

Oct 17-19  
2011

# San Mateo Community College District

*Cañada  
San Mateo  
Skyline*

Business Process Analysis: Financial Aid  
Award and Scholarship Processes

with Strata Information Group



## Workshop Objectives

As part of the effort to enhance financial aid at San Mateo Community College District (SMCCD), Strata Information Group (SIG) is working with the Colleges and the District to analyze and improve the underlying processes. This analysis yields two primary outputs: 1) setting a trajectory toward an “ideal” process, and 2) identifying next steps in order to align policy, processes, people and technology to achieve the ideal process. The objectives are to develop better processes, and to take full advantage of the technology.

To meet the objectives, a three-day Business Process Analysis (BPA) workshop was conducted to examine the financial aid and scholarship processes at SMCCD. 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 new processes that enhance service, reduce steps, and take full advantage of the technology

Participants came from all three colleges and represented Financial Aid, Admissions and Records, Cashiering, Finance, Foundation, and ITS. Kari Blinn, from SIG, facilitated the workshop. Laurie Neil, Edgar Coronel, and Eric Raznick, also from SIG, provided their expertise and guidance during the sessions. Participants were engaged and creative. They worked hard to identify the issues with the current processes – and to articulate ideas and requirements for new processes. This document contains the contents and outcomes of the group’s efforts.

## Observations

During the course of the workshop, participants identified issues with the current financial aid award and scholarship processes. Themes included the following:

- Many steps in the process – complicated, cumbersome, repetitive, manual, paper-driven
- Processes not consistent – Colleges executing different rules and steps
- Widespread use of shadow systems – e.g. Excel, Word – represents duplication of work
- Not taking full advantage of technology – specifically Banner functionality – e.g. auto-packaging, SAP calculation, ISIR corrections, etc.
- Cumbersome processes introduce risk of low morale for staff
- Double and triple checking to ensure compliance
- History of ideas and decisions not being implemented
- For scholarship process
  - No clear point of contact for donors
  - Entering data in at least six different systems
  - Different sets of codes between systems
  - Unclear ownership and separation of duties between Financial Aid and Foundation
  - High overhead costs compared to amount donated

## Next Steps

### *Successful projects have the following characteristics*

- Active, clear executive sponsorship
- Strong project management from the business side (not ITS)
- Availability of project team members (may require backfill in the office)
- Timely decision making
- Effective communication and collaboration
- Phased work
- Balance of time, resources, and scope
- Enable success of the project team
  - Small, nimble core
  - Clear objectives
  - Involve Internal experts at the right time
  - Resolve “blocking” issues quickly
  - Knowing when the project is done
- Make resources available – e.g. new scanner, new shredder, etc.

### *Getting started*

- Three vice presidents speak with stakeholders
- SIG meets with Chancellor’s Council to review results
- Define project and resources required
  - Objectives
  - Deliverables
  - Structure
  - Budget
  - Timeline
  - Project team
- Select a project manager (not ITS)

### *Principles for developing and implementing a new process*

- Let go of being the Financial Aid “police”
  - Use DOE requirements without adding more documents
  - Use exception reports and targeted audits rather than checking every record
- Define the business need and then find a simple path to meet it – examples:
  - Compliance – automation creates consistency
  - Service – fast turnaround, information on web
  - Efficiency – fully utilize technology, eliminate checking and re-checking
- Design process around the rule, not the exception – keep it simple
- Organize staffing to support the process

## Project Plan

The following items will become specific tasks in the project plan:

Financial Aid Award Process	
Tasks	Details
Reduce number of tracking docs	<ul style="list-style-type: none"><li>• For students not selected for verification – zero docs</li><li>• For those selected, use DOE guidelines and no more</li></ul>
Auto-package everything	<ul style="list-style-type: none"><li>• Reduce number of packaging rules</li><li>• Eliminate the packaging checklist</li></ul>
Handle all BOGGs the same way	<ul style="list-style-type: none"><li>• Configure as exemptions in Banner (non-disbursable award)</li><li>• Encourage student to fill out the FAFSA, with the online BOGG as a backup</li><li>• Review the local BOGG application – look for opportunities to simplify</li></ul>
Simplify SAP rules	<ul style="list-style-type: none"><li>• Consistent at all three colleges</li><li>• Let Banner update SAP and don't change</li></ul>
Use Banner for ISIR corrections	
Replace EdConnect with TDClient	<ul style="list-style-type: none"><li>• Automate more steps</li><li>• Discontinue FTP</li><li>• Run daily</li></ul>
Review Common Matching rules	<ul style="list-style-type: none"><li>• Let Banner match more records</li><li>• Reduce time to clear suspended records</li><li>• (Laurie has sample)</li></ul>
Eliminate paper	<ul style="list-style-type: none"><li>• For every doc, image, index, shred</li><li>• Explore self-service imaging</li><li>• When reviewing, use Banner and Web Extender</li><li>• Provide two computer monitors for reviewers</li></ul>
Review document retention policies	<ul style="list-style-type: none"><li>• Shred outdated docs</li><li>• Image, index and shred the remaining docs</li></ul>
Invest in Banner Training	<ul style="list-style-type: none"><li>• Simplifying rules</li><li>• Configuration</li><li>• Automating tasks</li></ul>

## Project Plan (continued)

The following items will become specific tasks in the project plan:

Scholarship Process	
Tasks	Details
Foundation supports and coordinates scholarship activities	<ul style="list-style-type: none"><li>• Single, clear message on web, in letters, etc.</li><li>• Single point of contact for donors</li></ul>
Clear separation of duties	<ul style="list-style-type: none"><li>• No checks in Financial Aid</li><li>• Financial Aid staff not involved in scholarship awarding decisions</li><li>• Discontinue sending financial documents to review committee</li></ul>
One set of fund numbers	<ul style="list-style-type: none"><li>• Every scholarship has both a Banner GL number and a detail code</li></ul>
Decrease overhead as a percentage of donations	<ul style="list-style-type: none"><li>• Decrease the number of “buckets” for scholarships</li><li>• Encourage giving to the “general scholarship” fund</li><li>• Increase the minimum amount for a named scholarship</li><li>• Encourage donors to give online via Give Direct</li><li>• Consider one selection committee for all three colleges</li><li>• Manage donors</li></ul>
Develop general scholarship application	Require same items from applicants: <ul style="list-style-type: none"><li>• Personal statement</li><li>• Letter of recommendation</li><li>• Transcript(s)</li><li>• Assume need if BOGG eligible</li></ul>
Use STARS for applying and reviewing, not letter generation or financial tracking	<ul style="list-style-type: none"><li>• Have students enter – rather than upload – personal statement</li><li>• Explore online recommendation letter</li><li>• Develop consistent criteria for review of personal statement</li><li>• Rate personal statements online</li><li>• Minimize/eliminate need to meet</li></ul>
Explore online giving	<ul style="list-style-type: none"><li>• Move routine transactions to the web</li><li>• Focus staff time on larger donations</li><li>• Talk to bank about ACH donations</li></ul>
NetSuite training	<ul style="list-style-type: none"><li>• Move to a single source of data for the Foundation</li><li>• Use to generate letters</li><li>• Eliminate Excel and Word table</li></ul>

Scholarship Process	
Tasks	Details
	<ul style="list-style-type: none"> <li>• Explore interface with Banner</li> </ul>

## Process Maps

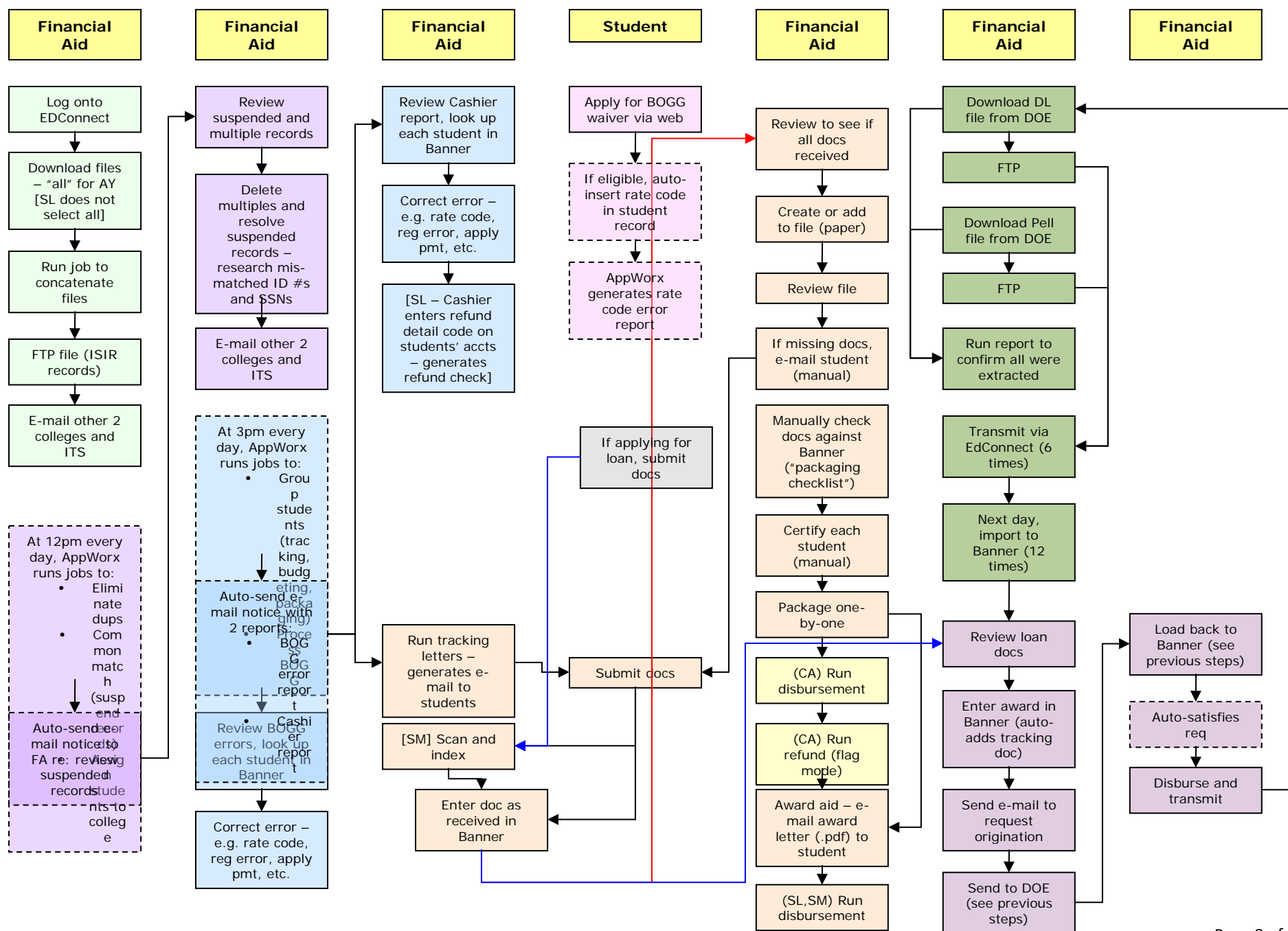
Mapping processes with stakeholders serves as a vehicle to:

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

The pages that follow include the maps of the current processes, objectives for the new process, and “ideal” process maps. The idea is to use the ideal maps as a guide for the Financial Aid team and the Foundation as they make significant process improvements.

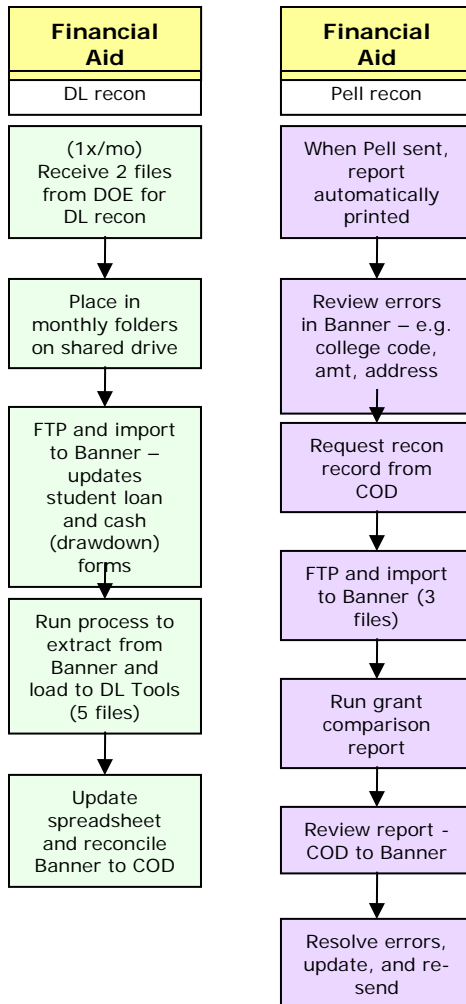


## Current Financial Aid Process – From FAFSA to Disbursement (1)

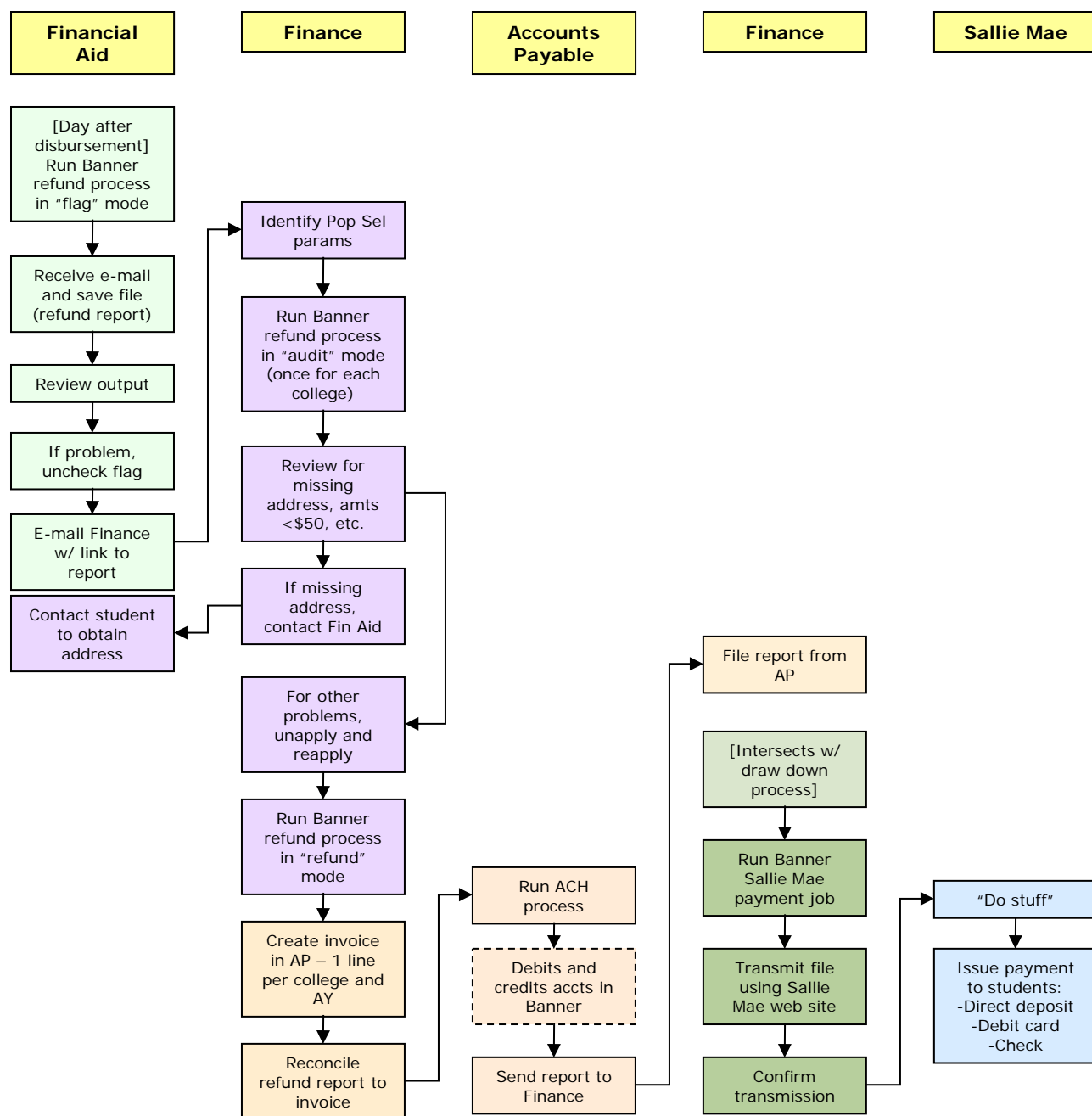




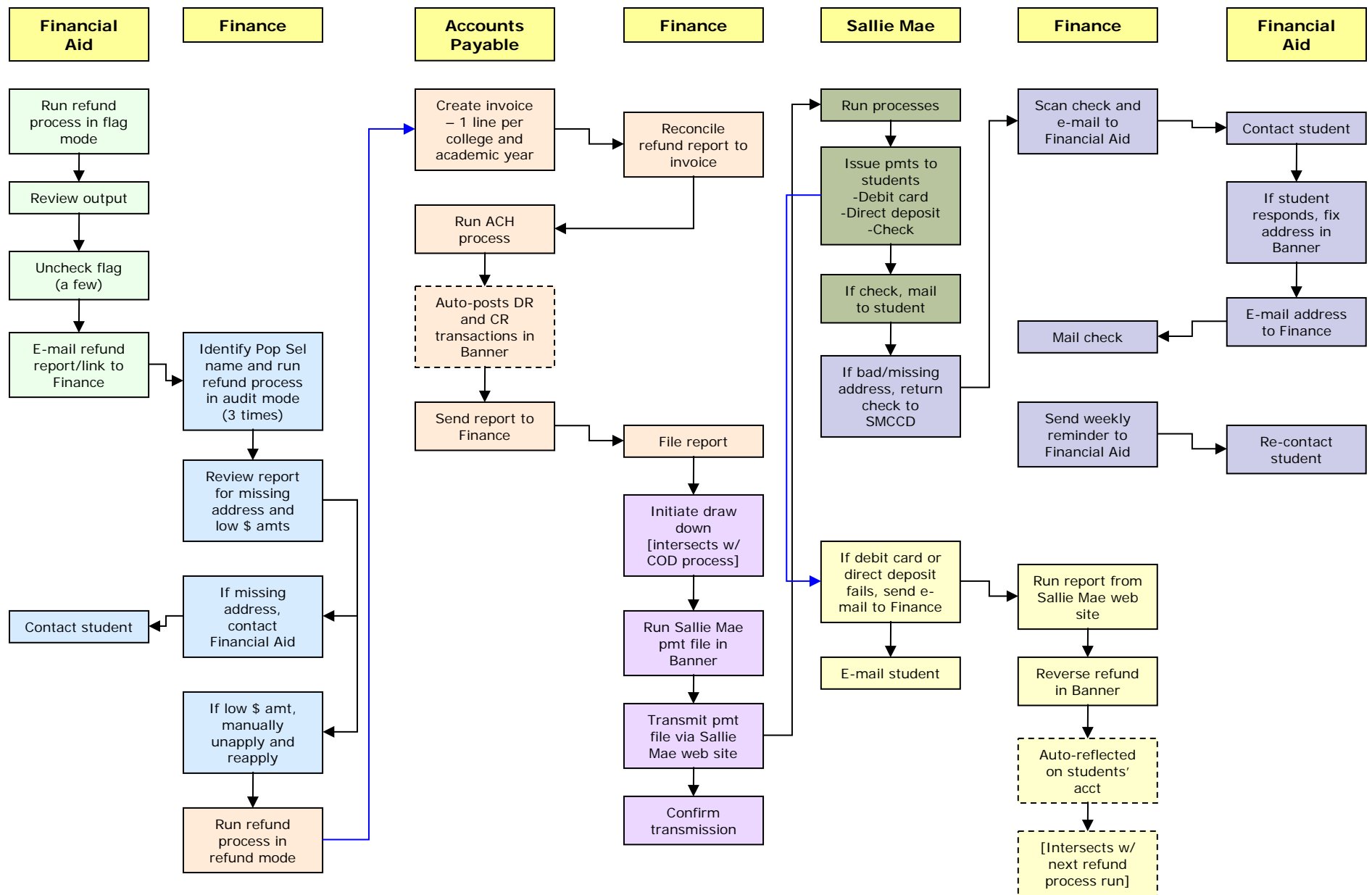
## Current Financial Aid Process – From FAFSA to Disbursement (2)



## Current Financial Aid Process – Disbursement through Refund

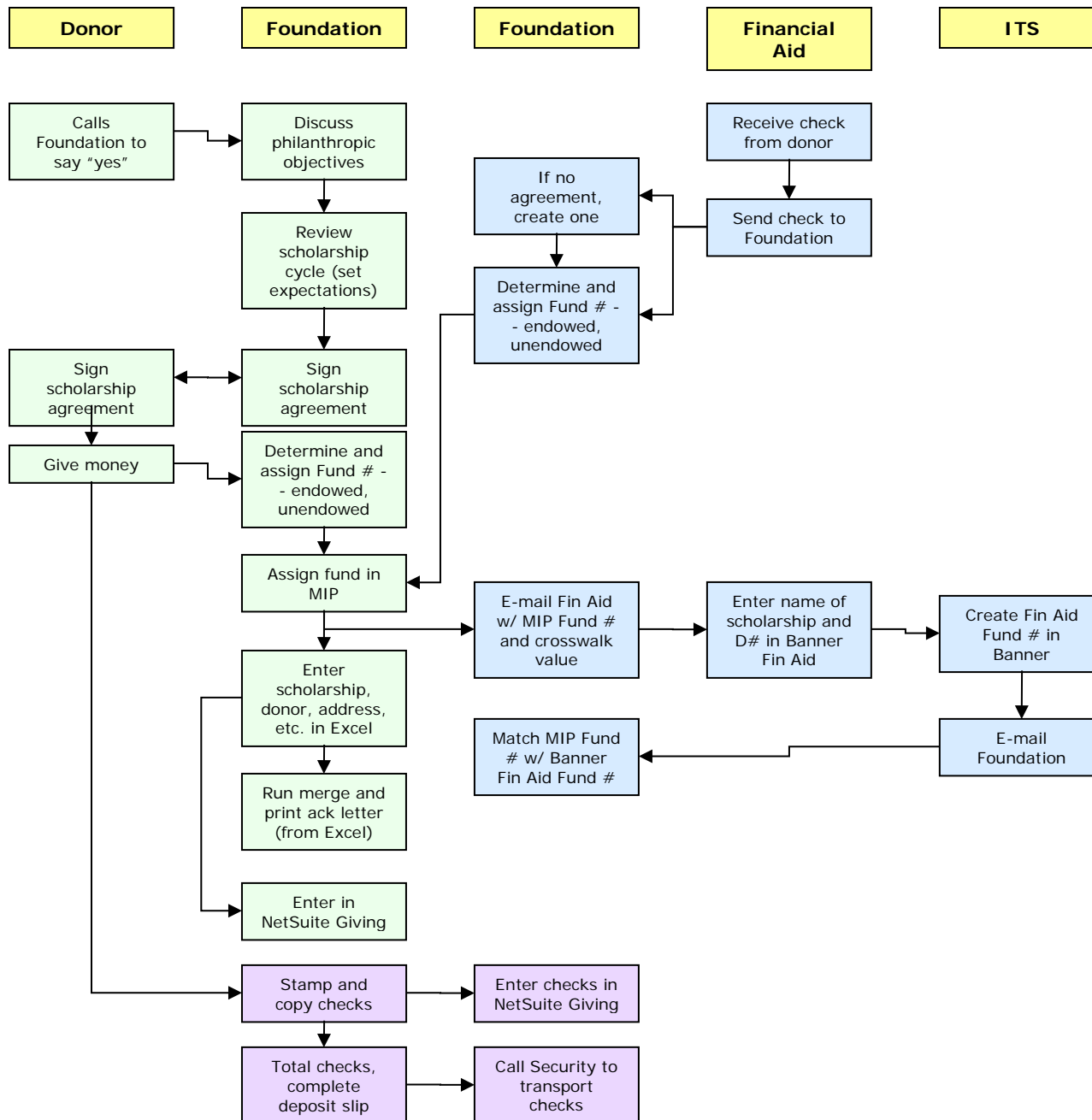


## Current Refund and Returned Check Process

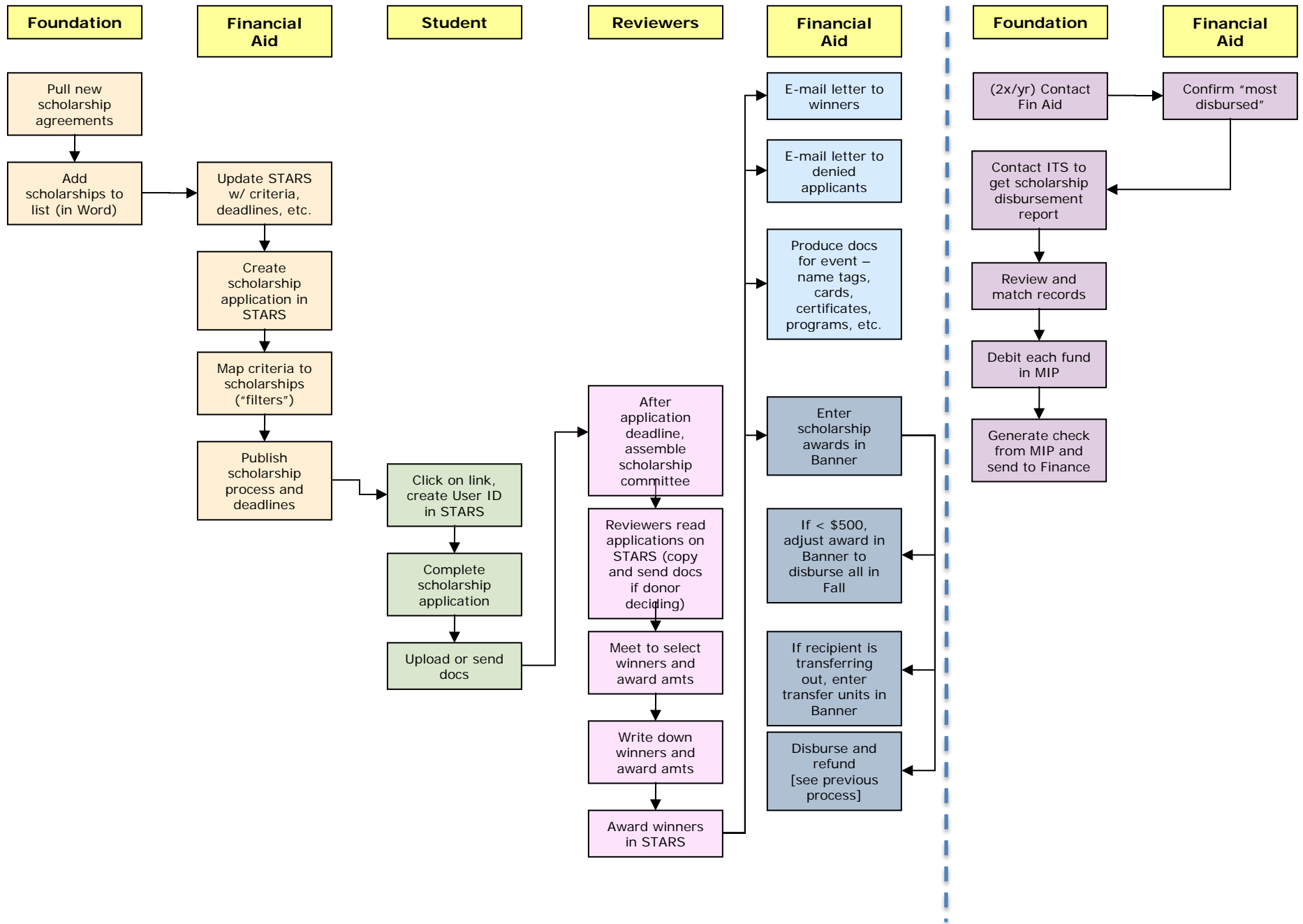




## Current Scholarship Process (1)



## Current Scholarship Process (2)



## Objectives for New Processes

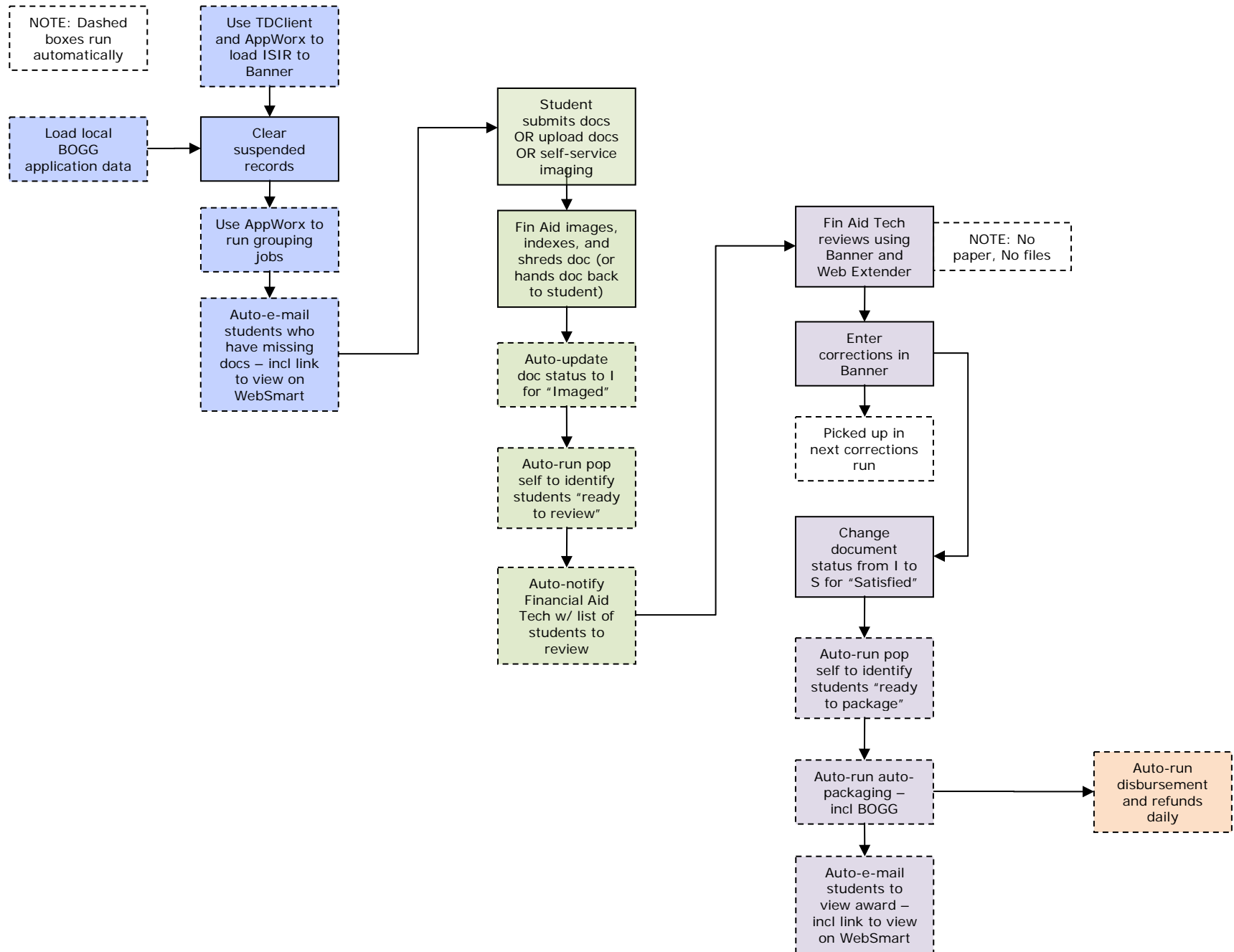
The following objectives were used in developing an “ideal” financial aid award process:

- Access – eliminate barriers to entry
- Simplify process
  - Design around the rule, not the exception
  - Fewer steps
  - Simpler rules – e.g. SAP, packaging
- Significant improvement, not just tweaking the margins
- Consistent processes across all 3 campuses
- Easier to be in compliance
- Eliminate paper and folders
- Automate – free up staff to work with students
- Scale for growth in number of students and amount of aid
- Let students just move through the system without manual intervention – “Let ‘er rip!”
- Improve the quality of work life
- Work smarter not harder
- Professional development; can keep up with changes
- New process is sustainable – not too hard to do
- Trust Banner
- Extend this process to other areas – e.g. A&R and Finance
- Address points of “pain” with BPA





## Ideal Financial Aid Process – From FAFSA to Disbursement



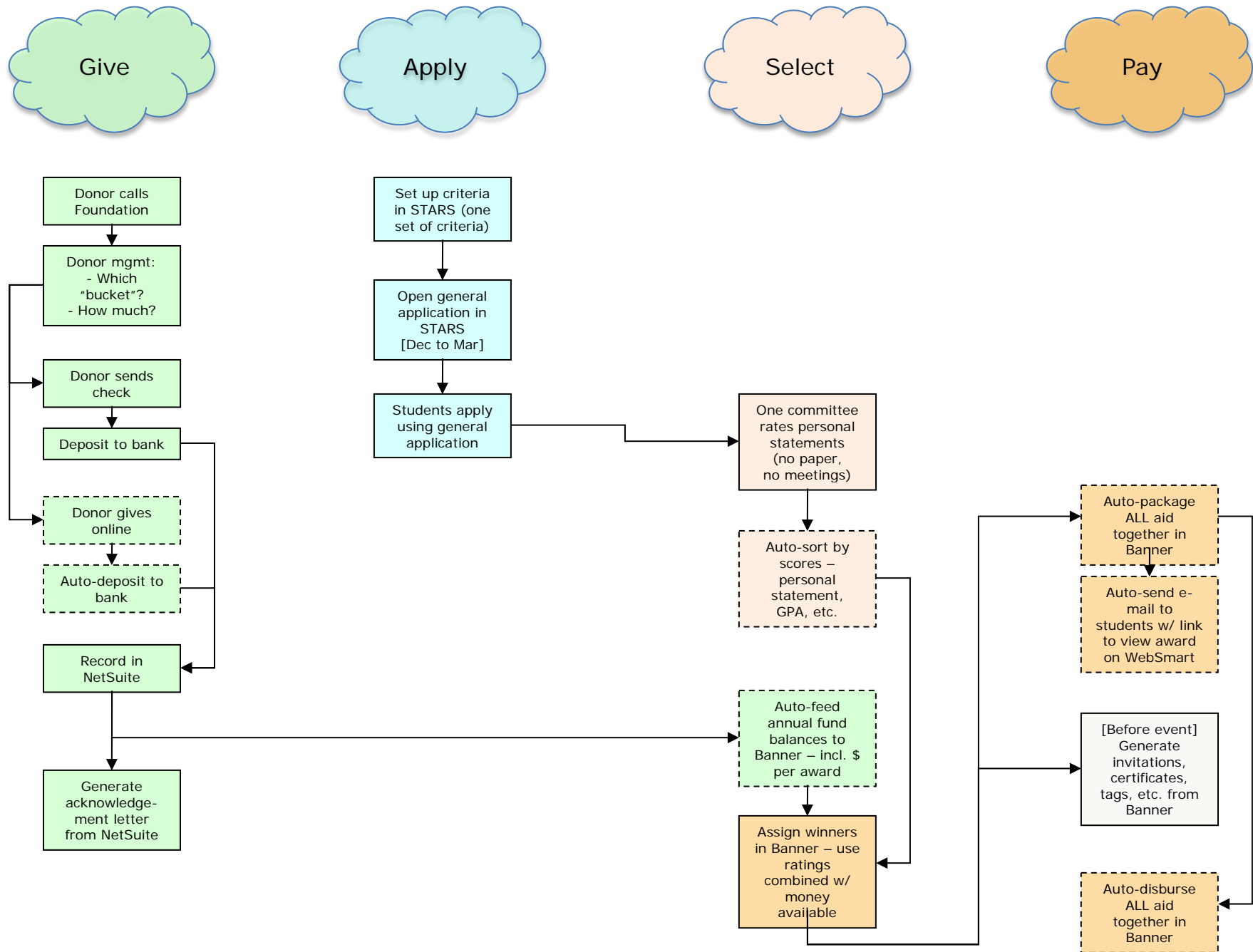
## Objectives for New Processes

The following objectives were used in developing an “ideal” scholarship process:

- Access – give more money to more students
- Simplify the process
- Provide single point of contact for donors
- Develop a consistent and clear message
- Clear separation of duties
- One set of fund numbers
- Decrease overhead as a percentage of donations
- Encourage giving to the “general scholarship” fund
- Develop general scholarship application – require same items from applications
- Use STARS for applying and reviewing, not letter generation or financial tracking



## Ideal Scholarship 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.)

#### *Financial Aid Award Process*

- Assess the effectiveness of various outreach efforts, then focus on those with the highest yield
  - High schools
  - Fairs
  - Classrooms
- All 3 colleges “select all” when downloading FAFSA by aid year
- Discontinue sending email to other campuses and IT when FAFSA files have been transferred; AppWorx runs at 12:05 pm no matter what
- Drill down on the scenarios when FAFSA trumps SGASTDN, before comparison report
- Review Common Matching rules
- Show status changes on (website) “portal” to go look at timing of loading records
- When FA and A&R load records simultaneously, can create duplicate pidms
- Automate BOGG record posting
  - Review rules; if the student made a payment, the BOGG won’t post automatically, due to downstream effects
  - If manually posted, then must be manually unapplied as part of the refunding
- “A refund is a refund is a refund” – don’t distinguish between financial aid refunds and other refunds – streamline process
- Review the policy that requires students to ask for a refund
- Let Banner apply and unapply for the BOGGs with a fee payment
- Review the BOGG error/cashier report process again
- Use one error report
- Real time application of payment
- Review CALB BOGG process – have SMCCCD WebSmart process load SVASFND form so CALB baseline can be used
- Discontinue process exceptions – e.g. “cashier does you a favor” and corrects the student account
- Run all 3 college tracking letter and awarding letters utilizing AppWorx, then review exceptions
- Shred documents after scanning
- No more files; let Banner and Web Extender be the sources of all information
- Catch problems at the counter “nip it in the bud”
- Same documentation requirements at all 3 campuses
- Create “Ready to Review” list automatically when all docs in
- Discern root causes of “we don’t trust Banner” – Banner only does what we tell it
  - Rules are too complex
  - Configuration problems
- Use auto-packaging for all students
- Set SAP code on all records
  - Simplify SAP rules

- Let Banner calculate SAP
- Not required to certify Pell on ROAPELL – stop doing it
- Review RORRULES; auto packaging is inconsistent and too complicated
- Decouple award and disbursement – Banner handles via rules
- One time extract to DOE (COD) for all 3 campuses
- Code campus correctly before disbursement
  - The trigger on SGASTDN does not change after disbursement/tran on TSAAREV; up to the point of payment, FAFSA breaks the tie if enrollment is equal
- Use RNASLxx for loans rather than NSLDS website
- Same loan process at all 3 schools
- Have Finance update drawdown info in RPACASH (from data in email)
- Split CalGrant groups/grants w/different awarding criteria
- Need userid (all 4 popsel identifiers) and aid year, discontinue sending report to Finance
- Change Sallie Mae extract to discontinue excluding amounts <\$X
- AP stops sending ACH report to Finance; send problems only
- Run a “No address” report or ping a student when address is missing
- Discontinue sending paper checks
- Use school address “for pick up” for students who do not have an address
- Use new SLMA features

#### *Scholarship Process*

- Increase online giving
- Enter data once
- Get NetSuite training
- Use scholarships screens in Banner Financial Aid (not Advancement, just a few donor screens)
- Discontinue copying checks
- Use one set of fund codes
- Extract from NetSuite
- One set of scholarship application dates
- Update STARS with one cut-off application date for all scholarships
- Get STARS training
- Explore STARS online letter of recommendations (can we email recommenders?)
- Foundation enters criteria in STARS
- Determine broad or narrow criteria; drives questions in STARS
- Change the eligibility on all college websites for scholarships; i.e. no GPA requirement, new, continuing or transferring
- Publish app opening and closing dates (same for all 3 colleges)
- VP make decision and communicate when decisions cross campuses
- Identify a point person at each college
- Create separation of duty with regard to the regulations
- Best practice – FA not on review committee
- STARS can be used to manage the committee meetings; review, rank, rate online

- No meetings, no paper
- Move application/selection process to Foundation
- Clarify and standardize scholarship language on the web – simple criteria and process
- Unified process for ALL scholarships (for example, all go to the foundation)
- Record all ratings in STARS
- Foundation provides dollar mounts earlier (before Feb 16)
- Banner can do more for scholarships; including letter gen
- Let Foundation use Banner to know fund balances at any point in time
- Set up Banner to award all money in fall if < \$500 – can use rules rather than adjust manually
- Add Foundation logo/blurb with scholarship award letter (winners/losers letters)
- Send check for transfer students to the transfer institution; still track philanthropy, but skip Financial Aid to administer it
  - Benefits transfer students (faster for them, not dealing with 2 financial aid offices; one here, one at the transfer institution)
- Extract from STARS or Banner to create certificates, cards, tags
- Foundation support events for all three schools
  - External scholarships
  - Transfer students
  - Events
  - Liaison with FA
- External donors manage their own scholarship process
- Foundation will “guide” donors; here is our process for setting up a scholarship
- Clarify and reduce the number of “flavors” of scholarships
- One set of fund codes for both MIP, NetSuite, and Banner
- College Business Office should “send the bill” to the Foundation (not ITS)
- After trying to mail the student one or two contacts to the student, stop
- Cancel funds and return award

## APPENDIX B

### Obstacles

In the same manner, participants identified the following obstacles:

#### *Financial Aid Award Process*

- Hard to quantify effect outreach efforts
- “Batchy” processes – e.g. MWF (current year), T/TH (prior year), AppWorx at 12:05pm, etc.
- Not to loading every ISIR transaction, losing history -- for example, if tran 01, 02 and 03 are in suspense 03 would be loaded; 01 and 02 are deleted
- BOGG “messed up” -- too many records that could post and don’t
- 3 different refunding policies
- When cashier does not unapply payment – transaction stays on BOGG report forever
- All students on the “cashier report” are also included in the “BOGG error report” – significant duplication and lack of clarity about the two reports
- Rate code already exists for the term (international student, another BOGG code, etc.) – causes problems for awarding BOGG
- Unclear policy/practice around contacting cashier re: refunds
- Cashier report doesn’t go to cashier
- Different processes for posting BOGG at the 3 schools; depending on whether they are packaged or not (some BOGGs on SFAREGS/rate code and RPAAWRD, some not)
- Real-time application of payment
- Applying this year’s funding to last year’s charges without permission
- Some students are late submitting documents (via email, scan, mail, in person)
- Typing labels (some hand written); duplicate data entry
- Create/add paper file
- Different documentation requirements at 3 colleges – e.g. CSM – official transcripts
- Visual review for all docs in
- Confusion in process (paper is complete, versus docs are in, versus all docs are complete)
- Checking/re-checking files
- Not using auto-packaging
- Complicated/unclear/inconsistent rules to satisfy before packaging
- Different SSNs and Banner IDs; time-consuming resolution
- Not auto-packaging in batch
- Absence of SAP code prevents awarding
- Invalid – address, state, college code
- Loan change process very cumbersome
- CSM FTP problem with Pell Recon
- Lots of process “churn” when transferring files -- e.g. run extract, FTP, research errors, fix, re-run
- Problems loading CSAC data to Banner (CalGrant)
- Students who don’t update CSAC with their school change for CalGrant
- Cal Grant subsequent transaction
- CalGrant income/assets renewal criteria are manually reviewed; state income ceilings



- Potential security risk; e-mail attachment with student id, name, amounts
- Application and unapplication of payment problem (review with Brian Nolan)
- Students w/ no address – problems with Patriot act, can't refund to student

#### *Scholarship Process*

- Entering data in NetsSuite, MIP, Excel, Word table, Banner, STARS – massive redundancies
- “Shoving” detail codes into RFRBASE because only one detail code is used
- Training school committee to use STARS for the review process
- GPA and Units visible in STARS
- Don't know how much to award until too late in process
- Double data entry; STARS and Banner awards
- Missing FA fund codes; happens at the last minute
- ITS is billing the Foundation