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Project Name: Refunding Students

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Opportunity (Purpose or Primary Reason for Project): To improve the efficiency with which tuition and financial aid refund checks are generated and released to students. This process has been identified as a follow up to the disbursement of Financial Aid funds analyzed in a previous six-sigma project.

Business Case (Budget Information): The expected benefits derived from this project will be a decrease in personnel time needed to review each student account before releasing a refund check. Additional benefits include a decrease in the number of refund checks that must be voided due to a change in the eligible refund amount after review of the account and a decrease in the number of phone calls received from students regarding their refund status or type of refund received. Approximately $8 million in refunds were generated for fiscal year 2005 for both tuition and financial aid funds owed to students. Of this $8 million, approximately $500,000 was voided due to ineligibility for the refund. Overall, approximately 17,000 checks were produced and approximately 1,400 checks were voided throughout the 2005 fiscal year.

Goal (Expected Outcomes, Deliverables, and/or Results): The goal for this six-sigma team will be to decrease the turnaround time for refunds to be issued and mailed to students. Turnaround time is defined as the time between the printing of the checks and the mailing of the checks. Under current operations, the average turnaround time for tuition refund checks is approximately 19 calendar days. While Financial Aid refund checks have virtually zero turnaround time, the number of days needed to review accounts before the printing of checks is approximately 3-4 days. An additional goal will be to decrease the number of phone calls received concerning refund checks by improving the turnaround time and providing pertinent information on the refund check stub.

Scope (Constraints, Boundaries, and/or Key Risks): The time it takes to review student accounts and the time needed for Accounts Payable to process refund batches will remain within the scope of the project.

Timeline (Define, Measure, Analyze, Improve, and Control):
Define – March 2006
Measure – April 2006
Analyze – May 2006
Improve – June 2006
Control – July 2006
Primary Measures: The primary measures of this project will be quantitative in nature. The measures include the following:

- Length of time between batching the refunds and mailing the refunds to the students
- Amount of personnel time spent reviewing customer accounts before mailing refund checks
- Average number of checks voided due to a change in eligible refund amount for the student
- Number of phone calls received from students regarding their refund status or type of refund received and the amount of personnel time spent answering the calls

Other (Additional Resources Needed, Critical Considerations, and/or Initial Concerns):
PeopleSoft Upgrade and the availability of technical support.