

Creation of Student Financial Services Office Leads to Higher Level of Service to Students

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Abstract

Queens University of Charlotte has developed a new unit, the Office of Student Financial Services, which combines the traditional financial aid office with the accounts receivable function from the business office. The new office was created to address growing student dissatisfaction with student billing and financial aid processes. This paper outlines the problem assessment process, the design and creation of the new unit, the implementation of the new design – including communication strategies and training issues, and discusses the results of the change as well as a retrospective of what is working and what still needs to be addressed. The resulting unit now provides students and their families with seamless service regarding all of their financial transactions with the University. The creation of the new Office of Student Financial Services has provided a more efficient and customer-service-oriented delivery of services to students.

An Introduction to Queens University of Charlotte

Queens University of Charlotte is a private, Presbyterian related comprehensive University located in the vibrant city of Charlotte, North Carolina. The University serves over 2,000 students through the College of Arts and Sciences, the McColl School of Business, Presbyterian School of Nursing, and Hayworth College. Queens University of Charlotte is recognized for the undergraduate Internship Program (100% of undergraduates complete a 2-semester internship), the leadership focused MBA programs, a nationally respected low-residency MFA in Creative Writing, the John Belk International Program (90% of undergraduates participate), and its outstanding faculty (4 North Carolina Professors of the Year in last 12 years). Queens' students enjoy a transformational educational experience and fantastic opportunities for employment and graduate school after graduation. The University is experiencing significant growth in enrollment (30% over the last two years) and endowment and is currently celebrating its sesquicentennial (150 years of excellence 1857 – 2007).

Statement of the Problem / Initiative

Queens University of Charlotte is committed to providing a high level of service to students and their families. However, an area of major concern to the University was the process of student billing and its disconnect with financial aid. We were not meeting basic expectations of our students. Our annual student satisfaction survey was consistently showing a high degree of dissatisfaction. Scores were declining even with the University placing an emphasis on improving the billing process and service to students.

Examples of the student billing process inefficiencies included:

- Students being “shuffled” between the financial aid and business offices. The two offices were using different software products (Jenzabar and PowerFaids) and the business office staff had read only access to the PowerFaids packaging and loan screens but lacked knowledge to really understand the information. The financial aid office staff did not have access to the accounts receivable screen in Jenzabar. Students were often receiving incorrect or incomplete information regarding the status of their student account.
- Billing statements not being generated by the business office on a consistent day each month. Generally, pending scholarship and grant postings would be reflected on the billing statement but often the statement did not include scheduled loan disbursements. Students and their families could never trust the amount due as indicated on the statement because it was rarely accurate.
- The financial aid and business offices often had different perspectives in working with students with the financial aid office recognizing the financial dilemma of a particular student while the business office would have no insight into the student’s financial situation.

- Functions within the financial aid office were divided among “specialists” with basically one person performing each task with very little cross-training. If an employee was absent, there was a high probability the student would not be able to get his/her question answered. There could even be a lag in award processing or loan certifications, thereby not providing prompt information for student billings.
- Often the terminology used by the financial aid and business offices did not have the same meaning. For example, the business office’s definition of “withdrawal” and the definition used by Title IV differ. Many times our own confusion created even more confusion for the student who was already “in the dark” about a particular situation.

We were facing a huge issue with students and their families. Queens University of Charlotte was not handling well what should have been the simple task of producing a correct billing statement to collect tuition.

Design

Despite much effort there was a great deal of frustration on part of the leadership team because we were making no progress on this issue; it was time for drastic change. We had been trying to push this rock up and over the mountain - we were making no progress - in fact it was becoming a boulder and was sliding further back down the mountain, about to crush us.

A potential solution was initially discussed by the President, Vice President for Enrollment Management and Vice President for Finance and Administration. The idea to “break” the current organization and division of responsibilities and “rebuild” with a new design was presented to the Associate VP for Enrollment Management (financial aid) and the Director of Finance and Treasurer (business office). There was a lot of excitement about the opportunity being presented.

Immediately the Associate VP and Treasurer began meeting to design on paper what was seen as the optimum organization, combining the financial aid office with the accounts receivable function from the business office. The new design was developed with the philosophy of a single contact for counseling a student and family from the time of being a prospective student, to applying for aid, to making application for loans, to evaluating payment options to billing for tuition. The new design would also prepare us for aggressive enrollment growth which is a major initiative of the University’s strategic plan.

Job descriptions were created to reflect the new positions and areas of responsibilities we were creating in our new Office of Student Financial Services. We met with our external auditors to ensure compliance with audit requirements such as internal controls, separation of duties, cash management and all applicable federal and state audit requirements.

The next step was to determine the optimal timing of our “merger”. We determined the best approach would be to just “jump in” so we moved forward with a very aggressive time frame for

implementation. We knew there would be a high level of anxiety among staff from both the financial aid and business offices as well as across campus because of the reorganization. Pushing forward quickly allowed us to eliminate a lot of uncertainty and stress for our staff.

We realized we would have to make office space available to accommodate this new unit. The business office, University cashier and human resources were located in a single office suite. The financial aid office was located in the same building. Plans were implemented to combine the financial aid staff in the business office space and relocate the functions of the business office that did not deal with students along with human resources to the space previously occupied by the financial aid office.

Implementation

The first component of implementing this new organization was to present the concept to the staffs from both offices. In early September, we called a meeting for late in the day and had everyone from both offices scheduled to attend. The President of the University set the stage with her opening remarks and demonstrated how important this move was to the University. Each Vice President from the two respective areas made remarks about how the billing process was not efficient and we had to implement a major make-over to provide the level of service our students and their families deserve.

After the initial remarks, we presented new organization charts along with job descriptions for each position in the newly established unit. The reorganization did not create any new positions or require any salary increases beyond what was already budgeted. The staff members from both offices were informed that the Associate Vice President for Enrollment Management had been named Associate VP for Student Financial Services to lead this new unit. The Associate VP set up individual meetings with the staff to discuss any desire to be a part of the new organization.

Positions in the new organization, both professional and support, were posted by the Office of Human Resources. External candidates, employees from the “old” financial aid and business offices and other University employees were interviewed for the new Office of Student Financial Services. There were very few candidates who had a complete skill set for the newly created positions. Therefore, a stronger focus was placed on a commitment to the new concept along with intangible attributes such as relating well with students and their families and the ability to explain complex issues in a more understandable manner.

By mid-October we had hired and had in place a systems manager for SFS, five SFS counselors and one support staff member. The second support staff member was not in place until

November. The new staff relocated to the new office space in mid-October during the fall break. When students returned they knew the “old” offices had changed location but did not know why they had relocated. Because we had all new employees, at least new to their responsibilities, we did not want to announce the new unit until we felt like we were positioned to be successful in delivering the services of the new office.

Training was the primary focus during November and December. A schedule was put together allowing for training sessions to occur on the average of three mornings a week, when “foot traffic” was at a minimum. The comprehensive delivery of services by each individual counselor rather than having specialists required extensive training. Some components of the training involved all of the staff while other segments were designed for only the counselors.

As the training information was developed for presentation to the staff, the Associate VP for Student Financial Services reviewed each office process and procedure. An evaluation was made to determine if the process was required by regulations or law, if it was value added and what was the best method of delivery. The newly created position of systems manager for SFS was challenged to automate as many processes as possible as well as providing more forms and information on the web site.

One of the major requirements with the design of the new unit was to update, and in some cases develop, parts of the policy and procedures manual. With several staff performing the same tasks, we wanted to make sure we were being consistent with our delivery of services.

By January we were ready to “roll out” our new design to students and their families. SFS counselors were assigned alphabetically to a portion of the student body, including both financial aid applicants and non-aid applicants. The two support staff members were assigned to support three counselors each. The official announcement was made in a letter from the President to the

entire student population as well as the parents of our traditional undergraduate students in late January. The letter announced our newly established model for better serving the students and provided a listing of services being offered and counselor contact information.

We did experience some difficulties with implementing this new design. The two biggest were change and training. We had created new positions requiring a much expanded set of skills and knowledge to perform the job. Making the time available for training was a big challenge. We always felt there was so much work to do that we did not have the time for training. But the training was needed to be able to perform the work accurately and more timely.

The new team has been constantly challenged to think “outside-the-box”. Can we do things differently? Why are we doing it this way? It took only a couple of months to see most of the student accounts receivable picture, but it took a full twelve month cycle to see all of the financial aid side of things. We learned a lot the first year and are still tweaking the system.

Benefits

We were expecting great things from this new model and we have not been disappointed. Have we completely arrived? No. However, we are so much closer to where we want to be.

Our major initiative has been accomplished. We are now delivering a timely and accurate monthly billing statement. The satisfaction level of our students and their families has significantly increased. They have a growing level of trust in the accuracy of their billing statement. The one-stop shopping concept, having one point of contact for all financial concerns, has been praised by our students and their families.

We accomplished so much more than just improving our student billing process. Our SFS counselors are providing a higher level of service to our prospective students and families in planning how they can afford their educational experience at Queens. The SFS counselors are developing strong relationships with students and their families. We are finding many of our traditional age students even come to talk with their SFS counselor about non-financial issues. Each SFS counselor works with approximately 450 students. This allows them to be positioned to offer advice and guidance based on their individual circumstances.

The emphasis on maximizing the technology available in the office has made us more efficient in analyzing and providing financial aid award notification. We are more efficient than we were in the traditional financial aid office model, even with 32% growth in enrollment over the last two years.

A true team environment has been fostered in the Office of Student Financial Services. While there was so much to learn, the staff had to rely on each other to be able to perform their own responsibilities. The team approach has even included other areas on campus. In particular, the Associate VP started having a monthly lunch meeting with the Registrar and Director of

Accounting. We are now in the process of developing a master calendar for all offices that impact the charges on a student account, from registration to housing to the health center.

One of the most significant benefits from the new model, but not one we want to talk about, is the preparedness for staff absences or turnover. We have had four counselors depart over the almost two years of the new organization. It is frustrating to have to be consistently in the training mode, but at least we have staff members trained to perform all of the services provided by the counselors. Too many financial aid offices get caught short in delivering services when an employee is absent or leaves the office.

Retrospect

What would we do differently if we were starting all over? Fortunately, this is a short list. We would probably have moved the University cashier position into the new Student Financial Services unit rather than retaining it in the business office. We were viewing the cashier position as a collection function at the time of reorganization. We have found that the position really needs to have a full understanding of the student's account. Many times a student or parent calls to make a payment and the cashier only sees the balance due as reflected on the A/R screen. For example, the cashier is not able to determine if there is a pending loan disbursement or a third party billing payment to be received on behalf of a student. We are currently discussing the possibility of moving the cashier position to the SFS office.

A second issue we probably should have done differently was to upgrade the Student Financial Services Counselor position in order to prevent turn-over. At the time of the reorganization, we were trying to stay within the same salary and operating budgets which were in place for the student account and financial aid offices. Frequent staff departures certainly impact the work load on the SFS counselors. A tremendous amount of time must be invested in training by both the new employee and the trainer. Also, one of the main initiatives of the reorganization was to allow counselors to build and foster relationships with their students. We need to position ourselves to maintain the SFS counselors to maximize the opportunity for relationship development and not experience down time due to training. The University realizes the need for a salary upgrade for these positions and has created a plan for implementation.

The design and implementation of the merger between the accounts receivable function of the Business Office and the Financial Aid Office were put on a fast track. Queens University of Charlotte embraced the concept and pushed forward quickly. We are pleased with the results and

continue to be open to new initiatives and bold moves that enhance the level of services to our students and their families.