



## STEERING COMMITTEE RECOMMENDATION APPROVAL REQUEST

**Process:** *Student Depository*

**Description of Recommendation:**

*We are recommending that the University discontinue offering the student depository service.*

**Underlying Opportunities:**

***Background.*** *The University has offered the student depository service for at least the past thirty-five years. The idea behind this service was probably conceived during a time when access to banking services was limited. Over the years, several student organizations as well as University departmental coffee and flower funds have used this service as an alternative to establishing a checking account at a local bank.*

***How does it work?*** *A student establishes a student depository account by depositing a sum of money with a teller in the Bursar's Office (there is no minimum deposit). The student can periodically withdraw funds from this account (up to \$50 per day). The University does not charge for this service nor does it pay interest to the student.*

*We are recommending that this service be discontinued because the current activity does not warrant the continuation of this service:*

- *As of April 30, 2002 there were 613 accounts totaling \$112,637*
- *92 of the 613 accounts had activity during FY 2002*
- *42 of the 92 accounts are student accounts*
- *10 of the 92 accounts are organization accounts (some examples are Blue Ten Harmony, Inter-fraternity Council, Ole Miss Fencing).*

*We recommend that the following procedures be utilized for discontinuing this service:*

- *If the account is active, a check will be issued and mailed to the student or organization.*
- *If the account is inactive, and the student or organization has not provided a forwarding address, the balance will be written off. This is the same procedure the University uses to write off stale-dated checks.*

**Pros Supporting the Recommendation:**

- *The University should not be competing for business that is offered by a bank.*
- *There is not a high demand for this service.*
- *The effort required for a monthly reconciliation can be directed to more worthwhile endeavors.*

**Cons Against the Recommendation:**

*A small number of individuals will perceive that the University is discontinuing a service.*

**Issues, Concerns, or Currently Unresolved Aspects of the Recommendation:**

*There are no known issues, concerns, or currently unresolved aspects at the time this recommendation was written.*

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**Date Submitted:**

*May 8, 2002*

**For further information about this recommendation, contact:**

*Jack Garner*