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BROWARD COLLEGE

Define yourself.

To: Members of the Board of Trustees

From: J. David Armstrong Jr., President

Date: January 27, 2009

Place: Regular Meeting of the Board of Trustees
Broward College
A.Hugh Adams Central Campus - Building 17/Room425/426
3501 S.W. Davie Road
Davie, FL

Subject: Agenda Item VI-A- Annual Delinquent Account Write-Off

Brief Description:

Attached is the recommendation for write off of delinquent accounts for fiscal year 2006. As Ms. Townsend Carpenter's memorandum indicates, we have taken our usual steps to collect these delinquent accounts and will continue to try to collect on these accounts after they have been written off. However, the College should take the action of writing off these accounts which we consider not collectable pursuant to Florida State Statute and to comply with generally accepted accounting principles. The College has an allowance for doubtful accounts sufficient to cover this write off. Ms. Townsend Carpenter will be available at the meeting to respond to any questions.

Benefit to BCC:

Reduce the College's outstanding receivable debt.

Relationship to College Master Plan:

Goal 1: Administrative decisions that are student centered.

Board Agenda Approved: _____
Date: _____

Agenda Item VI-A
Enclosure _____

**BOARD OF TRUSTEES
AGENDA TRANSMITTAL SHEET**

To: J. David Armstrong Jr., President
From: William D. Pennell, Chief Financial Officer

Date: November 6, 2008

Subject: Annual Delinquent Account Write-Off

Issue:

Pursuant to Florida State Statute which authorizes the write-off of delinquent accounts, the College is requesting approval to proceed with the write-off of delinquent accounts for fiscal year 2006.

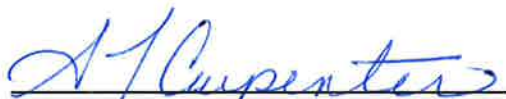
Background/Analysis:

The College has exerted every effort to collect all delinquent accounts. College policy allows the write-off of delinquent accounts of \$10.00 or less that are at least one (1) year old and delinquent accounts greater than \$10.00 that are at least two (2) years old.

Fiscal Impact:

The College has established an allowance for doubtful accounts that may not be collectable and this reserve is sufficient to cover the amount identified for write-off.

Amount identified for write-off:
2006 \$697,848



Initiating Official
April Townsend Carpenter
AVP, Student Business Services



Vice President/Provost
William D. Pennell
Chief Financial Officer

Staff Position: Staff recommends approval

THIS RECOMMENDED ACTION MEETS THE FOLLOWING ELEMENT(S) OF THE COLLEGE'S MISSION STATEMENT:

- | | |
|--|---|
| <input type="checkbox"/> Providing high quality educational programs | <input type="checkbox"/> Providing high quality services |
| <input checked="" type="checkbox"/> Providing for affordability to a diverse community of learners | <input type="checkbox"/> Providing for accessibility to a diverse community of learners |
| <input type="checkbox"/> Commitment to student achievement | <input type="checkbox"/> Commitment to lifelong learning |
| <input type="checkbox"/> Commitment to academic excellence | <input type="checkbox"/> Providing use of current technology |

BRIEFLY DESCRIBE HOW THIS RECOMMENDATION ACHIEVES THE ABOVE ELEMENT(S) IN THE COLLEGE'S MISSION STATEMENT:

Complies with generally accepted accounting principles.

Minority Firm: Yes ___ No ___ N/A x
revised 11/06

Broward Firm: Yes ___ No ___ N/A x



BROWARD COMMUNITY COLLEGE

Opening doors to a brighter future

AGENDA ITEM VI-A

JAN 27 2009

ENCLOSURE _____

Memorandum

TO: William Pennell
Chief Financial Officer

FROM: April Townsend Carpenter *ATC*
Associate Vice President
Student Business Services

DATE: November 6, 2008

SUBJECT: ***Delinquent Account Write-Off***

DISTRICT ADMINISTRATION/
DOWNTOWN CENTER
111 East Las Olas Blvd.
Fort Lauderdale, FL 33301

A. HUGH ADAMS
CENTRAL CAMPUS
3501 S.W. Davie Road
Davie, FL 33314

NORTH CAMPUS
1000 Coconut Creek Blvd.
Coconut Creek, FL 33066

WYSON A. SAMUELS
PINES CENTER
1700 Hollywood/Pines Blvd.
Pembroke Pines, FL 33024

INSTITUTE FOR
ECONOMIC DEVELOPMENT
1515 W. Commercial Blvd.
Fort Lauderdale, FL 33309

PINES CENTER
16957 Sheridan St.
Pembroke Pines, FL 33331

MIRAMAR CENTER
7451 Riviera Blvd.
Miramar, FL 33023

TIGERTAIL LAKE CENTER
280 Gulfstream Blvd.
Dania Beach, FL 33004

Pursuant to Florida State Statute 1010.03 which authorizes the write off of delinquent accounts, we are requesting approval to proceed with the write off of these accounts.

This will be the first write off on a fiscal year basis putting it in line with the allowance for doubtful accounts calculation performed for reporting in the Annual Financial Report. The last write off submitted for approval occurred in January 2008 representing only a six month period of calendar year 2005 (January 1, 2005 through June 30, 2005) in the amount of \$340,780.

The current request for write off is selecting delinquent accounts from fiscal year 2006 (July 1, 2005 through June 30, 2006) in the amount of \$697,848.

The following figures represent the amount of dollars approved for write off during the past three years:

January – June 2005	\$340,780	(6 month period)
Calendar year 2004	\$381,272	
Calendar year 2003	\$432,361	

The increase in debt and subsequent write off can be attributed to the following factors:

- Financial aid disbursements increased by 8.1 million dollars during the current write off year (2005-2006). As more aid was disbursed to more students, aid-related student debt also increased.

- Faculty response to the manual attendance-taking process implemented during the prior year (2004-2005) increased and resulted in more financial aid students being identified as “non-attending”. Per federal regulations, non-attending students are not eligible for financial aid and are billed accordingly.
- During this period, the College included students who received “F” grades due to excessive absences in the Return of Title IV calculation who were not being included previously.
- The 12-month write off period includes portions of two academic years.

All delinquent accounts are pursued in accordance with the College’s collection procedure (A6Hx2-6.16). Accordingly, these accounts are not considered collectable and are being submitted for write-off consideration.

The College has established an allowance for doubtful accounts that may not be collectable and this reserve is sufficient to cover the amount identified for write-off. The Credit & Collections Office will have supporting detail of all figures available for review.

Even though these accounts are written off, an obligation still exists in the system to prevent these students from receiving grades, transcripts, or graduating. If the student attempts to register for an upcoming term, the system will require the student to pay the written off debt in full. Broward College has recouped the following written off debt in past years:

Fiscal year 2008	\$ 96,221
Fiscal year 2007	\$108,068
Fiscal year 2006	\$ 96,334

Upon your review and approval, these items should be presented to the Board of Trustees for their concurrence. I am available if you have any questions or would like to discuss this further.

AGENDA ITEM V I - A

JAN 27 2009

ENCLOSURE

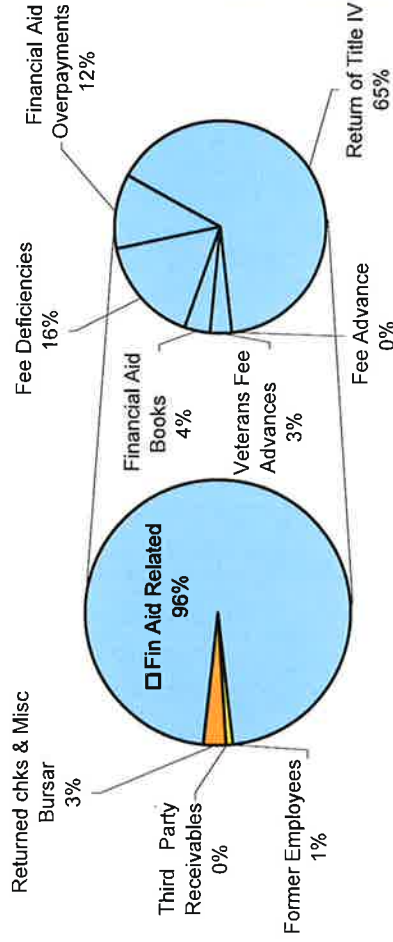
**BROWARD COMMUNITY COLLEGE
FY09 WRITE-OFF RECOMMENDATION**

AGENDA ITEM V1-A

JAN 27 2009

ENCLOSURE

**FY 2009 Write Off
Total Write off (\$697,848) compared to Fin Aid Related Receivables
(\$671,771)**



- Former Employees
- Third Party Receivables
- Returned Checks & Misc Bursar
- Financial Aid Related
- Fee Advance
- Veterans Fee Advances (state mandate)
- Financial Aid Books
- Fee Deficiencies
- Financial Aid Overpayments (fed mandate)
- Return of Title IV (federal mandate)

WRITE-OFF COMPARISON

Write off amt as percentage of total fee revenue	1.35%
Fee revenue	51,822,369
Write off amt as percentage of fin aid disbursed	1.57%
Financial Aid Disbursements	44,325,677

Accounts Dated	
Prior to 06/06	\$6,345
	\$215
	\$19,517
	\$0
	\$22,953
	\$25,312
	\$109,492
	\$77,896
	\$436,118
	\$671,771
	\$697,848

2009 Write Off

Receivable Categories

Former Employees	
Third Party Receivables	
Returned Checks & Misc Bursar	
Financial Aid Related	
Fee Advance	
Veterans Fee Advances (state mandate)	
Financial Aid Books	
Fee Deficiencies	
Financial Aid Overpayments (fed mandate)	
Return of Title IV (federal mandate)	
Subtotal Fin Aid Related	
Write-off Total	

Financial Aid Receivable Definitions:

- Fee Advance - Institutional funds given to students to cover tuition.*
- Veterans Fee Advance - State mandated fee advances given to veterans.*
- Financial Aid Books - Institutional funds given to students to cover the cost of books and supplies.*
- Fee Deficiencies - Student's award was reduced causing student to owe the college money for tuition.*
- Financial Aid Overpayment - Federal mandate to adjustment a student's award caused by reduction in enrollment.*
- Return of Title IV: Federal mandate to adjust student's award based on non-attendance.*