

The Automated Stipend Process

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Abstract

The Disbursements and Travel Services office processes approximately 400 stipend payments per month.

A steady student enrollment increase over the past several years has required that we keep pace with technology and offer our students a more reliable and consistent process for stipend payments.

Several potential options were reviewed for flexibility, growth capacity, ease of implementation and cost. The Automated Student Access Program (ASAP) in conjunction with the Banner (Student Information System) application emerged as the best and most cost effective avenue to automate the stipend payment process, which reduced the overall processing time from approximately three weeks to six days.

Previously, each department prepared a payment request (electronic voucher) each month for each student, resulting in multiple payment requests. There were multiple reviewer and approval levels for each request. Once approved at the departmental level, each request would potentially route to additional processing areas, such as Payroll Services for foreign students and the Office of Sponsored Programs (OSP) for payments funded by grant funds. Once approved, the payment request and physical documentation was forwarded to the Disbursements and Travel Department for final review, approval and processing.

The Automated Stipend Process allows departments that were involved in a manually labor intensive process to redirect those resources more efficiently. It has eliminated the need to create individual payment requests and has automated the routing method for additional processing reviews.

Introduction of the Organization

The University of Texas at San Antonio (UTSA) serves the San Antonio metropolitan area and the broader region of South Texas through programs and services offered from its three campuses: Main, Downtown and Hemisfair Park Campus.

UTSA is the second-largest component in The University of Texas System and has been one of the state's fastest-growing public universities for much of the last decade with more than 28,400 students currently enrolled in 131 undergraduate and graduate degree programs.

The university's three campuses provide access and opportunity for large numbers of historically underserved students. More than 56 percent of UTSA's students come from groups underrepresented in higher education. Many students are the first in their families to attend a college or university.

UTSA is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award baccalaureate, masters, and doctorate degrees.

Statement (restatement) of Problem/Initiative

Due to the increase in student enrollment, the number of stipend payments issued has also increased. The amount of time it takes to issue a stipend check to a student is approximately 3 weeks. The Disbursements & Travel Services Department decided to develop an automated and streamlined approval process while eliminating paper and duplication.

Design

During the 2007 fall semester, Disbursements and Travel Services met with departments involved with the existing process and evaluated each department's role in the process, the impact the automated process would have on each department and discussed how to successfully migrate the process while maintaining data integrity, complying with reporting requirements, handling anticipated growth and decreasing departmental workload.

Each of the offices involved agreed to the following:

1. **Scholarship Office:** Changed how student awards are entered into BANNER (the Student Information System) to reflect how departments actually paid stipends.
2. **Office of Sponsored Programs (OSP):** Continued to review and approve each payment funded from a grant account.
3. **Accounting Services and Define Administration: In order to route payment vouchers through the DEFINE Accounting System once generated from the ASAP system the following was completed:** 1) Reviewed the electronic routing and created a new electronic approver desk specifically for the automated stipend process and created the proper electronic routing. 2) Table updates were made that would create the journal entries for the DEFINE accounting system.
4. **Financial Services:** Reviewed stipend payments for students having holds on their accounts to assist with collections (now automated).
5. **Payroll Services:** Continued to review and approve payments for foreign students.
6. **Office of Information Technology (OIT):** Developed an accounting entry into the DEFINE accounting system with the required parameters to allow individual electronic documents for each foreign student to be routed to Payroll Services for processing.

The development of a web-based program within ASAP provided greater results with the most flexibility. Additionally, the academic departments and faculty authorizing the student records could log on using their existing user ID and passwords.

A standard payment structure was outlined by semester to create a consistent payment calendar:

- Fall: four equal payments
- Spring: five equal payments
- Summer: three equal payments

In addition to the standard payment structure, two payment dates — the 1st and the 15th — were established. Departments must determine on which date their students are to be paid, review the list of students and select those who meet the established stipend criteria (i.e. number of hours enrolled, GPA).

Departmental review and processing deadlines were established for each payment date. A calendar is published for the fiscal year and posted to the Controllers' website with the designated dates for each step in the process.

Throughout the developmental stages, testing at <https://tucson.sis.utsa.edu> was continually performed until all concerned parties agreed that the automated process was ready for implementation.

Document Routing

1. Financial AWARD records are added to Banner Financial Aid System (RPAAWRD screen) for qualified students. A funds table (fund codes and account numbers) on the Stipend side is maintained to add, update, and delete those funds used in Banner Financial Aid System. The financial aid module uses fund codes to differentiate the funding sources. To separate tuition funds from stipends, "stipend" was added to the description for stipends fund codes. When the stipend information is extracted from BANNER, only the fund codes with "stipend" in the description are selected.
2. Records are selected by Semester for those awards accepted and students who are registered for the specified semester. Records are then loaded into an Oracle table (FA_STIP_DISB).
3. Once these records are loaded, departments can review and/or approve those records for processing through ASAP.
4. The department approves the record (stipend payment) and if the payment will be charged to a grant account, then OSP needs to approve those records.
5. The departments and OSP approve the records, and then when the scheduled process runs, only those records approved will be selected. The process will then check if the student is still registered.
6. The selected records are processed; transaction records are added to the transaction history table (FA_STIP_HIST).
7. The following DEFINE documents are also created: 1) A voucher payment issued for multiple students who will receive a check (VP3), 2) A voucher payment used to record the accounting entry on a direct deposit (ACH) for stipend payments (VJ1), and 3) A voucher payment to an individual foreign student (VP2).
8. Payments with foreign citizenship designation are identified and routed to Payroll Services for review and approval. Payroll Services reviews and approves all payments for foreign students and withholds the appropriate payroll taxes as needed.
 - Modification made to the data extraction program to include a field where the "citizenship" data is stored in Banner.
9. Payments without foreign citizenship designation are identified and routed to Disbursements and Travel Services Office for approval.

Security Access

A database was created to bridge DEFINE and BANNER for authorized account users. This database is updated daily so that both systems have the same authorized users. Security is maintained for each authorized person to review only their records by account number.

Incorporated into the security control levels of the Automated Stipend Process are the following roles:

1. Administrators. Information Technology, Disbursements & Travel personnel can update databases, change records, and override approvals.
2. Electronic Approvers. The principal investigator, department chair or designee is granted electronic approval for the designated accounts used to pay the students' stipends.
3. Office of Sponsored Programs Approvers. Approve the accounts and amounts for each student as designated by the Director of OSP for stipends on grant accounts.
4. Departmental Reviewers. View access is granted only by the account administrator.

Implementation

A comprehensive training class was developed and presented for all departments. Newly created forms and timeline were reviewed. A PowerPoint presentation, timeline and forms were posted to the website for future reference and for those unable to attend training.

After successful implementation, the results of the automated process were data integrity, timely payments, improved internal controls, increased efficiencies, and greater access to information through on-line reporting and the ability to handle increasing capacity. The greatest improvement is the reduction in the number of days required to issue stipend payments to students.

There were a few things that if done differently, would have made the initial launch smoother. Additional time should have been spent gathering more feedback for the process and offering more flexibility. Since the process was launched in the spring semester, we had to ensure the students weren't underpaid or overpaid since the amounts listed in Banner RPAAWRD did not reflect what the departments actually paid in the fall semester. Going forward,

each department is asked to review the amounts posted on RPAAWRD and alert the Scholarship Office to any discrepancies

Benefits

The process created efficiencies that 1) allows students to receive their stipend payment normally within 6 business days of the department approving, 2) reduces central processing time, 3) saves departmental creators time and money since they no longer have to create payment voucher and attach documentation, 4) reduces data entry errors, and 5) overall provides cost savings (to the University from a time and effort perspective). The process also checks a student account balance. In the event of a direct deposit, the system will convert the ACH transaction into a paper check, requiring the student to pick up the check from the Fiscal Services Office and remit payment for the balance due before releasing the stipend payment.

The system is also designed to pay any unpaid amounts in the current payment cycle for those students that may have been awarded late. A payment override feature allows for an alternate payment amount (not to exceed the total award) to accommodate expiring grant accounts and one time payments.

Retrospect

Implementation should begin in the fall term or the beginning of an award year. Due to some unforeseen circumstances with Information Technology, the process was delayed until spring 2009, creating additional work in validating the fall awards in Banner. Student information in the Scholarship module needs to be accurate and reliable, i.e. stipend information cannot be informational only. Security access was not initially addressed; it required additional evaluation and delayed the implementation date.