CREDIT… WHERE CREDIT IS DUE

Utilising the Collections Functionality

SESSION 5308
18 November 2015
11.30am

HEUG
EMEA

PRESENTER

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- 7 years working in QUB
- 3+ years working with PeopleSoft Campus Solutions
- Currently employed in a customer support role, supporting users of the system in an ITIL environment

QUEEN'S UNIVERSITY, BELFAST

➢Established in 1845 by Queen Victoria

➢Approximately 23,500 students including two related teaching colleges

➢International Centre of Research and education rooted at the heart of Northern Ireland

➢Member of the Russell Group of 24 leading UK research-intensive universities

QUEENS & ORACLE

➢Campus Solutions locally branded as Qsis, implemented 2007-2008

➢Using all core modules

Campus Solutions v 9.0
PeopleSoft v 8.54.07
Bundle 37

QUB DEBT COLLECTIONS

EXPRESS
Home of the Daily and Sunday Express

Foreign student runaways leave behind a £52m debt for universities

THOUSANDS of foreign students are skipping the country without paying their fees, leaving debts in excess of £52million.

By HILARY DOUGLAS
PUBLISHED: 00:00, Sun, Sep 1, 2013

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NEWS

University student debt sanctions 'may breach law' - OFT

THE
TIMES HIGHER EDUCATION
WORLD UNIVERSITY RANKINGS

PROFESSIONAL | JOBS | RANKINGS | STUDENT NEW

Whistleblowers: Middlesex under fire over debt collection

April 19 2002

Middlesex under fire over debt collection

Middlesex University's vice-chancellor Michael Driscoll said last week that the university's income was £1 million less than predicted, "mainly because present and past students owe us money". The statement, coupled with the

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Mail Online

£5bn owed by students who have disappeared: Nearly 370,000 people cannot be traced as it's revealed total debt will be more than £200bn by 2042

- Student debt set to quadruple by 2042

By ANDREW LEVY FOR THE DAILY MAIL
PUBLISHED: 00:06, 28 November 2013 | UPDATED: 11:38, 28 November 2013

PRESENTATION OVERVIEW

❑ **WHAT WERE THE PROBLEMS?**

➢Inconsistent approach to Debt Collections in the University

➢PeopleSoft Functionality was not being fully utilised

❑ **WHY CHANGE?**

➢Improve efficiency of Business Processes employed by Student Finance Office

➢More efficient recovery of Student Debt

❑ **HOW TO CHANGE?**

➢Implementation of Qsis Financials Project 2012

➢Configuration of Collections Facility in Qsis

WHAT WERE THE PROBLEMS?

INITIAL PROBLEMS

Debt Collections Pre-2012:

1. Limited Utilisation of PeopleSoft Debt Collections Functionality

2. Ad Hoc Approach to Debt Collections with a reliance on manually produced reports and letters, therefore Collections were less effective than they potentially could be

3. Debt Collections were dependent on other functionality being present in the system, which at that point had not been fully configured e.g. Billing

4. Payment Application Rules not correctly set up leading to incorrect allocation of payment to debt – caused unreliable data

5. Lack of confidence in the system

WHY WERE CHANGES NEEDED?

WHY WERE CHANGES NEEDED?

➤Make best use of PeopleSoft Functionality

➤Increase stakeholder involvement in decision making and project progress

➤Foster a more robust approach to Student Debt Collections

➤Need for a more formal procedure where Debt Collections process was properly documented and controlled
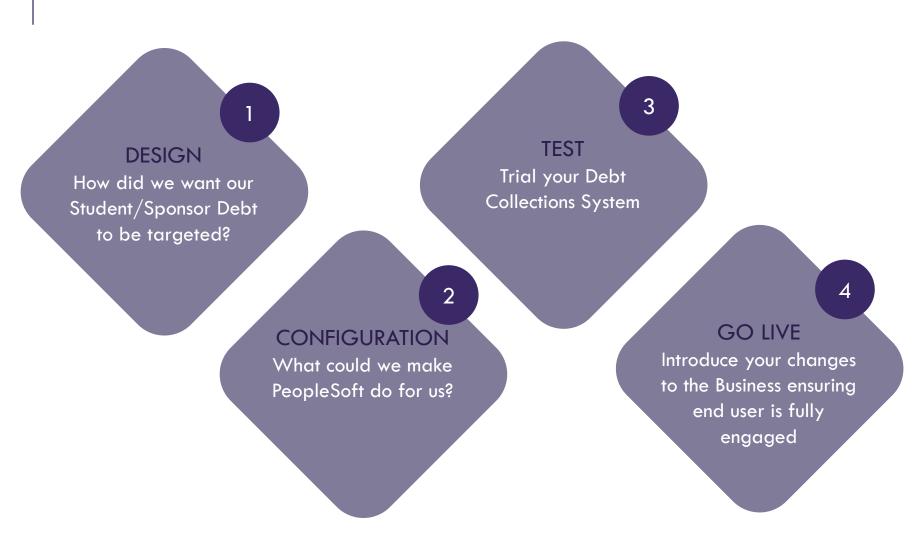
HOW TO MAKE CHANGES?

QSIS FINANCIALS PROJECT 2012

In 2012 a Financials Project was implemented in order to integrate all aspects of Student Finance with PeopleSoft Functionality. A team was employed with sub-sections dealing with Tuition & Fees, Billing, Financial Aid and Debt Collections

Project Goals with regards Debt Collections:

1. Integration of Debt Collections activity with PeopleSoft Functionality

2. Automated Communication with students/sponsors with overdue debt

3. Increase efficiency and effectiveness of Collections activity
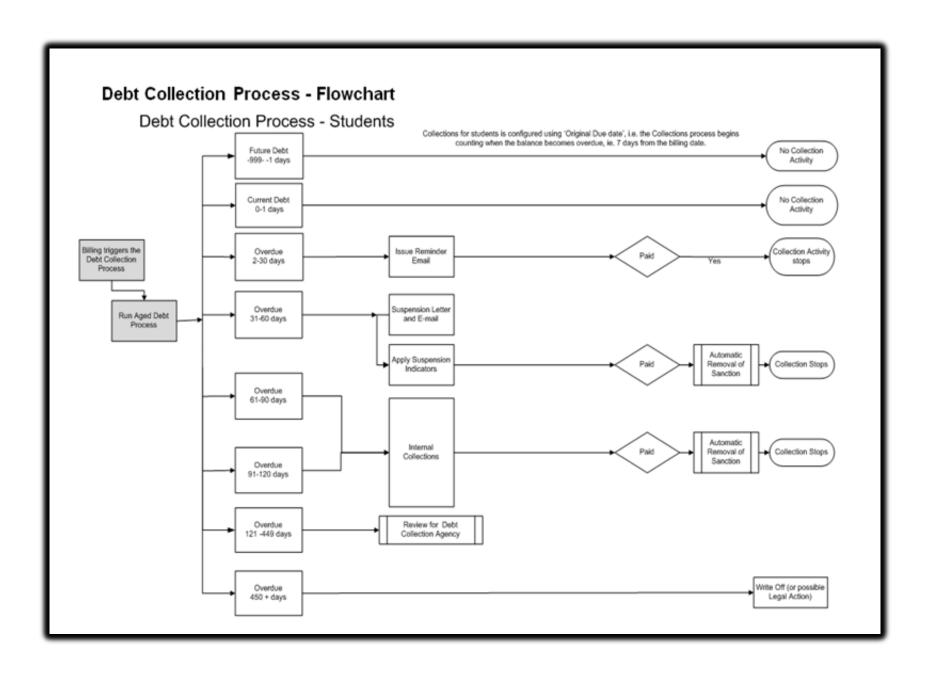
QSIS FINANCIALS PROJECT STAGES

1

DESIGN
How did we want our Student/Sponsor Debt to be targeted?

2

CONFIGURATION
What could we make PeopleSoft do for us?

3

TEST
Trial your Debt Collections System

4

GO LIVE
Introduce your changes to the Business ensuring end user is fully engaged
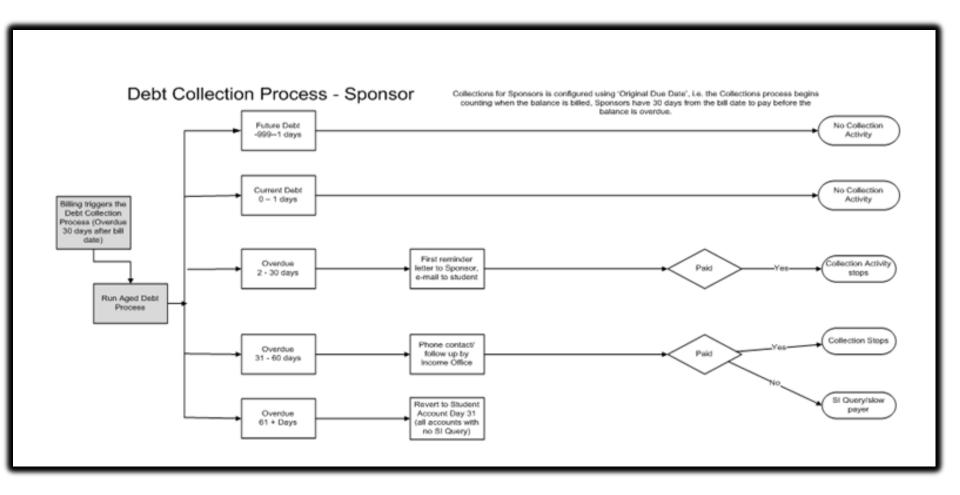
DESIGN OF DEBT COLLECTIONS

What did we want to do?

SUMMARY OF KEY DESIGN DECISIONS

❖Debt over £9.99 was deemed to be collectable

❖Billing Process will run once a month and will apply Due Dates

❖Students have a 7 day window between Bill Date and Due Date

❖Sponsors have a 30 day window between Bill Date and Due Date

❖Debt Categories will be aged into 30 day categories

SUMMARY OF KEY DESIGN DECISIONS CONT'D

❖Reminder letters issued once a month

❖Suspensions automatically applied by Credit History

❖Student communications generated by the Communication Generation facility issued by email with attached letter in pdf format

❖Sponsor communications generated by the Communication Generation facility issued by post

❖Aged Debt Reports provided by Qsis

Debt Collection Process - Flowchart

Debt Collection Process - Students

Collections for students is configured using 'Original Due date', i.e. the Collections process begins counting when the balance becomes overdue, ie. 7 days from the billing date.

Debt Collection Process - Sponsor

Collections for Sponsors is configured using 'Original Due Date', i.e. the Collections process begins counting when the balance is billed, Sponsors have 30 days from the bill date to pay before the balance is overdue.

```
Billing triggers the
Debt Collection
Process (Overdue
30 days after bill
date)
        |
        v
Run Aged Debt
Process  ──────┐
               │
    ┌──────────┼──────────┬──────────┬──────────┐
    │          │          │          │          │
    v          v          v          v          v
```

Stage	Action	Decision	Outcome
Future Debt -999—1 days			No Collection Activity
Current Debt 0 – 1 days			No Collection Activity
Overdue 2 - 30 days	First reminder letter to Sponsor, e-mail to student	Paid — Yes	Collection Activity stops
Overdue 31 - 60 days	Phone contact/ follow up by Income Office	Paid — Yes / No	Collection Stops / SI Query/slow payer
Overdue 61 + Days	Revert to Student Account Day 31 (all accounts with no SI Query)		

CONFIGURATION

Making PeopleSoft work for us
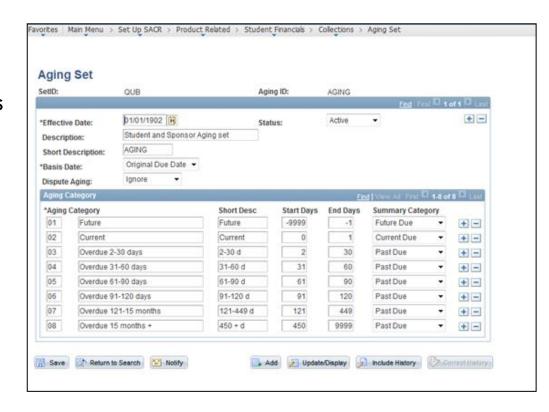
FUNCTIONS REQUIRED TO BE CONFIGURED

AGING SETS

SERVICE INDICATORS

COMMUNICATION GENERATION

COLLECTIONS CRITERIA

1. DEFINE AGING SETS

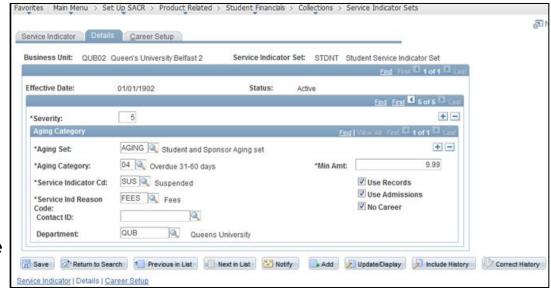*Set Up SACR > Product Related > Student Financials > Collections > Aging Set*

➢Aging set is a complete set of aging categories that defines how your system ages your accounts

➢Multiple aging sets can be configured

➢Aging set will determine when actions will take place

2. DEFINE SERVICE INDICATOR SETS

Set Up SACR > Product Related > Student Financials > Collections > Service Indicator Sets

➤Service Indicator Sets enable you to automatically attach service indicators to student accounts by running the credit history process

➤Allowed QUB to link a SUS (Suspension) Indicator to aging categories where students have debt that is greater than 30 days old
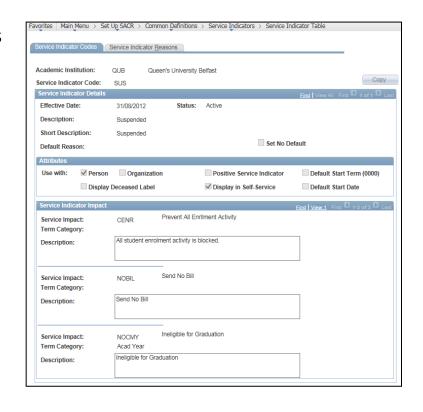
3. SETTING UP SERVICE INDICATORS

Set Up SACR > Common Definitions > Service Indicators > Service Indicator Table

QUB wanted a Suspension(SUS) to be applied to student accounts with an overdue balance of £9.99 and greater that had reached an aged debt category of 31 days.

The Suspension needed to have the impacts of:

➢Prevent All Enrolment Activity

➢Ineligible for Graduation

➢Send No Bill

SETTING UP SERVICE INDICATORS CONT'D

Other Service Indicators were set up in the Collections Process:

➢ACQ – Account Query has impacts of No Billing and No Collections which when applied will prevent students from receiving a SUS SI

➢PTP – Promise to Pay has impacts of No Collections which when applied will prevent students from receiving a SUS SI

➢WO – Write Off has impacts of Ineligible for Graduation and Prevent Enrolment Activity

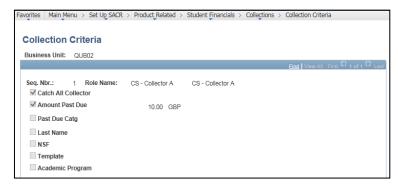➢DCA – Debt Collection Agency has impacts of Ineligible for Graduation and Prevent Enrolment Activity

4. SETTING UP COMMUNICATIONS

➢PeopleSoft Communication Generation allows communication to be automatically issued to students who fall into particular categories of debt.

➢2-30 day category – once Credit History process is run and students have debt that is aged to 2 days they will automatically receive a Reminder Email that has an attached Letter.

➢31-60 day category – once Credit History process is run and students have debt that is aged to 31 days they will automatically receive a Suspension Email that has an attached Letter. Credit History will also apply a SUS SI which will remain on account until debt is cleared.

5. SETTING UP COLLECTION CRITERIA

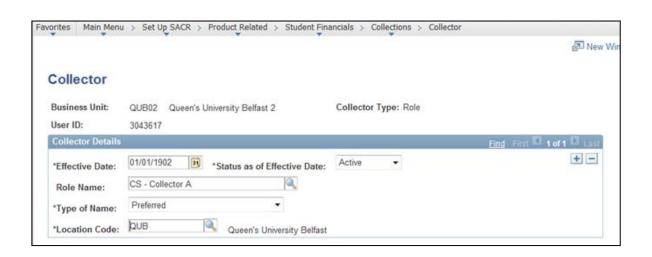*Set Up SACR > Product Related > Student Financials > Collections > Collection Criteria*

> Allows you to assign collection items to particular Collectors.

> The Collection criteria that you establish act as filters that assign collection items to the appropriate collector when you run the Assign Collector process.

> Allows you to assign student and sponsor debt to specific collectors for chasing outstanding balances.
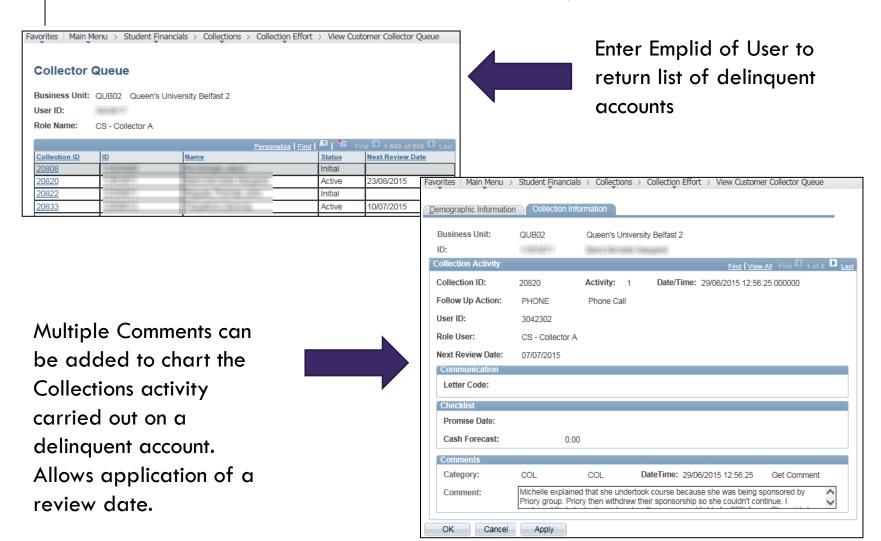
6. SETTING UP COLLECTORS

➢ Allows you to establish collectors who will be responsible for the Internal Collection effort.

➢ You are able to assign collection responsibility by Role or by user ID

7. VIEWING COLLECTIONS QUEUE

Enter Emplid of User to return list of delinquent accounts

Multiple Comments can be added to chart the Collections activity carried out on a delinquent account.
Allows application of a review date.

PROCESSES INVOLVED

OUTCOMES AND LIMITATIONS

OUTCOMES

➢Since Debt Collections functionality was implemented there have been a total of 17,261 Communications automatically issued to students and sponsors

➢Fully functional Credit Control team now in operation who use the Collections facility to chase student debt

➢Successful move from manual operations to a system generated automated approach

➢More reliable data available for Bad Debt Provision year on year comparisons

LIMITATIONS

➤Collector Queue did not prioritise debt and so queries had to be written to allow for better analysis – this may be an area for development

➤Suspension only applicable to Students and so no tangible sanctions can be applied to sponsors/organisations

➤Separate approach required for chasing sponsor/organisation debt

CONCLUDING THOUGHTS

ANY QUESTIONS?

CONTACT INFORMATION

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ALL ALLIANCE PRESENTATIONS WILL BE AVAILABLE FOR DOWNLOAD FROM THE CONFERENCE SITE

THANK YOU FOR ATTENDING!