

By: Eiland

H.B. No. 2713

A BILL TO BE ENTITLED

1 AN ACT
2 relating to making auxiliary and institutional funds of a state
3 institution of higher education subject to legislative
4 appropriation.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. The heading to Section 51.002, Education Code,
7 is amended to read as follows:

8 Sec. 51.002. TREATMENT OF INSTITUTIONAL FUNDS [~~SUBJECT TO~~
9 ~~CONTROL~~].

10 SECTION 2. Section 51.002, Education Code, is amended by
11 amending Subsection (a) and adding Subsections (a-1) and (a-2) to
12 read as follows:

13 (a) The [~~governing board of each institution listed in~~
14 ~~Section 51.001 of this code may retain control of the~~] following
15 sums of money collected at an [the] institution of higher education
16 are institutional funds for purposes of this subchapter [~~, subject~~
17 ~~to Section 51.008 of this code~~]:

- 18 (1) student fees of all kinds;
19 (2) charges for use of rooms and dormitories;
20 (3) receipts from meals, cafes, and cafeterias;
21 (4) fees on deposit refundable to students under
22 certain conditions;
23 (5) receipts from school athletic activities;
24 (6) income from student publications and other student

1 activities;

2 (7) receipts from the sale of publication products and
3 miscellaneous supplies and equipment;

4 (8) [~~students' voluntary deposits of money for~~
5 ~~safekeeping,~~

6 [~~(9)~~] all other fees and local or institutional funds
7 arising out of and by virtue of the educational activities,
8 research, or demonstrations carried on by the institution; and

9 (9) [~~(10)~~] donations and gifts to the institution.

10 (a-1) Institutional funds of an institution of higher
11 education other than a public junior college are subject to Section
12 51.008. Sections 51.003, 51.004, and 51.005 do not apply to those
13 funds.

14 (a-2) The governing board of a junior college district may
15 retain control of institutional funds collected at the public
16 junior college.

17 SECTION 3. Section 51.008(b), Education Code, is amended to
18 read as follows:

19 (b) The governing board of every state institution of higher
20 education shall deposit in the state treasury all cash receipts
21 accruing to any college or university under its control that may be
22 derived from all sources, including institutional funds and other
23 receipts from [~~except~~] auxiliary enterprises, noninstructional
24 services, agency, designated, and restricted funds, endowment and
25 other gift funds, student loan funds, and funds retained under
26 Chapter 145 [~~of this code~~], but not including funds appropriated or
27 distributed to the institution under Section 17 or 18, Article VII,

1 Texas Constitution [~~and Constitutional College Building Amendment~~
2 ~~funds~~]. The comptroller is directed to credit such receipts
3 deposited by each such institution to a separate fund account for
4 the institution depositing the receipts, but [~~he~~] shall not be
5 required to keep separate accounts of types of funds deposited by
6 each institution. For the purpose of facilitating the transferring
7 of such institutional receipts to the state treasury, each
8 institution shall open in a local depository bank a clearing
9 account to which it shall deposit daily all such receipts, and
10 shall, not less often than every seven days, make remittances
11 therefrom to the comptroller of all except \$500 of the total balance
12 in said clearing account, such remittances to be in the form of
13 checks drawn on the clearing account by the duly authorized
14 officers of the institution, and no disbursements other than
15 remittances to the state treasury shall be made from such clearing
16 account. All money so deposited in the state treasury shall be paid
17 out on warrants drawn by the comptroller as provided by law.

18 SECTION 4. The change in law made by this Act applies to
19 revenues of an institution of higher education collected or
20 received on or after the effective date of this Act.

21 SECTION 5. This Act takes effect September 1, 2013.