

Returned Payments

Original Implementation: September 1, 1987

Last Revision: April 18, 2020

Purpose

This policy establishes processes for the handling and resolution of any returned payments received by the university.

Definition

A returned payment is any payment by check, credit card, debit card, draft or other format which is returned to the university unpaid due to no fault of the bank or the university.

General

The business office may assess a returned payment fee plus applicable sales tax for each returned payment item. Returned payments on employee, student or departmental accounts may be turned over for collection to a collection service, collection agency and/or attorney. If a returned payment is turned over for collection, applicable fees assessed by the collection service, collection agency and/or attorney will be charged to the debtor. Additional legal action may be taken.

Returned payments on student accounts will be treated as outstanding charges until paid. Delinquent accounts will be subject to the university's policies and procedures for handling student accounts receivables.

Returned payments received from departmental deposits will be charged back to the originating account and the applicable department will be notified. If a returned payment is received from a donor, the university will coordinate the charge back of the gift through the development office. The development office may make contact with the donor for resolution.

Additional Consequences

After receipt of three returned payments from any individual, organization or business, the university reserves the right to refuse certain types of payments from those payers and may demand payment by cash, cashier's check, debit card, credit card or money order.

Employees with returned payments should make restitution to the university within ten business days of notification. If the employee has not reimbursed the university for returned payments and any applicable service charges, the university may reduce or withhold any payments due to an

employee by amounts due the university, in accordance with Texas law.

Cross Reference: Check Cashing (3.7); Student Accounts Receivable (3.28)

Responsible for Implementation: Vice President for Finance and Administration

Contact for Revision: Controller

Forms: None

Board Committee Assignment: Finance and Audit