Deposits, Refunds, Solicitation

Revised: 11/11
FSS/PPS 03.01.03
Issue No. 6
Reviewer: Treasurer
Effective Date: 08/01/91 (E4Y)
Review Date: 04/15

01. PURPOSE

01.01 This FSS/PPS establishes policy for the collection, refund, donation, and distribution of general deposits.

02. DEFINITION

02.01 Section 54.502, Education Code, states, An Institution of higher education may collect a reasonable deposit in an amount not to exceed $100 from each such student to insure the institution against any losses, damages, and breakage for which the student is responsible and to cover any other amounts owed by the student to the institution. The institution shall return to the student the deposit, less any such amounts owed to the institution by the student. The deposit must be returned within a reasonable period after the date of the student's withdrawal or graduation from the institution, not to exceed 180 days, that provides the institution with sufficient time to identify all amounts owed and to determine that the student does not intend to enroll at the institution in the semester or summer session immediately following the student's withdrawal or graduation or, if the student withdraws or graduates in the spring semester, in the next fall semester.

02.02 Section 54.5021, Education Code, was amended to read:

a. The student deposit fund consists of the income from the investment or time deposits of general deposits and of forfeited general deposits. Any general deposit which remains without call for refund for a period of four years from the date of last attendance of the student making the deposit shall be forfeited and become a part of the student deposit fund. This section does not prohibit refund of any balance remaining in a general deposit when made on proper demand and within the four-year limitation period. The governing board of the institution may require that no student withdraw his deposit until he has been graduated or has apparently withdrawn from school.

b. The student deposit fund shall be used, at the discretion of the governing board, for making scholarship awards to needy and deserving students of the institution and making grants under Subchapter C, Chapter 56, to resident students of the institution. The governing board shall administer the scholarship awards for the institution, including the selection of recipients and the amounts and conditions of the awards. The recipients of the scholarships must be residents of the state as defined for tuition purposes.
c. Not later than August 31 of each fiscal year, each institution of higher education that has an unobligated and unexpended balance in its student deposit fund that exceeds 150 percent of the total deposits to that fund during that year shall remit to the Texas Higher Education Coordinating Board the amount of that excess.

02.03 On August 4, 1993 the Board of Regents, Texas State University System authorized Texas State to transfer the general property deposit reserve balance to a quasi-endowment account. The Board also authorized the President to transfer funds annually from the reserve for the award of need based scholarships.

03. **POLICY**

03.01 Each student, upon enrollment in Texas State University, is required to make a general deposit of $50, which must remain on deposit with the university throughout his/her career as a Texas State student.

03.02 Any unpaid current charges will be deducted from the deposit before a refund is made.

03.03 The refunds will be made, less any charges against the deposit, to the student within 180 days from the time the student graduates or withdraws from Texas State. General deposits will be credited against outstanding charges for students that are not enrolled in a subsequent long semester (Fall or Spring).

03.04 General deposit refunds are requested by submitting a properly completed general deposit refund request form to Student Business Services. The form is available on the SBS Website.

03.05 Students will be given the option, prior to the end of graduation, to donate the remaining funds in their GPD deposit to the Alumni Association/Bobcat Club or to the university for scholarship purposes.

03.06 Any General Deposit which remains without call for refund for a period of four years from the date of last attendance at this university shall be forfeited and the deposit become a part of and operative to the permanent use and purpose of the University Student Deposit Scholarship Fund.

03.07 In July of each year the Student Business Services office will deposit the forfeited deposits to the GPD interest and forfeits account, fund 30203410XX/ CC 1040000068. At the beginning of the next fiscal year the General Accounting Office (GAO) will process a JV to transfer the forfeits and interest earned on active deposits to the need based Scholarship Account, Fund 4700351000/ CC 1328110020/ IO 5500000041. GAO will also coordinate a corresponding budget transfer.

04. **MAJOR RESPONSIBILITIES ASSOCIATED WITH THIS PPS**

Major responsibilities for routine assignments associated with this PPS include the following:
Positions | Section | Date
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Treasurer | Review | April (E4Y-91)

05. CERTIFICATION OF STATEMENT

This FSS/PPS has been approved by the following individuals in their official capacities, and represents FSS policy and procedure from the date of this document until superseded.

Treasurer, Reviewer

Vice President for Finance and Support Services

Approved: _________________________
Reviewer

Approved: _________________________
Vice President for Finance
And Support Services