Procedure Statement

This Procedure is established to comply with System Regulation 21.01.04 Extension of Credit which requires the CFO to have a procedure to approve requests for extension of credit and ensure the information, record-keeping, and control systems used for decision making provide the accuracy and reliability required to protect system member assets.

Procedures

1. Payment Options for Paying Tuition and Fees and Extending Credit

   1.1. Fifteen percent of resident state tuition collected and three percent of nonresident state tuition collected is set aside to provide grants and emergency loans to students. Ninety percent of these funds set aside will be used to fund student grants and 10% of these funds will be used to fund emergency loans (Reference TEC paragraph 56.033). It is the responsibility of the TAMU-SA Comptroller to ensure the criteria within the Texas Education Code (TEC) is met for the setting aside and disbursement of these funds.

2. Exceptions to Payment of Tuition and Fees by Payment Due Date and Late Payment Fee.

   2.1. TAMU-SA may postpone the due date for the payment of all or part of the tuition and fees for a student for a semester or summer session in which the student will receive one or more delayed financial aid awards if:

      2.1.1 The student has not received the awards by the regular due date for payment of the tuition and fees; and

      2.1.2 The student agrees to assign to the institution a portion of the awards equal to the amount of tuition and fees for which the due date is postponed. The VP for Student Affairs (VPSA) is authorized to postpone the payment due date for students meeting this criteria and will submit to the Comptroller and VPFA the list of students and amount of tuition and fees postponed. The list will include the name of the student, amount of tuition and fees postponed, and the new payment due date for each of the students. The request must include a statement stating that
the AVP for Student Affairs confirms that students have agreed in writing to assign to the institution a portion of the awards equal to the amount of their tuition and fees and that this agreement is on file within Student Affairs. This list will be submitted on the due date of tuition and fees for the applicable semester.

2.1.3 If after the due date for which a student’s tuition and fees are postponed the student becomes ineligible to receive one or more of the delayed financial aid awards, or the amount awarded is less than the amount of tuition and fees due, the VPSA may request the VPFA to establish a new payment due date not to exceed 30 days. This approval to extend the due date will be made by the VPFA/CFO.

2.1.4 The VPFA/CFO may extend a payment due date (1) for unpaid tuition and mandatory fee balances resulting from an adjustment to a student’s enrollment status or an administrative action; or (2) unpaid residual balances of tuition and mandatory fees constituting less than five percent of the total amount of tuition and mandatory fees charged to the student by the institution for the semester or term.

2.1.5 The University may assess a late fee to any student not registering or paying by the established payment deadline dates. New students enrolling with the university will not be assessed a late fee for their first term of enrollment. Military community (i.e., active duty, reserve, National Guard, Texas State Guard, veterans, and family members eligible for Hazelwood Act legacy or transfer educational benefits from VA, DOD or the State of Texas) will not be assessed a late fee for any term of enrollment.

2.2. Any student who has been extended credit and who withdraws from the University will be responsible for payment of the tuition and fees not authorized to be refunded by the TEC.

2.3. Any other actions that will result in the extension of credit to a student require the approval of the Comptroller and VPFA.

2.4. A student with a delinquent account will have holds placed on their record until such time that their delinquent account is satisfactorily paid in full.

3. Authority to Extend Credit to others:

3.1. System member Chief Financial Officers (CFOs) are granted the authority to approve the sale of goods and services on credit, provided that such extension of credit best serves the best interest of the System and the public good of the state of Texas.

3.2. The CFO is required to maintain written documentation explaining the circumstances requiring an extension of credit.

3.3. The TAMU-SA Comptroller is required to create a University Procedure or
4. The President may waive designated tuition, and a mandatory, discretionary, or any other fee such as late payment or emergency loan fee for a student if he/she determines that it is in the best interests of the University, the student is not reasonably able to or participate in or use the activity, service, facility, or encounters a fee which is beyond the students control and falls in line with the State of Texas Education Codes. All requests for waivers of designated tuition or fees must be submitted to the Comptroller in writing and approved by the President if not already authorized within a University Rule or Procedure.

5. Students enrolling from the military community who have applied for educational benefits before the announced payment deadline for an academic term and whose benefits have not yet been received by the University are required to pay the tuition and fee charges or they may apply for an emergency tuition loan (a.k.a. “military financial assistance payment plan”), only to the extent that their anticipated educational benefits payable directly to the University are less than their total tuition and fees charges.

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**Related Statutes, Policies, or Requirements**

**Tex. Admin. Code, Title 1, Part 3, §§59.2, 59.3**

**Comptroller of Public Accounts, Accounting Policy Statement 027, Accounting for Uncollectible Accounts**

**Comptroller of Public Accounts, Accounting Policy Statement 028, Reporting and Verification of State Debts and Hold Offset Procedures**

**Federal Trade Commission Red Flags Rule, 16 C.F.R. § 681.2**

**Interagency Guidelines on Identity Theft Detection, Prevention, and Mitigation, Appendix A to the Red Flags Rule**

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**Definitions**

**Covered accounts** – consumer accounts designed to permit multiple payments or transactions, and any other account for which there is a reasonably foreseeable risk from identity theft.
**Delinquent** – payment is past due by law or by customary business practice, and all conditions precedent to payment have occurred or been performed. (TAC, Title 1, Part 3, §59.2 (a) (3))

**Public good** – a good that is non-rival and non-excludable; meaning that the consumption of the good by one individual does not reduce the amount of the good available for consumption by others; and no one can be effectively excluded from using that good.

**Red flag** – a pattern, practice, or specific activity that indicates the possible existence of identity theft.

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**Contact Office**

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