



# Montana University System

## Office of the Commissioner of Higher Education

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### **MONTANA UNIVERSITY SYSTEM | COMMISSIONER'S DIRECTIVE**

**RE: Transcript Withholding**

**EFFECTIVE DATE: July 1, 2024**

In October 2023, the US Department of Education announced that the practice of withholding transcripts of students in specific situations would be prohibited for institutions that participate in Title IV financial aid. This new rule will go into effect on July 1, 2024, and applies only to students who have used federal financial aid to pay for their education.

In light of the new regulations, the Office of the Commissioner of Higher Education directs the following procedural adjustments be made at the campus level:

- Montana University System institutions will no longer hold a current or former student's transcript because the student owes a debt to the institution, regardless of whether or not the student used federal financial aid.
- Institutions may prohibit a student from registering for classes if an account balance is unmet.
- Institutions may continue to refer unresolved student debt cases to collections and/or other financial processes when an unpaid balance remains.
- OCHE encourages campuses to allow students to register if the balance due is less than \$500, and the student has agreed to a payment plan.

While the new rule will go into effect on July 1, 2024, the US Department of Education will release further guidance on the regulation in June 2024. Should the new guidance conflict with this directive, new Montana University System guidance will be issued.

Clayton T. Christian  
Commissioner of Higher Education

*Commissioner's directives are official interpretations and guidance issued by the Commissioner of Higher Education; they remain in effect as system directives until withdrawn or revised by the Commissioner or superseded by action of the Board of Regents.*