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Best practices for a streamlined campus card/mobile credential transaction solution

Explore financial management challenges facing today's colleges, the value in developing a streamlined transaction solution, and benefits that come from making this move in today's competitive higher education environment.

In This Playbook

The degree of inconvenience for a college student, parent, or faculty member doing business via a disjointed and fragmented campus transaction solution is frustrating at best—the bookstore takes credit cards, the cafeteria uses a campus card, the laundry machines run on quarters, and the parking permitting office only takes cash or checks for payment. The fact that each of these campus engines is running on its own unique type of fuel, so to speak, forces users to have an ample supply of cash plus credit cards, campus cards, and even checks at any given time.

Frustrated users may not immediately credit the campus technology platform (or a lack thereof) with creating their challenges, but in most cases, a streamlined transaction solution is the missing link. In this playbook, we'll explore financial management challenges facing today's colleges, show the value in developing a streamlined transaction solution, and explain the benefits that come from making this move in today's competitive higher education environment.

The Beauty of Integration

Operating in an era where student expectations for service are increasing at a faster rate than college budgets, the institution that attempts to get by with a fragmented, traditional approach to campus commerce and transactions can quickly find itself out of the running for the best students. Managing this influx of digital natives isn't

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always easy, particularly when they arrive on campus already comfortable with tech-based tools.

Of course, streamlined transaction solutions benefit more than just users—such systems also help the institutions that employ them work smarter, better, and faster in an ever-changing business environment. "If you're not using an integrated transaction system, you don't have a true overall view of your campus," said Michele Arrandale, Director of Financial and Commerce Services for Blackboard Transact. "When everything is set up independently and operated manually, the sharing of information and collaboration among departments is nearly impossible."

A completely-integrated solution, on the other hand, effectively breaks down the silos that exist between college departments (bookstore, registrar, food service, dormitories, and so forth) and streamlines activities across the entire spectrum. For students, this means no more carrying around a pocketful of quarters for the laundry machine, a campus card for meals, and a credit card for the bookstore. For the college itself, it means relying on a single, unified solution to manage all commerce and transaction activities. "At the end of the day," said Arrandale, "you want to be able to use a single platform to view every transaction that took place with every merchant on campus. That's the beauty of integration."

Integrated transaction solutions aren't as complex and mystical as they may appear. In fact, they start with a single card or mobile credential that all users rely on when buying goods and services on campus. By combining this credential with a commerce platform, institutions can create seamless experiences for their students who gain unprecedented convenience and customer service. Your campus, in turn, benefits from a system that controls scarce resources, protects physical assets, and reduces

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overall costs. With tools like this working on their sides, institutions of higher education can begin building better educational experiences for everyone on and beyond campus.

Where PCI and EMV Compliance Intertwine

The tools universities use to process credit cards are subject to compliance rules for EMV (Europay, MasterCard, and Visa) as well as PCI Compliance. According to the Smart Card Alliance, EMV is an open-standard set of specifications for smart card payments and acceptance devices.

financial liability for card-present counterfeit fraud losses. If neither or both parties are EMV compliant, the fraud liability remains the same as it is today.

Eighty countries globally are in various stages of EMV chip migration, including Canada and countries in Europe, Latin America, and Asia. According to EMVCo, there are 1.62 billion EMV-compliant payment cards in use across the globe. In parts of Europe, 95% of terminals are chip-enabled, compared to 79% in Canada, Latin America, and the Caribbean, 77% in Africa and the Middle East, and 51% in Asia Pacific.

Migration to EMV is expected to reduce counterfeit card fraud, enable cardholders to use secure EMV payment

The EMV specifications were developed to define a set of requirements to ensure interoperability between chip-based payment cards and terminals. EMV chip cards contain embedded microprocessors that provide strong transaction security features and other application capabilities not possible with traditional magnetic stripe cards.

EMV compliance includes the shift of counterfeit card liability. If a card-accepting or card-processing vendor has deployed EMV-compliant technology, it is protected from

cards globally, and prepare for near field communications (NFC) mobile contactless payments.

Introduced in 2006 with the origination of the PCI Security Standards Council, the Payment Card Industry Data Security Standard (PCI DSS) protects credit card users from security breaches. An open global forum, the council develops, manages, educates on, and raises awareness of the PCI Security Standards, which include PCI DSS, Payment Application Data Security Standard (PA-DSS), and PIN Transaction Security (PTS) requirements.

Colleges and universities face an interesting set of challenges when it comes to PCI compliance. As they continue to offer and expand payment options for students, faculty, and administrators, schools are being forced to manage growing volumes of payment card information. As student populations grow, so do the requirements around protecting all payment and credit card data associated with those constituents.

Arrandale said that while PCI Compliance and EMV are different initiatives, the two do intertwine at points. "A school that's using EMV and point-to-point encryption is making its whole environment more secure," she said, "and that's what PCI is all about—setting standards for security."

The "Cashless" Campus

Today's student ID credentials serve as much more than just meal tickets. The "cashless campus" gives students the opportunity to gain access to their dorms, make off-campus purchases, and get their laundry done and paid for. And because many students have been using non-cash payment types since middle school, they expect this continued convenience from their college experience.

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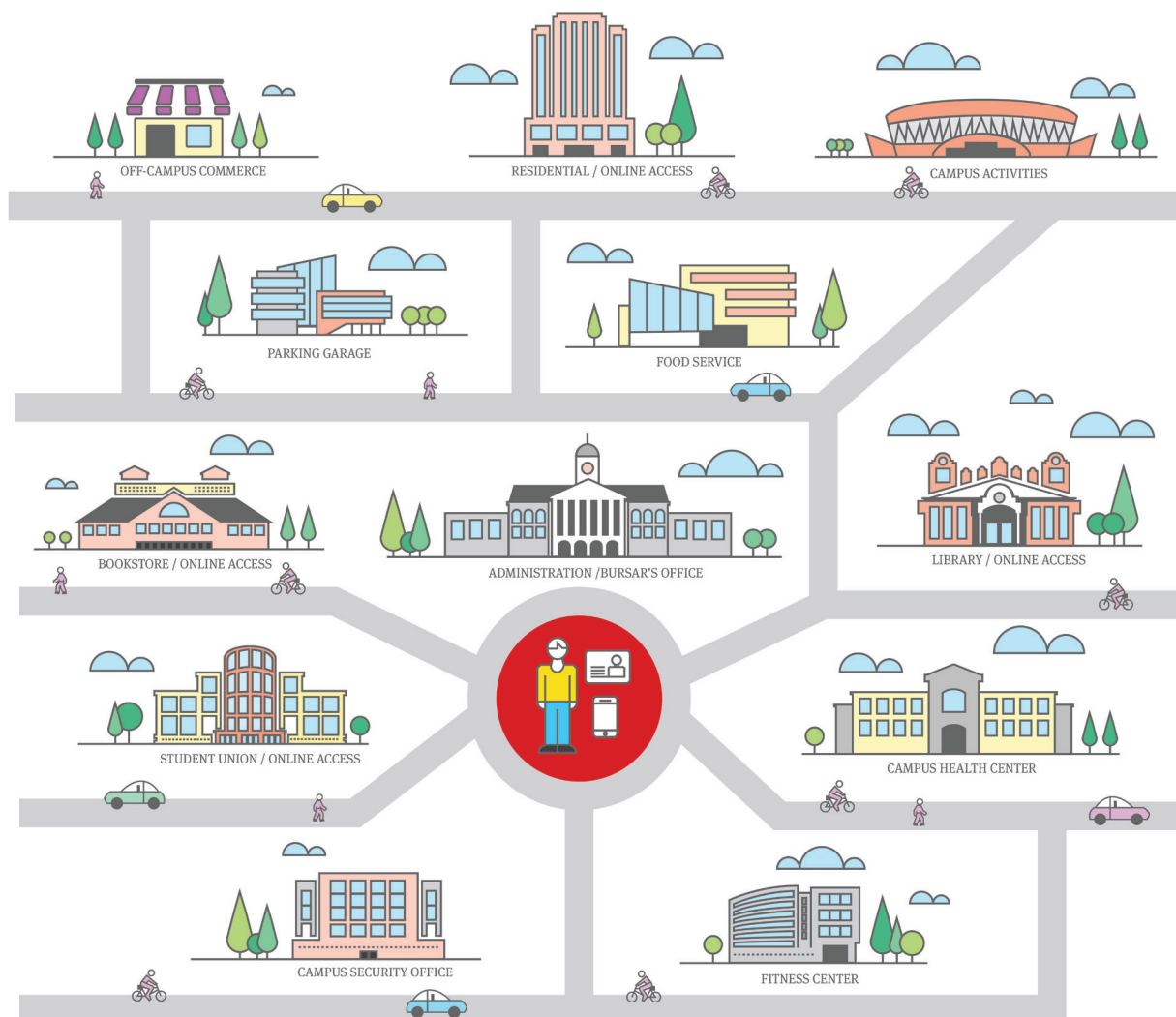
Enabling the Mobile Ecosystem

With such a high percentage of students, faculty, and staff toting smartphones, it just makes sense to allow a mobile credential stored on those devices to perform all the same functions that the users' campus cards can do. Blackboard Transact offers a turnkey, mobile platform that allows universities to provide a high level of customer service to their users while also ensuring a secure experience.

Using near-field communication (NFC), for example, Blackboard's mobile application stores encrypted cardholder information on the users' phones. Presenting their phone to any of the NFC-enabled readers on campus allows for an over-the-air contactless transaction that is both convenient and highly secure.

Students can simply download an application to one of the many NFC-enabled handsets on the market today. Once they log into their campus account via the smartphone, the user's campus ID is securely loaded to the device, after which the phone can function securely as the student ID card. Students gain the mobility they are accustomed to, schools can rest assured knowing the data is safe and secure, and the mobile ecosystem operates in a streamlined fashion. It's a win-win solution for all.

Getting Out of the Starting Block

Now more than ever it's critical that colleges and universities deliver the safety and convenience students have come to expect while squeezing the most out of reduced budgets. To achieve this difficult balance, colleges are using integrated solutions that provide innovative answers for exterior and cashless commerce, interior building access on and off campus, campus-wide video surveillance, and financial services.

Blackboard's Arrandale advised that institutions looking to streamline their campus commerce approaches should start by reviewing current electronic transaction systems. Then, focus on creating a more robust, integrated infrastructure with the right products and/or platforms.

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Be sure to factor in user preferences, she said, and understand that some students will want closed-loop cards (which contain no network names and are only for use at specific locations/merchants), while others prefer network-based debit cards, and even others like pre-paid cards.

"Your goal is to make the service available to everyone," said Arrandale, "regardless of whether someone is placing an order at a counter, online, or via a mobile phone."

The Integrated Commerce Solution in Action at Santa Clara

As with many colleges and universities today, data and physical security at Santa Clara University has taken on a heightened sense of importance. Keeping their students safe is paramount to university administrators. That's why Santa Clara—when facing the prospect of issuing new ID cards to its entire campus—decided to make an investment in the future with contactless technology from Blackboard.

"Santa Clara University is in the Silicon Valley and I think it goes with the territory of being in the Silicon Valley as to how we use and promote technology to enhance campus security and student life," said Nirmal Palliyaguru, Director of ACCESS and Conference Services. "We saw Blackboard's Contactless solution as a way for us to keep pace with rapidly-changing technology by adopting a solution based on industry standards. We knew that Blackboard Transact would not only help us solve today's challenge of increasing data security, but also help us establish a base from which we could expand the platform in years to come."

Santa Clara's initial foray into contactless has included the reissuing of more than 15,000 contactless ID cards to students, faculty, and staff that are enabled with FeliCa contactless technology in addition to a traditional magnetic stripe on the back of the card. In order to accelerate adoption of the contactless functionality as quickly as possible, Santa Clara outfitted point-of-sale registers in seven existing campus restaurants with contactless readers.

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Santa Clara's campus card system is used across campus for everything from dining and bookstore purchases, laundry and copy, off campus merchant management, and door access control. With point-of-sale registers already outfitted to process transactions via contactless, Santa Clara plans to next address door access and vending on campus.

SBCC Gains Integrated One Card Convenience On Campus

Throughout the 100-year history of Santa Barbara City College (SBCC), the college has evolved to the bustling educational epicenter of the community that it is today. With that growth, the community college has had to continually respond to demands of increasing enrollment. In response to the growth demands, the school committed to transitioning to an integrated student information system (SIS).

Simultaneously, the campus bookstore was looking for a debit card system that was less labor and time intensive, and the Campus Food Service Group was also on the hunt for a new point-of-sale (POS) system. These multiple needs throughout campus motivated SBCC to find an integrated solution that would meet the requirements of each

department while integrating seamlessly with the newly-adopted Banner SIS.

After reviewing multiple vendors, Blackboard Transact emerged as the solution that could create the integrated environment school officials were looking for. Once integrated, Blackboard Transact gave students and faculty/staff immediate cashless conveniences throughout campus.

Campus ID cards are now accepted as payment at dining facilities, the bookstore, the Van Share program, vending machines, and at the copy and print machines on campus.

While some accounts are restricted to just bookstore or dining, depending on what parents and/or students designate, some choose to put their funds in a Flex Account, giving students the ability to use their cards for commerce anywhere on campus.

The web deposit functionality of the Blackboard Transact system at SBCC allows parents to make web deposits to their student's campus account. Parents simply use the guest deposit feature to add a stored value onto their student's campus ID card. Real-time deposits mean that students have immediate access.

From the start, the college's IT team set a goal to increase campus card usage to ensure they were making progress with the new system; a benchmark was set to increase campus card usage by 20% in three years. To their delight and surprise, usage increased by 120% in just one year once Blackboard Transact was implemented.

Measuring the Benefits

Today's institutions are establishing environments in which students, faculty, and other community members can use universal accounts on campus, off campus, and online, for all financial transactions, activities, and access to facilities.

Student Life

› **Improve convenience and service:** Reduce users' "wait time" by implementing self-service kiosks and payment stations, and provide key services more quickly with reduced errors, enabling staff members to focus on other initiatives.

› **Obtain business intelligence:** Ensure better distribution of fixed resources, allocate staff efficiently, and ensure successful programs receive sufficient funding.

› **Cut operating costs:** Make processes more efficient and automated.

Payments and Financial Aid

› **Integrate payments across campus:** Improve convenience for users by enabling cashless transactions across campus.

› **Generate revenue:** Increase revenue by capturing off-campus transactions, while offering cardholders improved convenience.

› **Maximize cardholder deposits:** Allow online deposits and implement a comprehensive marketing plan to encourage offline deposits.

› **Reduce operating cost:** Facilitate financial aid credit balance disbursements, dramatically reducing administrative costs and improving customer service.

Access Control

› **Enhance community safety:** Create a cash-free campus and ensure only authorized access to facilities, buildings, and individual rooms.

› **Implement secure technology:** Integrate industry-standard data protection for technical and operational security.

Conclusion

The right campus card and mobile credential transaction solution will help you be more efficient, control costs, and have a global view of your program. At the same time, you'll ensure efficient use of fixed and limited resources by controlling access to computers, printers, events, programs, and more. Plus, your students and staff will spend less time waiting in line and more time enjoying consistent levels of service throughout their campus experience.

"Your campus system is the hub of the wheel, with many different spokes radiating out and touching various transactions and interactions on campus," said Arrandale. "When that hub is completely integrated—and when all of the spokes are working and collaborating in tandem—everyone benefits."

With the current and future demands of the digital age putting additional pressure on institutions of higher education, Arrandale said that an integrated transaction solution serves as a foundational piece of any school's overall operating strategy. Without this essential component, institutions and their students, faculty, and staff will continue to grapple with the challenges presented by siloed, fragmented systems. "When you tie all of these critical systems together under a single umbrella, the benefits to everyone involved can be significant."

About Blackboard Transact

Blackboard Transact delivers the security and convenience of a single, unified card and mobile credential system that not only meets your campus needs, but transforms your students' overall campus experience. It provides unified transaction, security, financial, and off-campus solutions—from building access and online financial aid disbursement to campus meal program management and on-and off-campus purchasing. For more information visit http://www.blackboard.com/transact.

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