Innovative Technology Award

University of Montana’s Unclaimed Property Web Application

Submitted by Maggie McCarthy
Program Coordinator of Griz Card Center
Melissa Neidigh
Associate Director of UM Housing

The University of Montana’s Griz Card Center launched UMoney, a flexible spending account, in the early ’90s. From the beginning, our office had used a tedious process to review and process inactive flexible spending account balances on an account-by-account basis. In January of 2016, the State of Montana’s Department of Revenue initiated a thorough audit of the non-meal plan flexible spending accounts held on the Griz Card. In the early stages of the audit, we quickly realized that our terms and conditions and process had to change in order to be compliant with state law, maintain an audit record, eliminate anomalies, and make the process less manually intensive by moving it to an automated process.

Our Opportunity for Improvement

The Card System Accounts

There are two flexible spending accounts held on the Griz Card: Bear Bucks and UMoney. UMoney is the on- and off-campus flexible spending account managed by the Griz Card Center. UMoney is accepted for food, goods, and services at over 60 locations both on- and off-campus, in addition to all campus vending machines and the campus-wide printing software. The use of the term “account” refers to the UMoney account for the purposes of this nomination.

Why a Custom Web Application?

The University of Montana (UM) wanted to automate a process to notify customers after 9 months of inactivity (3 months to take action) and 12 months of inactivity when the account would be zeroed, in order to be in compliance with Montana state law that declares notification must be provided between 60-120 days of termination of the account. We also wanted an automated process to report on what fees should be assessed for the account closure, and what amounts should be refunded. Finally, the amounts needed to be refunded automatically to the customer following standard UM Business Services refund procedures. This entire process needed to have a clear audit trail. This system needed to integrate with multiple software; it needed to query data from our card system (Blackboard Transact) and feed to our enterprise resource planning system (Banner). For these reasons, it was determined that UM’s Student Affairs IT Web Team would need to build a custom web-based application.
The unclaimed property web application is innovative as it brings together many processes that campuses may be doing manually into one comprehensive automated process. We were able to take our existing inactive account process, which was a never-ending and overdue project, and improve our customer service while decreasing the time spent on inactive accounts down to less than two hours per month. It also enabled us to be fully compliant with state law regarding unclaimed property. This process could be applied to any campus’s card accounts in order to notify customers of account closures, issue refunds to cardholders automatically, or report unclaimed property to the state.

We knew that there was not an “out of the box” solution that would integrate with both systems and comply with Montana state law and the University of Montana’s policies and regulations. We knew that the custom application needed to do the following if we wanted to be successful:

- It needed to query for and automatically email a notification to account holders with 9 months of inactivity based on a custom SQL report.
- It needed to query for account holders with 12 months of inactivity, then populate reports based on that inactivity. The process also reports on administrative fees applied to the remaining balance.
- Automated email communications needed to be customizable (for legal purposes) and easily updated for future updates and application.
- At the 12-month mark, the system needed to pass the refund amounts to our enterprise system so refunds could be issued. The system also needed to send out 12-month notification emails.
- The system must comply with the state of Montana’s unclaimed property laws. UM’s legal counsel and internal audit reviewed Montana state law to help determine the requirements for the custom web application.
- The system needed to be expandable so that multiple accounts could be queried for, communicated, etc. We would want to replicate the same process for different accounts.

After determining the requirements, the Griz Card Center contacted UM’s Student Affairs IT Web Team to develop the custom web application, test and integrate the application, and implement the custom web application as a solution.
Custom Web Application Effectiveness

Before

To understand how beneficial the unclaimed property web application is, you must understand how far behind we were in completing the pre-existing manual process. On October 26, 2016, our office pulled accounts that had not had activity since June of 2015. At this point we were very behind on our manual unclaimed property process and needed to "catch up" so that we could implement the automated process. These accounts had to be cleaned up as they were so old that communication and attempts to refund through the unclaimed property web application would likely fail.

- **8,079** UMoney accounts that should have been cleaned up following the pre-existing manual process.
- **$10,120** UMoney accounts that were still being held in trust that should have been cleaned up following the pre-existing manual process.
- **89%** of the accounts held a balance of less than $10, which would be zeroed out when the administrative fee was assessed.

The Griz Card Center was suffering from the snowball effect. The pre-existing manual process outlined by our existing terms and conditions was so time consuming that we continued to fall further behind, and the number of accounts needing to be cleaned up continued to grow each year.

<table>
<thead>
<tr>
<th>Year</th>
<th>Accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>75</td>
</tr>
<tr>
<td>2011</td>
<td>1,871</td>
</tr>
<tr>
<td>2012</td>
<td>3,478</td>
</tr>
<tr>
<td>2013</td>
<td>5,348</td>
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<tr>
<td>2014</td>
<td>6,879</td>
</tr>
<tr>
<td>2015</td>
<td>8,079</td>
</tr>
</tbody>
</table>

After

Implementing the Unclaimed Property Web Application

The web application allows us to easily see reports for our 9-month notification emails and our 12-month disbursements and email notifications. We have worked with our enterprise resource planning system team and Business Services to implement notification emails so that Griz Card staff can confirm the file uploaded from the web application to the enterprise resource planning system without errors in a timely manner. Since the implementation of the automated process using the unclaimed property web application, Griz Card Center staff spend about two hours each month to complete all tasks related to inactive UMoney accounts (e.g. reviewing the system, checking reports, reconciling, etc.). To date, the web application has:

- **2,918** 9-month notifications have been emailed out to UMoney account holders.
- **$17,822** has been refunded through UM's Business Services process to 620 UMoney account holders.
- **$16,265** has been collected as Administrative Fees assessed for 2,350 UMoney account holders.
Conclusion

We initially implemented the unclaimed property application for the UMoney (flexible spending) account held on the Griz Card. In Spring of 2018, we will expand the web application’s capabilities for another account, Bear Bucks, that is also held on the Griz Card. This will enable us to ensure that all accounts held on the Griz Card are fully compliant with Montana’s state law regarding unclaimed property. This will also significantly decrease the amount of time that staff are spending contacting account holders and manually clearing accounts. We can also offer this application/process to our affiliate campuses for implementation regarding their flexible spending accounts held on their campus cards. By implementing this innovative technology, any card office would be empowered to process inactive flexible spending accounts in an efficient and consistent manner.

Communication! Communication! Communication!

Lessons Learned

The Griz Card Center and many UM departments were very surprised to discover what other campuses in our state were doing in regard to flexible spending accounts, as this initially prompted the audit by the Montana Department of Revenue. Communicating with other card offices, especially within our state, is invaluable and really should be scheduled on a routine basis. The application of the various state statutes and regulations that apply to the Griz Card has been a learning process for many departments on campus.

We were also reminded that you have to be flexible, and of the importance of communication with all stakeholders. We had struggled with a manual process to clean up the UMoney accounts, but we were able to work with various departments across campus to implement an automated process that runs on a monthly basis in as efficient a manner as possible. Another good example for intra-departmental communication is that at one point our Business Services operations were causing our application’s automated 12-month notifications to post twice in the same month (and not at all in others), so we had to talk to our internal audit department, the Student Affairs IT Web Team, and Business Services to find out what was and was not negotiable so that we could resolve the issue.

Submitted by the
University of Montana
Griz Card Center

For more information, please contact:
Maggie McCarthy, Program Coordinator of Griz Card Center
maggie.mccarthy@mso.umt.edu

Melissa Neidigh, Associate Director of UM Housing
melissa.neidigh@mso.umt.edu