

# ONLINE PAYMENT SYSTEMS FOR SCHOOL DISTRICTS: WHAT YOU NEED TO KNOW



**VANCO**  
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*School districts should be able to track every payment. But manually keeping tabs on checks or cash coming in throughout the year from multiple sources and campuses isn't easy. As districts adapt to a new way of learning that includes both in-classroom and remote lessons, finding new ways to collect payments has become even more important. That's why so many school districts have started accepting some fee payments online.*

*Paying fees online is convenient for parents and saves school staff hours. Not to mention, it's much easier to track every penny with an online system. An online payment system also offers parents a safe, contactless option for paying student fees. However, moving fee payments online has its own challenges. It can be difficult to do if you don't know where to start. That's where we come in.*

*At Vanco, we have more than 20 years of experience helping thousands of districts across the U.S. move payments online. We know what to do – and what not to do – to move fees online and get parents excited about the process.*

*In this comprehensive eBook, you will unlock the knowledge needed to bring your district closer to becoming a cashless campus. We'll help you understand the basics of online payments (and the benefits of reducing cash and checks), show you how to find the perfect online payment vendor and help you take the first steps toward becoming a cashless district.*

*Whether your district already accepts some payments online or you're brand new to the idea, this guide is jam-packed with tips and suggestions that will transform how your district handles payments.*

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# CHAPTER 1



## **UNDERSTANDING THE BASICS OF ONLINE PAYMENTS**



Before we dive into choosing the right school payment software or becoming a cashless campus, let's start with the basics. What are the benefits of online, cashless payments? And how do you set your district up to go cashless?

Tracking funds in school districts isn't easy, especially when it's not clear where fees are coming from and who is handling them. Some funds might need to be deposited into different accounts. Some payments might have been made in person at the front desk. Some districts have a variety of people responsible for taking payments in the office, the classroom or the box office. It can be a real challenge keeping tabs on all this money – and you're just setting yourself up to lose cash or checks.

[Online payment systems](#) designed for K-12 school districts help bring order to this chaos and make it simple to track and make payments. These solutions create cashless campuses by offering families easy, contactless online payment options that can be tracked and directed by staff. Bringing payments online is more than just a convenience: Processing payments online saves staff time, reduces manual errors and dramatically improves internal controls.

Now's a good time to mention that your district might still want to accept some cash or checks in person – and that's just fine. Different districts have different needs. Becoming a cashless campus really means becoming as cashless as you want to be.

Setting your district up for success means finding the right payment solution that fits your unique needs. But there's a bit more to it than that. Here are three basic payment tips we've discovered after more than 20 years of getting districts started on their cashless journey.

## **Switch to a Centralized Online Payment System**

We recommend using a single online system to collect all payments rather than using multiple solutions across the district for different types of fees. For example, some districts collect required registration fees with one system and collect AP Exam fees through another vendor. Instead of doing this, use just one system to collect every payment.

Using one centralized system ensures all funds are coming through the same place across your district. With a centralized system, teachers won't need to learn multiple ways to track and reconcile fees. Plus, parents won't need to deal with more than one system to pay for their student's classroom fees, athletic payments, food services and anything else. (Making parents happy is a win-win for everyone!)

## **Process as Many Payments Online as Possible – But Take it Slow**

You want to become a cashless (or mostly cashless) district? This is how you do it! Your goal should be to move as many payments online as possible – but you need to start somewhere. Don't try to take on too much at once. We recommend starting with required fees – classroom fees, technology fees and registration fees. Then, once parents are comfortable with paying for these online, you can move on to other fee types. We'll dive deeper into this topic in chapter three.

## **Set Up Multiple Deposit Accounts**

With multiple deposit accounts, you can make sure money is automatically going to the correct bank account. This means fewer people need to manually sort funds. It also removes the possibility of sorting mistakes and reduces the time it takes to reconcile accounts at the end of the month.

These basic steps will help your district build a solid online payment foundation. Planning to centralize payments means the next step is finding an online payment solution that can handle every type of payment your district might need, from school meal accounts and equipment rental fees to fundraising and event ticketing.





## CHAPTER 2

### **CHOOSING THE RIGHT SCHOOL PAYMENT SOFTWARE**

*You've got the basics down. Your district is ready to start accepting online payments – this is the exciting part! But with so many vendors in the marketplace, it can be overwhelming trying to find the right payment processor.*

*This chapter covers a comprehensive list of tips to help you find the perfect school payment software for your district. As you read this chapter, identify your district's goals and figure out what information about your current payment needs you'll what to gather as you begin your search.*

## **1. Consider Your District's Payment Goals First**

Before you start shopping around for a school payment software, identify your district's goals. Do you want to move all student payments online as soon as possible? Or would you prefer to take a more staggered approach by moving just a few payment types online first?

Knowing this will help you frame the conversations you have with online payment providers. For example, you'll want to know what types of resources they have to help you carry out your district's payment goals.

## **2. Balance the Cost with Your Budget and Goals**

This one might seem obvious, but cost is one of the biggest factors in finding the right school payment software for your district. Your district will need to compare your budget with the cost of your ideal system to make this decision.

And it's not just ongoing costs you need to consider. Keep in mind factors such as start-up (sometimes referred to as "implementation") costs or add-on fees. Here are some questions to consider asking:

- Is there a set fee or will the fee vary based on your district's size, number of users or any other variables?
- Are there additional hardware fees?
- Will there be any one-time implementation fees?
- What is included in the base price of the system, and what features can be added on?
- What type of support is offered? Is there an extra fee to access it?

Be sure to consider the non-budgetary financial benefits of an online payment solution, such as fewer hours spent collecting, tracking, depositing and reconciling payments. Also consider the possibility of increased district revenue as higher numbers of parents shift to easier online payments.

Use your payment goals to help find a solution that meets your needs and your budget.



### 3. Make a List of Every Fee You Want to Process Online

Think about the many types of fees your district collects over the school year beyond required registration or common classroom payments. Sit down with your school principals and secretaries to help make a comprehensive list. Once you get going, you might be surprised at how many there are, such as...



*Meal Payments and Lunch Fees*



*Field Trips*



*Fundraisers*



*Spirit Wear*



*Activity Participation Fees*



*Event Tickets*



*Before- and After-School Care Registration*



*AP Exam Fees*



*Lost/Damaged Item Fees*



*Parking Passes*

Unless your district only plans to move required fees online, you'll need a service that can handle all these fees and more. Make a list of every fee you collect, then make sure your school payment software can handle them all.

Need help? Check out [our handy checklist](#) with a comprehensive list of payments commonly collected by school districts. Feel free to use this as a starting point!

### 4. Plan to Centralize Online Payments

Don't leave the school payment software decision to individual schools in your district. You'll end up with a chaotic blend of different systems. That means reconciling funds at a district-level will be a nightmare.

Instead, pick one solution for the entire district. This will ensure funds collected by your schools are coming through the same place and end up where they need to be. Plus, parents won't need to use multiple systems for classroom payments, food balances and extracurricular fees. And staff members won't need to learn a variety of different ways to collect, track and reconcile payments.



## **5. Create a Launch Timeline and Check in with the Provider**

The prospect of ditching cash and checks for good is exciting for districts. But no matter how ready you are to make the switch to a new school payment software, you need to have a realistic launch timeline to ensure its success.

First, establish how soon you want to implement the system. If you're right in the middle of a busy season – such as fall registration – you might not be able to realistically roll it out until that's calmed down. Doing a trial run at the end of the school year is a good way to introduce parents to the system. Another common option is to set up the new system over the summer and train staff so you're ready to collect payments when students head back to school.

Next, find out how long it will take to set up the new system. If the provider offers setup support, a quick, full-district launch might be possible. If not – and your district doesn't have a dedicated software expert on board – you might be better off staggering your launch. You can do this by picking just a couple of payment types to accept online right away, then plans to slowly add more in the future.

## **6. Opt for a School Payment Software with Multiple Payment Options**

The goal of moving student payments online is to reduce cash, checks and paperwork – and the manual work it takes to process them. In other words, you don't want to create more work for staff or parents.

To do this successfully, you need to make it as convenient as possible for parents to use your school payment software. That means allowing them to pay how they want. Make sure your online payment system accepts multiple payment types, including major credit cards and eChecks.



## **7. Find a Solution That Integrates with Your Other Software**

Your district has already invested in other software solutions – your student information system (SIS), cafeteria management software or even enrollment software. Rather than adding a whole new system to the mix that might complicate things, choose a payment software that seamlessly works together with your existing software.

Search for the school payment software that integrates with your SIS. And, check to see if the provider offers any additional integrations for your other existing software. Or, you might find a payment solution that offers its own cafeteria management or enrollment solution. Pairing student payment processing with these management tools makes it easy to collect and reconcile payments in one place.

## **8. Make Security a Top Priority**

As your district begins accepting online payments for more – if not all – student fees, you need to make sure security is a top priority. After all, you'll be handling sensitive card and bank account information, and your school payment software will be responsible for keeping that data safe.

Fortunately, the [Payment Card Industry Security Standards Council](#) has established standards that processors must meet to maintain a secure environment for cardholders. When searching for an online payment processor, we recommend looking for one with Level 1 PCI Data Security Standard (PCI DSS) compliance – that means they meet the highest level of security standards to ensure payment data is protected. You can read more about [Level 1 PCI processing standards here](#).

## **9. Consider Your Staff Training Needs Across the District**

Successfully rolling out a new school payment software requires staff to be on board. And one of the quickest ways to get staff to support the new process is by educating them about it. To do this, look for a payment processor that will offer training.

The next question is, of course, whether that training is provided for free or at an additional cost. If there's a cost to train staff, you'll have to weigh whether it's worth the extra price.

## **10. Pay Attention to User Permission Options**

Collecting, tracking and reconciling payments is a big job, but it doesn't have to fall on just one person in your district. You can take advantage of a payment software's user permissions to give access to other people, including district office staff, school secretaries or even external booster club organizations.

Check to see whether schools in your district can control user permissions in your payment software, or if they need to be set at the district level.

## **11. Pick a Software Provider That Allows for Multiple Deposit Accounts**

If you set up multiple deposit accounts, your district can rest assured funds are going to the correct location. Automating this process means fewer people need to handle the money, which leads to fewer errors and hours of time saved. Streamlining this tracking and depositing will also increase transparency between departments. It's a real win-win.

Find out if you can deposit into multiple bank accounts with the school payment software and how long it will take deposits to arrive in your bank accounts.

## **12. Pay Attention to Your District's Reporting Needs**

If you don't already know what reports your staff needs, now is the time to find out. Talk with departments in your district to find out what type of reporting you'll need (or want) from your school payment software. Then, ask the online payment processor these questions...

- What other types of reports does the software offer?
- Is there a report you can post to your district's general ledger?
- Can staff create custom reports?
- Can districts request special reports?
- Comprehensive reporting tools could be enough to nudge your district toward a particular payment provider.



## **13. Think About Parents**

If you're serious about reducing cash and checks (And we think you are!), you must offer parents a fast, straight-forward online payment process. We all know that if it takes more than two minutes for parents to figure out how to make a single payment, they're going to get frustrated and abandon it.

To avoid that, here are a few questions to ask about the parent side of payment processing:

- Do you offer family accounts with a single sign-on?
- What type of support is available for parents?
- Do you offer training resources for staff to pass along to parents?
- What does the payment portal look like from the parent's perspective?

Remember: Some parents require a bit more handholding than others, and staff time is limited. These answers will help you determine how easy it'll be for parents to use the school payment software and how much work it will be for staff to walk them through it.

## **14. Focus on Ease of Use and Mobile Responsiveness**

Parents need a simple way to add money to lunch accounts, pay classroom fees and more, anytime and anywhere. That means paying from their smartphones, tablets or laptops at any time. Make sure your school software has a mobile-responsive design that accommodates on-the-go payments. The ideal school payment software will be user-friendly from any device and available 24/7.

## **15. Meet Parent Expectations with an Online Store**

You know how important it is to keep parents happy. And the best way to do that is to make things easy for them – like letting them pay student fees online. You're already looking for a provider to do that, but you can take it a step further with an online store. Look for a school payment software that includes a customizable online store, and ask about these options:

- Is there a single checkout process?
- Can schools add, edit or remove fees?
- Can districts brand their online store?
- Does the online store connect with student information systems? If yes, which ones?



## **16. Choose a Provider That Specializes in Schools**

There are plenty of online payment processors out there that would work for some of your fees. But they're simply not built for K-12 districts. Don't settle for a processor that isn't designed to handle the unique funding needs of your district.

Instead, choose a payment provider that specializes in schools and understands what districts like yours need. For example, time-saving features including fast reconciliation are important for schools. Find out how long the school payment software provider has served schools, and what features they offer to support their needs.

## **17. Read Reviews and Ask for Testimonials**

You now have a list of questions to ask and topics to cover when vetting school payment software. But what's even better than hearing from the payment provider? Hearing from their customers!

Some companies have testimonials or reviews right on their website, while others have them available by request. Ask for them! Then, find out if any schools in your area are using their school payment software and ask:

- How long have they been using it?
- What do they like about it? What do they dislike about it?
- What type of payments do they collect with it?
- How did parents react when they introduced online payments?
- How much time did the school payment software save staff?

### **Bonus Tip!**

### **Find Your Ideal Partner by Thinking Beyond Payments**

Our tips so far have focused on connecting you with the right school payment software. After all, that's your goal: Eliminating cash and checks by accepting fees online. But this final recommendation is to think beyond payments when searching for the perfect partner.

Now's the time for your district to go paperless, too. You can reduce registration paperwork by collecting forms online. No need for parents to complete forms in person, and no need for staff to search through paper files for information afterward. Opt for an online payment solution that allows you to save time by reducing cash, checks and paperwork.

You're making a huge decision for your district, so it's OK to be picky. When choosing the ideal school payment software, think about the features that could save your staff the most time and reduce friction for parents.

Then, when you've partnered with the right school payments software, it's time to start ditching the paper checks and cash to become a cashless school.

# CHAPTER 3



## BECOMING A CASHLESS SCHOOL

Many school districts process some fee payments online. Moving just a few fees online is a huge time-saver and cuts down on tedious manual work. Districts shifting between eLearning programs and in-classroom lessons have found another advantage: Online payments offer a contactless option to keep parents, students and staff safe.

However, many of these districts processing some fees aren't making the most of their online payment system. They might only offer online payments for required fees, for example, and not offer it for optional payments, like purchasing spirit wear or a yearbook.

*It might sound daunting to move all these payments online but becoming a cashless (and contactless) district is easier than you would think.*

*The steps in this chapter expand on the tips from the first chapter to show you how to successfully bring all school payments online and start going cashless. Let's get started!*



## Step 1: Move Every Fee Online

We already talked about this step in the first chapter. But we're bringing it up again because it's the most important step in your journey to becoming a cashless campus. There's a trick to going cashless. And it's a simple one:

Move every fee online.

That's it. You'll want to start slow and ease parents into the process. And it will take a bit of work. But once you begin transitioning payments to an online system, you'll wonder how you ever got by without it. Cashless schools can easily collect and track payments, saving teachers the hassle of hunting down unpaid fees from students and spending time entering payments by hand.

You can read more about how other districts simplify payments for a variety of school activities in [this blog post](#). **For a quick version, here are a few of the many fees you should move online:**



 Before- and After-School Care Program Fees



School Meal Payments



Transportation Fees



Spirit Wear



AP & SAT Test Fees



Athletic Fees



Fall Registration Fees



Almost Every Other Fee You Can Think Of

## Step 2: Get Buy-in from Your Teammates

If you follow our advice in the previous chapter, your online payment system is easy to use and convenient for parents. So, make parents happy? Check. The next step to becoming a cashless school is getting buy-in from your team.

It's not enough to get your team on board when launching online payments, though. You need to make sure they're happy with improvements and adjustments to the process going forward. Here's a few ways you can win them over:

**Be clear.** When you want to implement something new, be clear about what that will entail. Explain the change and how the implementation will occur.

**It's a conversation, not an order.** While it might feel easy to implement something new just because you said so, this won't win you points with your team. Remind yourself that any change is a discussion about the needs of the team.

**Open yourself up to criticism.** With conversation comes criticism. Criticism is a good thing. If no one has any comments, good or bad, your team doesn't care. Listen to concerns and address them to build trust.

**Say it again and say it often.** The more you repeat an idea, the more it sticks in people's minds. If you are serious about an update or a change, you will need to make it clear that you are serious.

## Step 3: Take Security Seriously

Online payments are often safer than taking cash or check payments in person, because there's no risk of a credit card payment falling into a backpack blackhole. But cashless schools do handle sensitive data. Protecting that information needs to be taken seriously. If parents are uneasy about your system's security, they're not going to use it. Here are some payment security tips to help you out.

### Work with a vendor that is PCI-Compliant!

This is the most important security tip there is. Use an online payment system that adheres to the highest level of PCI security compliance to ensure sensitive payment data is protected.

**Keep your system updated.** Aging software can make your data more vulnerable to hacks. Work with your vendor to make sure you will be notified when updates are available to make sure you're using the latest version of the software.

**Read the user agreement.** Yes, it will be time-consuming and tedious. But it will answer all your privacy questions. Know what a new software or website will have access to before entering your district's information.

## Step 4: Promote Your Online Payment Options

You moved all (or some of) your payments online. You got buy-in from your team. You're sure you can keep payment information secure. You are heading down the path to become a cashless school. Now the question is, how do you make sure that people actually take advantage of your online payment option?

Over the last 20 years, we've found that convenience, safety and speed matter the most to parents. They want a simple payment process they can complete from anywhere – at home on their computer or from their phone while sitting on the bleachers during basketball practice. But they can't do that if they don't know they have the option!

Here are a few ways you can promote your new online payment process:

**Announce that online payments are now available.** This might sound like a no-brainer, but you would be surprised how easy it is to forget to let parents know about online payments. Do more than just adding the link to payments on your school's website. Try flyers, emails and newsletters to get the word out.

**Use social media.** How much time do you spend on Facebook and Twitter? Exactly. Parents are online. Make posts on social media announcing the availability of payments. Go even further with follow-up posts about important fees, such as yearbook purchases, registration fees, graduation tickets and more.

**Train staff (and yourself) on your school's payment system.** Parents ask a lot of questions. (Like, a lot of questions.) The more you and your team know about the system, the better equipped you will be to answer those questions and encourage parents to pay online.

**Make it obvious.** Make it easy for families to get to your online payment portal. Put a payment button in a noticeable place on the website – like in the main menu – to make it stand out.

**Repeat!** It will take work to build up awareness. Make frequent announcements, keep up to date with any software updates, and try to connect with families. With a little effort, you should have no problem increasing parent engagement.



## **Step 5: Start Slow, Then Grow**

The final step is to be consistent. Sending out one newsletter with a direct link to your online payment system won't get you to your cashless school goal. New students enter the district every year, which means you need to consistently tell parents about their online payment options. But don't be discouraged if you don't transition to a cashless school overnight. Keep at it! Starting slow and adding fee types as you go, along with consistent promotion, will help you successfully grow online payments.

For further guidance on taking the first step in reducing cash and checks, you can watch our 30-minute on-demand webinar, [The Explorer's Guide to a Cashless Campus](#). We'll walk you through the best practices from leading school districts for ditching paperwork, cash and checks with an online payment solution.

# **Online School Fee Payment System: What's Next?**

*Now you have the knowledge and tools you need to start accepting online payments!*

*Well... just about. We've taken you through the basics of online payments, offered tips for choosing the right school software provider and showed you the path toward a cashless (and contactless) campus. But there's one last step you need to take in order to bring online payments to your district: **You need to find that perfect payments partner and get started.***



For more than 20 years, **Vanco** has provided K-12 school districts a convenient online payment experience for all school-related activities from meal payments to athletics fees to child care and beyond. We've helped thousands of districts move toward becoming cashless with a custom Web Store that simplifies fee payments and streamlines reconciliation.



**OUR SOLUTION WAS DESIGNED TO PERFECTLY  
FIT SCHOOL DISTRICTS' UNIQUE NEEDS.**

To learn more about how we can help you simplify  
online payments, give us a call at **800.323.5953**  
or [request a demo online](#).

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