



**BlackboardPay**<sup>™</sup>



### Introduction

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### Introduction

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Regional Sales Manager

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Regional Sales Manager



# Students and Their Education – A Major Shift



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### **Higher Expectations**

Service



Immediacy

Personalization

Connection

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### A Shift in Student Banking

- 24% The % of college-aged adults are unbanked or underbanked FDIC
- 1 in 3 Number of students who don't have bank accounts as incoming freshmen, according to a study in September, 2012
- The % of the Millennial population that has opted out of traditional banking, according to the Aite Research Group
- The % of the Gen X that do not have a traditional banking relationship (Aite Research)



### **A Shift in Student Banking**

\$12.26\* Average Checking Account Monthly Fee

\$147.12 Potential Annual Fees per Account

4000 Freshman Class Size at Anytown University with

Bank Accounts (Based on 6000 enrollment)

\$588,480 Annual Fees Paid by Students

Potential Costs During College Experience \$2,353,920

\*Sources: US News and World Reports & MoneyRates.com

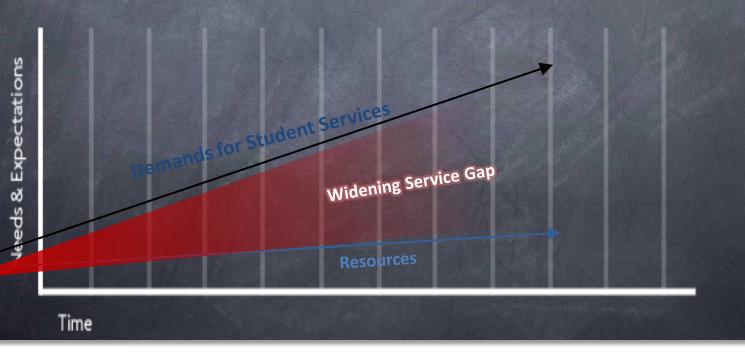
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#### **Today's Student & Your Workload**

Student expectations are rising at a faster rate than resources, which means that your workload is increasing exponentially



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### **Today We Will Discuss**

- Why we built BlackboardPay™
- Program Features and Benefits
- Campus Marketing Support
- Why Blackboard vs. the Competition
- Questions





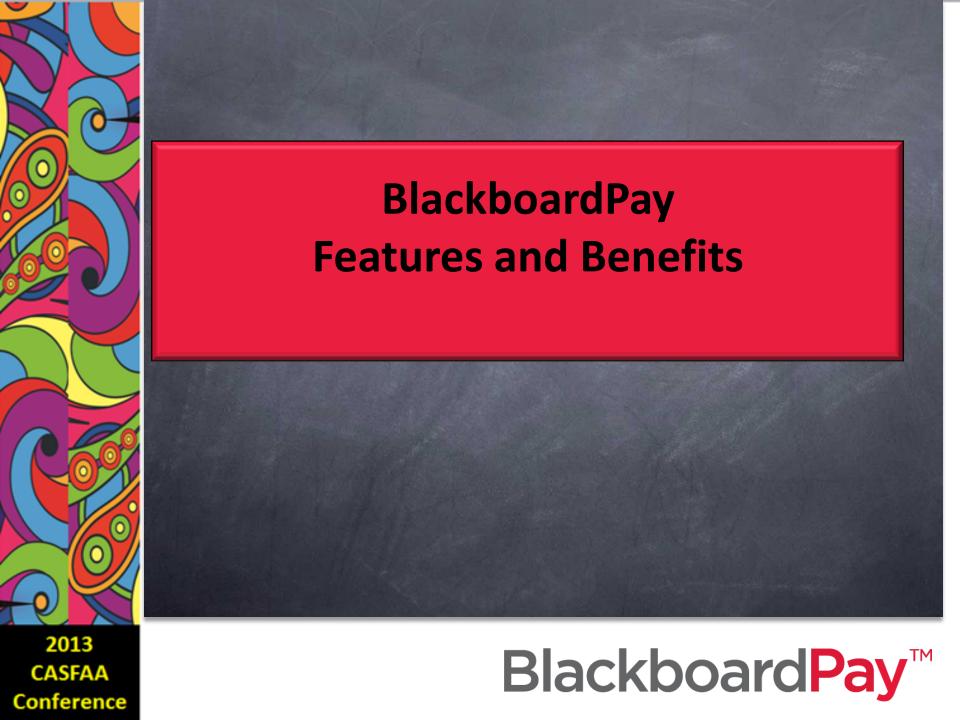
#### It Started with Customer Feedback...

#### Clients told us they wanted:

- ·Available to EVERY student
- ·Not just Financial Aid but all student funds
- · Utmost focus on compliance
- · Want/need to be engaged in the process

#### Students told us they needed:

- · No monthly/minimum or hidden fees
- · Overdraft protection
- · Flexible access to cash and nationwide ATMs
- Ability to pay non-plastic accepting vendors





### **Blackboard** Pay™

BlackboardPay is an electronic disbursement solution which includes a prepaid account that can be re-loaded by the Institution, cardholder, employer, family and friends or an ACH/direct deposit to any United States bank

The account is FDIC-insured and compliant with **Banking**, **Title IV** and **Payroll** regulations.

BlackboardPay leverages First Data's **Money Network™** prepaid account.

Accepted at millions of Discover merchants.

Funds are held by Meta Bank, a leader issuer of prepaid accounts.



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#### **Industry Recognition**





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#### **Focus on Compliance**

#### Stored-Value and Prepaid Debit Cards (DCL GEN 05-16 as modified by 34 CFR 668.164()(3))

A stored-value card is a prepaid debit card that can be used to withdraw cash from an automated teller machine (ATM) or to purchase goods from a merchant. We distinguish a stored-value card from a relational debit card in this discussion by defining a stored-value card as not being linked to a checking or savings account.

Typically, a school enters into an agreement with a bank under which the bank issues stored-value cards directly to students identified by the school. In a payroll or credit balance transaction, the school electronically transfers funds to the bank on behalf of a student and the bank makes those funds available to the student by increasing the value of the card. Since the funds are transferred from the school's account to the bank, so long as the school cannot recall those funds to pay other charges for the student without the student's written permission, the transaction would be equivalent to paying the funds directly to the student.

Under the following conditions, a school may use stored-value cards as a way to make direct payments to students (such as credit balances and Federal Work Study (FWS) wages) by following the 10 rules.

- A school must obtain a student's authorization to use a stored-value card for paying FWS wages.
- The value of the card must be able to use it at cash (e.g., a student must be able to use it at an ATM to make a cash withdrawal). In some cases, the cards are branded with the VISA or MasterCard logo, so the card may also be used to buy goods and services. We would not expect a school to limit the use of the card to specific vendors.
- A student should not incur any fees for using the card to withdraw the disbursement from ATMs of the issuing bank or credit union.
  - So long as ATMs from the issuing bank are conveniently located for a student, it would appear to be reasonable for a fee to be charged if the student chooses to use an ATM that is not affiliated with the issuing bank.
- A student should not be charged by either a school or the affiliated bank for Issuing a storedvalue card, but it would be reasonable if a student was charged for a replacement card.
- 5. In order to minimize any risks with disbursing truds to a stored-value card account set up for a student, the account at the bank or credit union must be Federal Deposit Insurance Corporation (FDIC) or National Credit Union Share Insurance Fund (NCUSIP) insured. This means that there has to be an individual account for each student that is FDIC or NCUSAIF insured.

- 6. In order for the disbursements to the storedvalue card to be treated as payments made to a studient, a school cannot make any claims against the funds on the card without the written permission of the student, except to correct an error in transferring the funds to the bank under existing banking rules.
- Since the stored-value card is being set up to disbuse Federal Student Aid funds to a student, the account should not be marketed or portrayed as a credit card account and should not be structured to be converted into a credit card at any time after it is issued.
  - A bank may wish to use its relationship with a student to offer other banking services such as checking accounts, savings accounts, or credit cards, but those should not link to the stored-value card account.
- A school must inform a student of any terms and conditions associated with accepting and using the stored-value card.
- A school must ensure that its stored-value card process meets all legulatory timeframes. (For example, a student must have access via the card to any credit balance within the 14-day time frames in 34 CFR 668.164, or to any FWS wages at least once per month.)<sup>1</sup>
- A student's access to the funds on the storedvalue card should not be conditioned upon the student's continued enrollment, academic status or financial standing with the institution.

If a school falls to obtain a student's authorization, the school must have an alternative means of ensuring the student has access this or her FSA credit balance within the time allowed by regulations, and at no cost to the student.

#### U.S. Department of Education Prepaid Card Guidelines

- 1. School must collect consent
- 2. Value of the card must be convertible to cash; school may not restrict merchant acceptance
- No ATM fee as long as ATM is "conveniently" located
- 4. No fee for opening the account
- 5. FDIC insured
- 6. School can't make any claims against the account
- 7. Can't be linked to a credit card
- 8. Must inform student of T&Cs
- Must ensure that card process meets all guidelines
- 10. Student's access to funds can't be conditioned to enrollment or academic status

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#### **Disbursement Options**

- Prepaid account only
- · Prepaid account and ACH direct deposit
- Paper checks through the Card only







#### **Elimination of Paper Checks**



Prepaid Disbursements20082015Unemployment\$6 billion\$39 billionSocial Security\$1 billion\$22 billion

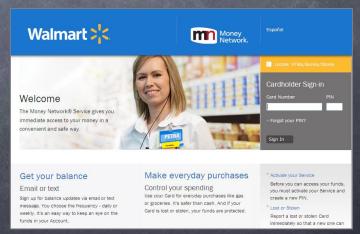
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### Why the Money Network™?

- Over 15 years of experience in the prepaid business.
- Supports 3,500+ customers and 1.6 million cardholders.
- Money Network provides electronic pay for some of the nation's top employers including Walmart
- First Data hosts and manages approximately half of the active cards in the U.S
- Discover Card now has 98% acceptance rate nationwide



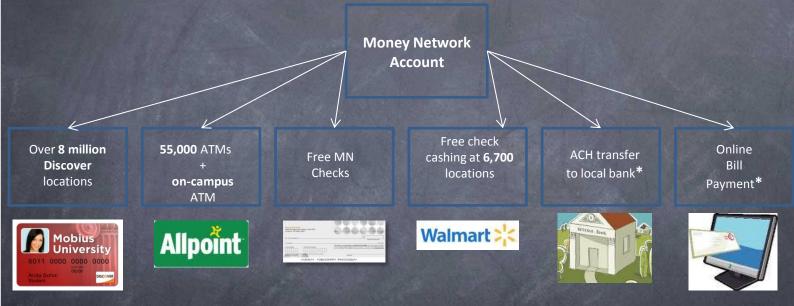


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#### **Unique Account Features**



- Cash-Over-Purchase at participating retail locations
- In-lobby transactions at participating branch locations
- Mobile phone top-up
- Discover's Zero Liability Protection for cardholders
- Accounts can be funded even in pre-active status

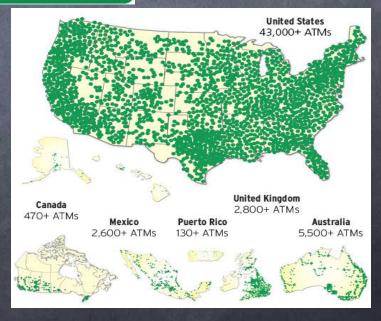
\*Fees may apply



#### **ATM ACCESS**

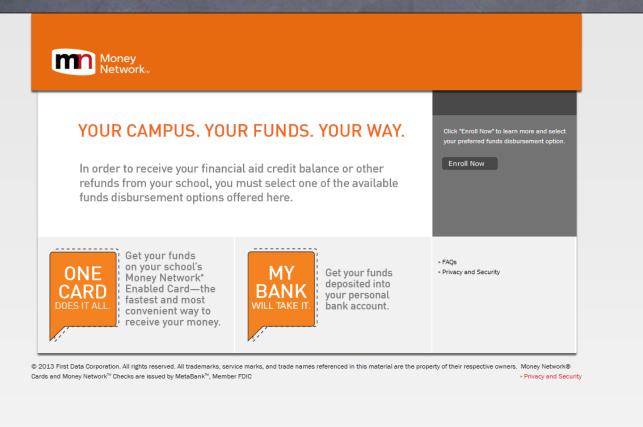






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#### Important Information

- Your selection will be saved for future disbursements. You do not need to return to this portal
  each term to select an option as long as you are enrolled at your current school.
- If you have already received your Money Network<sup>®</sup> Enabled Card: You must visit
  moneynetworkedu.com to make your funding selection or to update your selection in the
  future, even if you did not choose to get your funds on the Card.
- If you choose ACH (deposit to a bank account): If you change financial institutions or accounts, make sure you update the bank information you provided. Invalid or incorrect information would delay your ability to obtain your financial aid or other funds disbursements from your School.

Cancel

Next

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\* Privacy and Security\*

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Identity Verification	
Please enter the following information provided by your school:	nation so we can validate your information against records
Your Student ID:	» Learn More
Your Date of Birth: (MM/DD/YYYY)	» Learn More
Your School Email Address:	» Learn More
Pack Navt	
Back Next	

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### Blackboard transact.



» Sign out

#### Your Funding Method History

Below is a summary of payment method(s) you have selected for funds disbursements to date.

Date and Time of Selection	Funding Option	Bank Name (If ACH)	Account Number (If ACH)	Routing Number (If ACH)
08/20/2013 02:02:45 PM	Default			

I'm Done!

I Want to Update

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Welcome, Derrick!

Step 1: Choose how you want to get your funds once they are released by your school

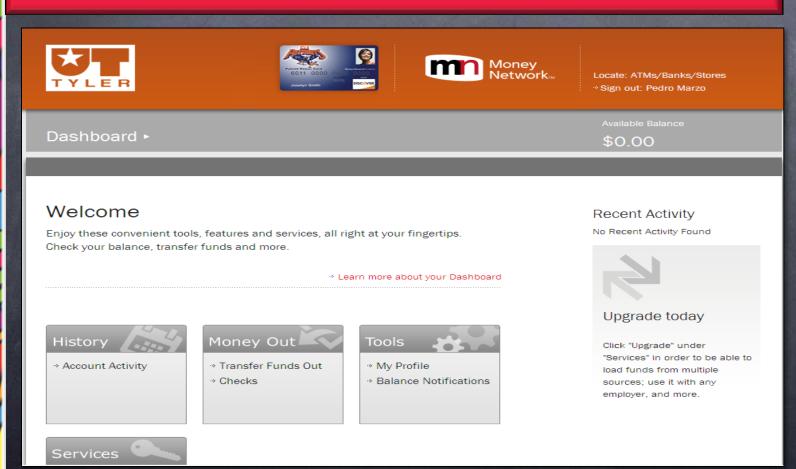
Funding Option	Timeframe for Funds Delivery	General Information
Money Network® Enabled BbU Test Card  Blackboard transact  6011 0000 0000 0000  Student Name Species 00001000007	Within one day (same day when school disburses them)	Accepted at over eight million merchant locations and 55,000 surcharge-free ATMs, it's a great way to receive and manage your money. FDIC insured with Zero Liability Fraud Protection. Click here to learn more.
O ACH Transfer (Deposit funds in my bank account)	3 - 7 business days after school disburses them	Choose this option if you'd like your funds deposited into your existing bank account. Have your checkbook or a deposit slip ready.
O Check issued by your School	Up to 14 days after your school disburses funds	<ul> <li>Delivery of check may vary by school. Please contact your school for details.</li> <li>Check cashing fee may apply (varies by check cashing location).</li> </ul>

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### **Debit Card Online Management**



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#### **Benefits for Schools**

- Partnership with a safe and responsible partner for fund management
- Blackboard/FD manages and maintains enrollment process including sensitive data collection and storage
- Customer support and marketing included
- Blackboard can provide additional technology and innovative solutions to campus



#### **Administrative Access – Sample Reports**

- Corporate Funding Account Transactions
- Student Account Funding
- Account Balances
- Account Statuses
- Card Status Summary
- Closed Accounts
- Registration Details
- Clients are required to "push" enrollment and funding files
- Clients may "pull" output files or request to have files "pushed" to the campus server for pickup, processing, and updating of SIS

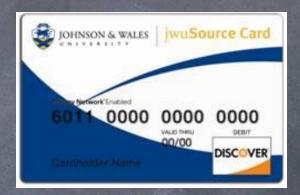
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#### **Co-Branding Opportunities**







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#### STUDENT COMMUNICATIONS







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#### STUDENT FINANCIAL LITERACY 101

(MYCAMPUSFUNDS.COM)



How-To

Personal Finance 101

Helpful Links

For Parents

Customer Service 1-800-822-4283

#### YOUR CAMPUS. YOUR FUNDS. YOUR WAY.

GET ACCESS TO IT ALL WITH JUST ONE CARD. IT'S EASY.

#### Get your financial aid balance transferred electronically directly to your campus card.

Now you can receive your financial aid balance, work-study\* or student payroll\* directly on your campus card. Your Money Network® Enabled Discover Campus Card gives you the purchasing power, functionality and security of a bank-issued prepaid card. Funds can be electronically delivered to your Money Network® Account in less time than waiting for a check or an ACH to clear in a traditional bank account. It's fast, safe and convenient!

Integrated Card Video

### Money Network Mobile App

Watch this demo and see how My MN makes it easier to manage your money.







#### ONE CARD DOES IT ALL.

Keep in mind this is not a credit card. You can only spend funds that are available on your Money Network® Account. The good news is that you will never incur an overdraft fee.

66

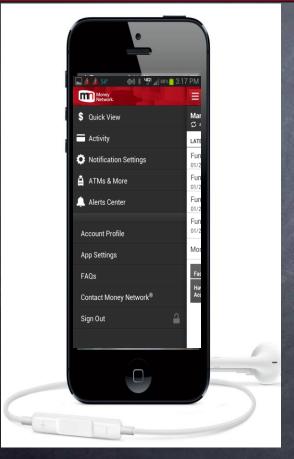
With my Jones OneCard,



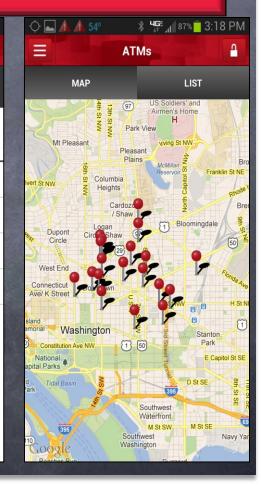
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#### **MONEY NETWORK® MOBILE APP**



STORY OF THE	Activity (\$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	% 3:17 PM
	Mark's Balance	\$601.93
	Filter by Date or Type	
	VIEWING ALL ACTIVITY	
1	Funds Transfer to NPC 01/25/2013	<b>-\$46.42</b> \$601.93
	Funds Transfer to NPC 01/25/2013	<b>-\$100.00</b> \$648.35
	Funds Transfer to NPC 01/25/2013	<b>-\$246.00</b> \$748.35
	Funds Transfer to NPC 01/25/2013	<b>-\$5.65</b> \$994.35
	Funds Transfer from N 01/25/2013	<b>\$1,000.00</b> \$1,000.00



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#### **Issues:**

- An existing One Card program with low average daily balances
- High costs associated with issuing checks
- **Need for an improved** system to ensure Title-IV compliance

### Salt Lake Community College

Solution: One Card integration with BlackboardPay

#### Impact:

- ✓ Average daily balance for campus One Card increased by 43 percent
- √ \$188,000 annual savings in check disbursement costs
- ✓ Increase in electronic check issuance from 28% to 44% of students

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#### Recap - Why Blackboard?

- Student-centric solution
- Faster than check and direct deposit
- Helps streamline processes and reduce expenses
- No annual fees, no card load fees
- Compliant with all applicable laws
- Safe, responsible, and secure disbursement option in a market full of uncertainty



### Wrap Up & Questions

THANK YOU!

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