

Grossmont-Cuyamaca Community College District



GROSSMONT-CUYAMACA
COMMUNITY COLLEGE DISTRICT

Business Process Analysis:

Financial Aid Process

July 22-23, 2013



Strata Information Group

Workshop Outline

As part of the evaluation and preparation for an integrated ERP, Grossmont-Cuyamaca Community College District (GCCCD) is working with Strata Information Group (SIG) to analyze and improve the underlying processes. This analysis yields two primary outputs: 1) requirements for the ERP, and 2) ideal process maps to be used to set the trajectory for the implementation of the new system and processes. The objectives are to develop better processes and to take full advantage of technology.

To meet the objectives, a Business Process Analysis (BPA) workshop was conducted to examine the financial aid awarding and disbursement process at GCCCD. The objectives of the workshop included the following:

- Review the principles of Business Process Analysis (BPA)
- Map the existing processes
- Analyze the process maps and identify obstacles and potential opportunities for improvement
- Design a new process that enhance service, reduce steps, and take full advantage of technology
- Set the trajectory toward the “ideal” process

Participants represented Financial Aid, Business Services, Admissions and Records, and IT. Grossmont College, Cuyamaca College, and the District were all well represented. Kari Blinn, from SIG, facilitated the workshops. Participants were engaged and candid. They articulated the issues with the current process – and generated many opportunities for improvement. This document contains the contents and outcomes of the groups’ efforts.

Process Themes/Issues

Process mapping is a technique used to visualize and to correct process problems. The group reviewed the following symptoms:

- Choke points – when all paths lead to a single person
- Layering – adding automated steps on top of paper steps
- End runs – disregarding the established process entirely
- Shadow systems – entering the same data in multiple locations – e.g. Excel, Access
- Unintended consequences “downstream”
- Not scalable – process breaks under increased volume
- Focused on symptoms rather than roots
- Paper – long, opaque, sequential, inefficient

Observations

During the workshops, participants identified issues with the current process. Themes included the following:

- Process is long
 - Manual steps
 - Lots of checking and re-checking
 - Room for error
 - Running processes for *every* award ID *every* cycle
- Multiple systems – lots of moving parts
 - SAM, Colleague, IFAS, custom BOG program
 - Difficult to keep in sync – not real-time
- No Student Accounts Receivable
 - Students and staff cannot see all their charges and payments online

Top Opportunities

Over the course of the workshop, participants identified many opportunities for process improvement. At the end of the session, they participated in an anonymous weighted voting exercise. Each participant was given ten “votes.” An individual could place all her votes on a single opportunity or spread her votes among several. This allows the group to identify which opportunities participants deem most important for the Colleges and the District. It also reveals emerging consensus around specific items. The results are listed below:

# of Votes	Opportunities
40	Implement an integrated system <ul style="list-style-type: none"> • Enter data once • Provide access to all information real-time 24/7 • Fewer moving parts • Speed up process
23	Develop faster disbursement process – get money to students faster
22	100% direct deposit of refunds
15	Add reviewers
13	Allow students to submit all forms online – and enter data online
12	Utilize text messaging to students
11	Maximize organizational capacity – ensure process is scalable
10	Reduce the number of steps in the process
10	Ensure students can see all financial information via web – real-time student accounts receivable functionality
8	Reduce errors
7	Develop a faster refund process
5	Synchronize systems
5	Improve internal collaboration and communication
4	Under-promise/over-deliver
4	Ensure good stewardship of federal and state funds
1	Educate students regarding their responsibilities

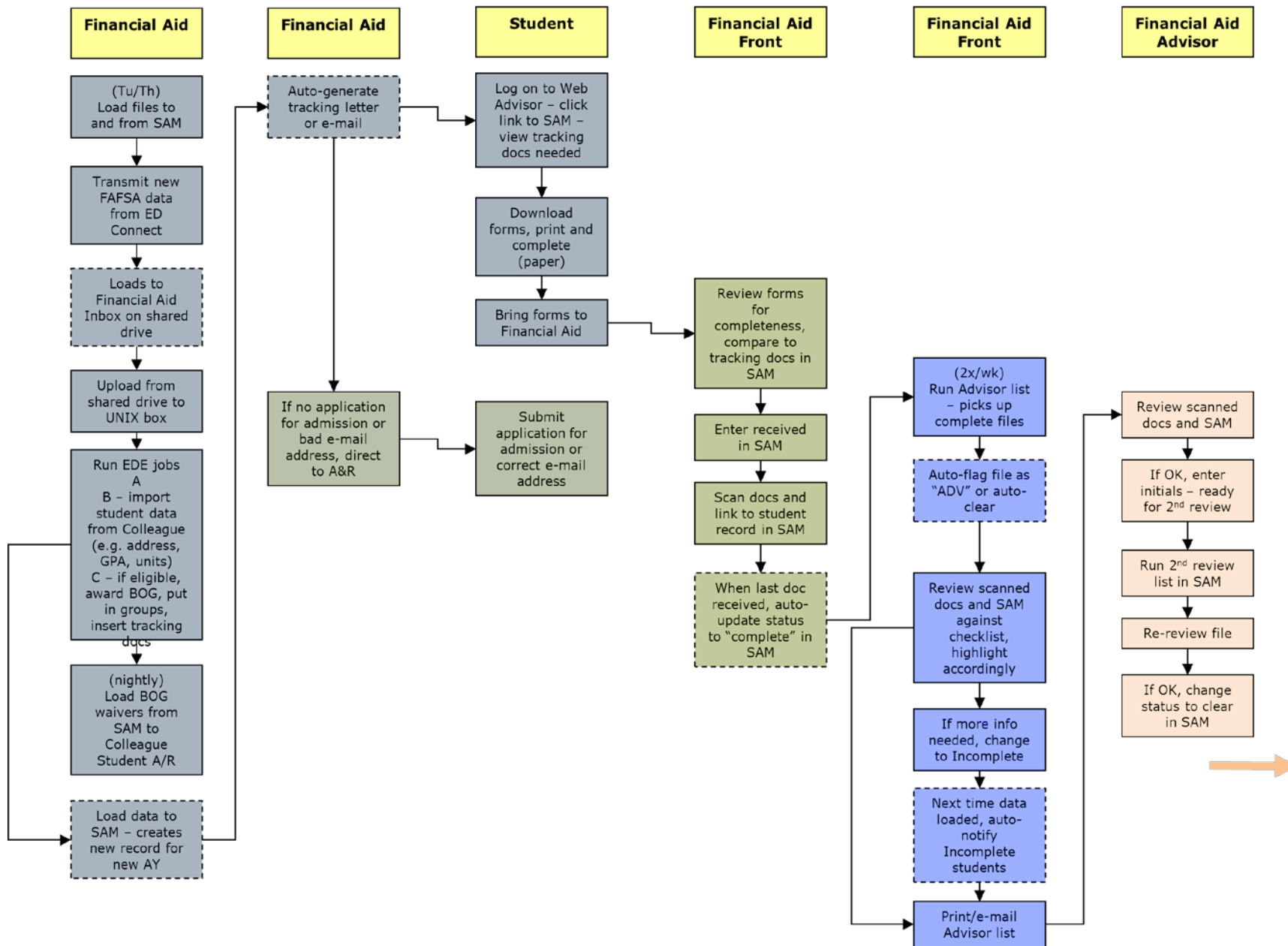
Process Maps

Mapping processes with stakeholders serves as a vehicle to:

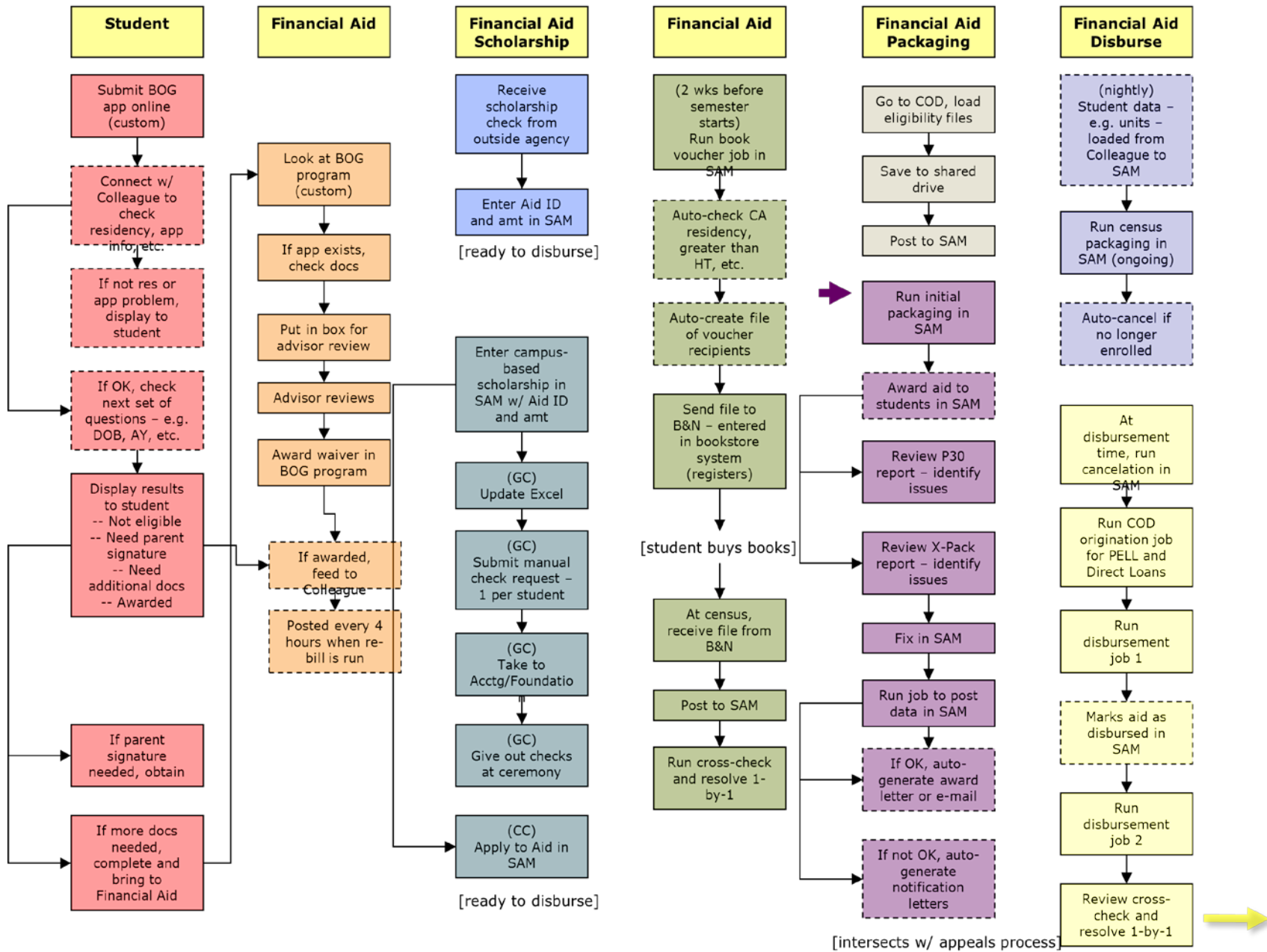
- Identify issues with the current process
- Work together to develop a clear, streamlined, consistent process
- Take full advantage of technology

The pages that follow include the maps of the current process and an “ideal” process map. The objective is to use the ideal map as a guide as the District and Colleges work to improve the financial aid awarding and disbursement process.

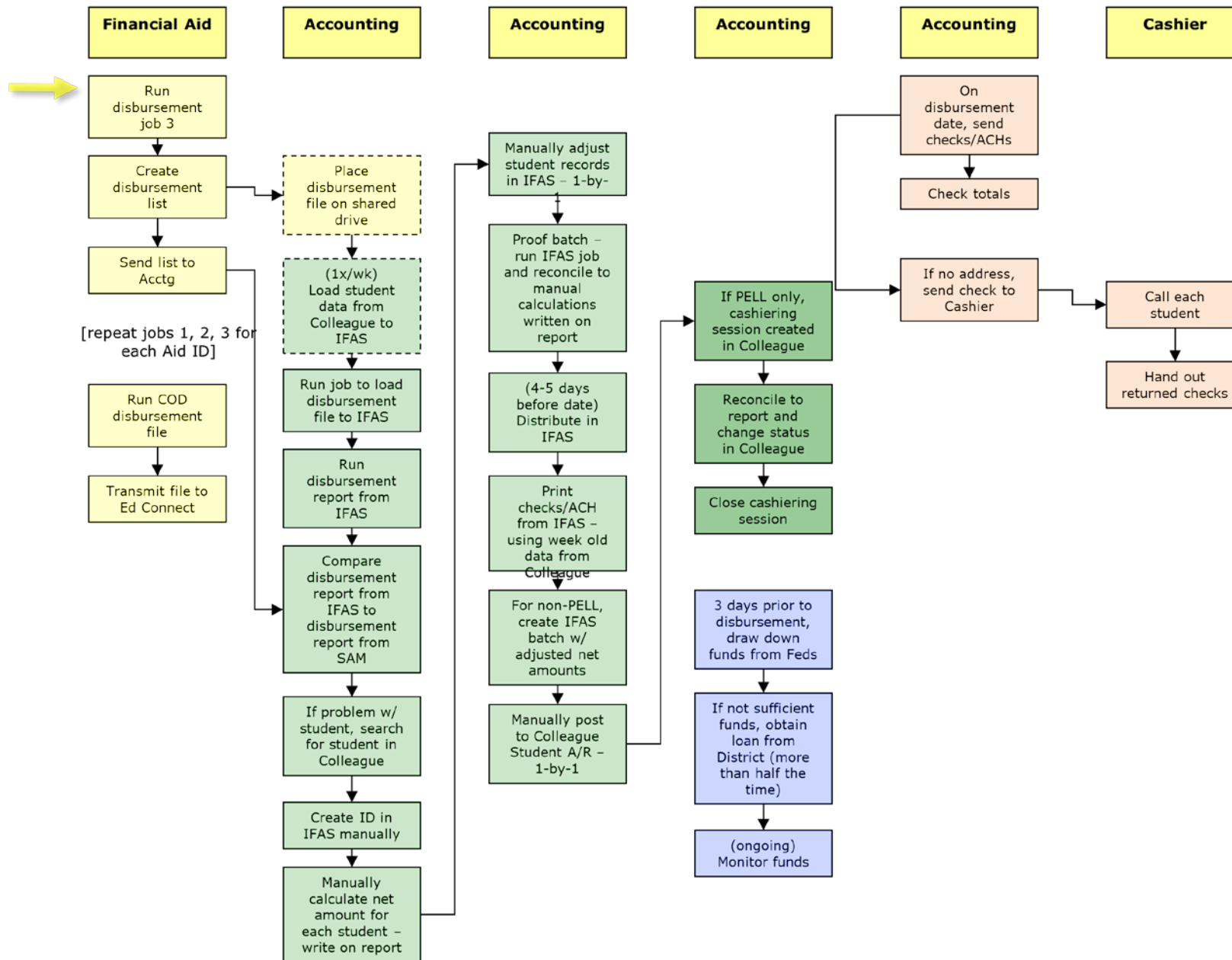
Current Financial Aid Awarding Process – from FAFSA through Disbursement – 1



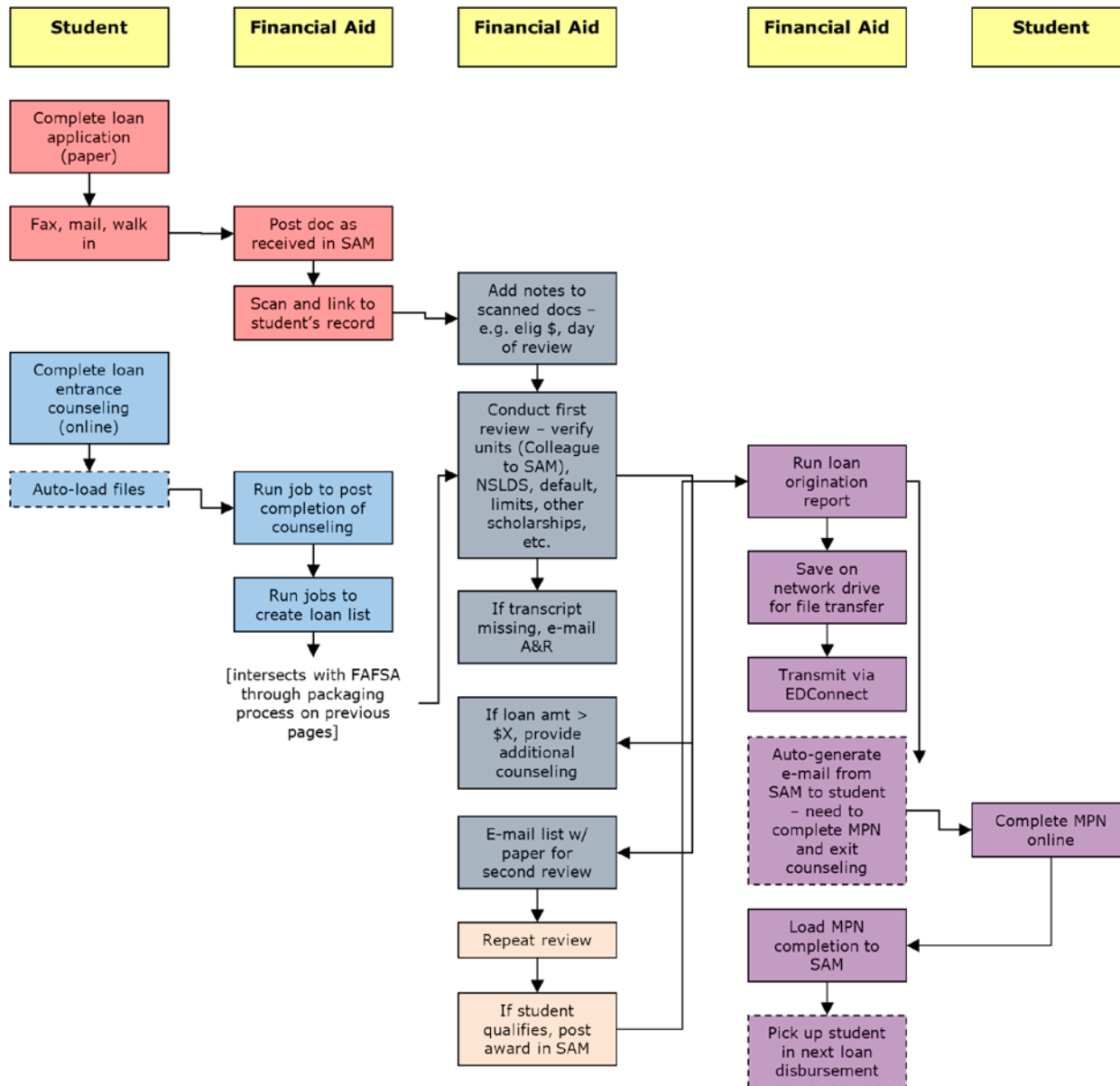
Current Financial Aid Awarding Process – from FAFSA through Disbursement – 2



Current Financial Aid Awarding Process – from FAFSA through Disbursement – 3



Current Direct Loan Process

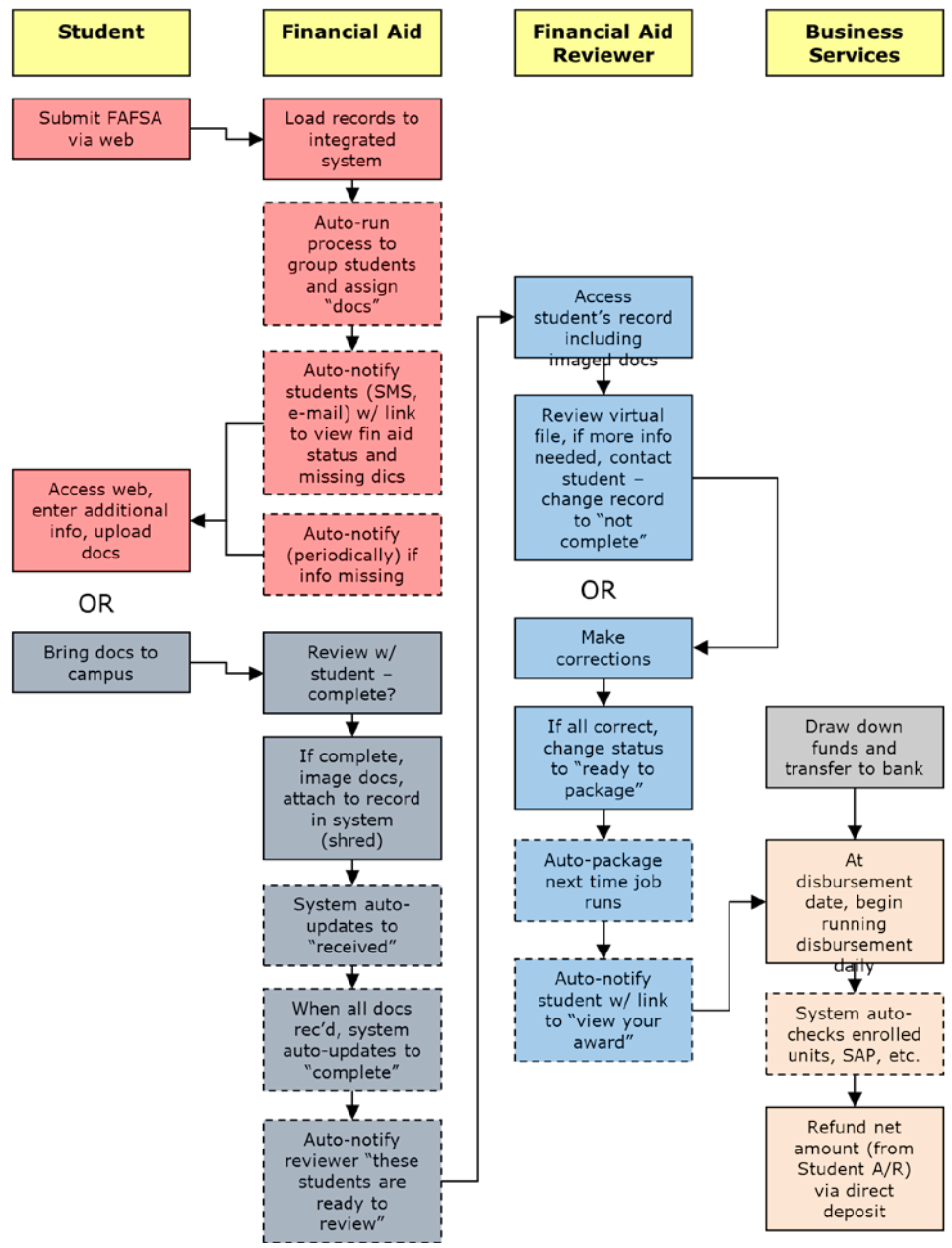


Objectives for New Process

Participants listed their objectives for an “ideal” financial aid awarding and disbursement process:

- Get more money to students sooner
- Fewer mistakes/improved accuracy
- Compliance
- Good stewardship of funds
- Provide a doorway to education
- Scalable
- Streamlined
- Clear, easy to access

Ideal Financial Aid Awarding and Disbursement Process



APPENDIX A

Opportunities for Improvement

In brainstorming fashion, participants identified the following opportunities. (These are not listed in ranked order, nor do they necessarily represent consensus.)

- Increase the percentage of students selecting direct deposit for refunds
- Provide path for students to enter direct deposit information via the web – rather than paper
- All communication electronic – no paper forms, no USPS mail, etc.
- Gather all information – e.g. “forms,” data, etc. – online, real-time
- Shred documents after they are scanned and confirmed
- Review selected files – rather than 100% -- those selected for verification, plus a random sampling
- Explore CCCApply BOG application – retire custom BOG application
- Include re-bill in auto-posting in Colleague
- Fully utilize Colleague Student A/R functionality
- Run disbursement for all aid categories at the same time
- Conduct workshops to encourage students to open and use bank accounts
- Incentivize direct deposits – e.g. let students know their refund will be available 2 to 3 days earlier
- Make direct deposit mandatory and handle exceptions
- Use an integrated system rather than jumping between systems
- Rename “exit” interview to “repaying”
- Implement an integrated system district-wide
 - All data in a single location
 - Move from “batch” to “real-time” mind set
- 100% direct deposit
- Use State BOG application and retire custom application
- Disburse all financial aid funds at the same time – with an ERP, can use different account codes to track funds
- Upload documents and enter information via web
- Eliminate paper from the process
- Improve internal collaboration and messaging – e.g. academic vs. financial aid probation
- A refund is a refund is a refund – if a student has a negative balance (for any reason), use a single refund process
- Utilize exception reports rather than auditing every record – e.g. data conflicts
- “Smart” web page – i.e. ask specific questions based on previous answers
- Pop-up or hover information blocks
- Cultivate financial literacy with students
- Change students’ expectations – under-promise/over-deliver
- Let students see big picture – transparent process and system so they can see every step in the process

APPENDIX B

Obstacles

In the same manner, participants identified the following obstacles:

- Paper direct deposit forms
- When EDE job talks to Colleague, the system is slow – takes 45 minutes to an hour
- Students do not receive refund check until more than one month into the semester
- Petition process takes a long time – especially at Cuyamaca – may take more than a week to get an appointment with a counselor
- Book voucher can only be used at College bookstore – may be more expensive than buying books elsewhere
- Confusion around academic probation versus financial aid probation – same words but different rules
- Lots of moving parts – systems out of sync
- Some students are confused/dissatisfied with the College they are assigned to
- Multiple systems result in out-of-sync conditions – then must reconcile the data
- Manually calculating net refund for each student (thousands!)
- ACH data and address data are out-of-sync for a week at a time
- Students' address updates on the web are not transferred to IFAS
- Fragmented disbursement dates by aid type – a student could receive 4 or 5 different checks
- Pell checks not sent until three weeks after the census date – then students receive a series of checks
- Non-BOG financial aid recipients must take action in order not to get dropped for non-payment – e.g. payment plan, financial aid deferment, etc.
- Confusing to students to apply for deferment when scholarship money is there
- Long disbursement process results in additional processes to compensate for the gaps
- Because systems are out-of-sync, payment plans are over/under
- Sometimes funds are not disbursed – e.g. incomplete file, withdrawn – but students are confused about the reason
- Because aid is processed on separate systems, cashier cannot see where a student is in the process
- Have had a more than 100% increase in financial aid applications – process is not scalable
- Student does not know where he is in the process – e.g. packaging before loans, waiting for disbursement but MPN not complete
- Common errors – e.g. show parents as married in one field but divorced in another, incorrect tax year, conflicting data “will work” but taxes not filed