

Your Disbursement Servicer Exits... Now what?

Aggie Card Office



TEXAS A&M
UNIVERSITY.

Background

- Moved from “In-House” refunding to Wells Fargo in 2008
 - Refund Disbursement Servicer
 - Co-branded Card
 - Aggie Bucks Unlimited Account
- October 2015 Cash Management Regulations
- April 2016 Wells Fargo informs of plans to exit by year-end.



Time Crunch

- Wells Fargo to exit December 31, 2016
- DOE rules into effect July 1, 2016
 - Compliance Issues
 - Website, data exchange, account fees identification
- Decision made to switch by July 1, 2016
 - to ensure compliance
 - No change during new FY
 - Market during summer NSCs
 - Fewer refunds during summer (ease of switch compared to long semester)



What?

- We needed a refund disbursement servicer without an account tied to it.
- We needed a company willing to work with us and for us.
- We needed a company that could handle our large number of disbursements.
- We needed to find this company and implement fast.



Who?

- No time for RFP
 - Piggyback on another contract
 - Existing
 - Another system school
- Research
 - Key points
 - As little negative impact as possible
 - Student; Our Existing Processes in Place
 - Cost
 - Timeframe (Ability to implement)
 - Reputation
 - Uniqueness of our desire/ expectations
 - Ability to handle our large population
 - Refunds Issued Correctly
 - Customer Service
 - Client Service



Decision

- Narrowed to 2 Options
- Heartland ECSI selected
 - Deciding Factors
 - Provided what we needed without the stuff we didn't want.
 - Working Relationship Established
 - Existing Contract for Other Services
 - Ease of Implementation



How?

- Project Management
- Collaboration & Support
 - EIS, IT, NSC, FMO, Marketing Office, etc.
- Deep Dive Sessions
- Incredible Team
 - All hands on deck approach
- **COMMUNICATION!**



Timeline



Potential Cost Savings

Texas A&M University refund volume estimates based on historical data are as follows:

Semester	Start Date	End Date	Estimated \$ of Refunds	Estimated # of Refunds
Fall	September	December	\$110,000,000	65,000
Spring	January	May	\$ 90,000,000	50,000
Summer	June	August	\$ 25,000,000	20,000

Cost Comparison (estimates based on info above):

Semester	Cost of doing all Refund Checks	Cost of doing all Direct Deposit Refunds	Potential Cost Savings
Fall	\$191,750	\$61,750	\$130,000
Spring	\$147,500	\$47,500	\$100,000
Summer	\$ 59,000	\$19,000	\$ 40,000
TOTAL per year	\$398,250	\$128,250	\$270,000



Marketing In Detail...

- Goal: $\geq 50\%$ Direct Deposit Enrollment by August 29, 2016
- Strategy: Hit as many touchpoints as possible
- Tactics:
 - Communication
 - Build on existing channels
 - Think of new outlets
 - Use Free Resources
 - Make it fun, catchy and memorable
 - Co-brand
 - Think outside the box



Marketing Timeline

- See Handout for details
 - Website
 - Social media
 - Email Blasts
 - Call 'Em All
 - Digital Advertising
 - Print Materials
 - NSC Presentations
 - Mobile Stations for Sign-Ups
 - Swag
 - Contests

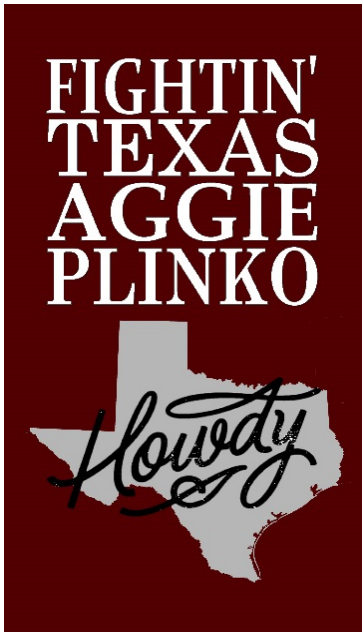


Marketing Costs

Item	Company	Total Cost
Print Materials	Copy Corner	\$ 2,200.00
Movie Theater Digital Advertisement	NCM on behalf of Cinemark Theaters	\$ 3,500.00
Surface Pro	Texas A&M University IT	\$ 600.00
Custom Plinko Board	Promotion Store	\$ 693.00
Custom Comfort Color Aggie T-shirts	CC Creations	\$ 20,100.00
Custom Camelback Water Bottles	Neil Enterprises	\$ 7,730.00
Texas A&M Logo Car Decals	CC Creations	\$ 105.00
	TOTAL	\$ 34,928.00



Marketing Examples



CHANGE IS GOOD.
REFUNDS ARE BETTER!
 SIGN-UP TODAY.



sbs.tamu.edu/refunds/



PROOF I have proof of this job. I am signing this and I take full responsibility for any errors other than those marked upon this proof.

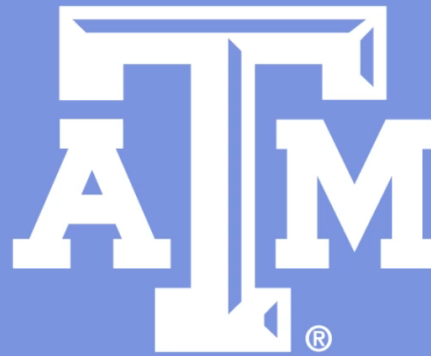
Approves as is Issue changes - please reprint Date: _____
 Signature: _____ CUSTOMER PO# _____ NEIL JOB# **617976** **VARSITY LINE** EST. 1961
 Phone: 800-421-5581 Fax: 817-546-0394

100% Actual Size

Item: 1403	Quantity: 1320	Main Color (s): Rosewood
Imprint Color (s): White		



Marketing Examples Continued



Marketing Results

Week	Date	Enrolled in Direct Deposit	Student Population	% Complete
0	6/24/2016	0	66,802	0.00%
1	6/30/2016	319	66,802	0.48%
2	7/8/2016	3,436	66,802	5.14%
4	7/22/2016	10,834	66,802	16.22%
6	8/5/2016	17,451	66,802	26.12%
8	8/19/2016	32,258	66,802	48.29%
11	8/29/2016	41,292	66,802	61.81%
16	10/7/2016	46,588	66,802	69.74%
20	11/4/2016	50,141	66,802	75.06%
24	12/2/2016	54,739	66,802	81.94%
30	1/13/2017	56,840	66,802	85.09%



Marketing ROI

- Estimated Cost of Not Having Direct Deposit Election for Majority of Students: \$191,750
- Cost of Marketing: \$35,000
- Actual Cost Savings: approximately \$80,000 for fall 2016 refunds



Pain Points with Students

- Starting from Zero (do data dump of existing ACH info allowed)
- No SSO for sign up
 - Heartland Key Issue
 - Cservice email address
- Summer Refunds Still Going Through Wells Fargo
- Some NSC students already signed up for DD with Wells Fargo
- Current students think it doesn't apply to them



Pain Points with Client Service

- Different Company = Business Done Differently
 - Reports
 - Banking
 - Returns/Voids
- No longer have a “go-to” in our office
- Clearing up outstanding refunds (returns) with Wells Fargo



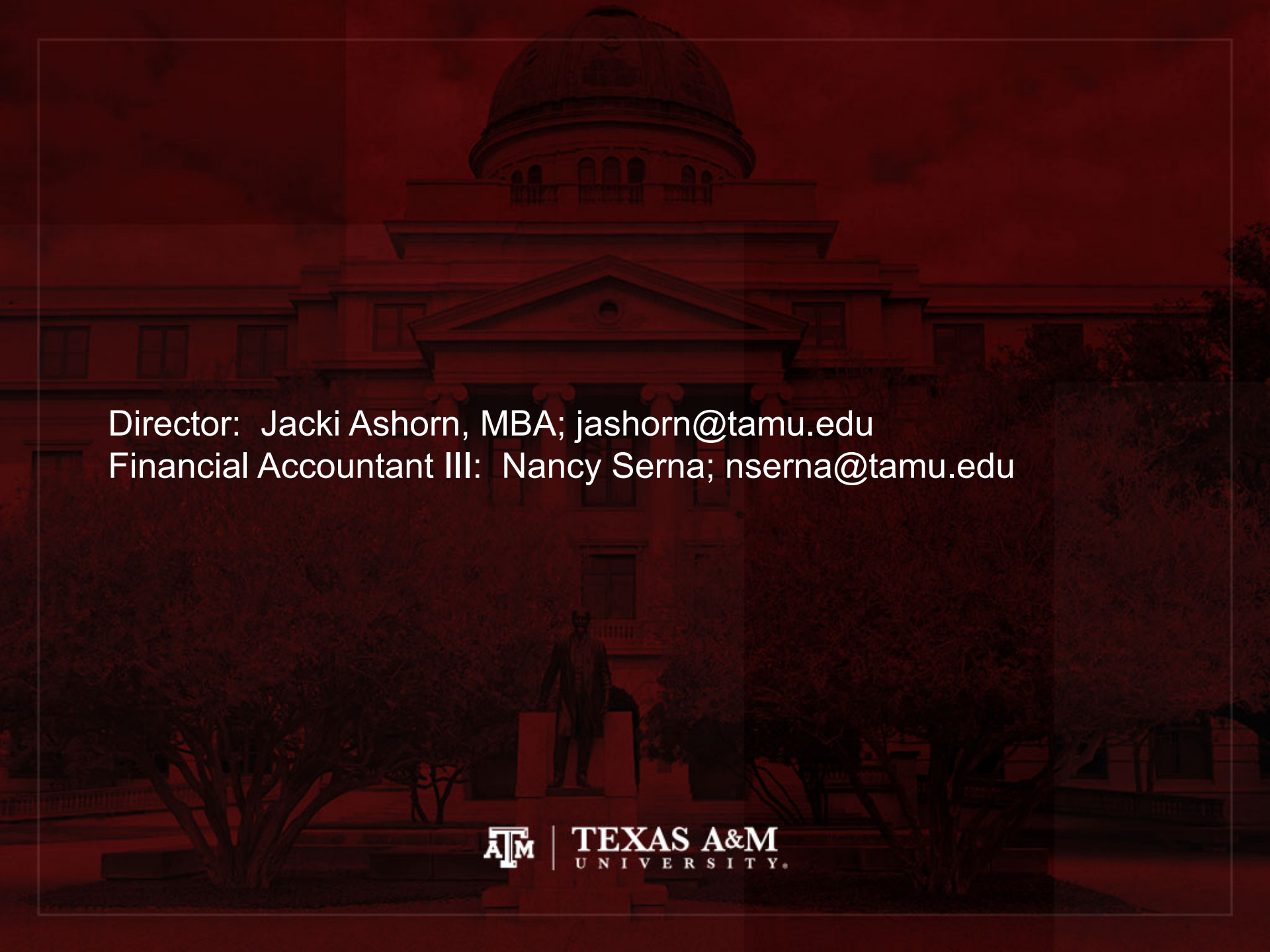
Tips

- Look for ways to piggyback off of existing contracts if possible (time saver)
- Make sure you speak with references that are most similar to your university (size, # of refunds, # of students, etc.)
- You can get it close to what you have, but there will still be differences/ adjustments to make
- Invest in Marketing
- Communication, Communication, Communication!
- Patience is key
 - We are still working through some issues



Open for Discussion





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