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First cross-campus interoperable card program a success for Boston's Colleges of Fenway

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By Andy Williams, Contributing Editor

Six colleges, located around Boston's famous Fenway Park, have something in common besides their affinity for the Boston Red Sox. Their student campus cards can be used interchangeably among the six schools. It took a consortium to make that happen, as well as a card company with the technology and expertise to meet the consortium's unique needs.

"It's one of the coolest and most dynamic projects I've ever worked on; it's innovative on many different levels," commented Taran Lent, Vice president of Product Development and Management for CardSmith, the company that installed the card system for the Colleges of Fenway.

The Colleges of Fenway, a consortium of six colleges established 10 years ago, "was created for just this type of opportunity," said the consortium's executive director, Claire Ramsbottom. Its members are Emmanuel College, Massachusetts College of Art, Massachusetts College of Pharmacy and Health Sciences, Simmons College, Wentworth Institute of Technology, and Wheelock College. Five are private; only Massachusetts College of Art is public, she added.

"These are very distinct institutions. Emmanuel College is a Catholic institution founded in the early 1900s," she added. "Simmons has an all women's undergraduate college. Wentworth focuses on technology. They're all very different institutions with long standing heritages."

"When the presidents (who serve as the organization's governing board) created the consortium, they wanted to enhance opportunities for students, staff and faculty," said Ms. Ramsbottom. One of the first opportunities they put in place was the ability

for students to cross register for courses between the colleges, with no additional tuition charged.

Other opportunities include an intramural program for the six institutions. "It would be difficult to for each campus to sustain an intramural program on their own. Together, we have over 2,000 students who participate in that program. We also have an orchestra and we've launched a dance program, things that colleges want to do. By coming together we can build the critical mass to do it more effectively," she said.

Origins of the Fenway Card program

Instead of each of the six schools with student populations ranging from 700 to 2,800 handling the purchasing, staffing and operation of their own campus card programs, the consortium brought in CardSmith to implement a global program connecting all six campuses.

"The beauty of our arrangement with CardSmith is that it allowed our smaller colleges to do things they normally couldn't have done."

She noted that a shared card system started as a discussion among the schools' IT directors and some of the chief financial officers. "We had built a fiber optic network which connected the campuses. That allowed us to significantly increase the bandwidth. When we were building that network, we had a lot of discussions about other opportunities. Technology seemed the key and a card system was one of the items put on the table. At that time, two of the colleges had invested in proprietary systems. One realized it needed a significant upgrade and that was when we looked at having one card program for all six institutions managed by a joint card office."

She said the consortium wanted the students to have something portable so that "they could eat in the dining hall at another campus or use the soda machine, etc., on any other campus."

Outside consultants quickly showed the consortium that the cost of "putting in our own proprietary system was daunting," said Ms. Ramsbottom.

"Our centralized processing center eliminates the need for deploying a local IT infrastructure," said Mr. Lent. "That's what takes up so much time. All we need is an active data jack and we'll take care of everything else."

"We asked our consultants to check out CardSmith, which was launching another Boston-based program at Berklee College of Music. Berklee had a very positive experience which merited further investigation," continued Ms. Ramsbottom.

Berklee is not a member of the consortium, but its experience gave CardSmith the inside track to obtain the Fenway contract.

"We started in late Fall 2005 to check out CardSmith." By early 2006, the decision was made to go with the company. "We had it up and running that fall," said Ms. Ramsbottom.

"CardSmith offered us an alternative to get it done quickly while mitigating our financial investment," she added.

To get the six schools "to cooperate is really impressive," said Mr. Lent. "It required a solid commitment and leadership from the presidents and their key administrators."

"The first true multi-school interoperable program"

CardSmith, based in Doylestown, Pennsylvania, "is relatively new. We were the underdogs for that project. The Colleges of Fenway's consultants, who looked at all the different players, came to the realization that the only way it could be done was to use our centralized technology and managed service approach. We delivered more in two to three months of implementation than a lot of schools have done in one to two years. But the schools also deserve a ton of credit for the leadership and commitment to making the project succeed," said Mr. Lent.

He described the program as a first for the industry – "a true multi-school interoperable program, the first time six schools simultaneously developed and launched an integrated campus card community. The six campuses are so close to one another that a common program enables cardholders to more easily utilize each other's resources. The schools and the consortium said, 'Let's cooperate and provide a service experience greater than we can working alone'," he added.

Mr. Lent describes CardSmith as "an outsourced management service provider. We're the first and only company to provide centralized processing technologies coupled with complete outsourced management services enabling clients to outsource some or all of their card operations."

To enable that business, CardSmith had to develop a centralized campus card transaction processing center. "That's one thing that's unique. We think of ourselves as a very different kind of company. As ongoing service managers we are also daily users of our own technology. This is very different from a company that sells and licenses software and leaves the rest for clients to figure out on their own. For example, we provide a toll-free help desk providing live customer care to students,

parents and merchants so we are very intimate with the nuances and challenges of running a high quality card operation."

To show the student acceptance of the Fenway Card, Ms. Ramsbottom noted that Wentworth's enrollment in the Fenway Card surpassed what it previously had on its own card.

Each school issues its own cards, maintains its unique identity and can even customize aspects of the program to their individual campus. "We created a common brand, the Fenway Card. While each has a look and feel specific to each school, every card also has the Fenway Card branding and logo," Mr. Lent added.

As Ms. Ramsbottom further explained: all students are required to have the Fenway Card, since it does serve as the official campus ID, but they're not required to put cash on the card. In the card's bottom right hand corner beneath the student's photo, is the Fenway Card logo. "Everything to the left is up to the campus to populate. Each card has the name of the campus on it. However, when you go into any place that accepts the card, the Fenway Card logo is the common denominator. We agreed also on the coding (for the magnetic stripe)."

The financial applications are driven by the magnetic stripe. Security and access applications are powered by either the magnetic stripe and/or proximity technology, said Mr. Lent.

"One trend we see is that more and more schools, particularly in metro areas, are partnering with specialized security companies for building and door access solutions. We coordinate and integrate with leading security firms to make sure that the card is compatible with both platforms," he said.

CardSmith also recommends that clients follow the national and international card number and encoding standards defined by ISO to ensure current and future compatibility with open-ended systems and avoid the pitfalls of using non-standard programs that lock them in with proprietary providers.

At Colleges of the Fenway, the flexible spending account is called Fenway Cash. "Every cardholder has that account available on their card. You put money in that account, and it's similar to cash," said Mr. Lent. "But most cards also have additional accounts linked to the cards. There might be a mandatory meal plan, a print account or financial aid. Most cardholders have four or five different accounts."

CardSmith also has a feature which it has nicknamed "beg-o-matic," with which a student can email his or her parents a request (with a compelling argument) for more money. The student's email contains a hyperlink which will take the parent

directly to the Fenway Cash web site, where the parent is able to instantly add money, said Mr. Lent.

However, students own and control their account. "They can optionally set it up so mom and dad can access the account and define what privileges are allowed. For example, the student may allow the parent to add money but not view the student's balance or history. It's a privacy feature," he added. "If they don't want parents to see where they're spending the money, they have that option. It's their decision; we put them in the driver's seat."

Off-campus purchasing

Before the Fenway Card, none of the institutions offered off campus use of their cards, but that has changed. According to Mr. Lent, "we have recruited about 50 merchants in the Boston community to date."

Schools invest significant time and money supporting and marketing the program to maximize student participation, said Mr. Lent. "Accepting merchants do pay a commission on the transactions, and we share those commissions with the schools 50-50."

He said that when the Berklee College of Music card was launched, "we recruited 20 or so merchants. Because of how CardSmith's central platform works, Fenway Card users are able to use the card at merchants in the Berklee neighborhood; and Berklee cardholders can use their card at Fenway merchants in the Fenway area."

CardSmith has no proprietary readers or software at point of sale. "We use industry leading devices and deploy one terminal for the merchant. They only need one to accept all seven schools' cards," added Mr. Lent.

In Ms. Ramsbottom's opinion, the whole operation has been a smooth transition. "They've (CardSmith) signed up the local businesses; we've canvassed where we wanted readers, they've installed the readers. They helped produce the marketing materials for mailings to students. They helped develop a web site where students could add value to their cards."

By the end of January 2007, "we had over \$1 million that students had put on the cards," she said. Currently, 52 off-campus merchants accept the Fenway Card. Revenue (commissions) earned from the off-campus programs is shared between the consortium and CardSmith, said Ms. Ramsbottom.

Eventually, she believes the colleges will add new applications. Some of their members already use the card to monitor door access. She points out, "we've agreed

on the common formatting. As campuses want to add functions, they can move ahead and do it."

Reports are provided by CardSmith. "We know how much money students have spent at a particular machine on which campus and where the student came from," she said.

The biggest challenge in the implementation, she added, was communications between all the players that were involved. "We might have a committee which represents a functional area, but does that infer that what the committee decides gets back to the right people (among the six colleges)? Some had card offices who understood; but others didn't, so it was a learning process for them."

And deciding where the card can be used off campus also has proved interesting. "We surveyed the students across the colleges, reviewed the list with the vice presidents for student affairs and an on-going operational team. They agreed that we didn't want anyone accepting this for cigarettes or at a local bar," she said, "but recently the question has been raised about local tanning businesses. We have a local tanning salon that has approached us about accepting the card. However, there have been some concerns raised that we will be promoting something that has health risks, so we bring the six colleges together and work to come to a consensus."

About CardSmith

Mr. Lent describes CardSmith as "a team of people who have been in the campus card space for 10 years. I believed that full-featured campus card programs were cost prohibitive and inaccessible to many schools. We looked at the market that wasn't being served and wanted to start making getting in the campus card business cheaper and easier. The Internet helped a lot because 10 or 15 years ago, the technology didn't exist. We studied bank card service models and got a lot of our ideas from that industry. Every bank doesn't own and operate its own credit card processing platform. They outsource to a small number of third party processors that have enormous economies of scale. Why not use a similar approach to benefit the education market?" he asked.

CardSmith has two processing centers, one in Brentwood, Tennessee, and the other in Louisville, Kentucky.

"One of the things we do is that we have a lot of redundancy, like two data centers capable of doing the same thing. If one goes down, the other jumps in. Think about some of these big schools that have a huge operation. Their campus cards power the commerce on campus and is mission-critical to the campus. How many of these schools have a second back-up system in the event of a disaster?" asked Mr. Lent.

He feels that with the Colleges of Fenway project, the consortium "has created a community that's bigger than each school on its own. The leadership demonstrated by each school should be a model to which other colleges can look. We all learned that you can do a lot more by collaborating and cooperating rather than working in your own vacuum. I'm happy that CardSmith could be a part of making it happen."