

# Financial Aid Higher One - Project Master

This document is the master repository of the requirements, procedures, and design specifications for the above named project. It is continuously updated by the project director, Bill Vorhies (818.257.2035 [wvorhies@earthlink.net](mailto:wvorhies@earthlink.net)). Sections carry revision dates to assist the reader in identifying recent changes and updates. The filename includes the date of this version.

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## Project Objective:

Rev. 2/8/12

The objective of the Financial Aid Higher One (FAH1) project is to implement a debit card-based disbursement system for student financial aid allowing students to select among using an account established by H1, wire transfer to their own account, or via physical mailed check. The card-based system replaces physical checks previously produced from the mainframe SAFE FA system.

The project executive sponsor is Dr. Jacob Ng, VC Student Services.

The project managing sponsor and 'system owner' is Gary Nicholes, AVC Financial Aid.

## Project Background and Overview

Rev. 2/8/12

Higher One (H1) is a financial services company focusing on Higher Ed offering the service of a co-branded Peralta debit card and management of electronic disbursements related to financial aid.

A contract was signed with H1 in mid-December and the currently established go-live date is March 2, 2012, meaning that students should have received and activated their cards and be able to see and utilize the funds credited to their cards on that date.

This requires that the first disbursement file (refund file) be generated on February 23<sup>rd</sup> and fully funded by February 29<sup>th</sup>.

This project involves two types of activities:

Project set-up consisting of:

1. Initial enrollment of students through the creation and submission of a one-time Initial CARD file which is the basis for H1 creating and mailing cards to students.

On-going operations, which requires:

2. The creation of (daily) CARD update files for new enrollees and for changed information such as addresses for current enrollees (note that in this instance enrollment means enrollment in the H1 program not college or class enrollment).
3. The creation of weekly REFUND files, informing H1 of the amounts to be credited to each student.
4. The funding process, by which Peralta wires funds to cover the amount to be refunded to H1.

In addition, we document the Cutover Plan for going live with H1 and discontinuing the use of warrants created and distributed by Peralta.

## Initial Enrollment CARD File

Rev. 2/14/12

The initial enrollment CARD file is a one-time file at the beginning of the project to set up the great majority of student accounts prior to go live. During on-going operations, this same file and file format is transmitted to H1 with changes only to continuously update the H1 CARD database.

The data required and file format are simple and consist principally of student identifying and address, phone, email information constituting sufficient information for H1 to create an account and produce and mail a card. Once received, the student uses the H1 web site to activate the card and select among receiving the funds through the card based on an account created in an H1-affiliated bank, submitting ACH data to identify a personal account to which the funds should be credited by H1, or electing to receive a mailed physical check.

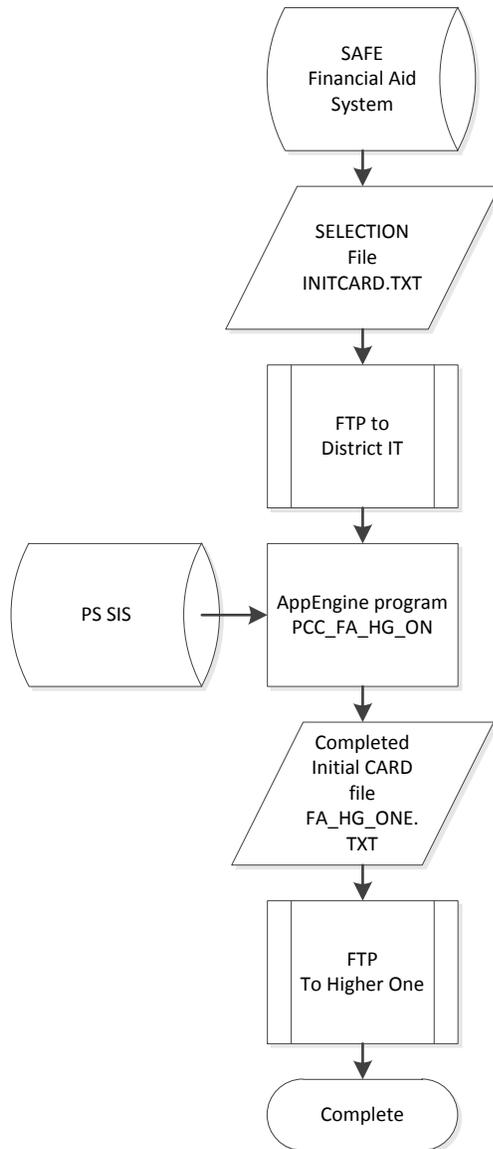
An initial CARD file was created and successfully submitted to H1 in January. That file resulted in the creation of 10,566 student accounts. Cards for these students have already been created and mailed by H1 and by 2/6/12 29% had been activated.

This level of current activation is considered normal by H1 as most students will not activate until they believe funds are becoming available. H1 says a 40% rate is typical at go live but will depend on how many of the 14,000 accounts are likely to have actual funding on March 1.

H1 screens and rejects records with missing or invalid mailing addresses and returns these for correction and resubmission. As of 2/6/12 there were approximately 281 records in this status. See the separate discussion of error correction procedures.

## Processing

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The process begins with the SELECTION file created from SAFE.

The intent of the program is to issue cards only to those students who are actively receiving financial aid. Since this may include students from last fall who are still due payments the following selection criteria is being used:

1. Student has an ISIR on file and units in S12

OR

2. Student has an award in any of the 9 funds that Peralta pays and the amount of the award is other than zero.

The SELECTION file consists of only two data items, the Student ID and SSN.

The SELECTION file is FTP'd to district IT and processed through an AppEngine program which adds required data from the PeopleSoft Student Information System (SIS), formats the data in the required H1 format, and this file is FTP'd to the appropriate directory in H1's receiving system where it is read by H1.

Only one data item requires creation, the 'shared secret' which is the student's DOB plus the last 4 of the SSN. All other data is simply read and reported.

For detail regarding specific fields and formats see the separate document Higher One File Specifications.

## Notes on Shared Secret

Rev. 2/14/12

In the two original submissions of the Initial CARD file, the shared secret was formatted as YYYYMMDDSSSS which is not one of the standard formats allowed by H1. On 2/14/12 the program was changed so that the shared secret is compliant with the H1 structure from their File Layout Requirements, identified as style "BMS" which is DOB and last 4 of SSN in the format MMDDYYYYSSSS. The Initial CARD file was reconstructed and resubmitted this evening.

## Notes on CARD File Layout

Rev. 2/14/12

We have been advised by H1 that the file layout produced by Ram's Initial CARD file program does not agree completely with the layout document provided by H1. Except for the shared secret above, H1 has changed their receiving program to accept the layout as it currently exists. **IMPORTANT: Do not refer to the file layout document for the sequencing of fields. It must be inferred from the layout of the file we have already submitted.**

## Assigned Responsibilities

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Tom Cluster and John Walker have responsibility for creating the SELECT file.

Gopaal Chandra has responsibility for creating the completed Initial CARD file.

## Current Actions and Status

Rev. 2/14/12

1. The SELECTION program and the AppEngine program have been tested and are known to be operating correctly.
2. An updated initial card file was created and submitted by Gopaal on Monday Feb. 13. This is based on an updated SELECTION file now totaling 13,382 records, which accounts for the roughly 3,000 additional students known to have been missed in the December file as their awards were not yet complete. The file is being resubmitted on 2/14 after the change to the Shared Secret as per the notes above.
3. The two FTP processes have not yet been established and Linnea Wren has been assigned to set these up. This includes the setup of an FTP server which does not yet exist.
4. Manual processes for receiving the SELECTION file and transmitting the Initial CARD file to H1 are in place and will work until replaced by the FTP process.

## Update CARD Files

Rev. 2/10/12

Following the upload of the initial CARD file, only changes need to be submitted to H1. This will be processed by automatic daily file creation. Updates consist of new students not previously registered who will now be receiving financial aid, and already registered students whose address or other key information fields have changed.

The only fields which H1 monitors for changes are:

Activated Users	Not Yet Activated Users
Shared Secret Role ID2 (not used by Peralta) ID3 (not used by Peratla)	First Name Last Name Middle Initial Shared Secret DOB Role ID2 (not used by Peralta) ID3 (not used by Peralta) Email Address One Address Two City State Zip

### Important Design Note:

Peralta (nor any other H1 client) does not have a way to determine which cards have already been activated. Once a card is activated the maintenance of accurate or changed information is strictly between the student and H1.

H1 recommends that we ignore the distinction between activated and inactivated cards and submit the changed information on all records which their system will accept only if the card is not yet activated. This is apparently the standard practice for all H1 clients and not unique to Peralta since no direct feedback mechanism is available to determine the status of the card's activation.

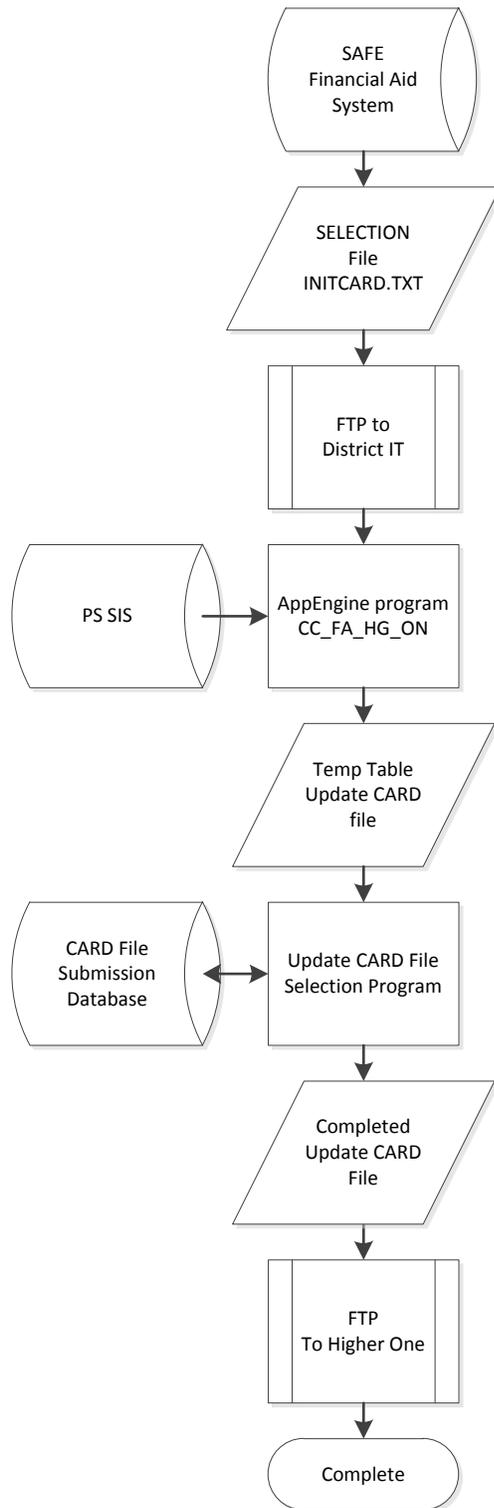
Also note that when H1 receives data on a new enrollee, they immediately pass the address data against the US Postal Service address verification database and if the address submitted does not match, the entire record will be rejected, no card will be issued and the student cannot therefore activate.

See the later discussion of error handling procedures. By continuing to submit all changes then any changes made by the student to his address in PS SIS will automatically be resubmitted and a card would be created against the now corrected information.

Note that Shared Secret is only monitored for change in the event some data corruption prevents the user from activating the card and a new Shared Secret needs to be established. Also note that there are alternate ways for the Peralta systems administrator (Gary Knowles or his designee) to bypass this issue.

## Processing

Rev. 2/10/12



As with the initial CARD file, a file of all eligible users is generated from SAFE each work day. This will duplicate the original 14,000 and continue to grow as new students are added.

After FTP to the district, this file is processed and information added from PS SIS in the same manner as the initial CARD file.

Since we are submitting only those records not previously submitted (new users) or those with information changed in the fields described above, a separate program will make that determination.

The key element of this Update CARD program is the creation and maintenance of the CARD File Submission Database consisting of all the information submitted for each user on the CARD file. It is originally populated from the Initial CARD file.

Passing the new TEMP file which has drawn fresh information from PS SIS against the CARD File Submission Database will identify records which have changed or were previously unseen and select only those for submission on the Update CARD file. Also, these no-match records over write the information previously in the database so it always contains the most currently submitted information.

In addition to the data from the submitted Update CARD file, these records will carry the date of most current transmission to H1, the filename of the Update CARD file on which the data was submitted, and the date on which the SELECT file was received with the new information.

Note as above, if the card has already been activated, the H1 system will simply not accept the incoming data with no return notice to Peralta, and no need for Peralta to take additional action. It simply means we will be providing slightly more data than is necessary.

At this time, given the relatively small number of records involved, we agree that there is no current need to purge or archive inactive records.

## Assigned Responsibilities

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Tom Cluster and John Walker have responsibility for creating the daily SELECT file.

Bhushan Kumar has been engaged effective 2/13 to create the program to produce the daily Update CARD file.

Gopaal Chandra continues to be responsible for the daily transmission of the file to H1.

Note that the correction of rejected records is a manual process overseen by Gary Knowles and his group and that IT is not directly involved in correcting data errors other than through the resubmission of records whose information has been updated in PS SIS.

## Current Actions and Status

Rev. 2/14/12

1. The SELECTION program and the AppEngine program have been tested and are known to be operating correctly.
2. The two FTP processes have not yet been established and Linnea Wren has been assigned to set these up. This includes the setup of an FTP server which does not yet exist. These processes can continue to be handled manually until these automated processes are complete.
3. The CARD File Submission Database and the Update CARD File Selection program do not yet exist. Bhushan Kumar was assigned on 2/13 for completion and first use on or before February 23, 2012. When these Update CARD Files begin to be submitted they will carry the correct information automatically to correct any of the remaining 281 start-up address errors providing that information has been corrected in PS SIS.

## Error Correction Procedures

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When H1 receives data on a new enrollee, they immediately pass the address data against the US Postal Service address verification database and if the address submitted does not match, the entire record will be rejected, no card will be issued, and the student cannot therefore activate.

These items are reported on the on-line Reject Report available on the H1 portal and monitored by Gary Knowles and his group (Financial Aid – FA).

If an address error is detected FA notifies the student via email to correct the address information directly in PS SIS via the Passport portal.

Once the address information is corrected by the student, it will be automatically picked up in the next daily Update CARD file and resubmitted. If the address is now acceptable a card will be mailed and the student can activate.

There will be no notices of REJECT to Peralta after the card is activated. Any further data updates will be handled directly between the student and H1 using the H1 portal.

In the initial submission there were 281 address rejects (2.7%).

## **REFUND Disbursement File**

Rev. 2/10/12

The REFUND file is produced weekly from SAFE, running on Thursday nights. Essentially the same file previously used to create paper checks is reformatted and sent directly to H1. The data requirements and file layout are simple and fully specified in the H1 File Layout Specifications document.

## **Assigned Responsibilities**

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Tom Cluster and John Walker have responsibility for creating the daily REFUND file.

Linnea Wren is creating the FTP receiving and sending capability and has responsibility for creating the small file renaming routine.

Gopaal Chandra has responsibility for retrieving, renaming, and resending the file to H1 each Friday until the process is automated.

## **Current Actions and Status**

Rev. 2/10/12

1. Because the REFUND file is created on the mainframe it is unable to create the file naming convention required by H1. Linnea Wren is working on a small routine as part of the FTP process that will automatically rename the file before resending it to H1. The process should be completed and tested before 2/23/12 but can remain manual for as long as is required to resolve the issue.
2. Tom Cluster and John Walker will create a test REFUND file from actual student transactional data on Wednesday 2/15/12. Gopaal will receive, rename, and resubmit the file as a test and confirm success to us.
3. Bill Vorhies will be responsible for notifying H1 to delete the file after receipt. The disbursement will not be funded and there is no risk of actual financial disbursement. He has coordinated this test with H1.

## Funding Process

Rev. 2/10/12

Although the REFUND file is received by H1, the amounts will not be posted or otherwise show in the student accounts until the day of, or the day after receipt of funds, depending on the time of day the funds are received.

Per interview with Sarah Schrader, the funding process is as follows.

- DAY 0: Thursday Night: REFUND file is run.
- DAY 1: Friday: Morning – Judy Lam (accounting) picks up the report, converts it from .TXT to .XLSX and totals the column of all funding to be disbursed to students, which is the amount to be wired to H1. Note that Sarah does not work on Fridays so no further action is taken until Monday.
- DAY 2: Saturday: No action.
- DAY 3: Sunday: No action

Note that the number of no action days increases whenever a holiday fall on Monday or Friday.

- DAY 4: Monday: Using the Wells Fargo CEO web site, Sarah initiates the wire transfer and notifies Ron Gerhard to approve. Note that the system requires both actions to occur on the same day and if Ron is not present the entire process must be reinitiated on a day when both can take action on the same day.
- DAY 5: Tuesday: Earliest time wired funds can arrive from Wells Fargo at H1.
- DAY 6: Wednesday: Latest time wired funds can arrive from Wells Fargo at H1.

Funds are posted to student accounts by H1 either same day or next day meaning that there is a 6 or 7 day delay between running the file and the time students can access funds. This delay is what is currently driving the requirement to transmit all files on Feb. 23 in order to meet the March 2<sup>nd</sup> completion date.

Note that historically this is the same delay experienced by students under the current manual check system where checks were made available through the four campus Bursar's Offices. The checks were traditionally picked up by the campuses on Monday then held two days (?) before beginning release to students.

Also note that the funding from DOE for these disbursements is not a source of delay. Sarah states that Finance has established a large prefunded pool for this purpose and seeks reimbursement from DOE after disbursement to H1.

## Recommendation for Shortening the Funding Cycle:

Rev. 2/10/12

If the REFUND report were run on Sunday night or Monday night then Sarah's day off and the weekend would not add three days to the process shortening it to about three days.

H1 advises that the great majority of California colleges fund on the same day or not later than the next day. A six day delay puts Peralta far out of variance with the norm.

## **Cut Over Plan**

Rev. 2/10/12

We will meet to discuss and finalize the cut over plan during the week of 2/13/12.

## **Other Considerations**

### **Treatment of Inactive Accounts**

Rev. 2/10/12

We have had some internal conversation about whether it will ever be necessary for Peralta to take specific action to take down or inactivate the accounts of students no longer receiving financial aid. It does not appear that any action is required by Peralta.

1. H1 cards automatically expire at the end of four years.
2. Periodically, H1 archives and/or purges old inactive accounts.
3. So long as the account is no longer sent funds by Peralta there is no risk to the district.

## Appendix

### A1. Participants and Contacts

Rev. 2/14/12

Name	Role	Organization	Phone	Email
Dr. Jacob Ng	VC Student Services and Executive Sponsor	Peralta	(510)466-7295	<a href="mailto:jacng@peralta.edu">jacng@peralta.edu</a>
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