

Tuition PayDirect Frequently Asked Questions

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For Families Using Tuition Pay Direct

Q: How are funds directly withdrawn from my checking or savings account?

A: Only with your authorization after agreeing to the online ACH agreement that is presented after you set up a bank draft in Tuition PayDirect. No one may automatically deduct money from your account without your authorization.

Q: Are electronic payments risky?

A: No. An electronic payment is safer than writing a check and it can't be lost, stolen or destroyed in the mail. All Electronic Fund Transfer (EFT) transactions are governed by strict national rules and guidelines. Over four billion EFT transactions are processed annually in the United States.

Q: When are automatic payments withdrawn from an account?

A: Payments made before 8 PM EST are withdrawn the next business day. Payments made after 8 PM EST are withdrawn two business days later.

Q: If I don't write checks, how do I balance my checkbook?

A: Your payment, whether it is a recurring or one-time, is made on a pre-established date so you will know the date to deduct the payment from your check record. Automated emails will also inform you when transactions occur. The emails serve as helpful reminders to add payments to your check book.

Q: How do I get a receipt of my payment?

A: An acknowledgement of you payment can be printed from the website. A child care receipt of payment needs to be acquired from your child care provider.

Q: What is ACH

A: ACH stands for Automated Clearing House. It is a large electronic network of financial institutions that support the processing of electronic fund transfers. Typically these fund transfers are between bank checking accounts. Tuition PayDirect uses the term ACH to represent the electronic transfers that are between bank checking accounts, as opposed to credit card accounts.

Q: Who are OnCare Services and EasyDraft?

A: Your child care provider is partnered with two companies to provide a secure and simple online payment service for you. OnCare Services designed the Tuition PayDirect solution and EasyDraft is the payment service provider for this website.

Q: How do I keep an accurate record of automatic tuition payments?

A: Your bank statement will include an itemized list of automatic payments made from your account(s). A transaction history in Tuition PayDirect will also provide a record of each payment you make using the service.

Q: Will my bank charge a fee for using Tuition PayDirect?

A: No. Electronic funds transfers carry no bank fees. However, your child care provider may charge a convenience fee to offset fees they incur for offering online credit card and banking services.

Q: What is a convenience fee?

A: A convenience fee is a transaction charge some child care providers may require families pay to process automatic payments through Tuition PayDirect. Some childcare providers use the fee to offset the cost of offering Online electronic payments using credit and debit cards and direct bank account withdrawals.

Q: What is the advantage of setting up a Stored Funding Account?

A: When you create a stored funding account, Tuition PayDirect safely stores your personal, credit and debit card and bank account information. You save time making payments by eliminating the need to re-enter information with each payment. You may set up more than one stored funding account to alternate payment methods when account balances fluctuate. This is helpful if you want flexibility to choose either a credit card or a bank account. When setting up a recurring payment, you are required to set up at least one stored funding account to use when payments are due.

Q: What if my credit card expires or I change my bank account information?

A: You will need to update you stored funding account information with the new credit/debit card information or bank account information. Go to the Funding Accounts page in Tuition PayDirect to update account information.

Q: What browsers does the Tuition PayDirect website support?

A: Internet Explorer versions 6 & 7, and Firefox version 3.

Q: How do I receive a payment confirmation email and what does it include?

A: Payment confirmation emails are sent to the email address of the account holder when a payment is processed, for both one time and recurring payments. The email will contain information about who made the payment, what accounts or credit card was used, and the payment amount.

Q: Why am I not receiving payment confirmation emails?

A: Some email servers set up spam filters to block suspicious emails. Check your Junk mail folder, check for payment confirmation emails, and update your email account to accept email from that sender.

Q: Who do I contact if I have any questions?

A: Send an email message to tuitionpaydirect@oncareservices.com.

For Merchants (Child Care Providers) Interested in Tuition Pay Direct

Q: Is there a minimum number of transactions that must be processed each month?

A: No, however there is a minimum monthly fee for ACH transactions. Merchants will be billed \$19.95 on the first ACH transaction and following transactions will be posted against that fee until the merchant goes over the minimum. At \$0.50 / transaction, it is necessary to have 40 or greater transaction per month.

Q: What needs to be submitted in order to set up the Tuition PayDirect service for my business?

A: Four forms

- Sage Merchant Application, which will require the following accompanying documents
 - 2 years financial statements
 - A copy of your business license
 - A voided check for the deposit and withdrawal bank accounts. These can be one and the same.
 - A recent merchant statement if customer is an existing credit card merchant
- Company Set up Information Sheet
- Signed Agreement with EasyDraft
- Signed Agreement with OnCare Services

Q: How long does it take to set up a Tuition PayDirect website?

A: Once a merchant has submitted all the necessary paperwork (see above) and there are no additional questions it typically takes less than 5 business days to make the customized Tuition PayDirect website available for testing. Merchants will then test the site before linking to their own web pages, or sending out the link to families. Once approved, the merchant's site will be deployed to a production server.

Q: What is the relationship between EasyDraft, Sage and OnCare Services?

A: OnCare Services has a partnership with EasyDraft to develop, maintain and deploy secure online payment solutions for the childhood education market. EasyDraft manages the website that collects the banking information and processes the bank and credit card payments. In the case of credit card payments, EasyDraft collects the credit card information and sends it to Sage for credit card payment processing. When you get billed for the online payments each month, EasyDraft will send a bill for the Bank drafts that have been processed by your site, and Sage will send a bill for the credit card transaction fees associated with your site.

Q: Can I set up my Tuition PayDirect service to offer just ACH, or just credit card payment options?

A: Yes, you can offer just electronic check payments or just credit card payment options within Tuition PayDirect. Both options can be offered in combination as well.

Q: Can I select to offer just credit cards or just debit cards as payment options for my customers?

A: Credit cards and debit cards are bundled together as a single offering and can not be selected as separate payment options in a Tuition PayDirect configuration.

Q: What is a reserve account?

A: Normally it takes 4 days to clear a customer's online bank check with their financial institution. However, if the merchant would like to get funds deposited the very next day they can set up a reserve account with EasyDraft. This account will cover any drafts that do not clear the bank due to insufficient funds, closed accounts or frozen accounts. By funding a reserve account, merchants receive better cash flow and access to funds. The typical reserve account fund is 3% of the monthly transaction amount that your merchant account processes. This amount can be adjusted if the merchant's bank returns are less, or greater, than the industry average. If a merchant does not want to fund a reserve account, the ACH transactions will be deposited in the merchant's account 4 days after being submitted and funds are confirmed by the bank.

Q: When are family payments deposited into a merchants account?

A: Deposits are made 4 days after an ACH transaction is submitted by a parent (unless a reserve account is set up; see below), or 3 days after a credit card transaction is made in Tuition PayDirect.

Q: How will the merchant be billed for the bank transactions that occur on Tuition PayDirect?

A: The transaction fees and costs will be billed to merchants once a month. EasyDraft will send merchants a monthly transaction detail and invoice report roughly two weeks after the close of that month. (E.G. on March 14, childcare providers will get the bill and transaction detail report for February) Then, roughly 1 week after the transaction report and bill is sent, EasyDraft will withdraw funds from the merchants bank account. A manual check does not need to be cut to pay the invoice.

Q: How will the merchant be billed for credit card transactions that occur on Tuition PayDirect?

A: Credit card payments are processed by Sage and their billing and invoicing process very similar to EasyDraft. A transaction detail report will be emailed to the financial contact at the merchant during the first week of the month after billing period. Fees will be will be withdrawn from the merchants designated bank account that same week.

Q: Can I use separate bank accounts to collect funds from families paying with Tuition PayDirect, and to pay the fees owed to EasyDraft and Sage?

A: Yes, the Company Setup questionnaire provides a space to designate different accounts for deposits and withdrawals.

Q: Can I accept business account information for ACH payment of child care?

A: Yes

Q: What if I have an existing merchant account with either Discover or American Express

A: The rates you have negotiated with these credit card companies can be carried over to Tuition PayDirect. Simply write the existing merchant account in the appropriate fields of the Sage application form. Your OnCare Services representative can help if you have any questions.

Q: How do I reconcile the payments made by families with Tuition PayDirect to my deposit account?

A: Part of the Tuition PayDirect solution includes a management application called EasyDraft Manager. This application allows the merchant to track payments through the processing, returns and deposit process. Child care providers will be able to see which families have paid for which children during any specified date range. The provider will also be able to see when those payments have been deposited into the merchant bank account. Using this tool childcare providers can reconcile the payments made in Tuition PayDirect with the center accounting systems and the merchant bank account.

Q: What if I open a new early childhood education center?

A: Simply contact a OnCare services representative and they will help add the new center as an option to the Online payment site.

Q: Can families dispute a credit card transaction made through Tuition PayDirect?

A: Yes, as with any credit card transaction the consumer can dispute charges. The card holder has 6 months to dispute a charge and if they win the merchant will be responsible for the charge and any associated chargeback fee.

Q: What is PCI

A: PCI stands for Payment Card Industry and this acronym is commonly associated with a security standard that ensures the personal and financial information handled on Tuition PayDirect is secure. OnCare Services and EasyDraft have ensured that this standard is met and is regularly audited to ensure that family data is safe & secure.

Q: What is NACHA

A: NACHA stands for the National Automated Clearing House Association. This organization develops electronic solutions for the ACH payment system in the United States and ensures that rules and regulations developed for this system are adhered to by participating organizations. EasyDraft is a member of NACHA.

Q: Who do I contact if I have any questions?

A: Email: tuitionpaydirect@oncareservices.com or call: the OnCare Services Hotline #: 1-866-921-4267