

The Benefits of Actively Managed Payment Plans

Rely on a partner to increase payment plan flexibility and reduce business office workload



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Along with managing payment options manually, Creighton University's business office was challenged with balancing the delivery of high-quality, hands-on customer service to students and families in addition to a heavy workload. Creighton administrators realized that employing a third-party tuition payment plan provider could resolve these challenges.

In this web seminar, two Creighton leaders discussed how Actively Managed Payment Plans from Nelnet Campus Commerce have enabled them to offer more convenient and affordable options for families. This solution helped the team achieve a 99 percent collection rate and increased security for student and family data, all while reducing the workload for the business office.



Mark Turner

Director, Business Office,
Creighton University



Linda Bendorf

Senior Accounts Specialist,
Creighton University

Mark Turner: Creighton University is located in Omaha, Neb., and we're one of 28 Jesuit universities in the country. We have more than 8,000 students, and we're a very diverse school. We've been ranked the No. 1 master's university in the Midwest for each of the last 10 years.

Prior to our move to Actively Managed Payment Plans, we were using Nelnet's QuikPAY for electronic payments and billing, which was a largely manual process. We considered it a personal service to our students and parents. Our team had what we considered a lot of users because, quite frankly, it was a hand-generated task. So Linda spent a great majority of her time serving those students and parents.

Linda Bendorf: The biggest challenge for our team was that QuikPay was not term-specific, so payments were not always being applied to the correct term. We would have payment plans that continued until May, but we would need to start our assessment of tuition and our billing for the summer term in late April or May. A lot of the last payments in May or April might have been applied to a student's summer tuition, instead of the spring balance.

Additional challenges included a rise in demand for payment plans due to the increased cost of attendance, because more parents and students were finding they could not pay in a lump sum every semester. We also saw a desire for more of a self-service option for managing tuition payment plans, concerns about security and compliance, and a need to reduce our term receivables.



"This Actively Managed Payment Plan system has been a significant improvement over our previous system."

- Mark Turner, Director, Business Office, Creighton University

Why did we go with Nelnet Campus Commerce?

- We have been using Nelnet's QuikPay and cashiering system since 2006, so we knew that they were a trusted business partner that understood our needs and goals.
- We've had an excellent working relationship, particularly from an IT standpoint.
- The Nelnet Enterprise System offered a single point of entry for management of statements, payments, and payment plans.
- Their system included real-time integration with Banner ERP.
- With the new system, there would not be any per-billing statement transaction fees, so we can send statements more often.
- There was a lower application fee for the user.

I contacted our customer relationship manager and initiated a business review of our current process, our desired goals, and business solutions. She came back, suggested a solution, and brought in the right team based on our business needs.

Our planned deployment was for the fall of 2015. We knew we had to communicate this to our students and families, so we sent out two emails. In the first, we explained the details of why we were converting, when it would take place, and how they could print their past statements since these would not be passed into the new system. In the second email, our team explained in greater detail the new payment plan system and setting up authorized parties in that new system. When our first e-bill went out, an email was sent to link the user to the Enterprise System so they could set up a payment plan or make payments for that semester.

Overall, people liked the new system. They preferred the fresh look and the clean interface. Once they became familiar with where to find information and understood the new payment plan, most thought it was much easier to use than the old system.

Even with all of our success, we did learn a few lessons in the deployment and implementation process. Communications about the new process didn't connect effectively enough with students and parents. Emails weren't read thoroughly, and some went to spam folders.

In terms of training our staff, we should have set up additional testing scenarios beforehand, but we just didn't have the time so we did most of our training after we went live.

The one issue that generated the most phone calls was students putting their parents' email addresses into student profiles, which caused login problems for the parents once we set them up as an authorized party. Another issue was that students were letting parents log in with their own personal passwords and IDs, which allowed parents to go in and change student profile details to their own. Fortunately, Nelnet Campus Commerce quickly solved these problems with a product enhancement.

Since implementing Actively Managed Payment Plans, our Creighton plan participation has increased 43 percent this past year. Creighton still maintains control of our plans, and we can allow our parents and students to make changes. Plus, we can now pull balance comparison reports to review and focus specifically on accounts that are out of balance.

With the self-service component of the system, parents can see pending adjustments and can adjust the payment plans themselves. With the collection of insufficient fund fees, there has been an improvement with our delinquency rate, which is currently 2 percent, and has been cut in half with the second reprocessing of those NSFs. Our payments are posted in Banner the same day, and then our funds are deposited into our bank account three days later. This has greatly assisted in our bank reconciliation.

Mark Turner: We're pleased with the direction we've gone. Our team has made incremental adjustments. It might look like we stumbled into this and launched it fast. However, we realized that if we wanted to make it happen for this year, we needed to do it in a couple months.

As Linda pointed out, the biggest lesson we learned was about the quality of our communications. We could have done better reaching out to students and parents—and we probably didn't think through the internal training well enough. But overall, this Actively Managed Payment Plan system has been a significant improvement over our previous system.