

Aggie Bucks – More than “Mad Money”
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Aggie Bucks Program

The Aggie Bucks Program at Texas A&M provides users with the option of turning their ID card into a declining balance card. While more and more universities throughout the country have adopted this basic idea, Texas A&M has been considering how it could be expanded.

August of 1998 witnessed the development of a partnership between Texas A&M (Student Financial Services) and Wells Fargo Banks. This partnership, one of the first of its kind, was sparked by the ever-increasing financial workload produced by the program. The resulting arrangement appointed Wells Fargo the official financial administrator of the program while allowing Texas A&M to retain actual ownership. This arrangement was instrumental in the expansion of the program, which now incorporates over 150 on and off campus business, generated over \$12,500,000 in Aggie Bucks sales in 2001 and continues to grow.

Recently, Student Financial Services has taken steps to introduce and promote the possibility of a “cashless” campus. Several Aggie Bucks pilot programs have been initiated that provide academic departments with the ability to utilize Aggie Bucks. These programs allow departments to experience the ease and security of Aggie Bucks use while eliminating the necessity to store and handle cash.

Texas A&M University, which was founded in 1876 and has the distinction of being the state's first public institution of higher education, is a land, sea, and space grant institution located in the city of College Station, Texas. President Robert M. Gates guides the University, which includes ten academic colleges and a student population of over 44, 000.

Among the many administrative divisions serving the University community is the Division of Finance. This organization, headed by Vice President Bill Krumm, is made up a number of diverse areas, each with its own specific missions and goals relating to financial issues. While each area may provide different services, all work to fulfill the Division's Mission of "providing leadership, innovation, and excellence in financial services and a safe work/study environment for the Texas A&M University community." To this end, the Department of Student Financial Services, under the guidance of its Director Bob Piwonka, has taken what was originally a supplement meal plan program, redesigned and restructured it, and implemented what is known today as the Aggie Bucks Program.

While the creation and implementation of a stored value program has become somewhat commonplace at universities across the nation, most programs display a tendency to remain static. Student Financial Services strives to continually evolve the Aggie Bucks Program beyond its basic functions and develop new and efficient ways to utilize its services. One of the long-range goals of the program is to promote the move to a "cashless" campus. We believe that this would not only benefit our students, but also provide a more secure and controlled financial environment for departments and

organizations on campus. Additionally, we have endeavored to educate our patrons in the use of Aggie Bucks as an accounting tool.

The Aggie Bucks Program originally began as a way for students to use stored funds to pay for meals at one of the food service facilities on campus. History of the program shows that students found it faster and easier to use the stored value cards and it was safer and more convenient than carrying cash. In 1991 the program was modified to include purchases at the campus bookstore. Once again the faster check out process and improved customer service turned was readily accepted. The program was subsequently expanded to allow purchases at off-campus bookstores and then to several fast-food establishments.

In 1998 the program expanded again in the form of an agreement with Wells Fargo Bank. As a result, the University gained a partner in the daily operations of the program, and students were able to use their Aggie Bucks at more locations in the College Station-Bryan area. The Aggie Bucks Staff uses a computer software product (CS Gold) to create and track student accounts. Endeavoring to remain at the forefront of this type of program, the staff has recently completed an upgrade of the software to the most current version of the product.

When students purchase Aggie Bucks, the amounts are immediately recorded in the programs database and the funds are deposited into a custodial account operated by the University's financial partner. As a student makes purchases by swiping their ID in a vendor's reader, a message is sent to a server at Texas A&M University. This information is in turn used to immediately check the account, ensure that funds are

available, and then complete the transaction. The entire process takes only a few seconds. As the transaction is completed, the amount of the purchase is immediately subtracted from the students account.

There are several different ways that a student can obtain Aggie Bucks. Initially, during the registration process, students can choose to include them as a fee option. Then approximately one week before the beginning of the semester, the requested amounts are downloaded into the system and placed in the individual accounts. Aggie Bucks can be purchased at anytime during the semester in person (at a campus or participating banking location) or by mail. As part of the service provided by the Aggie Bucks staff, an e-mailed statement showing account balances and purchases is sent each month to all active Aggie Bucks account.

Recently, efforts have been made to have more academic and administrative departments accept Aggie Bucks. This would allow those departments that conduct monetary transactions to do so without having to handle cash. The setup process for these departments would be exactly like any other Aggie Bucks merchant.

The process begins when the interested department and the Aggie Bucks staff meet to discuss the details of the procedure. The department then provides TAMU's computing group with necessary hook up information. This includes such basic information as the name or title that will identify the department, point of sale locations, and contact persons. An Ethernet line is installed if one is not already in place and the TAMU computing group enters the new configuration into the CS Gold system. (This includes creating a new vendor number, building the standard vendor report, grouping the points of sale if there are multiple locations or readers, and adding the new reader(s) to

the TPS Configuration.) The TAMU computing group then tests the department's configuration to insure everything is set up correctly. They then install the reader(s) and printer(s); enter the configuration parameters into reader (s), and tests to ensure that everything is working properly.

As has been stated previously, the implementation of the Aggie Bucks program has been one of evolution and it has rapidly developed from infancy to the widespread service that it is today. Pilot programs were utilized to develop greater participation by the University departments. Initially, departments were chosen and provided with equipment so that they could judge the usefulness of the program to them. The selection of the pilot participants was based upon the amount of cash transactions that they conduct with the student body and the quantity of student traffic that they receive. In some later cases, departments were provided equipment on a trial basis and signed an agreement that outlined the pilot plan. After a specified time frame, if the department decided not to continue with the program, they could return the equipment with no charge. If they decided to stay with the program, they would purchase the equipment at a previously agreed upon price and continue accepting Aggie Bucks with no interruption in service. There has yet to be a department that has participated in a pilot that did not want to continue.

Because it is primarily a service program, a good portion of the benefits of Aggie Bucks is realized in student satisfaction. Aggie Bucks provides a safe, easy, and convenient form of payment for students as well as giving parents the ability to give students money that will be used for certain items. It also provides a way to track spending and learn about budgeting. By utilizing the monthly Aggie Bucks statement that

is provided to each person via e-mail, students can review the amounts of purchases, see average spending, and determine most frequent points of purchase.

With the continuous development of the program, other groups are discovering the usefulness of Aggie Bucks. Due to the pilot programs employed, departments on campus that now accept Aggie Bucks have discovered benefits in the almost complete elimination for the need for keeping cash on hand. This advantage assists in the reduction of shrinkage of both “petty cash” and receipts. Additionally, the daily purchase reports sent out by the Aggie Bucks staff provide departments with additional accounting controls by giving them information that can be incorporated into reconciliation processes.