

REPLACED CHECK FEE CHARGE OF \$30.00

Most financial institutions charge an account \$30 - \$35 to replace an uncashed check. The finance department is proposing that the University institute a \$30 fee to reissue a check of \$100 or more, once notification has been sent to the student.

We are hoping that by instituting this fee, more students will be encouraged to take advantage of the e-refund. For those students receiving a paper check, the hope is they will cash it within a reasonable period of time, and if not, this fee will help recoup some of the costs associated with this time-consuming, burdensome process.

If the student informs us that the check needs to be reissued prior to receiving our notification, FSU will not charge the student the handling fee.

Before implementing this process, we are working on a system to notify students by email once a refund check is being mailed to them.

Current process:

Our students have two methods of getting a refund:

- A) E-refund – the student enters their banking information online.
Once this is done, any refund generated by student accounts office is sent by financial services department to the bank as an ACH file.
An entry is made in the ledger for the batch sent to the bank.
Total process time is approximately 30 minutes for each e-refund ACH batch numbering one to infinity and the student receives their funds within two days.
For 99.5 percent of the students, the process ends here.
(Occasionally an ACH will bounce back if an account has been closed or incorrect information was entered by the student. Student accounts office will then contact the student to update his/her banking information online.)
- B) Check refund – if no online banking information is entered, a check request is processed by student accounts and sent to financial services department for a check to be cut and mailed to the last address on the student's file.
Financial services uploads the information received from student accounts and creates individual checks. The list of checks created is sent to the bank to ensure that checks presented at the bank match the check numbers and amounts originated at FSU.
An entry is made in the ledger for the batch of checks.
Financial services monitors check payments on a daily basis as all outliers - incorrect keyed entry, over 90 days outstanding check, mismatch amount - are sent to our office by the bank for verification before payment.
Approximately 20 percent of checks of varying amounts that are generated and mailed are not presented to the bank on a timely basis.
Financial services also does monthly reconciliations to monitor these outstanding checks.
- C) Steps to void and replace a check:
Contact student accounts to verify source of funds.
Federal funds have to be returned to the federal government within 240 days.
Contact student/vendor to verify that check was not cashed (email/telephone/mail).
On the bank's website, void each check individually in two different places.
Make an entry in the general ledger to void the check internally.
Notify student accounts of the void and replacement check.
Student accounts puts a notation on the student's file.
Do a replacement check.
- D) Outstanding non-federal refunded checks of \$100 or more and three years old and older have to be sent to the state as abandoned property, while federal Title IV uncashed aid must be sent back to the program after 240 days.