

SERVING “ON-LINE” NOT “IN LINE”

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Texas A&M University, the state’s first public institution of higher education, is a land-grant, sea-grant and space-grant institution opened in 1876 and located in College Station, Texas. President Ray M. Bowen leads the University with an enrollment of over 44,000 students studying for degrees in 9 academic colleges.

The Division of Finance, led by Vice President Bill Krumm, has business objectives that include the vision to be an organization knowledgeable of its customers and understanding of their unique needs as well as an innovative organization that anticipates the future and rapidly evolves by encouraging creative thinking and innovative use of technology throughout the organization. With these two objectives in mind, the Department of Student Financial Services, under the leadership of Director Bob Piwonka, designed and implemented an on-line Emergency Tuition and Fee Loan (ETFL) process that would not only serve our customers when THEY wanted to be served but also create efficiencies within the department.

The State of Texas Education Code Chapter 56 allowed higher education institutions to establish emergency loan programs under which students are loaned money to pay tuition and fees. Students may request 100% of tuition and fees or a specific dollar amount up to 100% of tuition and fees. As the name of the loan fund implies, students often do not realize they need the funds until just before the tuition and fees due date – thus causing the majority of the loans to be applied for, approved and posted within the last day or two of the institution’s financial due date for tuition and fees. Before the on-line system was developed, students needing loans had to come, apply, and sign a promissory note each semester – a very labor and time intensive process. Staff and overtime budgets were taxed to their limits during these periods. The on-line ETFL process was designed to meet this challenge. The loan process begins with a Master Promissory Note (MPN) that, once signed, is used to facilitate subsequent semesters’ loan requests. Students who have signed the MPN can then apply for an ETFL without visiting the Student Financial Services office.

FRONT-END PROCESS

The system's front-end process begins with a brief question-answer dialogue that determines if the student meets the fundamental requirements for an Emergency Tuition and Fee Loan. The student then enters his/her date of birth and official university e-mail account (example – joaggie@neo.tamu.edu) into a form to request a link to either the MPN application or to the ETFL request. If the student is a first-time applicant, the system is designed to send a link that serves as a request for both the MPN application and an ETFL. The system generates a unique one-time URL link that is sent to the student and is customized with the information he/she submitted. This link is added to a list maintained in the system and then e-mailed to the student's official university e-mail account. Because each such URL link is uniquely associated with the date of birth and e-mail account provided by the student, it can be used to access the requested application once and only once. The URL link is deactivated once it has been used.

First-time Applicant

If the requested link is for the MPN application (ETFL request is also implied), it can be used by the student to access the application form. If the student has a pending application, access to a new application is denied and an appropriate message displayed. First time applicants are taken to the application page where the student can then complete the necessary information, preview it and submit it for consideration. While completing the application, the student also is required to create a unique sign-in question and answer that will authenticate the identity of the user on subsequent visits to the ETFL website.

All applications for an MPN are automatically approved, but each loan request is reviewed for approval since a student's loan eligibility may change from semester to semester. Immediately upon receipt of the completed MPN information, an e-mail stating that the MPN application was approved is sent to the student's official university e-mail account. This e-mail message also states that the student is required to come into the Student Financial Services office to sign the MPN before any loan request can be processed. The system has been designed to make this the one and only ETFL related trip

that a student must make to the Student Financial Services office. At this point, there is a MPN waiting to be signed by the student and an ETFL request waiting to be approved after the student has signed the MPN.

Returning Applicants

If the requested link is for an ETFL request, a check is made to determine if the student has an outstanding loan request in the system. If a student has an outstanding loan request in the system, an appropriate message is displayed, and the student is provided a link to view the status of the outstanding loan request. Since students have the option of requesting an ETFL request only, the system checks to see whether the student is a first-time time applicant or a return applicant.

If the student is a return applicant, the system directs the student to the sign-in page. Upon correctly answering the sign-in question, the student is directed to the ETFL request page. The request page lists the information submitted by the student during his/her last visit to the system. The student is required to review the information, update as necessary, and submit the loan request for consideration.

If the student is unable to correctly answer the sign-in question, the system provides an option for the student to have the correct answer sent to his/her official university e-mail account.

BACK-END PROCESS

The back-end component of the system allows for Texas A&M University loan processors to access and process MPNs and ETFL requests. The back-end is composed of a web-based menu that allows loan processors to select different functions – view open (unprocessed) or approved records; view reports; check applicant status. The most significant components of the back-end are the two menu items that list “Open Records” and “Approved Records”.

All new requests for ETFLs are listed on the “Open Records” page. Loan processors can then access these loan requests for processing in the order they were received. After a review of the student’s loan history with Texas A&M University and other loan criteria, requests for an ETFL are either approved or disapproved, and an

appropriate message is e-mailed to the student's official university e-mail account. If a loan request is disapproved, the reason for the disapproval is included in the message and the student has an option to resolve the reason for the disapproval and reapply for an ETFL. At this point, whether the loan is approved or disapproved, the request is removed from the "Open Records" page.

All applications for MPNs and all approved ETFL requests are listed on the "Approved Records" page. In the case of an application for an MPN, no further processing is required and the loan processors only have to print the document when the student is present at the Student Financial Services office to sign it. The MPN printing process marks the student's record in the database as having an MPN on file.

In the case of ETFL requests, the options available to loan processors depend on whether the student is a return applicant or a first-time applicant. In the case of a return applicant, the loan processors' only option is to perform a final verification of the request and possibly adjust the amount to be loaned (not to exceed 100% of tuition and fees) before posting the loan to the student's billing account. Students receive an e-mail stating that his/her loan request has been approved for a specific dollar amount at the time a loan processor reviews and approves the loan. A copy of the ETFL request is printed and added to the student's file.

In the case of first-time applicants, however, the MPN must be printed by the loan processor and signed by the student, prior to final verification and approval of the loan request.

The process is considered complete at this point and the loan request is removed from the "Approved Records" page. A message advising that an ETFL has been posted as a payment to the student's account is e-mailed to their official university e-mail account. The message also includes the actual loan amount, due date, and payment information.

The back-end system provides loan processors with the option to view the status of any MPN application and/or loan request. From the "Check Status" page, loan processors can regenerate the MPN and/or the most recent ETFL request made. Loan processors also can edit the loan amount, the due date and a few other bits of information submitted by the student.

The back-end system also allows the loan processors to generate several end-of-the-day reports that can be used to verify loan balances and posting of loans into the student information system.

A manager in the Department of Student Financial Services also has permission to delete student records from the database in the event that an applicant refuses to sign the MPN. Access to the back-end is restricted and secured via Windows NT authentication.

THE BOTTOM LINE OF ON-LINE

The back-end of the on-line loan system was initially written in ASP and used a Microsoft® Access database. Due to some performance issues, the database was changed to Oracle® in Fall 2001, and we anticipate rewriting the web portion of the program under the J2EE format (Java) in Spring 2002. These changes should allow us to see a performance boost, as well as to make the system more secure and easier for our computer staff to maintain.

The on-line loan process took approximately eight months to design and implement with a part-time graduate assistant at a cost of approximately \$4,100. With cost savings in wages and benefits of approximately \$3,200 per year, we have already more than paid for the cost of implementing the program. The real savings are to our students who are able to take care of their financial obligations on their own schedule, as opposed to only within our office hours.