



STUDENT CONNECTIONS STEERING COMMITTEE RECOMMENDATION

Process: Two Cash Receipt Systems

Description of Recommendation:

UMMC will use 2 Cash Receipt Systems:

1. Use the **SAP Cash Receipt** function to process incoming payments (cash, check and, if appropriate, credit cards) related to student activities. This includes payments from financial aid sponsors, loan organizations and collection agencies used to recover delinquent student receivables.
2. Use the existing **UMMC Cash Receipt** system for all transactions not directly related to student activities. Such transactions include departmental deposits, petty cash, travel repayments, research related payments, etc.

Pros Supporting the Recommendation:

The SAP cash receipt functionality is integrated with the student file. Once the UMMC staff member has entered the student number, the student's name and standard address will be displayed. This will reduce posting errors and time spent on reconciliation.

The student's payment will immediately show up on the student's account. When a student pays an overdue balance, the system will automatically lift the A/R HOLD.

Incoming payments can be locked for a specific time, e.g. 30 days, to prevent refunding. This will allow a student/parent to make a payment in anticipation of future charges.

When a billed financial aid sponsor sends a payment together with a list indicating the students benefiting from this payment, the UMMC staff member can display the sponsor's open items and mark student specific items included in the payment list.

Until Lawson goes live, UMMC staff can continue to process all non-student-related transactions using the existing UMMC cash receipt system. For these activities, it is business as usual reducing the initial learning curve.

The SSN-based Interface from the UMMC Cash System to the student accounting system is obsolete. Fewer interfaces will reduce processing time and program maintenance.

Cons Against the Recommendation:

UMMC has to operate and maintain 2 cash receipt systems.

Issues, Concerns or Currently Unresolved Aspects of the Recommendation:

Currently, UMMC operates a standalone Cash Receipt System with periodic interfaces to the Student Receivable System (SAR02) and the UMMC General Ledger System which is planned to be replaced over the next 12 – 24 months.

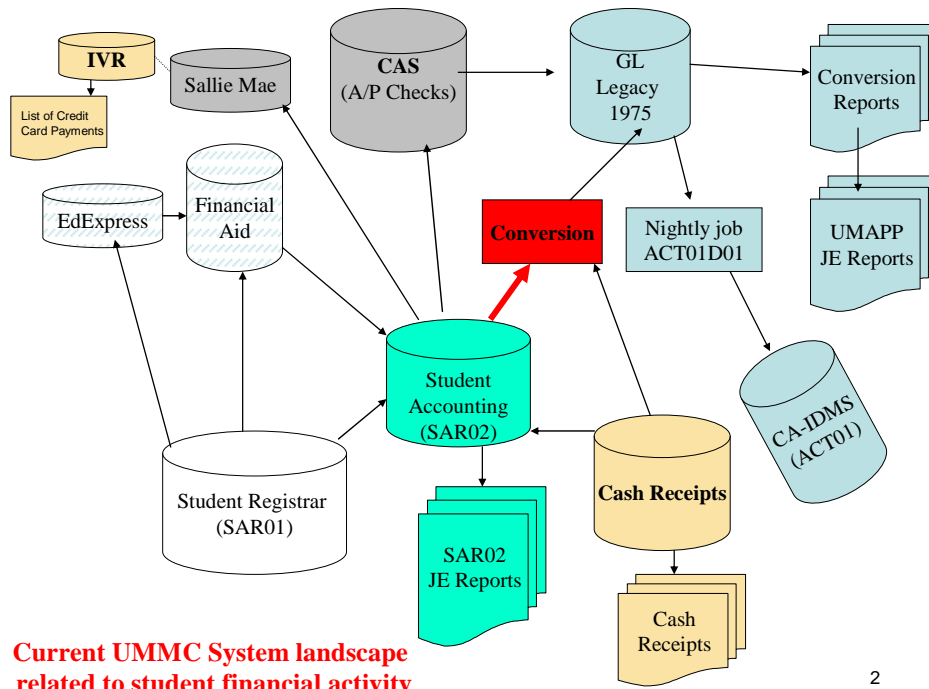
We reviewed the possibility of continuing with the current process. This would not be a cost effective solution because the existing cash receipt system has been developed to work with the 9 digit SSN. To avoid confusion, the existing system would have to be reprogrammed to work with the new 8 digit student number and the interface to SAR02 would have to be redeveloped to feed SAP. When Lawson is coming in, the interface would have to change again. More importantly, the current cash receipt system is designed for periodic batch interfaces, usually once a day/night. During the registration process it is important to know the current status of a student's account. The time delay would lead to manual intervention and potential errors, e.g. immediate lifting of a HOLD in SAP based on payments in the legacy cash receipt system, etc.

We also looked at processing all cash receipts within SAP. We dismissed this option because it requires a lot of accounting set-up and ongoing maintenance, especially in the research area. This would exceed the scope of the student project and delay the implementation.

Date submitted: December 15, 2008

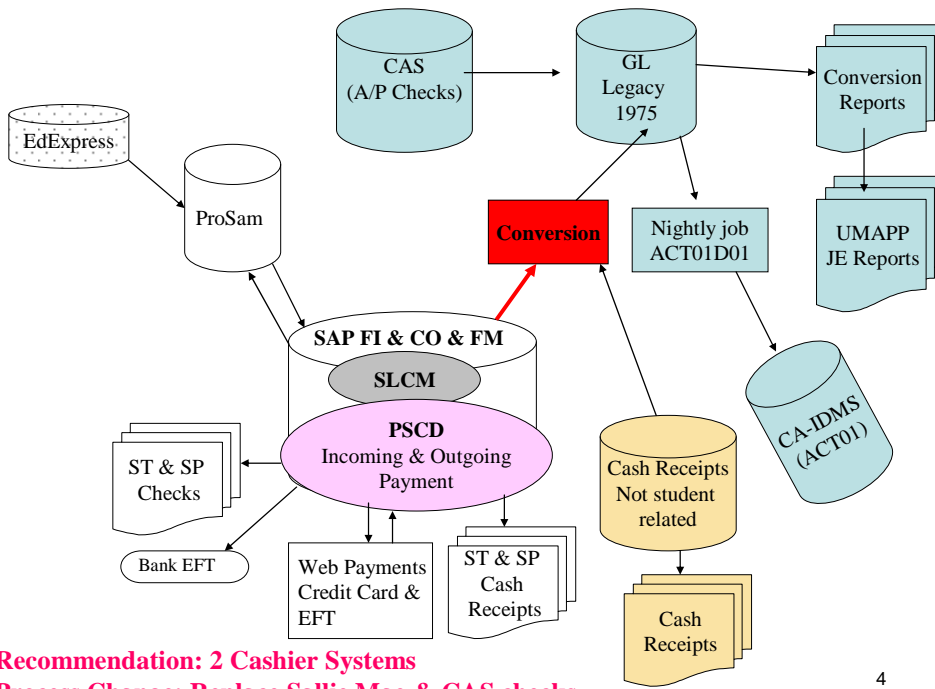
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Current Student Accounting Landscape



2

Proposed Student Accounting Landscape



4