

Business Operations
Ofelia San Pedro, Deputy Superintendent

SUBJECT: REQUEST THAT THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, RECEIVE A REPORT ON THE FEASIBILITY OF IMPLEMENTING A PILOT ON-LINE MEAL PAYMENT SYSTEM AND PAYMENT BY PHONE FOR PARENTS TO USE TO PAY FOR STUDENT MEALS AND AUTHORIZE THE USE OF THE PARENT ACCOUNT MANAGEMENT SYSTEM (PAMS) AS A PILOT PROGRAM FOR ACCEPTING ON-LINE AND PAYMENT BY PHONE FOR STUDENT MEALS DISTRICTWIDE

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

At the School Board Meeting of July 12, 2006, Ms. Perla Tabares Hantman, Vice Chair, proffered Item B-10, authorizing the Superintendent to explore the feasibility of implementing a pilot on-line payment system and payment by phone for parents to use to pay for student meals, which was approved by the full Board.

Staff has researched various on-line meal payment programs and conducted a feasibility study of receiving, processing and reconciling on-line payment for student meals at fourteen (14) school sites throughout the district. School sites selected to conduct the feasibility study were school cafeterias that have a high level of cash collected on-site for prepaid meals. The lunch payment system evaluated in the feasibility study, termed PAMS (Parent Account Management System), allows parents/guardians to pay on-line via the internet or by telephone for their student's school meals with a credit or debit card and has a fully hosted and established user interface. Staff in the Office of the Treasury Management, Information Technology Services (ITS) and the Department of Food and Nutrition evaluated a bank-hosted on-line payment system under state contract. Although the fees charged are lower, the interface to the district point-of-sale system is not part of the services. The ability to interface to the District accounting systems is crucial to recording and reconciling the on-line payments in an automated process.

In the PAMS system, parents/guardians are charged a 4.6% fee per transaction and are able to access the following information for the student's meal account: view the student account balance, schedule automatic payments, receive low balance e-mail reminders, and view a report of daily spending and cafeteria purchases. PAMS is a subsidiary of Prepaid Card Services (PCS), the district's point of sale software used in all school cafeterias. The technological interfaces between PAMS and PCS allows for effective communication between the on-line payment, and downloading into individual student meal accounts at their school cafeteria. In addition, PAMS has the capability to be expanded to accept parent payments for other school accounts such as after-school care or other fees.

The feasibility study occurred between August 18, 2006 and September 18, 2006. As of September 18, 2006, 391 parent accounts were established, serving 789 students and collecting \$4,100 of on-line payments. The payments received through PAMS successfully downloaded into student's meal accounts, allowing for seamless pre-payment collection for student meals.

As part of the service, PAMS operates a website, www.PayPAMS.com, through which parents or guardians of students attending participating schools may make single or automatically repeated prepayments for meals. PAMS also establishes and maintains a relationship with payment processing firms to accept the user's payments on-line via the PAMS site, and then forward the funds received to the district. District administrative functions include the ability to view deposit reports on-line, sorted by school and by student, monitor communication between PAMS and district cafeteria meal account software and reconcile payment status reports to ensure payment information was imported accurately by school point of sale software.

There was no cost to the district to test the feasibility of PAMS and limited staff time was required for implementation of the feasibility study as the PAMS system interfaces with the existing cafeteria point of sale application. Additionally, the PAMS website can be easily linked to the Department of Food and Nutrition website, the Parent Portal or other designated websites by the district for a districtwide pilot program evaluation. The ease of operation and interface of PAMS with student meal accounts allowed for a real-time feasibility study at no cost to the district. Staff recommends expanding PAMS districtwide for this school year for school meal payments only. Information gathered from the pilot will be used for preparing a Request for Proposals that would expand on-line and payment by phone systems for additional district services in the future.

- RECOMMENDED:** That The School Board of Miami-Dade County, Florida:
- 1) receive the feasibility report of implementing a pilot on-line meal payment system and payment by phone for parents to use to pay for student meals; and
 - 2) authorize the use of the PAMS System districtwide as a pilot program for accepting on-line and payment by phone for student meals for the 2006/2007 school year only.

OSP:gw