Shrewsbury Public Schools
Patrick C. Collins, Assistant Superintendent for Finance & Operations

10 December 2015

To: School Committee

1. **On-Line Payment Service Provider Update**

   Background

   One of the goals the superintendent charged me with upon my re-employment was the implementation of an on-line payment option for the varied fee transactions that are now a larger part of the overall financing of district operations.

   For example, the following receipts were taken in and processed "manually" in FY15:

Fund	Description	YTD EXPENDED
1600	Food Service	$ 1,553,314
232308	Preschool Tuition	$ 486,064
232309	Full-Day Kindergarten Tuition	$ 681,710
232310	Extended School Care	$ 1,150,179
232311	SAT Testing Program	$ 37,131
232321	Elementary Summer Enrichment	$ 193,606
232327	Kindergarten Transition Program	$ 6,460
232332/232346	Bus Fees	$ 623,509
232335	SHS Athletic Fees	$ 315,202
232336	After School Music Lessons	$ 241,048
232337	Oak Middle Student Activity Fee	$ 22,750
232338	Sherwood Middle Student Activity Fee	$ 10,950
232339	SHS Student Activity Fee	$ 51,675
232350	iPad Program-Legacy	$ 323,623
	Total	$ 5,697,221

   Currently, an on-line option is not available for these types of payments. Previously, the district did use an on-line payment vendor for bus fees but it lacked "back-end" sophistication in reporting and thus became problematic for both the district and parents.

   Needless to say, we are handling lots of transactions with lots of dollars and providing an on-line option to parents will not only give them convenience but it will also make our operation more efficient if managed properly.

Vendor Selection Process

I have worked closely with Brian L'Heureux, Director of Information Technology, and he has provided enormous technical support and product screening. We agreed at the outset that the following product criteria would meet our needs and/or be advantageous:

> ►Integration/inter-operability with PowerSchool
> ►Integration/inter-operability with Meal Magic
> ►Single-Sign On [SSO] Capability to payment vendor via PowerSchool
> ►Ability to handle multiple payment types/options
> ►Robust "back-end" accounting and treasury functions and reporting
> ►Varied payment options for customers [credit card, debit card, eCheck]

After initial vetting was complete, we conducted two product webinars with the SchooPay product representatives. The first one included me, the Town Accountant, Town Treasurer, School Business Office staff, Superintendent Sawyer, Transportation Coordinator, IT Director, and Volunteer Coordinators. The second webinar was focused strictly on the Food Service Operation and included myself, the Food Service Director, the Food Service Financial Assistant, and IT Director.

Subsequently, we had a number of telephone and email inquiries with SchoolPay and also telephoned several of their current customer references.

Having reviewed all of this information and input from participants along the way, I decided to execute a contract with SchoolPay [https://www.schoolpay.com/]

Costs/Savings

Their payment software product, set-up support, training, and ongoing customer support cost the district $750 in Year One and $300 annually in subsequent years.

Transaction or "convenience fees" to customers are $1.95 per food service payment and 2.99% + $.30 per transaction for credit/debit cards and .75% + $.50 for eCheck transactions.

In the long run, I do believe the district will realize some reduction in overtime costs associated with processing over 2,200 bus payments in a short period of time.

Summary

We plan to begin implementation in early January 2016 on a small scale with a pilot population of parents for Food Service payments and general donations. Subsequently, as we roll out a new year for bus registrations and payments in the spring we will offer an on-line payment option for that fee as well. I will make a fee recommendation to the school committee prior to that time about bus fee amounts and possibly differentiating it [e.g. making it lower] for on-line payments versus payment by check.

I will provide the committee a status update in mid-winter after we have some experience with food service payments and general donations.