Banner Initiatives – Project Initiation Document

Project Statement: Implement 1098T Online via CASHNet

Program: Banner Initiatives

Created and submitted by: Leslie Pinkston

Process Owners: Teresa Mroczkiewicz, Bob Putich

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Approved by Steering Committee on 11/30/2011
Current Situation

The IRS approved the electronic delivery of student 1098Ts in 2009. Banner has yet to supply the ability for students to “Opt-In” to electronic delivery and therefore Western is forced to develop or outsource the function in order to provide the paperless option to our students.

1098T Definitions:
- 1098T - The Tax Reform Act of 1997 provided taxpayers/students with Hope Scholarship and Lifetime Learning tax credit opportunities. As part of that act, the university sends the student and the IRS Form 1098-T in late January every year. (IRS website, http://www.irs.gov/instructions/i1098et/ar02.html#d0e205)

Note:
- “(2) Consent —(i) In general. The recipient must have affirmatively consented to receive the statement in an electronic format. The consent may be made electronically in any manner that reasonably demonstrates that the recipient can access the statement in the electronic format in which it will be furnished to the recipient.” (Treasury Regulations, Subchapter A, Sec.1.6050S-2, (a)(2) through (6)).

Background

It has been the Student Accounts Office’s goal to go green and have the “opt in to electronic delivery” of 1098T since the IRS authorized electronic as a delivery vehicle in 2009. Currently, with paper Western issues over 20,000 1098T annually. The team estimates that the sign up for this opt-in option will be a curve with lower participation in the first year but with vigorous communication to the students, it will eventual reach the maximum savings over the next few years. Below is a breakdown of the maximum cost saving with the opt-in option:
- Postage: $8,700.00
- Paper: $150.00
- Envelopes: $2,400.00
- Recovery Postage: $120.00 (notice of address correction)
- Total Savings $11,370.00 (does not include dedicated staff payroll)

Due to the reduction in budgets the 1098T annual mailing is an expense that can be reduced by allowing students to “opt in” to receiving a 1098T electronically instead of a paper 1098T through the US mail.

1. Business Processes to Be Reviewed

- Banner system 1098T Process: Current business process is Banner baseline; however there will be a change to running the baseline process. Change will include an addition run of the Banner job for student “opting in” to electronic notification.
Note: Other business processes that generate 1098T tax information remain unchanged, other than the volume. The volume will depend on how many students sign up for the new opt-in electronic form option.

2. Functional Areas That Will Be Impacted

<table>
<thead>
<tr>
<th></th>
<th>Academic Affairs</th>
<th>Business Services</th>
<th>Capital, FM, Safety &amp; Parking</th>
<th>Enrollment &amp; Student Services</th>
<th>Financial Services</th>
<th>Human Resources &amp; Payroll</th>
<th>Information Technology</th>
<th>Internal Audit</th>
<th>Internal Control</th>
<th>Legal &amp; Policies</th>
<th>Outside Consultant</th>
<th>Planning &amp; Budgeting</th>
<th>University Advancement</th>
<th>University Relations</th>
<th>All Others</th>
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<tr>
<td>Resources Required</td>
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</table>

3. Identify Stakeholders

Teresa Mroczkiewicz - Financial Services
Wanna VanCuren - Financial System Services
Bob Putich - Student Financial Services
Becky Kellow - Treasury Services
Steve Weinberg – ADMCS
Kurt Willis – University Residences
Michael Ulrich – Accounting Services
Taya Winter – Registrar
Judy Magnuson – Mail Processing Manager
John Zuzarte – Support Services

4. Identify Team Members

Bob Putich - Student Financial Services
Becky Kellow - Assistant Director of Treasury Services
Steve Weinberg – Manager Application System, ADMCS
Leland Anderson – Systems Analyst, ADMCS
Leslie Pinkston – ITSP 2, Finance System Services
Lynn Plancich – Fiscal Technician, Student Financial Services
Mandy Walker Rietman – Fiscal Technician Supervisor, University Residents
Travis Peters – AS VP of Bus Ops
Suzie Merrics – University Cashier Supervisor
5. Relationship to Banner Initiatives Objectives

Banner Initiatives Objectives

- Simplify and automate business processes by implementing best-in-class practice
  - Avoid human errors
  - Improve data integrity
  - Reduce process cycle time and unnecessary paperwork and handling
  - Increase productivity and improve accuracy
  - Integrate systems and reduce/eliminate redundancy and shadow systems
- Improve services to campus and boost customer satisfaction
- Improve reporting capabilities on:
  - Management reports
  - State and federal reporting requirements
- Deliver effective training program to all identified end-users across different departments prior to “go-live”
- Provide efficient post implementation support to end-users

Implementation of 1098T will:

- **Improve services to campus and boost customer satisfaction:**
  - Many students on Western’s campus are very aware of their carbon footprint. At this time there is no vehicle to allow them to “opt-in to electronic” delivery of the 1098T in support of their effort to be eco friendly. This feature will allow students to select a “Green” option to the paper 1098T.

- **Integrate Systems:**
  - Offer the paperless option through “Student Account Online” (SAO) via Web4u. This paperless option will provide a one stop shop to Western students, since students are currently using the SAO to view their monthly statements, check current account activity, pay online, access receipts for previous payments and setup a parent to view their account. They can now select the opt-in at the same screen.
  - Increased security for student logins and password. This new service also allows students to authorize the parent to view the 1098T information in addition to the student’s statement. Currently, the only electronic copy of the 1098T is provided on Web4u, where parents cannot access the 1098T information unless the student shares their login and password to myWestern which is an unsecure practice. Note that the 1098T information will still be available through Web4U. The SAO is an additional secure tool for students and parents.

- **Reduce process cycle time and unnecessary paperwork and handling:**
  - Reduce cost of paper delivery of 1098T.
In addition to the initial processing cost of sending paper 1098Ts, each year hundreds of 1098Ts are returned to the university due to outdated or incorrect addresses. Additional costs are added to reprocess these returned tax forms. Student Accounts personnel will then have to process these again.

### 6. Risk Assessment

<table>
<thead>
<tr>
<th>Risk</th>
<th>Impact</th>
<th>Mitigation</th>
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<tbody>
<tr>
<td>Confusion about needing to set parents with new permission to view 1098T for those parents that already have a log on.</td>
<td>Fewer parents will take advantage of viewing the 1098T online due to students not setting up the new, additional permission.</td>
<td>Include in communication to students that even though their parents have an existing log on, addition permissions need to be granted by them.</td>
</tr>
<tr>
<td>Concern that personal information will be shared with parties other than CASHNet.</td>
<td>Objections from students and parent that Western sent their personal information to a third party.</td>
<td>Contract controls are in place and CASHNet is in compliance. (see Appendix 3)</td>
</tr>
</tbody>
</table>

### 7. Research

Contacted the following school provided by CASHNet. (Email and response attached in Appendix A)

**Providence College**
Kathleen Shine  
Bursar  
Kshine2@providence.edu  
401-865-1000

**University of Dallas**  
Student Body: 3000  
Scott Salzman  
Bursar  
ssalzman@udallas.edu  
972-265-5734
Appendix A

Replies from email to contact schools:

Questions asked schools:

1. Are you a Banner school?
2. How long have you offered the 1098T?
3. What success have you had getting the students to “opt in to electronic” notices? Share any secret you feel comfortable sharing?
4. Was there any push back from students for putting the 1098T online?

Reply:

University of Dallas
Scott Salzman

“Leslie,
Happy to share my experience…..
Over all I have loved the placing the 1098-T on CASHNet.

1. We are a Banner School. So, it was not hard to implement the process.

2. Last year was the first year to do this. Before we had them out on Web4u but they could only print and not download a PDF.

3. We did not have any push back from the students on placing them on CASHNet. In fact it was the opposite. They appreciated the fact that they could have a printable copy of the 1098-T.

4. We have not sought to get the students to opt in to electronic copies. I thought it was easier to mail 1098-T and not seek to figure out who has opted in or out. I have not implemented that aspect of the system. I would love to hear your thoughts on this.

I think you are going to be glad that you have implemented the 1098-T on CASHNet. It is great to tell the parent or student to pull it down from CASHNet instead of mailing them a copy.

Scott Salzman”
Appendix A continued;

Reply:

Providence College

Hi Leslie,

Sorry for the delay we have been in the middle of spring registration and it has been a bit crazy J

We are a Banner school using CASHNet 1098Ts. We have not done a huge push to go all electronic. As much as I would love to every year it is ‘on the list’ but we all know how that can go J Last year we ended up just mailing them with the CASHNet as an online version (did prevent us from reprinting all those who needed another one). I am going to try to do a letter this year pushing it. We most likely will never be able to go fully electronic with those who are in our School of Continuing Education and may only have taken one course, or those students that graduated. The other challenge is taking the information from CASHNet on who has opted in and pushing it over to Banner to know who needs a 1098T printed. I know some schools have found creative places to push that information and store it in Banner.

I hope this helps! If you have any more questions feel free to give a call.

Kathleen Shine
Bursar
Providence College
Phone: 401-865-2579
Fax: 401-865-1988
kshine2@providence.edu
Appendix B

Marketing Plan:

Messages to communicate to both students and parents:

- Additional location to obtain/view their 1098T.
- New option to “go green” by opting out of paper and opting in to electronic access only.
- Ability to authorize parent access to the 1098T.
- The security of the additional location.

Avenues of communication:

- Blast emails- December 7th and January 6th
- VU message board – Finals week and first week back.**
- FQA- November 30th
- Notices on student statements and in Student Account email notification – December 1st.
- Header on Student Account page of CASHNet- December 1st.
- Sessions in Red Square with a thermometer showing the status of how many students have chosen to “Go Green” and computers to give the students an opportunity to make their choice right then and there, and provide parent access if desire, – Week beginning January 9th from 11:30 to 1:30 each day.**

**Have not received approval/confirmation yet but these are out target dates.
Appendix C

Section 15 of the original CASHNet contract provides for the following:

15. Protection of Purchaser’s Confidential Information

15.1. Vendor acknowledges that some of the material and information that may come into its possession or knowledge in connection with this Contract or its performance may consist of information that is exempt from disclosure to the public or other unauthorized persons under either chapter 42.17 RCW or other state or federal statutes (“Confidential Information”). Confidential Information includes, but is not limited to, names, addresses, Social Security numbers, e-mail addresses, telephone numbers, financial profiles, credit card information, driver’s license numbers, medical data, law enforcement records, agency source code or object code, agency security data, or student records, or information identifiable to an individual that relates to any of these types of information. Vendor agrees to hold Confidential Information in strictest confidence and not to make use of Confidential Information for any purpose other than the performance of this Contract, to release it only to authorized employees or Subcontractors requiring such information for the purposes of carrying out this Contract, and not to release, divulge, publish, transfer, sell, disclose, or otherwise make the information known to any other party without Purchaser’s express written consent or as provided by law. Vendor agrees to release such information or material only to employees or Subcontractors who have signed a nondisclosure agreement, the terms of which have been previously approved by Purchaser. Vendor agrees to implement physical, electronic, and managerial safeguards to prevent unauthorized access to Confidential Information. Vendor shall, however, be required to keep confidential any data or information that is publicly available, is already in Vendor’s possession, is independently developed by vendor outside this contract, or is rightfully obtained from third parties.

15.2. Immediately upon expiration or termination of this Contract, and no later than thirty (30) calendar days, Vendor shall, at Purchaser’s option: (i) certify to Purchaser that Vendor has destroyed all Confidential Information; or (ii) return all Confidential Information to Purchaser; or (iii) take whatever other steps Purchaser requires of Vendor to protect Purchaser’s Confidential Information.

15.3. Vendor shall maintain documentation on the following: the Confidential Information received in the performance of this Contract; the purpose(s) for which the Confidential Information was received; who received, maintained and used the Confidential Information; and the final disposition of the Confidential Information. This requirement shall not apply to customer information obtained through CASHNet Smart Pay, which vendor holds subject to the Safeguard Rule as a financial institution in its own right. Vendor’s records shall be subject to inspection, review or audit in accordance with Review of Vendor’s Records.

15.4. If the vendor transmits or store customers’ payment information they must be PCI DSS compliant.

15.5. Purchaser reserves the right to monitor, audit, or investigate the use of Confidential Information collected, used, or acquired by Vendor through this Contract. The monitoring, auditing, or investigating may include, but is not limited to, salting databases.

15.6. Violation of this section by Vendor or its Subcontractors may result in termination of this Contract and demand for return of all Confidential Information, monetary damages, or penalties.