**Project Statement:**

Review end to end loans and collection processes within Loans and Collection Department, provide recommendations to reduce redundancies and streamline the process to improve effectiveness and efficiency.

**Program: Banner Initiatives**

<table>
<thead>
<tr>
<th>Created and submitted by:</th>
<th>Date Created: 1/6/2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leslie Pinkston and Bob Putich</td>
<td>Date Modified: 2/28/2012</td>
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<table>
<thead>
<tr>
<th>Process Owners:</th>
<th>Version: V 12 (Final)</th>
</tr>
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<tbody>
<tr>
<td>Teresa Mroczkiewicz and Bob Putich</td>
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Current Situation

The University’s collection process has been conducted as a series of tasks, without recent analysis as to how the tasks relate to other processes, or how the standard collection process relates to the Perkins loan collection process. The result is that we are not operating as efficiently as we could be and lack the tools necessary to benchmark and analyze our performance.

In addition, the Collections Office collects debt on receivables that are not maintained in the Banner system, but are maintained in departmental shadow systems. Receivable accounts from these areas are referred to the Loans and Collection office when delinquent, resulting in a manual collection process rather than one automated through the Banner system. These departments include:

- Library
- Speech and Hearing Clinic
- International programs
- Western Front
- Housing

1) Business Processes To Be Reviewed

a) Within Student Business Office:
   - Account Maintenance – Monitoring payments on past due accounts, charging collection cost.
   - Billing – Banner system and non Banner systems.
   - Collect Debt – Reviewing past due accounts, sending collection letters, monitoring payments, sending to collection agencies, writing off bad debt.
   - Counseling – Loan recipient exiting the University regard loan debt, rights and responsibilities.
   - Return of Title IV, Federal Financial Aid – Calculating repayment of aid for students withdrawing from the University, setting up repayment plans, sending calculations to Financial Aid office for repayment entry into system.
   - Servicing Loans – Perkins Loan program which is administered through Western, processing loan deferments, forbearances, forgiveness, etc and collection of past due loans.

b) With external departments:
   - Accounts Receivables maintained on shadow systems and sent to Student Business Office for collection.
2) Functional Areas That Will Be Impacted

<table>
<thead>
<tr>
<th>Impact</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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</thead>
<tbody>
<tr>
<td>Impacted</td>
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<td>Resources Required</td>
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3) Identify Stakeholders

- Teresa Mroczkiewicz - Financial Services
- Bob Putich - Student Business Office
- Clara Capron - Financial Aid
- Steve Weinberg - Admin Computing
- Peggy Watt - Western Front
- Kurt Willis – Housing
- David Brunnemer-Registrar
- Rick Osen-Library
- Barbara Mathers-Schmidt-Speech and Hearing
- Jennifer Hine – Campus Compact
- Leslie Geiger – Business Services – Contract Administration
- Tina Copsey – AMSEC
- Sarah Byker - HR

4) Identify Team Members

- Teresa Mroczkiewicz- Financial Services
- Bob Putich - Student Business Office
- Mary Nichols – Student Business Office - Loans and Collections - Collector
- Rian Barnes - Student Business Office – Loans and Collections – Perkins Loan
- Lynn Plancich – Student Business Office – Student Accounts
- Leslie Pinkston – Finance Systems IT
- Nicole Goodman – BFA – Budget Officer/Internal Control Coordinator/BFA Policy Coordinator

As needed:
- Kim Marsicek - Library
- Derek Attwaters – Speech and Hearing
- Alethea Macomber – Western Front
- Angela Mischaikov - Campus Compact
5) Relationship to Banner Initiatives Objectives

**Banner Initiatives Objectives**
Reviewing Loans and Collection processes will:

- **Simplify and automate processes by implementing best-in-class practices.**
  - Improve data integrity to the degree that team recommends all receivables are entered into the Banner AR system.
  - Reduce process cycle time by timely data entry into the Banner AR which will increase productivity and improved accuracy.

- **Improve services to campus and boost customer satisfaction.**
  - Improved collection of referred debt from university departments.

- **Improve reporting capabilities.**
  - Use current reporting tools but also evaluate those tools and revise or create reports and processes that work for collection receivables.
  - Improve ability to assess performance and modify processes accordingly.

6) Risk Assessment

<table>
<thead>
<tr>
<th>Risk</th>
<th>Impact</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not sufficient SFS staff to handle the increase in collection due to budget cuts.</td>
<td>Decline in service for non Banner AR receivables loss of effective collection practices.</td>
<td>Provide better policies, tools and cleaner processes to assist staff to perform required duties.</td>
</tr>
<tr>
<td>Not sufficient ADMCS staff to fulfill technical support for this project due to recent budget cuts.</td>
<td>Not sufficient technical support or advice will delay the timeline of this project.</td>
<td>Work closely with ADMCS team. Engage them in planning of the implementation timeline. Obtain funding, if necessary, to hire temporary technical support to fill the gap.</td>
</tr>
<tr>
<td>Not sufficient functional analyst support for project due to other projects.</td>
<td>Not sufficient functional support will impact the quality of the analysis by missing key issues.</td>
<td>Encourage cross functional training amongst our functional analysts so to free up time from one to the other. This practice will allow the one who has the knowledge in the current project to focus on this project while the others provide day-to-day functional support to end-users.</td>
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7) Research

Because the focus of the project is to analyze processes and procedures we will map current processes, then when necessary contact other universities for their input.

8) Process Review Budget

Not known at this time.