing with the college
• Not a previous Second-Chance Program participant
• Complete the FAFSA
• Meet with Financial Aid
• Submit personal statement
Second Chance Program – Ongoing Program Requirements

- Meet financial obligations of current semesters
- Maintain a 2.0 term GPA
- Complete 1 Career Counseling session prior to first semester registration
- Apply for TRiO Services if eligible
- Complete a degree or certificate within 4 years
### DACC and Past Due Payment Plans

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>No cost to college for automated solution for collecting on past due balances</td>
<td></td>
</tr>
<tr>
<td>Helps to facilitate 2\textsuperscript{nd} Chance Program for continued study/matriculation</td>
<td></td>
</tr>
<tr>
<td>Allows students to:</td>
<td></td>
</tr>
<tr>
<td>• Acknowledge their debt</td>
<td></td>
</tr>
<tr>
<td>• Provide a down payment</td>
<td></td>
</tr>
<tr>
<td>• Provide a legitimate bank account</td>
<td></td>
</tr>
<tr>
<td>• Register and complete course of study</td>
<td></td>
</tr>
<tr>
<td>For Danville Area Community College:</td>
<td></td>
</tr>
<tr>
<td>• Increases tuition revenue and credit hours</td>
<td></td>
</tr>
<tr>
<td>• Increase in state funding</td>
<td></td>
</tr>
</tbody>
</table>
How are Past Due Payment Plans Working at Danville?

- 3, 6, 9, 12 monthly scheduled payments
- Rolling schedules
- Enrollment fee $35 - $55
- Require 10% down payment
- ACH and credit card with service fee
- Real time updates to Colleague
- Original Amount Due: $955K

<table>
<thead>
<tr>
<th>Year</th>
<th>PDPP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>47</td>
</tr>
<tr>
<td>2021</td>
<td>154</td>
</tr>
<tr>
<td>2022</td>
<td>165</td>
</tr>
<tr>
<td>2023</td>
<td>222</td>
</tr>
<tr>
<td>2024 – As of 4/4/2024</td>
<td>63</td>
</tr>
</tbody>
</table>
Q & A
Thank You!