

University of Prince Edward Island

Frequently Asked Questions Relating to Eliminating Credit Cards for Tuition and Fees

Effective July 1, 2010, UPEI will no longer accept credit cards for payment of tuition and residence fees.

1) What are my payment options going to be?

- 24/7 online banking (*“University of PEI” is registered as a payee with every major Canadian bank and regional credit union*)
- telephone banking
- direct transfer of funds (recommended for international students)
- payment by mail with cheque, money order, or bank draft
- payment in person with debit, cash, cheque, money order, or bank draft
- payment via Canada Student Loan

2) Why is UPEI discontinuing the use of credit cards for payment of tuition and residence fees?

This is an important cost-saving measure. We need to carefully examine all our expenditures during difficult financial times. The annual cost to UPEI for accepting credit card payments for major fees is in excess of \$150,000 and growing. UPEI is not permitted by the credit card companies to pass these costs on to students. Nor would we wish to do so because they have no connection to academic quality. Instead, we have eliminated these costs.

3) Why do credit cards cost so much?

Every time you pay for something with a credit card, the vendor is charged a fee. It varies by credit card company, but averages close to 2 per cent of the total transaction. So if just one student uses a credit card to pay tuition, education fees, and residence fees, which total \$10,000+ a year, it costs the University \$200.

4) What is happening at other universities?

Many universities are discontinuing their usage due to the high costs. Recently, UNB, UBC, and University of Alberta discontinued credit card use for major fees, and Dalhousie and St. Thomas are planning to do the same. University of Toronto, McGill, McMaster, Queen’s, and Mount Allison do not accept credit cards for major fees.

5) What can I use my credit cards to pay?

Credit cards are still accepted for many other services such as application fees, confirmation fees (tuition deposit, for example), residence deposits, transcripts, Centre for Life-Long Learning non-credit course fees, Bookstore purchases, services at

the Veterinary Teaching Hospital, services and events at the Chi-Wan Young Sports Centre, and donations.

6) Why was I able to pay my application deposit by credit card but not my tuition fees?

It's really about balancing convenience and cost. The UPEI application process is a convenient online process for payment of deposits by students applying from across the province, the country, and around the world. The credit card cost associated with an application fee is less than 80 cents. To process payments by any other method would actually cost the University more.

7) I have a daily limit on my bank account, which won't allow me to pay my tuition in full using my debit card. What can I do?

Contact your financial institution to temporarily increase your daily debit card transaction limit. For greater convenience, you can also pay through online banking by setting up UPEI as a payee under the bill payment function within your financial institution's secure website.

8) What if my student loan has not come in by the time the tuition payment is due?

Students who get their loan document signed by the Accounting Office on or before the payment due date will not have late charges applied to their accounts. However, if the loans do not cover the fees in total, students should pay the balance by the due date or late fees will apply.

9) Many international students don't have accounts with Canadian banks. What is being done to help them?

International students can pay by wire transfer (<http://www.upei.ca/accounting/banking-information-wire-transfers>), or transfer the funds through StudentPay (<http://www.upei.ca/accounting/international-students-instant-pay-easy-way>), an online system that UPEI introduced in January 2010. Students can choose from one of 11 languages and know exactly how much they pay in their own currency. Because transactions are direct, there is no risk of payments falling short due to fluctuating exchange rates and unexpected bank fees.

10) What else has UPEI done to make payment convenient for students?

The University provides a 24/7 online banking option through all the major financial institutions in Canada.* This allows students to avoid line-ups and to pay at a time of day that is convenient for them. Students who still wish to use credit cards to finance tuition and residence fee payments can do so by using their cards to obtain a cash advance and then choosing one of the payment options we provide (see question 1). NOTE: Interest on cash advances is often charged from the day the advance is obtained.

*If you currently use a bank where “University of PEI” is not set up as a payee, please advise us at (902) 566-0534 or accounting@upei.ca and we will gladly arrange to become a payee with that institution.

11) Are ABM machines available on campus so students can withdraw funds to pay fees?

There are ABM machines on campus (in Robertson Library, Andrew Hall, W. A. Murphy Student Centre, and CARI), but you can pay your fees directly at the UPEI Accounting Office with your debit card without having to withdraw any cash. If you are paying by debit, please ensure you have the appropriate withdrawal limit to cover your fees. Most financial institutions are able to increase your daily limit temporarily.

12) My parents pay my tuition and they live outside PEI. How can they pay?

Parents can pay fees through online banking as long as they have your student ID number. Or they can visit their financial institution to ask for assistance in making a direct wire transfer to UPEI. Please see <http://www.upei.ca/accounting/banking-information-wire-transfers> for information about wire transfers. Mailing a cheque, bank draft, or money order is also an option.

13) What arrangements have been made for students who need to defer their tuition payment since paying by credit cards has been eliminated?

The Accounting Office encourages anyone concerned about being able to pay their tuition and residence fees to give us a call, drop an e-mail, or come by and visit our office. There is already a formalized process in place for students to request late payment and, in situations where students have previously demonstrated their credit worthiness on campus, staff in the Accounting Office will take this into consideration when discussing other payment alternatives. You can contact the Accounting Office at accounting@upei.ca, (902) 566-0534, or visit them in the lower level of the Kelley Building.