



INSTITUTIONAL DEBT and FINANCIAL TRANSCRIPT HOLDS

Transcripts are a record of your academic history at any college you attend or have attended in the past. These official documents offer a continuous record of your academic history and are required for admission and enrollment at another college. In some cases, an employer may also request a transcript for purposes of confirming proof of a degree or completion of specific courses.

A barrier that students may experience when trying to get a transcript is called a “financial transcript hold.” This resource will walk you through what this means, why you might owe money to a college, and what you can do if you find yourself in this situation.

THE LANDSCAPE

WHAT IS INSTITUTIONAL DEBT?

Institutional debt refers to money owed by a student to their college, stemming from charges like unpaid fees or tuition. This debt is managed by the student billing office, which may be part of the **bursar's office**. Students can check their account balance through an online portal or by contacting the billing office. Many students may be unaware of their balance until they request a transcript or other support and find out there is a hold preventing them from accessing something.

WHAT IS A FINANCIAL TRANSCRIPT HOLD?

A hold is any kind of freeze on your account that prevents you from doing something until a certain problem is resolved. A **financial transcript hold** occurs when a college will not release a transcript because a student owes money to the college (known as **institutional debt**).

Why It Matters:

- **Applying to College:** Whenever you apply to a college program, that school will require a transcript listing all of the courses you have taken in the past. You are always required to provide a past transcript with an application - even if you don't want to use any of the old course **credits** towards your new degree, even if you failed coursework or had to drop out, etc.
- **Securing Employment:** A transcript is the most official record of the courses you have taken in your past, and some employers may require you to prove you have taken a college course or completed a specific credential before they offer you a job. For example, if you are applying to work in a leadership role at a restaurant, that employer may require proof that you have taken a food safety course at the college level. Additionally, some jobs require successful applicants to have completed a certain level of college, like a **bachelor's degree**, in order to be hired. Your transcript provides proof that you meet the hiring requirements.

KEY TERMS

Key terms in **blue** can be found in the *Navigating Forward Glossary* if you'd like more information.





UNDERSTANDING YOUR DEBT

WHY DO I STILL OWE MONEY TO THE SCHOOL?

There are quite a few reasons why a student might owe money directly to their college or former college. These are some common reasons:

- Unpaid campus parking tickets
- Unpaid residential fees (for example, a fee from damage to student housing)
- Unpaid student club or social group fees
- If a student doesn't successfully complete a course, their financial aid may need to be returned (to the government or funder), which leaves the student with an unpaid bill for their tuition and fees. This may happen if you fail a course or withdraw after a deadline.

HOW WILL I KNOW?

Many students discover they have a financial transcript hold in the following ways:



You contact the **registrar's office** at your former college and request a transcript for a college application or job application and you are told (over the phone, in an email, or by letter) that they won't give you a copy of your transcript because you owe money to the school.



You apply to a new college program, and you receive communication from that college's admissions office that you cannot be accepted into their program because they can't verify your academic record because of a financial transcript hold.



You or someone you share a bank account with has to undergo a credit check, for example when trying to make a purchase (like a car, a house, rental furniture, a cell phone, etc.) or when applying to rent a home or apartment, and this debt shows up as part of your **credit score** or credit history.





WHAT DOES THIS DEBT MEAN FOR ME?

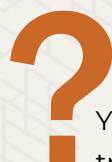
Institutional debt is not a student loan; it functions more like when a customer fails to pay a business. The college can charge fees, withhold privileges, or restrict access to programs, facilities, and alumni benefits. You will likely not be able to register for new courses at the school, and, as this resource shows, you may be prevented from continuing college anywhere else if the school withholds your records.

Just like with any other debt, a college may decide to pursue the debt owed by a student, either through debt collectors or a civil legal process. Because the amount of money owed by a student to a college is typically relatively low, many colleges choose not to spend the money going after the debt, but this is an option if the college chooses to pursue it. This can lead to wage garnishment, which means that money is automatically taken from your paycheck in order to pay back the school. For all of these reasons, it's a good idea to be proactive and try to get on a payment plan or secure a debt waiver from your school!



DID YOU KNOW?

Institutional debt is not the same thing as student loan debt. Most simply, when you have federal student loan debt you owe money to the government, whereas if you have institutional debt, you owe money to your college.



DID YOU KNOW?

You may have copies of your unofficial transcript, which can be helpful, especially as you are planning out potential transfer credits. However, a college will always require an official transcript before you can be officially enrolled in a program.



DID YOU KNOW?

According to the 2020 study conducted by Ithaca S+R, the average amount owed by a student facing a transcript hold is about \$2,300, but for individuals with debt owed to community colleges, it's typically much lower, around \$630.



DID YOU KNOW?

If you have a financial transcript hold, you are not alone! A 2020 study conducted by Ithaca S+R estimated that roughly 6.6 million students have college credits that they cannot access because of a financial transcript hold.

LEARN MORE

When you apply for a college program, you will be required to provide what is called an "official" transcript, which has digital signatures or physical markers to demonstrate its authenticity. An "official" transcript provides proof it passed directly from one institution to another and has not been opened, altered, or otherwise tampered with. When you receive a hard copy of your official transcript, it will come in a sealed envelope. Once that envelope seal is broken, the transcript is now an unofficial transcript. When you are requesting transcripts, always choose to have it sent directly to the college if you can.













OVERCOMING TRANSCRIPT HOLDS

WHAT ARE MY OPTIONS?

If you find out that you aren't able to get a transcript because of a financial transcript hold there may be steps you can take to overcome this hurdle! Navigating through this process will require patience and determination, and maybe even help from individuals on the outside. At the end of the day, you may find that the only way to gain access to your transcript(s) is to pay off your debt, but the following strategies have helped other students in this situation. Learn more about these suggestions in the following sections:

-  First, find out more about the debt because this will help you evaluate your options. How much is it? What caused the debt? When did it happen?
-  Find out what payment options are available at your college.
-  Write a letter to your college requesting a debt waiver or some other accommodation that will allow you to get your transcript.
-  Find out whether a new federal rule might allow you to get your transcript even if you owe money to the college. Read more about this in the following sections.
-  If your college partners with a transcript provider, like Parchment or Diploma Sender, the company may not be able to help you if you have a hold on file, but it's possible your school will release it to you in person at the registrar's office. Keep in mind, there may be a fee and you will want to ensure that the transcript remains in the sealed envelope.
-  If you aren't able to visit the registrar's office in person, you may be able to send someone on your behalf, but you will need to:
 -  Sign a FERPA waiver to give the school permission to release it to them (see **Sample FERPA Waiver** at the end of this resource); and
 -  Write and sign a transcript request letter that your advocate can bring with them to the registrar's office (see **Sample Letter 4**).

IMPORTANT NOTE

If you are working with someone on the outside, for example a family member or a non-profit organization, to help you work through this process, you may need to sign a waiver or release form that allows that person to request transcripts or other documents on your behalf. A law known as **FERPA** forbids schools from sharing your private records with anyone without your permission. You might need your student ID number from your old college for this waiver form, or you may be able to use the last 4 digits of your social security number instead. See the **Sample FERPA Waiver** form at the end of this resource for an example of what this form might look like.





FIND OUT MORE ABOUT YOUR DEBT

These are questions you can ask the **bursar** at your college. The contact information for this person should be in a school's **academic catalog** or listed online, or see **Sample Letter 1** for a model of how you might reach out to the college in writing.

How much do I owe?

How can I make a payment
or arrangement without
internet?

Was I using federal
student aid when the
charges were made?

Which semester(s) is this
debt from?

What kind of charges
caused the debt?

Who should I speak to on
campus to find out more
about my options?



FIND OUT ABOUT PAYMENT OPTIONS

If you are not in a position to pay off the debt immediately, contact the financial aid office or the bursar's office to see if the school has a process for waiving or reducing your bill. A friend or advocate may be able to assist with inquiring about these options:

- **Payment plans:** Some schools offer payment plans that allow you to make small payments on the debt over time. You will likely need to contact the **bursar's office** to talk through the money you owe and set up a schedule for making payments. If you have a bank account or state trust fund, you may be able to set up direct payments to your college. Before taking on this option, make sure that you have the ability to make each payment on time.
- **Debt waiver programs:** Some schools have a **tuition refund committee** that can waive or modify a debt if the student can demonstrate unexpected circumstances, such as a medical event or a death in the family, that justify forgiving or erasing the debt owed.
- **Debt deferral:** Some colleges may make an agreement to release your transcript in exchange for some arrangement to pay or forgive the debt in the future. These may be more common in situations where a student is trying to reenroll in the same college in order to finish their degree (because the college also wants you to be able to finish!).
- **Write a letter:** Some people may just be willing to help. Explain your circumstances and any financial challenges you are facing to see if the college can help accommodate your needs. Even if they don't have a formal waiver program, you might be able to work with the college towards a solution. See **Sample Letter 2** at the end of this resource.





FIND OUT IF A NEW FEDERAL RULE MAY HELP

On July 1, 2024, a rule (C.F.R. 668.14(b) (33 & 34) issued by the U.S. Department of Education went into effect, and colleges are now required to release transcripts for any semesters that a student received federal student aid if the student has entered into an agreement to pay.

- First, determine which semesters you received federal student aid. You may be able to find this out by speaking with the financial aid office or the **bursar**. Here is an example of what you might say:

"I attended _____ College from [x date] through [x date]. My full name is _____, the last four digits of my social security are _____, and my student ID number (if you have access to it still) was _____. I am trying to find out if I received federal student aid and if so, for which semesters. Is this something you can assist me with or could you direct me to the right person?"

- If you do believe the law applies to you, you could write a formal letter to your school officially requesting your transcript based on the new federal rule. See **Sample Letter 3** for an example. Here is specific language from the law to help your understanding:

33) A college that accepts federal funding under title IV will not withhold official transcripts or take any other negative action against a student related to a balance owed by the student that resulted from an error in the institution's administration of the title IV, HEA programs, or any fraud or misconduct by the institution or its personnel;

(34) Upon request by a student, the institution will provide an official transcript that includes all the credit or clock hours for payment periods—

(i) In which the student received title IV, HEA funds; and

(ii) For which all institutional charges were paid or included in an agreement to pay at the time the request is made

LEARN MORE

If you are searching for contact information for the **registrar** (the office that holds and processes transcripts), the **bursar** (the office that manages student financial accounts) or financial aid office, here are some ideas:

- 1) Ask for this information from a program coordinator or other school advisor that works in your program.
- 2) This information is likely included in your school's **academic catalog**.
- 3) This information will be listed on your college website (if you (or a family member outside) can access this site).
- 4) Check any school documents to see if contact information is listed on the letterhead or envelope you received.





SAMPLE LETTER 1: STUDENT TO REGISTRAR'S OFFICE REQUESTING INFORMATION ABOUT TRANSCRIPT HOLD

[Your Name]

[Your facility address]

[Your social security number or student id number, if you have it]

Registrar's Office, attn: Registrar

[University Address]

[Date]

To Whom It May Concern,

I attended your college between **[the dates you were enrolled]**, and I have recently tried to contact your office to secure the release of my academic transcripts, but I have been told that they cannot be released because I owe money to the college.

I am currently incarcerated and hoping to enroll in a college program offered by **[receiving college or the college you are applying to]**, which requires my transcript from **[this school]**. Can you please give me more information about my hold, including the amount owed, the reason for the debt, the time frame of the debt, whether I was receiving federal student aid, and any programs or arrangements that I might be eligible for to help overcome this barrier?

Due to my high financial need at this time, I would greatly appreciate any support that can be provided.

Sincerely,

[Your Name]





SAMPLE LETTER 2: STUDENT REQUESTING A DEBT REDUCTION OR WAIVER

Dear **[Name of College's Bursar]**,

I hope this letter finds you well. I am writing to request your assistance with a financial hold that is preventing me from retrieving my transcripts. My full name is **[insert your legal name]**, and my student ID number is **[insert student ID number or the last four digits of your social security number and your birthdate]**. I attended **[name of college]** from **[dates of your enrollment]**.

I am currently incarcerated and hoping to enroll in a college program offered by **[receiving college or the college you are applying to]**. I am requesting accommodation from a financial hold due to my current circumstances. I am seeking the release of my transcripts to be sent to **[name of the college you are applying to]**.

(If you are able to pay some towards this debt)

In exchange for the release of my transcript and as a part of this request, I pledge a monthly payment of \$50 **[or another amount that you are able to pay based on your income in prison]**. I am committed to prioritizing my studies and allocating monthly funds, typically used for necessities like food, in order to continue my coursework. My commitment to make payments reflects my dedication to my education. With that said, if the college is in a position to reduce or waive any part of this debt, I would be grateful to be considered for a waiver or reduction. I am eager to eliminate my debt to your institution, and a reduction of the amount owed would help me make more significant repayment progress more quickly.

(If you are unable to make any payments at this time)

I am currently incarcerated and unable to secure enough income to make payments on this debt. Having the ability to pursue a college degree in spite of this debt will ensure that I can experience the transformative benefits of education and be better prepared for my future.

Your understanding and support in this matter are deeply appreciated.

Sincerely,
[Your name]





SAMPLE LETTER 3: STUDENT TO REGISTRAR'S OFFICE, REQUESTING RELEASE OF TRANSCRIPT BASED ON NEW FEDERAL RULE

[Your Name]

[Your facility address]

[Your social security number or student id number, if you have it]

Registrar's Office, attn: Registrar

[University Address]

[Date]

Dear Registrar,

I attended your college between **[the dates you were enrolled]**, and I have recently tried to contact your office to secure the release of my academic transcripts, but I have been told that they cannot be released because I owe money to the college.

As of July 1, 2024, according to the provisions of C.F.R. 668.14(b) (33 & 34), colleges must release transcripts for semesters paid for using federal financial aid, as long as the student has initiated a payment plan with the school.

During the enrollment period listed above, I was receiving federal student aid. Additionally, I have worked with the offices at the college to establish a payment plan to pay back the money I owe. Please see the attached letters spelling out the terms of the payment plan. **[If possible, have copies of any documents you have about the payment plan that you can send in with your letter. If you don't have documentation, but you believe you are making payments under a debt payment plan, say this in your letter and ask your college to confirm this with the Bursar's Office.]** Accordingly, I am requesting that my transcripts be released to **[Name of Receiving College]** despite any money that I might owe.

On behalf of:

[Your Name

DOB: Month/Day/Year

Last 4 digits of your Social Security Number

Enrollment Dates: Month/Year - Month/Year]

Please send a transcript to:

[Name of receiving college

Attn: Registrar's Office

Address of receiving college]

Sincerely,

[Your full name and signature]

Last Revised: 2/11/2025





SAMPLE LETTER 4: LETTER REQUESTING A TRANSCRIPT, WITH HELP FROM A THIRD PARTY

[Your Name]

[Your facility address]

[Student id number, if you have it]

Registrar's Office, attn: Registrar

[University Address]

Dear Registrar,

I am an incarcerated individual who is seeking to enroll in **[name of receiving college]**, and I need to have my official transcript sent from **[name of former college]** sent to **[name of receiving college]**. Can you please either release the transcript directly to **[name of receiving college]** or release a sealed, official transcript to **[name of third party]** on my behalf?

Because I am incarcerated, I have designated **[name of 3rd party]**, who is **my sister [your relationship to the third party]**, as my representative to secure my official transcript from your office as I am unable to visit your office in person. I also do not have the ability to send a transcript request to you electronically or to make an electronic request to a transcript provider.

I have signed and shared a FERPA waiver with **[name of 3rd party]** to share with you as well.

On behalf of:

Your Name

DOB: Month/Day/Year

Last 4 digits of your Social Security Number

Enrollment Dates: [Month/Year - Month/Year]

Please send a transcript to:

[Name of receiving college]

[Address of receiving college if you have it]

Thank you for your assistance.

Sincerely,

[Your Signature]

[Your full name]

[Date:]





SAMPLE FERPA WAIVER FORM:

Most colleges will have a FERPA Waiver available on their website. If you don't have access to the college's official waiver process, a document like this might work for some schools.

FERPA Form for Disclosure to **[Insert name of individual, school, or organization that will be receiving your records]**

To: [Insert name of individual, school, or organization that will be receiving your records]

From: _____

Student's First Name Middle Initial Last Name

Student's Full Address

Other: _____

Student's Previous Names/Aliases

Student's Previous Address

Under the Family Educational Rights and Privacy Act (FERPA), **[insert prior college name]** is permitted to disclose information from my academic and medical records to **[list relevant individuals]** of **[organization or advocacy group, if applicable]** to the college/university of **[insert receiving college name]**.

Signature: _____ Date: _____

I consent to the disclosure of any personally identifiable information from my education and medical records to **[insert name of individual or advocacy organization]** for academic and transitional support as appropriate. This authorization will remain in effect for the [2024-2030] school years.*

Signature: _____ Date: _____

I certify under penalty of law that I am the individual identified in this written consent form, I am 18 years or older, and I am authorized to make this request.

Signature: _____ Date: _____

Address: _____

Last four digits of SSN: _____ Date of Birth: _____





NAVIGATING FORWARD

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