



**Come in Out of the Cold and Close the Door
on Financial Aid Shortfalls**

**Winter
CACUBO
Workshop**

**CACUBO Professional
Development Workshop
February 9-10, 2011**

**"Come In From
the Cold"**

OZARKS TECHNICAL COMMUNITY COLLEGE



Springfield , MO
13,800 Students
Richwood Valley
 Branson
 Lebanon
Waynesville
OTC Online

Sally Mattchen

Assistant Director of Finance

CACUBO PDW February 9-10 2011



St Louis MO
28,500 Students
Started 1962
Florissant Valley Campus
Forest Park Campus
Meramec Campus
Wildwood Campus

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Vice Chancellor Finance

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What Are Schools Looking For?

Enhance Student Success!

Put Students First

- Accessibility/Affordability
- Recruitment
- Retention
- Quality Education and Service
- Customer Service
- Help students to recognize their obligation to pay for any remaining balance due after financial aid is applied to their account.



What is 'Pending Aid Benefit'?

Pending Aid is a proactive way to reduce your internal collection effort by strengthening your internal policies and processes.

Put an end to the 5 R's game

- Registering for Aid
- Receiving Aid
- Refund To Student after classes are dropped
- Running Away
- Return Aid



You CAN STOP the 'Paper Chase' NOW!

What Can You Do?

- BE PROACTIVE!!
- Address your:
 - Policies
 - Processes
 - Communications
 - Technologies
- Focus on Customer Service Improvements – Students no longer have to scramble to pay their balance or risk being dropped.
- Examples...

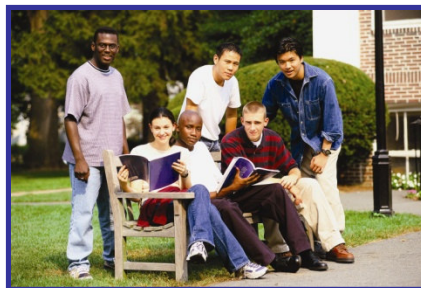


Pending Aid (or Tracking)

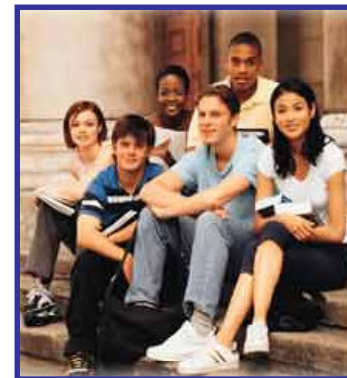
Group #1



Group #2



Group #3



- Group #1: Students pay in full
- Group #2: Students start your payment plan NOW (those without aid – maximizing their number of payments)
- Group #3: All students waiting for financial aid resolution. If there is financial aid shortfall, student can pay in full or will be automatically activated for a late term payment plan

Pending Aid – Features

- Financial Aid student balances are tracked within Pending Aid system
- Unpaid student has option of either Payment Plan or Pending Aid (deferred) PRIOR to the start of class
- Pending Aid students are NOT charged enrollment fee unless their balance is not resolved by preset date
- ‘Deferred’ Payment plan start date is preset by school and communicated clearly so there are no surprises!
- NBS Notifies the student if their Pending Aid agreement balance or payment amount changes.

Pending Aid – Features (continued)

- Student /Payer has option to pay balance to institution up to 2 business days prior to first P/A payment date
- Minimum Balance Option, i.e. if balance owed is less than \$100 – NBS deducts one full payment on preset start date for a reduced fee of \$10
- If Financial Aid Shortfall persists, first payment on the (Deferred) Pending Aid Plan is drafted from student /payer account

RESULT –

- **No More chasing students with financial aid shortfalls!**

Case -1 2006 OTC start

- Ozark Technical College
- Number of students: 8,000
 - 1,500: Paid in full
 - 1,500: On payment plan
 - 5,000: Applied for financial aid and tracking began
- Results of the 5,000
 - 2,700: Students received 100% aid
 - 2,300: Students had financial aid shortfall
 - Less than 70 students with balance at end of term

Case -2 2011 OTC Spring

- Ozark Technical College
- Number of students: 13,800
 - 2,100 Paid in full
 - 1,700 On payment plan
 - 10,000 Applied for financial aid and tracking began
- Results of the 10,000
 - To Be Determined

Case -3 2010 STLCC FALL/Spring

- St Louis Community College
- Number of students: 28,500
 - 19,900 Paid in full (includes Pell)
 - 3,800 On payment plan
 - 4,800 Applied for financial aid and tracking began
- Results of the 4,800
 - 2,600 Students received 100% aid
 - 2,200 Students had financial aid shortfall
 - 342 Students with balance at end of term

How Do you Do It?

- **Policy** - Students must be paid in full or on a payment plan or Pending Aid plan prior to first day of classes.
- **Process** - Option to pay in full or must enroll in a payment plan/pending aid plan.
- **Timely Communication** is the KEY!
- **Technology** - E-Mail Notification
- **Result** - Eliminated the “paper chase” NO more tracking down students to arrange payment terms.

Thank You...

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