Jacksonville University's New Campus Card Program Makes Cash Unnecessary

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Jacksonville (Fla.) University plans to the launch an upgraded version of its campus card program next month, enabling students and faculty members to use their campus identification cards to make purchases both on and off campus, according to a July 13 announcement.

The university's previous campus card was a "self-operating proprietary system," Jay Summerall, president of CardSmith LLC, the Doylestown, Pa.-based campus card service provider backing the initiative, tells PaymentsSource. The program was basic and did not include such features as "an online presence for the program, a cardholder account center, an integrated Web-value transfer feature, a professional call center (help desk) for parents and off-campus acceptance," Summerall adds.

"We were basically at a crossroads with our existing program because the equipment was outdated," says Shari Stidam, the university's network administrator. "We also wanted to rebrand and relaunch the system to generate more excitement and garner more participation from students," she adds.

The university's upgraded magnetic-stripe Dolphin 1Card now includes library privileges, door access, dining-plan access and Dolphin Dollars, the university's prepaid account students may use at campus dining locations, bookstores, and copy and print stations.

Students also may use their cards at participating local merchants and at the network of participating merchants in the University of North Florida's Osprey 1Card program, which CardSmith also supports. Participating merchants at the University of North Florida include Applebee's IP LLC, CVS pharmacies and Chipotle Mexican Grill.

Participating merchants may accept cards from any program CardSmith supports, Summerall says. Merchants use a small Hypercom Corp. terminal that also can accept bankcards, which shows merchants that "our model is a very efficient way for them to participate" because they can accept more than one method of payment, he adds.

The one drawback for merchants is they pay a higher transaction fee to accept campus card transactions, Summerall notes. But the university also promotes the merchants on its website and on campus, he adds, noting students also may opt in to receive e-mails from participating merchants offering discounts.

CardSmith declined to comment on how much merchants pay to accept the campus cards it supports.

Some merchants offer a standing discount of a specific percentage off to students who use their campus card to make a purchase, "which is something we encourage merchants to do," Summerall says. CardSmith continues to work to "recruit local merchants" for Jacksonville University's program, he adds.

Because the service uses a closed-loop, private-label card, students only may use it as a payment device or as a means to enter campus buildings. The program does not include ATM access because the program is more of a "controlled spending" service, Summerall explains. "This type of system appeals to parents because they know where the student is using the money."

Additionally, when parents send their children off to school, the card gives them peace of mind knowing they can control the use of the funds to specific locations instead of just handing them cash, Stidam says.

To add value to a Dolphin Dollars account, students or parents either may send checks to the school or add funds online. To add value online, students or parents log on to the account and add funds using a stored credit or debit card number, Summerall says.

Parents or other family members also may add value through the "quick-add value" function, which enables users to search for a student by last name or other information and add funds to their account, he adds. Additionally, parents can set up a "recurring allowance," which automatically will deposit funds into the student's account on a specific date and each week or month.

Students and parents pay nothing to add funds to a Dolphin Dollars account.

Cardholders also may view transactions and manage account information from a dedicated website. CardSmith also will manage a toll-free customer-care line with live-agent support for students and parents.

CardSmith charges Jacksonville University a semi-annual fixed rate for the company's services, which include processing transactions, Summerall says. Additionally, to defray some of the program cost, "we share revenue with the university," he adds.

Jacksonville University hopes to launch the card for all students, staff and faculty members in mid-August.