



Extension of Credit Request

December 5, 2011

Department Code: _____

Department Name: _____

The department listed above is requesting the authorization to Extend Credit per System Regulation 21.01.04 which states:

Authorization for an extension of credit operation is delegated to the CFO of the System member extending credit. Written documentation maintained by the CFO should explain the circumstances allowing for an extension of credit and confirm that the operation meets the constitutional test of being in the best interest of the System member and for the public good of the State of Texas.

1. Provide a detailed description of the operation requiring a credit extension and indicate if your customers are TAMS members only, external customers only, or both. Please include a monthly low and high average value.

2. Estimate the duration of the extension of credit operation.

3. The public purpose served by this extension of credit is: (Check all that apply)

- ↑ To allow the department to conduct its operations in a more efficient way.
- ↑ To create administrative cost savings and/or that the benefits of extending credit exceed the costs.
- ↑ To provide a unique research or educational service.
- ↑ Other: _____

4. Payment for the sale of goods and services on credit is expected within thirty (30) days. Special circumstances requiring the extension of credit for longer than thirty (30) days must be disclosed. If this circumstance is not known at this time, it must be reported as soon as it is known to ar@tamu.edu so it can be routed to the CFO. Please attach a separate letter explaining your special circumstance if applicable.
5. If receivables will not be reported in FAMIS monthly, you will need to provide a monthly report of receivable billings and collections, including an aging of outstanding accounts receivables balances and a reconciliation of individual account balances to the controlling general ledger balance. This is due by the 25th of each month for the previous month.

Certification:

I confirm that I have read and understand TAMU System and University regulation 21.01.04 regarding the extension of credit located at <http://www.tamus.edu/offices/policy/policies/pdf/21-01-04.pdf>.

I confirm that I have read and understand TAMU's Identity Theft Prevention Program (Red Flag Rule). If I need a copy of this program, I will send a request to ar@tamu.edu.

I confirm that my department has written procedures for extending credit including collection procedures and all employees involved with this operation are familiar with the procedures and the above listed regulation and program.

I have attached a copy of my department's procedures.

Department Head or Designee Signature

Printed Name

For FMO Use ONLY	
Approved <input type="checkbox"/> Denied <input type="checkbox"/>	_____ Sales & Receivables Manager Date
Approved <input type="checkbox"/> Denied <input type="checkbox"/>	_____ FMO Director Date
Approved <input type="checkbox"/> Denied <input type="checkbox"/>	_____ Controller Date