



An overview of Refund Management

A tour of the refunds module of Kuali Student Accounts.

Paul Heald.
Sigma Systems, Inc.



Sigma
Systems



Refund Management

- As a matter of clarity, we discovered that one word is used for two concepts.

REFUND




**Reversal
Cancellation
Removal
Etc.**


RM handles THIS

kuali._s
student accounts 1025

DATE May 12, 2013

PAY TO THE ORDER OF Johnny Student \$ 1,200 --

One thousand two hundred dollars only. DOLLARS  Security Features Included. Details on Back.

MEMO KSA REF 29894237950 

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Other payment methods....

Not this...

- Student has removed this class. Please refund their tuition...
- In KSA this is a cancelation, or reversal.

RM relies on PA!

- Payment Application is in charge of deciding if a payment has been used.
- Payments may be restricted-
 - Only use on charges this term.
 - Only use against certain types of charges.
 - (Financial Aid is the obvious one here!)
- Payments may be designed to be refunded (stipends)
- Overpayments may have occurred due to error or reversals, etc.

Quick Payment Application...



Date		Amount	Allocation	Notes
12/31/2012	Tuition	700	0	Balance remaining from last year
8/31/2103	2013 Fall Tuition	15,000	15,000	Paid off by FA
9/10/2013	Books	3,000	3,000	Paid off by FA
9/15/2013	Parking Ticket	50	0	Not paid off.
9/15/2013	Fees	200	200	Paid off by FA
9/16/2013	Financial Aid Payment	20,000	18,200	Can only be used on this year's tuition, fees and books.

Continued...



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9/16/2013	Financial Aid Payment	20,000	18,200	Can only be used on this year's tuition, fees and books.

Student Still Owes

This payment cannot pay them.

RM does not (in principle) deal with the balance of the account.

- RM's starting point is to find payments on the account that have an unallocated balance. That is, we have a payment that has nothing to pay.
- Such a payment is nominally eligible to be refunded to the student.
- In certain cases, this is true, even if it leaves the student's account with a balance to pay.

Example



Date		Amount	Allocation	Notes
12/31/2012	Tuition	700	0	Balance remaining from last year
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9/15/2013	Parking Ticket	50	0	Not paid off.
9/15/2013	Fees	200	200	Paid off by FA
9/16/2013	Financial Aid Payment	20,000	20,000	Now fully allocated
9/16/2013	Financial Aid Refund	1,800	1,800	Refund of the financial aid payment, allocates against the original payment.

That leaves a balance of \$750 to pay.

A few more requirements...

- A payment with an unallocated balance is only part of the story.
- An entire payment type can be marked as not refundable (e.x. un-refundable tuition deposits)
- Many payments have a “clearing period” meaning they cannot be refunded until we’re sure we have the money.
- These are part of the Transaction Type.

Clearing Period

- Every Payment Type has a clearing period (can be 0 if needed) which sets up the clearing date when you enter a transaction. A transaction is not eligible for refund until that period is over.
- Obvious application for checks, credit cards, but maybe other use cases.

Stipends, etc.

- Because RM relies on PA...
- A stipend could be entered as a payment that can't pay anything.
- This payment would never be allocated.
- Thus it would be able to be refunded.

Example



Date		Amount	Allocation	Notes
12/31/2012	Tuition	700		
8/31/2103	2013 Fall Tuition	15,000		
9/10/2013	Books	3,000		
9/15/2013	Parking Ticket	50		
9/15/2013	Fees	200		
9/16/2013	Check Payment	20,000		

Example



Date		Amount	Allocation	Notes
12/31/2012	Tuition	700	700	Fully paid
8/31/2103	2013 Fall Tuition	15,000	15,000	Fully paid
9/10/2013	Books	3,000	3,000	Fully paid
9/15/2013	Parking Ticket	50	50	Fully paid
9/15/2013	Fees	200	200	Fully paid
9/16/2013	Check Payment	20,000	18,950	Can be used to pay anything!

So the account is all paid, but there is still a balance.

Refund Rules

- IF a payment has an amount to refund.
- IF a payment is refundable at all.
- IF a payment is beyond its clear date.

- Then we look at the refund rule.
 - Can we consider this a “cash” refund?
 - Does it have to go back to “source”?
 - Does it have to go back to another KSA account?
 - If so, for how long?

A “cash” refund?

- When we say “cash” we mean “an reasonable refund method”.
- Could be
 - Check
 - ACH
 - Wire
 - Even cash!

This is generally defaulted from the student account, so a “cash” refund for one student might be a check, and might be an ACH for another student.

Refund Types

- Refunds can be of different “types” which can be used to designate how the actual refund transaction is added to KSA
- You can choose to have your refunds go back to the same transaction type, or to a different transaction type
- If you’re doing an “intra account refund” you also set up the type of payment that will be made to the other account.

Example

- We have a credit card payment. It can't be refunded until 5 days have passed and we assume it's not being charged back.
- After that, if we refund within 45 days, we send it back to their card, otherwise we can just issue a "cash" refund for it.

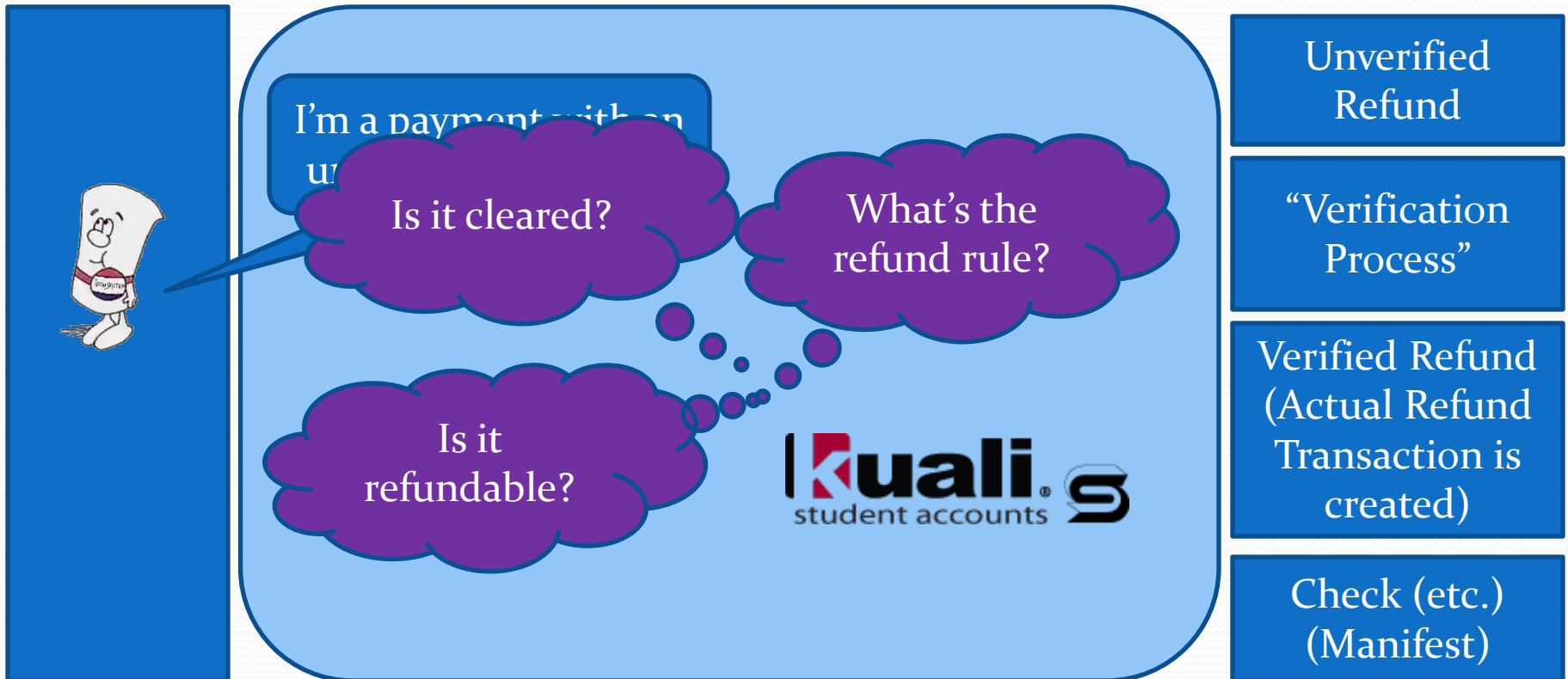
Final Step!

- Once a refund has been requested there is still the option not to validate the refund.
- A reviewing admin could reduce the refund, or change the type.
- You can choose to forego this step if you choose. Some of this process could be automated.
- At this last step, other sorting and changing of types can be done.

Overview

Request
Refund

Automatic Refund System



Unverified
Refund

“Verification
Process”

Verified Refund
(Actual Refund
Transaction is
created)

Check (etc.)
(Manifest)