Automated Payment Plans Proved Transformative for HCC

Case Study: Houston Community College | Houston, TX | 69,293 Students

A student can now sit at home on his or her couch and set up recurring payments, see balances, and get a detailed overview of payment history.

In 2007, registration lines at Houston Community College had reached a critical mass. As the fourth largest community college in the nation, HCC had almost 70,000 students at multiple Houston campuses, standing in long lines that snaked around the auditorium. After registering, students then moved to another long line to set up a tuition payment plan.

HCC had been using manual payment plans for years, so it was not a new concept. Even though it had low tuition rates compared to four-year universities and colleges, the population it served still needed payment plans to alleviate the financial burden. Tuition installment plans were legally required in Texas. With the size of HCC's student body, however, the process needed an overhaul.

HCC needed to ease the student payment process.

It was a cumbersome experience for students. After registering, they would line up at the cashier windows to request a payment plan. The cashier would give students a promissory note to fill out. Then students and the approving officer signed it. Each transaction would take about 15 minutes, making it impossible to service students efficiently.

The Director of Student Financial Services and Cashiering Operations Nandy Baldonado and his supervisor, HCC Treasurer Ron Defalco, saw a direct need for improvement. Both agreed an automated payment plan was imperative. Nandy and Ron did a significant amount of research that included attending a student information system conference. At the conference, they explored payment platforms and spoke with vendor representatives. Nandy and Ron were looking for something flexible and adaptable to work with their existing student information and finance systems.

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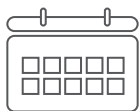PAYMENTS
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They decided to go with Cashnet. It offered campuses fully comprehensible tuition plan options that easily integrated with existing portals. Cashnet provided cost-savings solutions, customized to include other options like meals and housing. It also offered students the ability to pay in installments with a credit or debit card and an electronic check. "We compared all vendor services and felt Cashnet would supply us with what we required without us having to surrender control," Nandy said. "We needed to maintain control and flexibility for the benefit of our students."

HCC began using Cashnet in December 2007 for the following spring term, and it turned out to be a transformative move for both administrators and students.

"It was a happy occasion when we implemented the Cashnet payment plan system," recalled Nandy. HCC was able to double the amount of students served in the first year. At that time, there were almost 15,000 students on payment plans. With the automated Cashnet system, HCC's plan enrollment increased to 30,000.

Giving students the option to pick classes and complete enrollment online makes the process that much easier. The lines are gone. The tension and the stress of HCC employees manning the lines have completely disappeared. "It has also helped students tremendously," said Ron. A student can now sit at home on his or her couch and set up recurring payments, view balances, and get a detailed overview of payment history. Transactions that took up to 15 minutes now take place immediately.

Payment Plans provide long-term benefits.

Students no longer have to worry about inconveniences, such as taking a day off from work, missing an existing class, or securing childcare, just to stand in a long line. The long-term benefits are the most attractive. Students can avoid paying high interest on long-term loans, which is huge when tuition is relatively low at HCC.

Cashnet also makes it easier for administrators to transact business. At the time, there was a tightening of the budget and Cashnet helped HCC deal with it. "Had we not implemented Cashnet, we would have needed more staff to handle the lines and the reporting," Ron said.

It even helps student retention. To date, HCC has maintained over 30,000 students enrolled in payment plans. "We use Cashnet for the entire college cashiering system," said Nandy. "Everything passes through Cashnet. It helped us automate through the years. HCC has had such a good relationship with Cashnet, we are now moving to using eMarket for ticket sales and are in the process of deployment."

Vice President and Payments Product Manager Don Smith said Cashnet is all about producing a positive client experience and is committed to development and product improvements. Clients like HCC will be encouraged to know there is a lot to look forward to in the near future. "We will continue to invest in our full service payment plan product to provide more comprehensive service to the school and its payers," Smith said. "We want to ensure payment plans are viewed as an advantageous alternative to private loans or credit cards."