JACKRABBIT TECHNOLOGIES

E-Commerce Set-up Guide: Integrating Jackrabbit with your Studio Autopay Merchant Account & Gateway

August 23, 2011

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How to Use this Guide – Please review before starting:

This guide is organized in the following way:

Step 1 – Gain an understanding of the overall process of HOW e-commerce through Jackrabbit works.

Step 2 – Select a partner (Merchant & Gateway) to use with Jackrabbit

Step 3 – Set up your chosen partner with Jackrabbit and test your connection

Step 4 – Understand how to use e-commerce going forward.

After reviewing this guide, please also view the Jackrabbit User Guide for more in depth descriptions on posting fees and payments and accurate revenue reporting.

Step 1 - How Jackrabbit interfaces with your chosen Merchant Account / gateway.

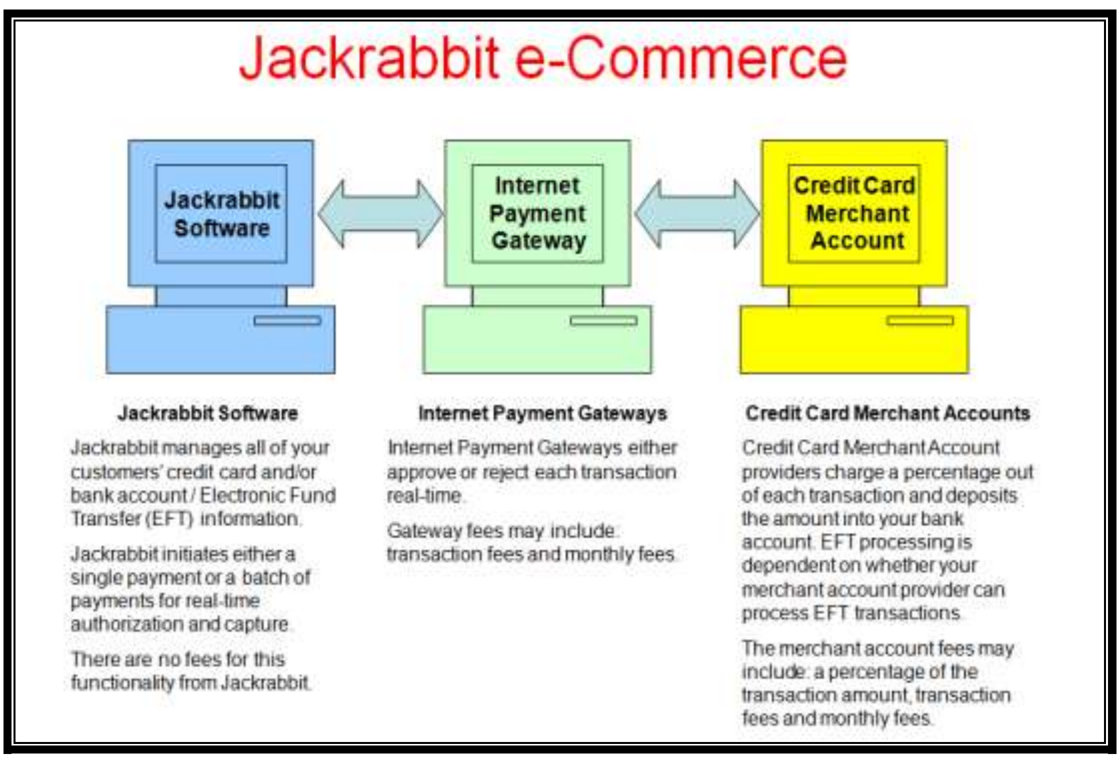
Watch the 

Charging credit cards and drafting bank accounts is easy when using Jackrabbit alongside your Credit Card Merchant Services Provider. Jackrabbit stores the credit card/bank account information within your database and transmits it to your processor.

You have the ability to click a button in Jackrabbit that will initiate a charge through your credit card processor to either a single family or a batch of families. Jackrabbit will record the payment transaction created by your processor on the family records in Jackrabbit and will also keep the balances updated.

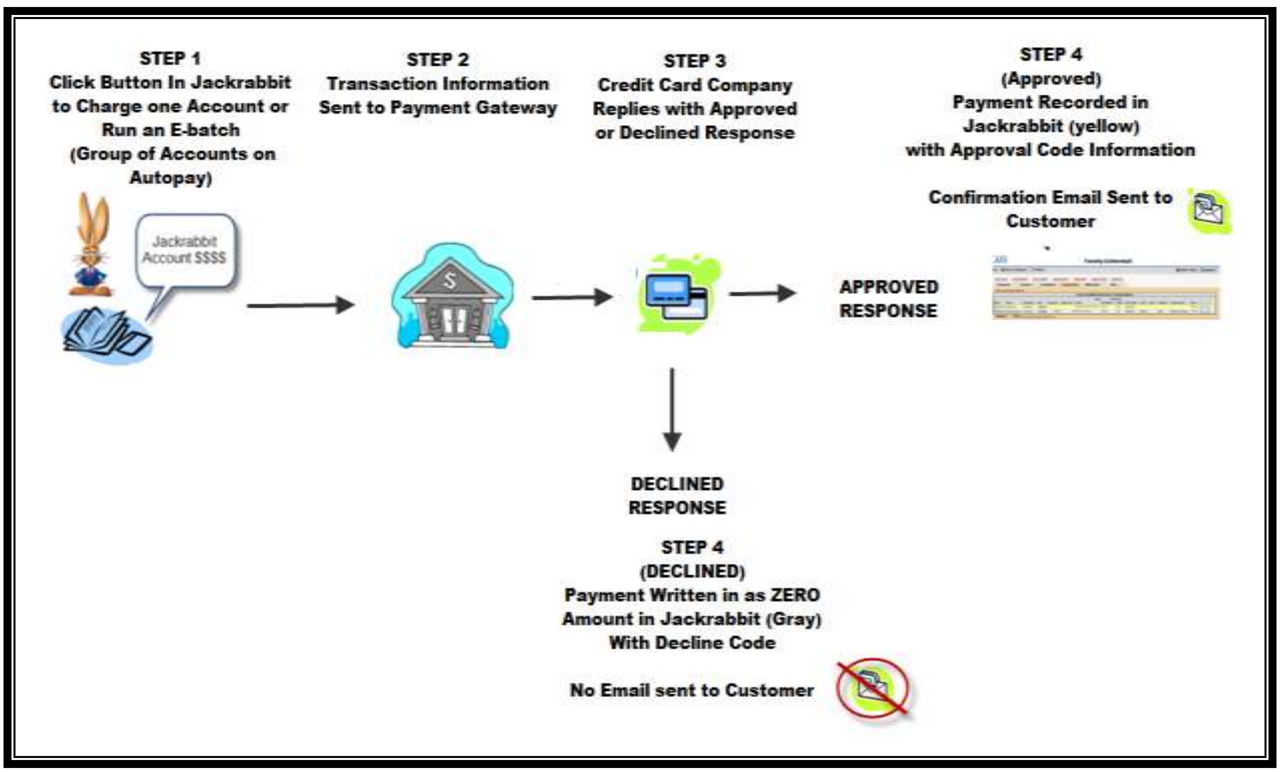
Note: e-commerce is not available during the Jackrabbit Free Trial period. If you wish to implement e-commerce and by-pass your Free Trial, fill out the BUY IT NOW form on the Jackrabbit website.

We adhere to all the security regulations regarding the handling of sensitive financial account information.



How it Works (see below)

1. Family credit card/bank account information is stored in Jackrabbit on the Family Billing Tab
2. Jackrabbit keeps track of each families Transaction balance.
3. You initiate a charge to a family's credit card/bank account to pay the balance on the account using Batch e-Payments or initiate a single charge using the e-Payment button
4. The billing information and the family balance is passed through the Gateway to your Credit Card processor.
5. Your processor charges the credit card and sends an approved or declined response back through the Gateway to Jackrabbit.
6. Jackrabbit updates the family's transaction record. Jackrabbit recalculates the balance based on the response from the processor and inserts notes on the transaction with information provided by your processor. (Including any declines or errors provided by your merchant.)
7. Either your merchant or Jackrabbit sends an email receipt to the Billing Contact found in Jackrabbit and to your organization's email.



Step 2 – Select a Merchant and Gateway compatible with Jackrabbit

You must have a **Merchant account** (credit card processor) and a **Gateway Account** to initiate e-Commerce transactions from Jackrabbit. If you are already accepting credit cards, then you already have a Merchant account.

Merchants that are Not Compatible with Jackrabbit

Jackrabbit does NOT interface with Pay Pal. Jackrabbit can only do e-Commerce functionality within the US and/or partially with Canadian accounts. Canadian accounts do not yet have the ability to do Bank Drafts because of Canadian banking formats. (Further information on the Canadian Merchant Connection can be found later on in this document.) International clients cannot yet access e-Commerce connectivity.

You CAN connect to Quick Book's Merchant Services through our Studio Autopay or Safe Save Gateways. Contact Support

If you already have a Credit Card Merchant Account

If you have a credit card processor and wish to keep that Merchant, please contact Customer Support for the Gateway options we have available. You must have a Jackrabbit accepted Gateway.

If you want the Ability to Draft Bank Accounts with Jackrabbit

Drafting Bank accounts requires a special application from your payment processor, so please let your merchant know if you plan to draft bank accounts.

Canadian users of Jackrabbit Software

Studio Autopay is currently not set up to handle Canadian banking transactions. The only Merchant/Gateway compatible with Jackrabbit for Canadian clients is Safe Save Payments Inc. Please see their contact information below:

Safe-Save Payments – Preferred Vendor

To Contact Safe-Save:

For a FREE – NO OBLIGATION rate quote, please call 1-800-220-8611.

If you already have a merchant account, email (sales@safesave-payments.com) or fax us (800-220-3510) a merchant statements for a Free Statement Analysis and comparison.

Cody Miller
Merchant Account Customer Service Specialist
Safe-Save Payments
Phone: 1-800-220-8611
Email: sales@safesave-payments.com

Multiple Merchants and one Jackrabbit Database

You have the ability to have multiple merchant accounts within one Jackrabbit database. There are two important considerations before you decide to add an additional database.

1. Revenue in Jackrabbit is tracked by a FAMILIES location. Families are able to enroll in Classes at any location, but the money for enrollment is associated with the location found on the FAMILY page. This means you cannot bill based on a CLASSES location, but rather based on the location value assigned to the family
2. Once a Family is associated with a Gateway/Merchant account they must continue to process with that Gateway/Merchant account. You cannot switch processors unless you delete and reenter credit card information for that family.
3. You must use the same Gateway Processor for all accounts and each merchant account must have its own Gateway attached. You cannot have different Gateway companies.

For additional info: Please see the "how to manage multiple Gateways in this User Guide".

Step 3 - Your Choice is made! – Setting up your Studio Autopay Account with Jackrabbit

Studio Auto Pay/ACH Payments is your Credit Card Processor

If you have chosen Studio Auto Pay as your processor, please email Support and let us know if you are going to use SAP/ACH as your credit card processor. We will send you a detailed email with your next steps and testing instructions.

If you do **NOT** have a **Processing Password**, call ACH DIRECT Customer Service at 866.290.5400, extension 2. You must provide your 6-digit Merchant ID and request your "Processing Password".

For Jackrabbit to connect to your SAP account you must supply the following information to Jackrabbit support:

- Studio Auto Pay Merchant ID (6 numbers).
- Processing Password (this was faxed to you by ACH Direct and is a mix of upper/lower case numbers and letters). **Please note. Jackrabbit cannot work with passwords that contain an & (ampersand) If you receive a password with an & (ampersand) in it, please request a change from Studio Autopay.**

IMPORTANT NOTES for Studio Auto Pay/ACH Users:

- When you go through your gateway training with SAP, you may be instructed to enter all of your billing information into your gateway. Because you are going to initiate the credit card charges/bank drafts from Jackrabbit, **YOU DO NOT NEED TO ENTER ANY BILLING INFORMATION INTO YOUR GATEWAY**.
- If you have ecommerce charges "Scheduled" in Studio Auto Pay, **YOU MUST TURN THAT FUNCTION OFF IN STUDIO AUTO PAY**! If you do not turn this off, you run the risk of double charging your customer's credit cards.

Because ACH Direct is testing in "live" mode, you will actually be charging a credit card. Given this fact, we suggest you test using YOUR own credit card and a SMALL dollar amount such as $1.

How to set up a Family for testing

How to set up a Family for testing

Action from the Main Red Menu – go to Families – Add Family

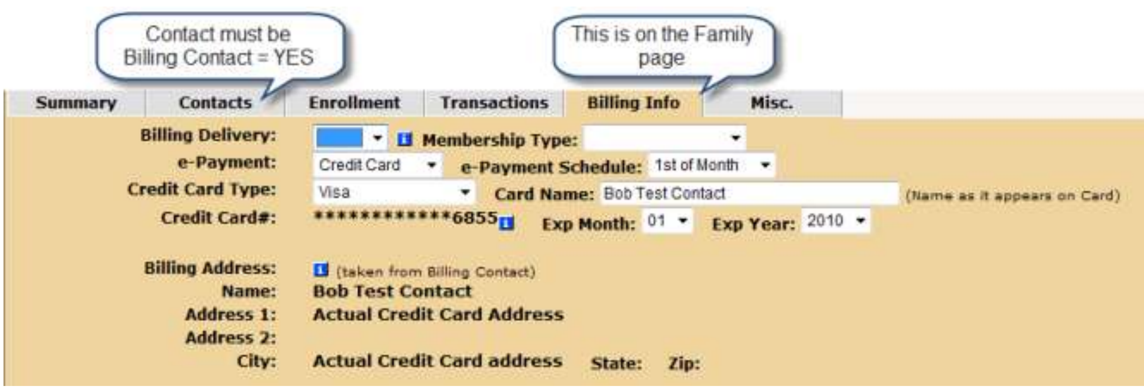
Please see how to name and input information based on the payment processor you use. The procedure is identical for all processors, but the information entered is different based on your processor.

- Create a test **family** in your database. See notation above. You can use a fake name for testing.
- Add a **Contact** to the Family by selecting the Add contact button. This Contact <u>must</u> have billing contact = yes and must have an address entered. This can be a fake address. After saving, select the Return to go back to the Family Screen.

- On the families **Billing Info** tab Enter: Enter the FAKE credit card numbers provided to you by support. Add the credit card type also under Credit Card Type. Enter a Name, Expiration information, E-payment type.
- Save all Changes

To summarize: Ensure you have set up a Test Family in Jackrabbit that contains the following:

- A Billing Contact is set up as Billing Contact = YES
- Billing Contact address is the same as the credit card billing address
- e-Payment Method = Credit Card
- Credit Card Type selected
- You must have a valid Expiration Month and Year (should be in the future)
- Credit Card Number, Expiration Date and Name should all be entered exactly as they appear on the actual card - to edit the card number just click on the edit prompt next to the encrypted credit card number.



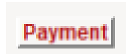
Testing Bank drafts/eChecks - These types of transactions cannot be tested because they are not processed in "real" time.

Testing your Connection once your families are set up

Action –> From the test FAMILY PAGE

You only need to test each type (Visa, Amex, etc) of credit card number you are approved to accept. Please also see the Charging a Single Family's Credit Card/Bank Account in this User Guide for added information and screen shots.

- Post a FEE to your family account via the POST FEE button 

 (Use a small amount such as $1). Do Not Use the Payment Field on this page.
- Select the "Payment" button 

 on your family's page.
- The Payment Transaction Entry screen will display showing the unpaid fees, family information and balance.
- Click the "e-Payment and Save" button.
- A small Post e-Payment window will pop up showing your name, credit card information and amount to be charged.
- Click "Submit e-Payment" button to initiate the charge to your card.
- While still on the Family page, select the Families Transaction Tab to view the transaction

Important: If the test is SUCCESSFUL, you will receive ONE of the following decline responses because you are using fake credit card numbers: Do Not Honor, Invalid Card Number, Authorization Declined, Call Voice Operator or Call Voice Center.

If you receive any response other than the ones above, use the Support button in Jackrabbit to send in an email. Please include the response/reason code you received.

Here is what the transactions will look like on the families Transaction Page:

What happens if you receive a DECLINE Response from Studio Autopay:

If you receive a declined response, check the information for the Test Family first to ensure that you have filled in all of the required fields. Here are the fields you should check:

- You have created a Contact and that contact has Billing Contact = yes
- E-payment type is set
- E-payment schedule is set
- Credit Card Number and Expiration Date are entered
- Name and Billing Address MATCH the credit card statement

If your Jackrabbit information appears to be correct, use these links to determine what the response code means and contact your merchant.

These Decline Response and Reason codes are generated by your processor/gateway, Studio Auto Pay, not by Jackrabbit. You must contact your processor/gateway account for an explanation. To receive an explanation for the Declined Reason code, the following resources are available:

For Studio Autopay users
Log on to http://www.paymentech.com/ for a list of code descriptions.

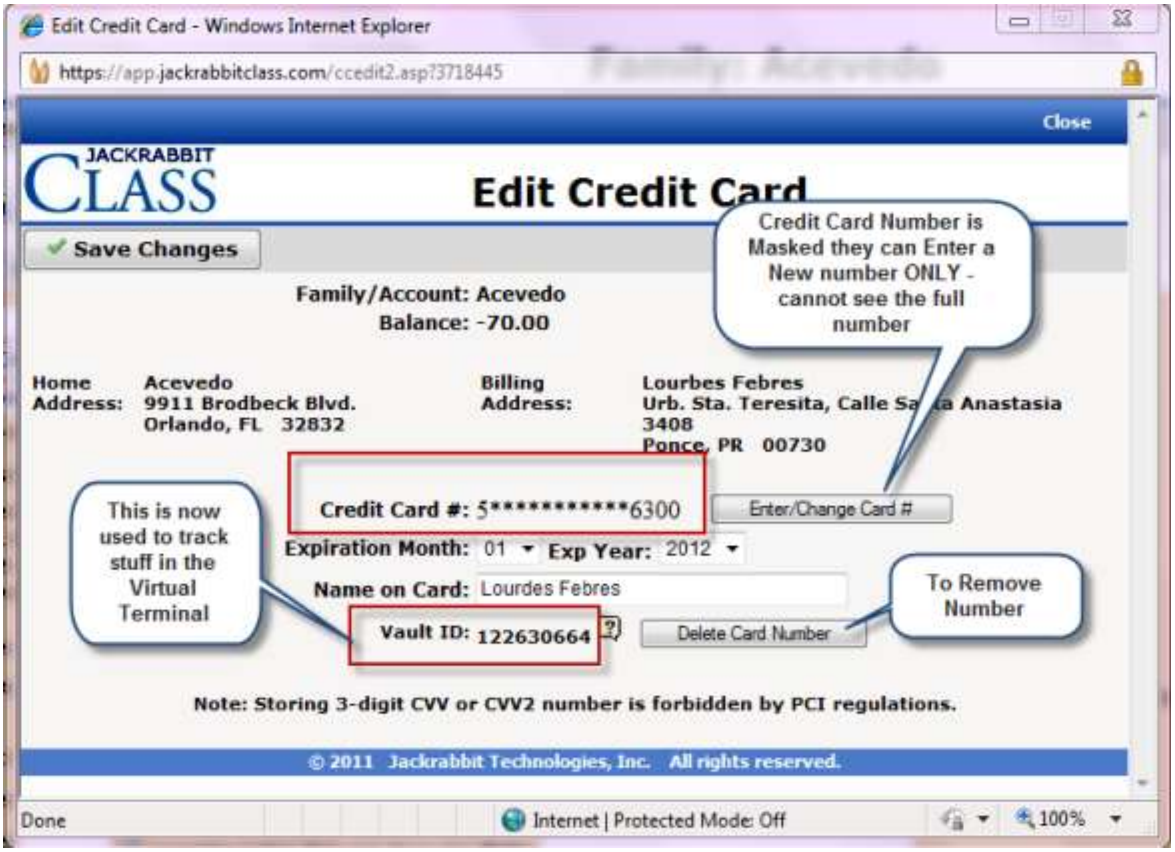
Why Can't I see the Credit Card Number – what is a Vault Id?

Masking:
This is the "Covering or hiding" the full credit card number after it has been entered. Once you enter the Credit Card number you will then see the first digit and last four digits. (For example: 4***********8184) Note: Cards starting with 4 are visa, 5 are M/C, etc. Masking is not applicable when entering a new number (Web Reg entry, etc), just like buying something online and entering your CC there – you can see it as you enter it. But on subsequent screens (anywhere it's displayed back to you after entry), it is masked.

Vaulting:
This is the service provided and controlled by the Payment Gateway. When you input a Credit Card number into JR and save, it is sent to the gateway and the gateway will add this new Customer and Credit Card # to its vault for this merchant. When added, the Gateway gives back to JR a "Vault ID" which JR holds on to in lieu of the Credit Card #. You will notice on the Billing Info Page – edit Credit Card Screen (i) that the information appears differently. The Credit Card is "**Masked"** and only shows the first digit and last 4 digits. A Vault ID has also been added. There is a (?) next to the vault Id field on the screen that explains this:

What is a Vault or Vault ID?
Credit Card details can be "vaulted" (securely stored) with some PCI-certified Payment Gateways/Processors. A Vault ID number signifies that the credit card number and details have been securely stored with your payment processor and no longer resides within your database. Only the first digit and last 4 digits are stored within your database. Processors that provide this feature typically allow you to see and manage your vaulted customer information within your Virtual Terminal, and they mask the full card number there as well. Studio Autopa/ACH has a "List Customers" link in their Virtual Terminal. You can also manually add/edit/delete information.

A client can NEVER find or retrieve the full credit card of a client, nor should they. They **CAN** look up customers by a Vault ID in their Virtual Terminal



Switching your customers from one Gateway to another

Once a customer has been vaulted their credit card is "store in their Gateway's Vault". It is not simple to switch a family from one vault to another. This process would require you to:

- Ensure the family is set to their ORIGINAL Vault Location
- Delete the Vault Id (you cannot edit it)
- Switch the family to the NEW Vault Location/Gateway – save
- RE-ENTER the Credit Card information and select the edit link on the credit Card field which will VAULT the credit card to the NEW Gateway.

*This requires the customer obtaining the Credit card information from the family.

Confirmation Emails sent to Your Client

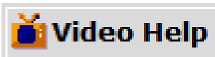
Once you are set up and using Jackrabbit's e-commerce. A confirmation email is sent to the client whose credit card was used when an e-Commerce transaction is processed. Who you have selected as your processor determines where the email is generated.

Because Studio Autopay is your processor, Studio Autopay does not send an email, Jackrabbit sends it for them. The email address for the BILLING CONTACT on the FAMILY page is used.

Having the Credit Card type show on each transaction

On the transaction field of each transaction, if you want the card type to show (ie: visa, Mastercard, Amex, Discover) please let customer support know by emailing them: support@jackrabbittech.com. Otherwise the term Credit Card will show in the Type field.

Step 4 - How to use e-Payments (e-Commerce Usage)

Watch the 

Jackrabbit can draft a family's credit card or bank account individually or draft a "batch" of accounts using the batch e-Payment function. There are important considerations for both.

Important Information about e-Payments

- Jackrabbit itself does not charge credit cards or draft bank accounts. Jackrabbit sends the information to your credit card processor. They do the processing and send approval/decline codes back to Jackrabbit. Jackrabbit does not approve or decline credit card charges. This is done by your processor and presented back to Jackrabbit.
- E-Payments (Single family or Batch) cannot be "scheduled" to occur automatically at a certain time of the month. You must click the "e-Payment & Save Changes" button (single family) or run the "batch e-Payment" function for the charges to occur. You CAN however select a time to bill a batch of people using the e-Payment schedule. This field defines when a family is charged. By selecting a schedule you are selecting all families that match the criteria.
- You will see a variety of search criteria for accounts (Families). For each account found, it will attempt to charge the outstanding balance (or the total amount of unpaid fees) against the credit card or bank account on file and, if successful, will record a "Payment" (credit) transaction. If Payment is successful and the billing contact has an Email address, an email receipt will be sent (depending on your processor - see User Guide). If the transaction is not successful or there is a problem with the billing information, the transaction will be color-coded in red. The Response Code, Reason Code and Reason Text will also give you an explanation.
- Though Jackrabbit updates the family's record with the transaction information generated and received from your processor, you should always log into your processor's virtual terminal to see what has occurred (settled, been voided, received, etc) concerning your e-Payments.
- Don't get confused on the Payment Trans Entry screen. The "e-Payment & Save Changes" button initiates a charge to a single family's credit card. The "Save Changes" button simply records a payment transaction on the family record in Jackrabbit which indicates that a payment was made.

Setting up a Family for e-Commerce e-Payments

This is a repeat of the set up you did when creating a test family in Jackrabbit to test your e-commerce

- Navigate to the appropriate Family page.
- On the Contact page, a Billing Contact must be set up as Billing contact = YES.
- Billing Contact address is the same as the credit card billing address.
- e-Payment method = credit card. If you have both credit card and bank account information entered on a family's billing information page, the system will look to this field to determine which method to use.
- e-Payment schedule = 1st of the month (or some other value).
- Credit Card Type selected.
- Credit Card Number, expiration date and Name all accurate to actual card.
- Billing Delivery – if set to "email" an email will be sent to the billing contact's email address when their credit card is charged.

For Credit Card Families

- e-Payment field = "Credit card" (REQUIRED)
- Credit Card Type= Visa, Mastercard, Discover, American Express (REQUIRED)
- Credit Card Number - (click the icon) to get pop up window. Enter full card number, save changes. You will notice only last four digits of the Card number are visible on the main billing information page. This will be replaced with a Vault ID once you save.
- If the credit card number needs to be changed, you must overwrite the existing number.
- Exp Month and Year. (REQUIRED)
- Billing Address and Name - Display only. This is pre-filled from the Billing Contact record. (REQUIRED)
- Save Changes.

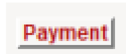
For e-Check (bank draft) Families

- e-Payment field = Bank Account. (REQUIRED)
- Bank Name, Routing #= , Account #=. (REQUIRED)
- Bank Account Type = checking. (REQUIRED)
- Account Name (this is the name on the account). (REQUIRED)
- Billing Address and Name - Display only. This is pre-filled from the Billing Contact record. (REQUIRED)
- Save Changes.

If you are an older Orbital customer that does not have a Studio Autopay account and e-check capability you must use NACHA files. See information on how to create NACHA files further on in this document.

Charging a Single Family's Credit Card/Bank Account

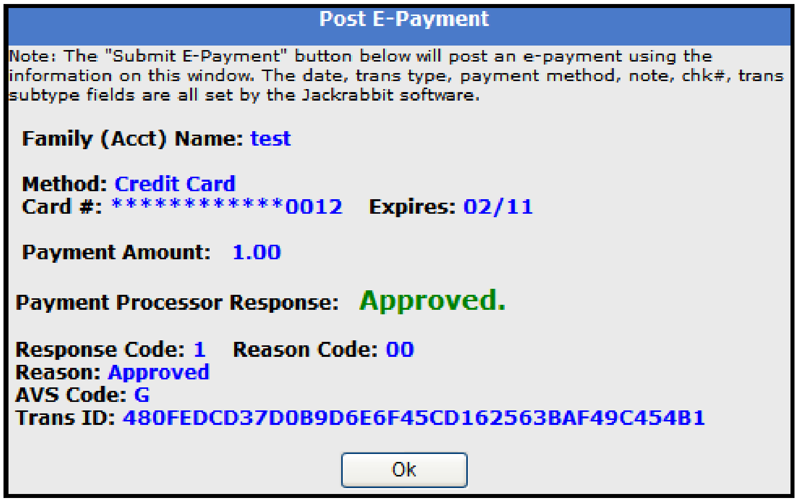
Action –> From the FAMILY PAGE

- Select the "Payment" button 

on the Family's record.
- The Payment Transaction Entry screen will display showing the unpaid fees, family information and balance.

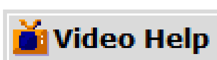
- The Payment Amount will default to the total balance owed by the family. If this is not the amount to be charged to the credit card/bank account, edit the "Pmt Amount".
- Apply the payment to the fees as usual. You may also edit the "Apply Amt" with a lesser amount to make a "partial" payment against a fee.
- Click the "e-Payment and Save" button.
- A small Post e-Payment window will pop up showing the family name, credit card information and amount to be charged.

- Select the "Submit e-Payment" button to initiate the charge to the card. Jackrabbit will send the information to your processor, who will attempt to charge the account and return an Approval or Declined message. The window will show you the approved or decline response.



- Click Ok to close the window and be taken to the Family's Main tab.
- On the Family's Transaction Tab, if the e-Payment was approved, a "yellow" payment transaction is written. This includes the approval code and transaction ID. If the transaction was declined, a ZERO (Grey) payment transaction is written with the declined code and transaction ID. If declined, please refer to the "Decline Response and Reason Codes from Processors" section on Page 15 of this guide.

Charging a Batch (group) of Families' Credit Card/Bank Account

Watch the 

You can charge a whole batch of credit cards and/or bank accounts at one time by using the "Batch e-Payment" function under Transactions.

You also have the ability to preview and edit the list of accounts to be processed. You can also view their unpaid transactions prior to submitting the batch for processing.

You will see a variety of search criteria for accounts (Families). For each account found, it will attempt to charge the outstanding balance (or the total amount of unpaid fees) against the credit card or bank account on file and, if successful, will record a "Payment" (credit) transaction. If Payment is successful and the billing contact has an Email address, an email receipt will be sent (depending on your processor - see User Guide). If the transaction is not successful or there is a problem with the billing information, the transaction will be color-coded in red. The Response Code, Reason Code and Reason Text will also give you an explanation. For more information, please consult the User Guide.

Please see the Jackrabbit User Guide – for more in-depth instructions on processing e-batch payments.

Reconciling your Bank Deposits with your Bank Account Drafts

Because Bank Drafts are not done in "real time" and may take 5-10 business days to actually "settle". Bank Drafts are APPROVED initially (unless the bank or routing number is invalid). When we receive this response from your merchant, this is what is recorded in Jackrabbit. We do not receive further information from your merchant after the transaction has settled (declined or accepted).

For Example the Transaction WILL have an approval Code:

Transaction Inserted Successfully. Approval Code= Trans ID# 1275520313

This just means the transaction was successfully INSERTED and accepted by the ach system and does not mean the bank draft actually settled. and the transactionn was approved and successfully settled. If it does NOT settle fore example, you will receive a notification from the gateway (as long as you are step up for this)

You will need to follow up with Studio Autopay or your bank to find out if any of the bank drafts were actually DECLINED. The easiest way to do this is to run a deposit slip report (in Jackrabbit) with Bank Drafts as the Payment Type and match this to actual Bank Deposits. Any deposits missing would need to be checked in your virtual terminal to see if they were declined.

If an account has been declined, you must edit the family's transaction in Jackrabbit to reflect that the payment did not go through and they still owe the balance. You must delete the payment.

See the Main Jackrabbit User Guide on how to adjust an account that must have a payment removed. Unlinking Fees and Payments section

The Importance of the E-payment Schedule

E-Payments cannot be scheduled by a "clock" or "calendar" to occur at a specific time. The e-Payment schedule field is the FILTER to select which families will be part of the e-batch for a selected date. If you offer more than one option as to when you charge a client's card, you must set the e-Payment field to match that date. If a family is part of the 1^{st} of the month group when you select this schedule to run the e-batch, they will be billed when you run the e-batch on the first of the month. The same is true for the 15^{th}. **You** drive the schedule.

If you are charging credit cards for some clients and drafting bank accounts for other clients, you will run the Batch function two times (once for Credit cards and once for bank drafts).

Things to Consider Before You Run a Batch e-Payment

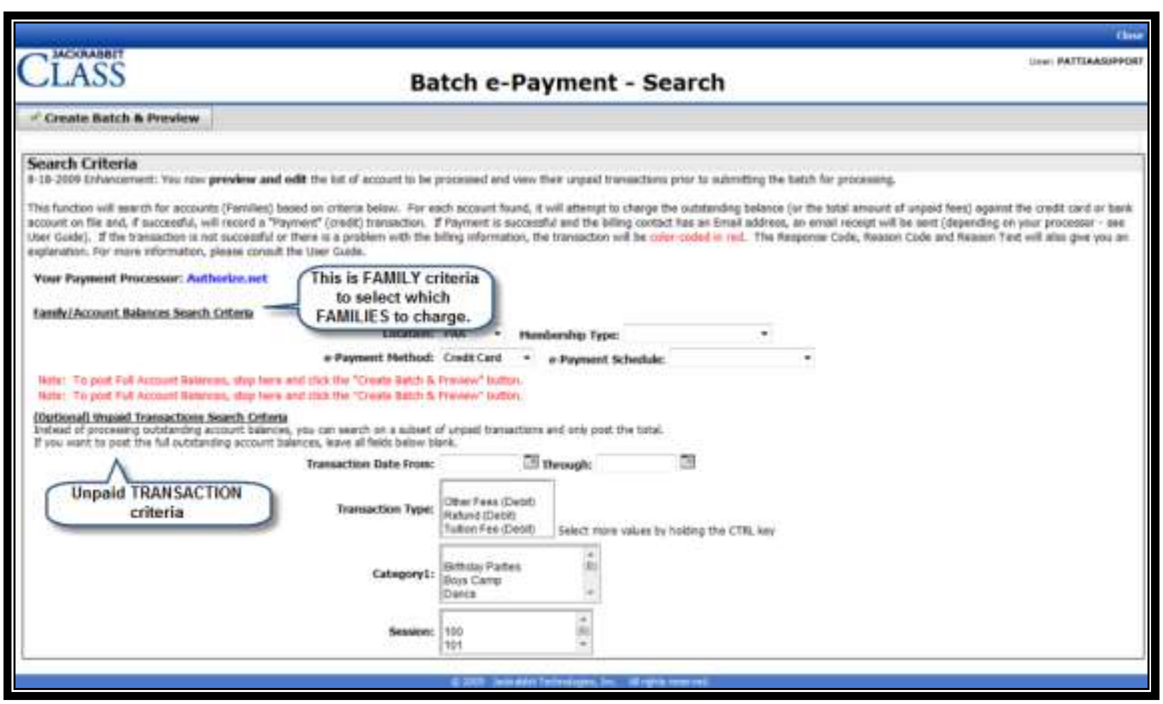
- A User must have their PERMISSIONS set to "see" the Batch e-Payment function under the Transaction menu.
- Each family must have their "e-Payment" field = CREDIT CARD or BANK ACCOUNT on their Billing Info tab.

- Each family must have their "e-Payment schedule" field set on their Billing Info tab.
- Each family must have a contact with Billing = YES and the full address associated with that credit card/bank account.

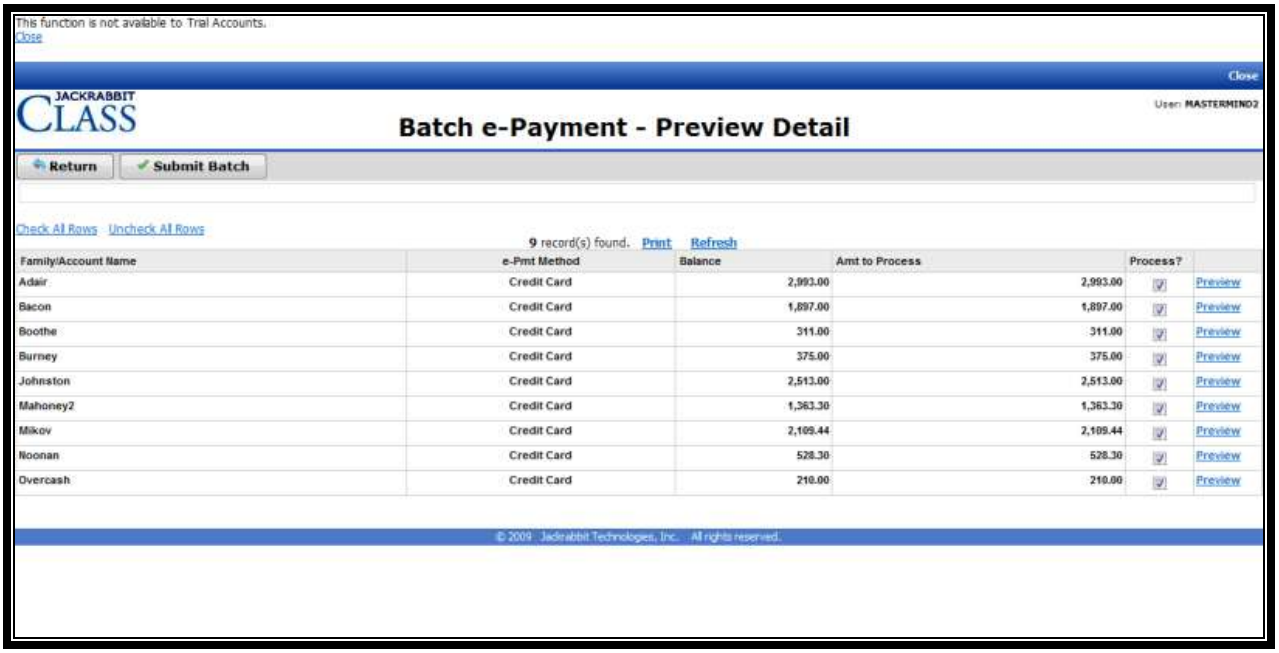
Use the E-payment Listing REPORT to see your family information and look for any "holes" in the information.

Action –> From the Red Menu Bar – Transactions – Batch e-Payment

- From the Red Menu Bar, select Transactions and click on Batch e-Payment
- From the field drop down boxes – select your criteria:
- Location – if you are a multi-location organization, you must run this for each location. There is FAMILY criteria and UNPAID TRANSACTION criteria
- You have the choice of posting the entire account balance or a portion of the account balance (based on the transaction criteria) that you can preview.
- Once the posting is complete, a list is returned for each family with their results.
- If your processor has declined the transaction, this transaction should be color-coded in red. The Response Code, Reason Code and Reason Text will also give you an explanation. If declined, resolve the issue and re-post until approved.



The Batch e-payment – Preview screen allows you to review what amount is charged to the family. The PREVIEW link on the right allows you to look at the family's transaction page. You can also REMOVE people from the posting by unselecting the PROCESS box.



Crediting a Credit Card or Voiding a Credit Card Transaction

Because Jackrabbit does not process e-Commerce transactions (Jackrabbit stores the information and sends it to your credit card processor for processing), posting credits or voiding credit card charges (e-Payment transactions) CANNOT be done through Jackrabbit.

This must be performed through your gateway account, Authorize.Net, Orbital (STUDIO AUTOPAY) or Studio Auto Pay/ACH. Using your gateway's virtual terminal, you can credit the credit card or if caught in time, void the e-Payment transaction before it is processed. Please contact your credit card processor/gateway if you have questions. This will record a refund on your client's credit card, which you will also need to record in Jackrabbit. Using this procedure will keep revenue reports balanced.

There are 2 ways to do this.

Option 1
One way is to edit the original payment and modify it to reflect what was really paid(a lesser amount or $0) You can put a notation in the notes field of the transaction, but this leaves less of an "audit trail" - record the fact that they once paid and you refunded the money back to them.

Option 2

- Select the EDIT link on the payment.

- Select the VIEW LINKED FEES button on the Payment – and document which FEES the payment paid off.
- Select the Un-link button on the payment and unlink it from all fees
- Ensure the DATE PAID was removed from the 2 fees it formerly paid off. If they are not automatically removed – remove them.
- Edit the FEE amount down to what they are now paying and make a notation as to why their amount has been reduced.
- Edit the original payment and re-link it to all the fees now posted on the account. The balance should be $0 and all payments and fees are re-linked.

For further information on this procedure, please refer to the Jackrabbit User Guide and search for Posting Fees and Applying Payments to a Family.

Using this procedure will "un-pay" any fees that were paid off by this payment and will reset the balance.

Payment transactions created through e-Commerce (e-Payments) CANNOT be deleted unless you have permission to do so. Also, the date, amount and type cannot be changed unless you have permission to do so.

Stopping a Bank Draft once Submitted

Jackrabbit DOES NOT DO ANY actual processing of the draft and we cannot credit an account or stop a draft. (Jackrabbit stores the information and sends it to the processors to be drafted.)

To give your client a refund (put money BACK into their bank account), you must go through your processor.

Once an NACHA file has been uploaded or a bank draft initiated, there are usually a few hours before the draft goes into processing by your merchant provider. During this window of time you can log into your processor's virtual terminal and delete the draft waiting to be processed. If you have any questions about how to do this, you must contact your Processor. You must then make changes to the family records in Jackrabbit to reflect what you and your processor have done.

Procedure for Recording Refunds

Definition: Jackrabbit defines a refund as when a customer is actually being returned money and not just being given an account credit. (For account credits, please see the Procedure for Recording Credits further on in this section) This refund feature records that money has been given to the customer and is reflected in revenue reporting.

In Jackrabbit, Refunds are entered via the REFUND button on a Family's page. The Refund button creates TWO transactions, one REFUND REQUEST (debit) and one REFUND GIVEN (credit). Because Jackrabbit uses a process of "Linking Debits and Credits – Fees and Payments", it requires these two transactions, that once "linked", record the return of money to your client and adjusts your revenue reporting.

The reduction in revenue is displayed on the following reports: Deposit Slip, Paid Fees, Summary, Revenue Summary and Dashboard.

The procedure for recording refunds is dependent on the details of the refund. Generally, there are three types of refund circumstances:

1. **A full refund.**
2. **A partial refund**
3. **A partial refund combined with an account credit.**

Examples are outlined below. Whenever possible, try and apply your circumstances as closely to the examples below.

Important concepts to consider when doing refunds are:

- *The Refund Button is a REVENUE ADJUSTING function. There are still additional transactions that are required to adjust an individual Family's Transaction Page.*
- *The Refund Button should be used to record the Return of Funds (based on payment method) to the Client…an audit trail of cash, check, credit given.*
- *The ORIGINAL Transaction and the associated Category 1 value must always be considered when refunding money.*

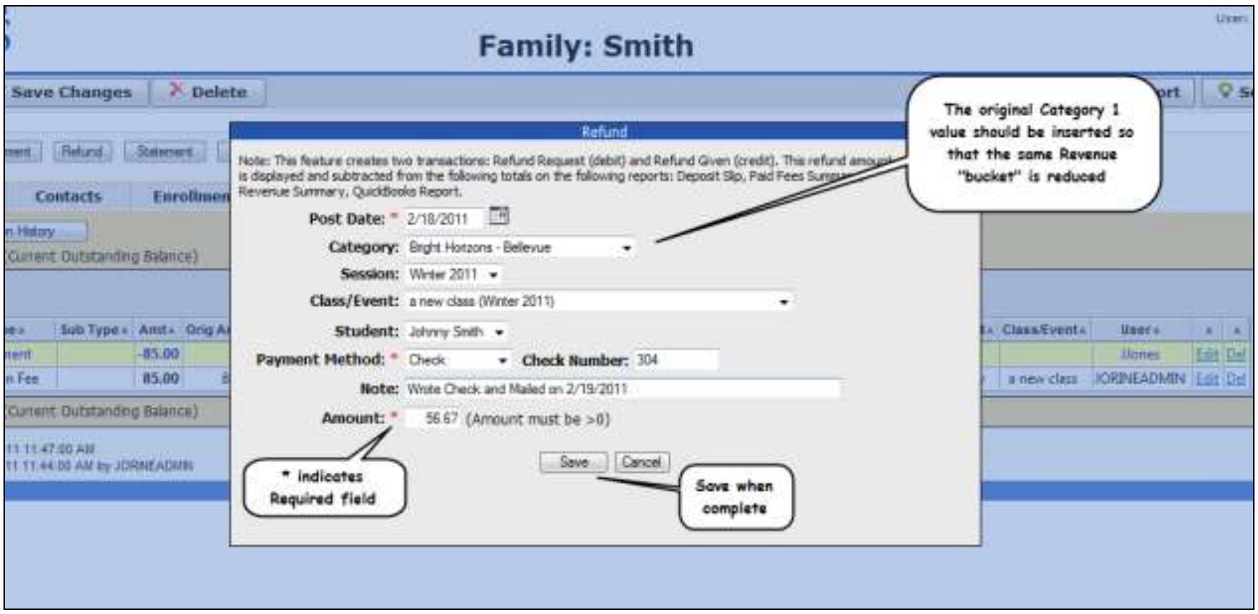
Jackrabbit CANNOT process Refunds to credit cards automatically. You must manually refund a client's Credit Card through your POS machine or Virtual Terminal and then record the refund in Jackrabbit in the method described below.

Here is an example of posting Refunds in Jackrabbit:

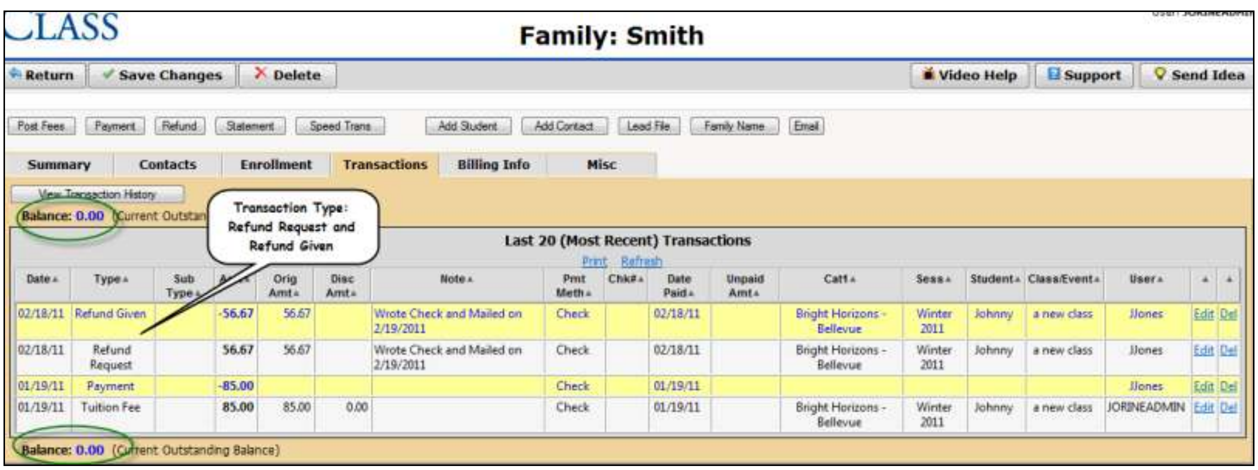
The Smith Family enrolled in a class in January, the tuition Fee for the class was $85.00. Unfortunately, they had to drop out of the class and you are happy to refund them two thirds of their tuition price.

From the Families Transaction page, you see the original tuition posted on Jan 19, 2011. Select the REFUND button to insert the refund. Make note of the Category 1 value of the **original** transaction so that you can refund the appropriate Category 1 value on your revenue reports.

Upon pushing the REFUND button you are presented with the screen below. This screen allows you to record the details of the refund to be posted.



A confirmation screen is presented once the Refund is posted.



In the example above, the Revenue in Category 1 – BRIGHT HORIZONS – BELLEVUE has been reduced on 2/18/11 by $56.67. This is shown on Paid Fees and Revenue Summary. "Money" has been returned to the customer (you define in which payment method: cash, credit card, etc) and this is reflected on your deposit slip for that day.

A Full Refund (Refund for an Account Overpayment)

In the instance where a client has overpaid, there is a negative balance on their account and the negative amount is **UNAPPLIED** in Jackrabbit.

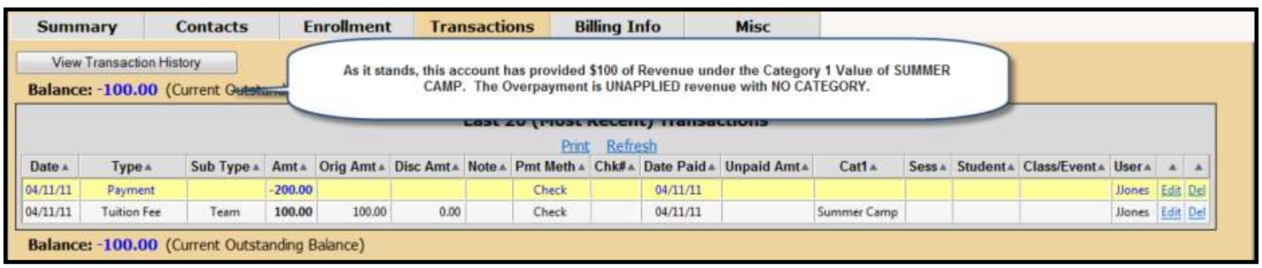
See the Ensuring Accurate Revenue Section of the Jackrabbit User Guide

This amount is marked as **UNAPPLIED** on Paid Fees Summary Reports and under the **NO CATEGORY** section of the Revenue Summary Reports.

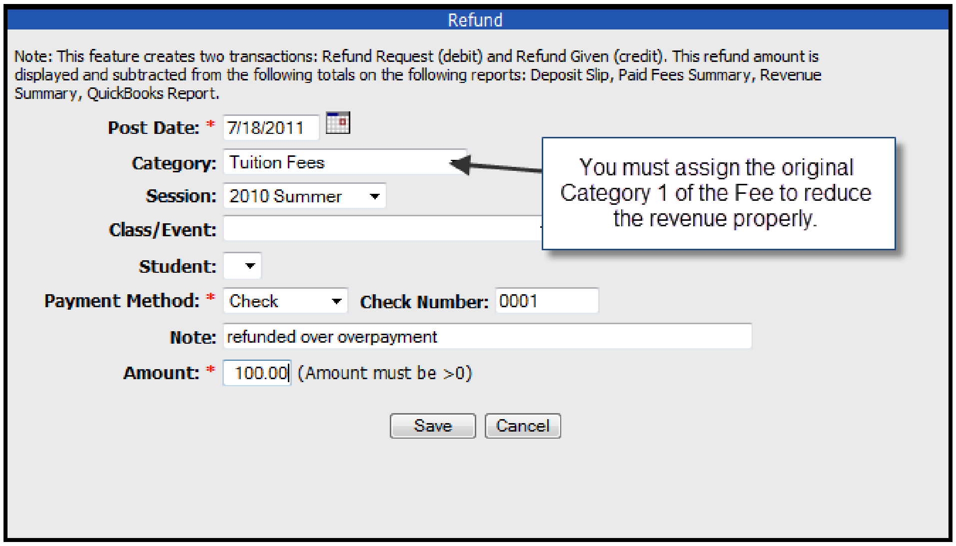
Example:

Customer overpaid their account by $100. A check is to be issued for this amount and an **ADJUSTMENT FEE** must be posted to remove the credit balance on the Family's Transaction Page.

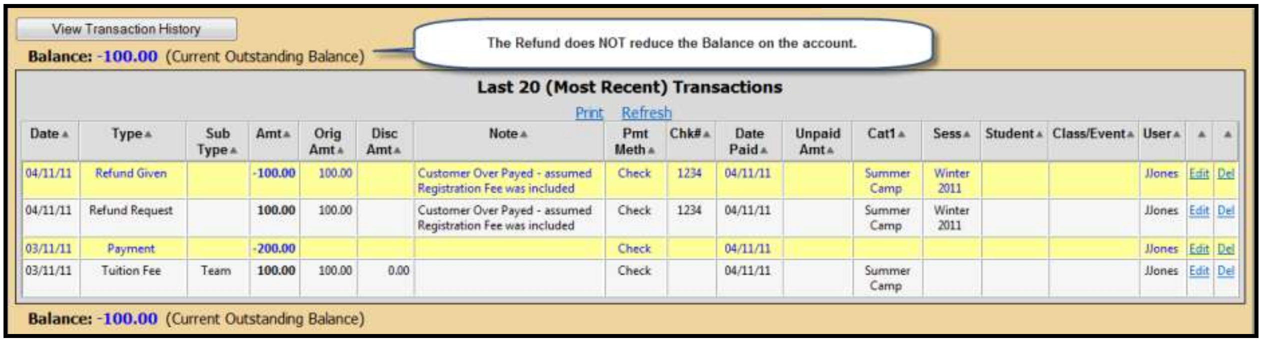
Prior to recording the refund, the Transaction page looks like this:



First the refund must be posted using the **REFUND** button to record the return of funds.



The resulting Transaction Listing will display the refund appropriately **but additional steps are required to return the Current Balance to zero.**



Date	Type	Sub Type	Amt	Orig Amt	Disc Amt	Note	Pmt Meth	Chk#	Date Paid	Unpaid Amt	Cat1	Sess	Student	Class/Event	User		
04/11/11	Refund Given		-100.00	100.00		Customer Over Payed - assumed Registration Fee was included	Check	1234	04/11/11		Summer Camp	Winter 2011			JJones	Edit	Del
04/11/11	Refund Request		100.00	100.00		Customer Over Payed - assumed Registration Fee was included	Check	1234	04/11/11		Summer Camp	Winter 2011			JJones	Edit	Del
03/11/11	Payment		-200.00				Check		04/11/11						JJones	Edit	Del
03/11/11	Tuition Fee	Team	100.00	100.00	0.00		Check		04/11/11		Summer Camp				JJones	Edit	Del

To return the Current Outstanding Balance to zero, it is now necessary to post an **Adjustment (Credit)** using the **POST FEES** button and to apply the fee to the overpayment.

- Using the **POST FEES** button and using the **TYPE: Adjustment (Debit**), post an adjustment to the account. In this example, the Adjustment Fee would be $100.00.
- Edit the original overpayment (using the **Edit** button) to re-apply the unapplied $100 to the adjustment. The **Date Paid** column will remain **Pink** until you have completed this step.

Date	Type	Sub Type	Amt	Orig Amt	Disc Amt	Note	Pmt Meth	Chk#	Date Paid	Unpaid Amt	Cat1	Sess	Student	Class/Event	User		
07/20/11	Refund Given		-100.00	100.00		Client Overpayed and assumed wouldn't need $100	Check	1234	07/20/11		Tumbling	Winter 2011			JJones	Edit	Del
07/20/11	Payment		-200.00				Check	1234	07/20/11						JJones	Edit	Del
07/20/11	Adjustment		100.00	100.00	0.00	Adjustment for Return of $100 overpayment.	Check	1234	07/20/11		Tumbling				JJones	Edit	Del
07/20/11	Refund Request		100.00	100.00		Client Overpayed and assumed wouldn't need $100	Check	1234	07/20/11		Tumbling	Winter 2011			JJones	Edit	Del
07/20/11	Tuition Fee		100.00	100.00	0.00		Check	1234	07/20/11		Tumbling	2007-2008		Top Top Top	JJones	Edit	Del

Let's summarize the Revenue:

Originally Posted Overpayment		- 200
Originally Posted Fee	Category 1 Summer Camp	+100
Unapplied Money		+100
		<zero>

Category 1 Summer Camp has $100 of revenue	+100
Refund Posted on Summer Camp	-100
Adjustment Fee Posted with Category 1 Summer Camp	+100
Revenue Recorded	+100

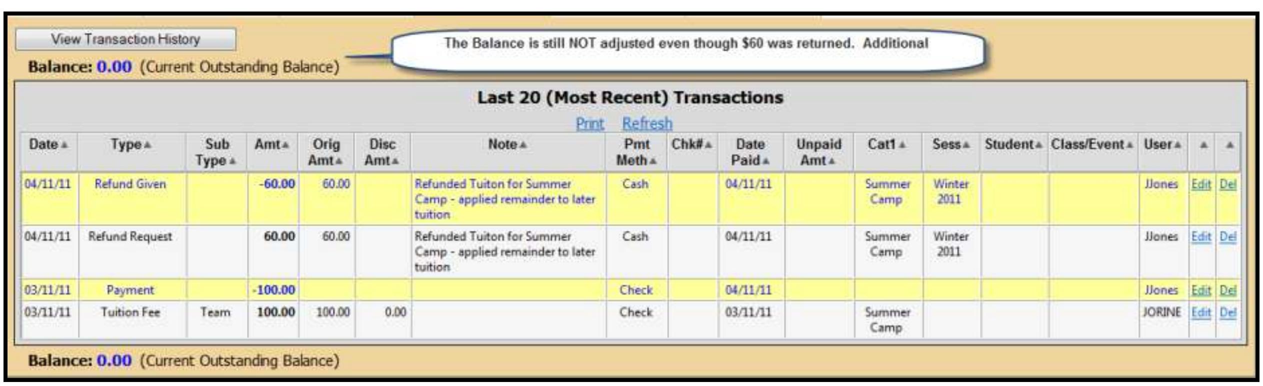
Refund of Partial Amount to Client (Cash and Credit combination)

Occasionally it may be necessary to return part of a credit balance as a refund and part of a credit balance as a credit to be reapplied to other Fees.

Example:

Customer was unsatisfied with their class. Tuition for this class was $100, and you will offer a $60 cash refund and will apply the remaining $40 to future fees.

You must first post the REFUND for $60 to record the return of money.



Date	Type	Sub Type	Amt	Orig Amt	Disc Amt	Note	Pmt Meth	Chk#	Date Paid	Unpaid Amt	Cat1	Sess	Student	Class/Event	User		
04/11/11	Refund Given		-60.00	60.00		Refunded Tuiton for Summer Camp - applied remainder to later tuition	Cash		04/11/11		Summer Camp	Winter 2011			JJones	Edit	Del
04/11/11	Refund Request		60.00	60.00		Refunded Tuiton for Summer Camp - applied remainder to later tuition	Cash		04/11/11		Summer Camp	Winter 2011			JJones	Edit	Del
03/11/11	Payment		-100.00				Check		04/11/11						JJones	Edit	Del
03/11/11	Tuition Fee	Team	100.00	100.00	0.00		Check		03/11/11		Summer Camp				JORINE	Edit	Del

Since additional transactions are necessary to re-allocate the revenue, you must assign a CREDIT (using the **Payment** button and the **TYPE: Account (Credit)*** to the account for $40 to reflect the money to be kept on the account.

You can create any value for the account (credit) that is specific to your scenario
*** See the RECORDING CREDITS section of the Jackrabbit User Guide.***

View Transaction History

Balance: -40.00 (Current Outstanding Balance)

The Credit allows you to pay off subsequent Fees

Last 20 (Most Recent) Transactions

Print Refresh

Date	Type	Sub Type	Amt	Orig Amt	Disc Amt	Note	Pmt Meth	Chk#	Date Paid	Unpaid Amt	Cat1	Sess	Student	Class/Event	User		
04/11/11	Account Credit		-40.00				Check		04/11/11						JJones	Edit	Del
04/11/11	Refund Given		-60.00	60.00		Refunded Tuiton for Summer Camp - applied remainder to later tuition	Cash		04/11/11		Summer Camp	Winter 2011			JJones	Edit	Del
04/11/11	Refund Request		60.00	60.00		Refunded Tuiton for Summer Camp - applied remainder to later tuition	Cash		04/11/11		Summer Camp	Winter 2011			JJones	Edit	Del
03/11/11	Payment		-100.00				Check		04/11/11						JJones	Edit	Del
03/11/11	Tuition Fee	Team	100.00	100.00	0.00		Check		03/11/11		Summer Camp				JORINE	Edit	Del

Balance: -40.00 (Current Outstanding Balance)

The FINAL step in this procedure is to modify all Category 1 values to the NEW Category. This will adjust your revenue reporting. This is done through the EDIT link on each transaction. Note the Final Screen:

Balance: 0.00 (Current Outstanding Balance)

Last 20 (Most Recent) Transactions

Print Refresh

Date	Type	Sub Type	Amt	Orig Amt	Disc Amt	Note	Pmt Meth	Chk#	Date Paid	Unpaid Amt	Cat1	Sess	Student	Class/Event	User		
04/11/11	Account Credit		-40.00				Check		04/11/11						JJones	Edit	Del
04/11/11	Refund Given		-60.00			Refunded Tuiton for Summer Camp - applied remainder to later tuition	Cash		04/11/11		Floor Work	Winter 2011			JJones	Edit	Del
04/11/11	Tuition Fee		40.00	40.00	0.00	Tuition For Floor Class - Paid by credit	Check		04/11/11		Floor Work				JJones	Edit	Del
04/11/11	Refund Request		60.00	60.00	0.00	Refunded Tuiton for Summer Camp - applied remainder to later tuition	Cash		04/11/11		Floor Work	Winter 2011			JJones	Edit	Del
03/11/11	Payment		-100.00				Check		04/11/11						JJones	Edit	Del
03/11/11	Tuition Fee	Team	100.00	100.00	0.00		Check		03/11/11		Floor Work				JJones	Edit	Del

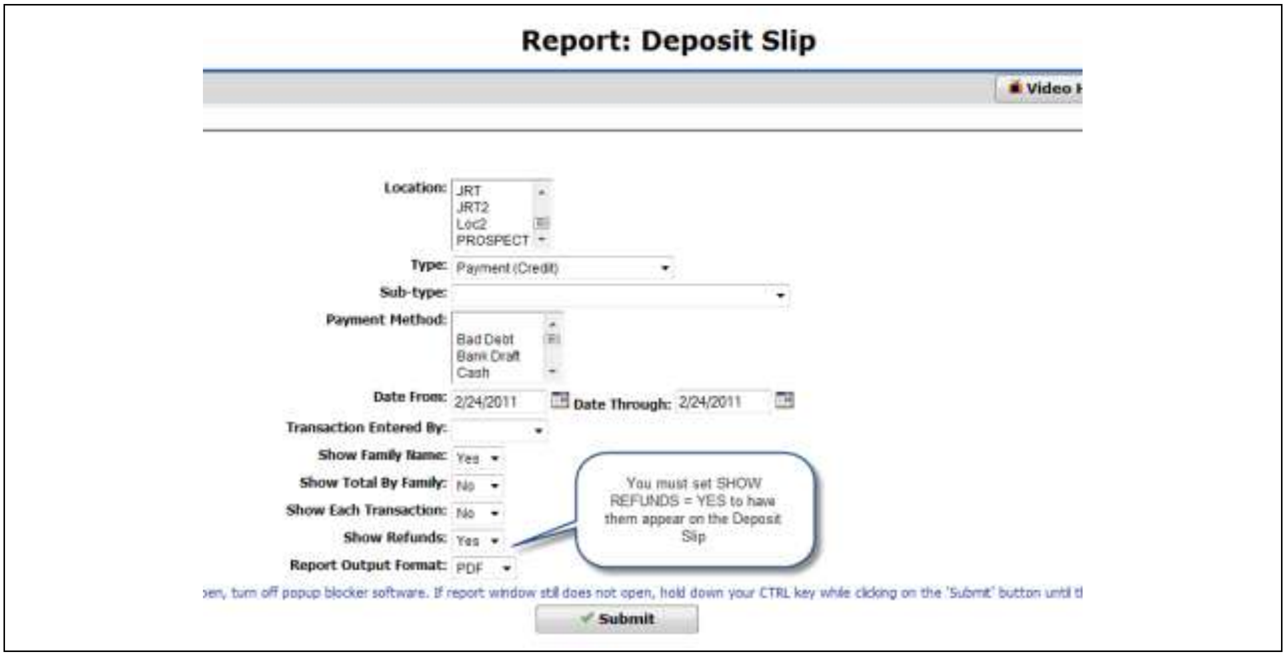
Balance: 0.00 (Current Outstanding Balance)

If you have already posted entries into your accounting system (QuickBooks), you will need to manually adjust the revenue for these categories.

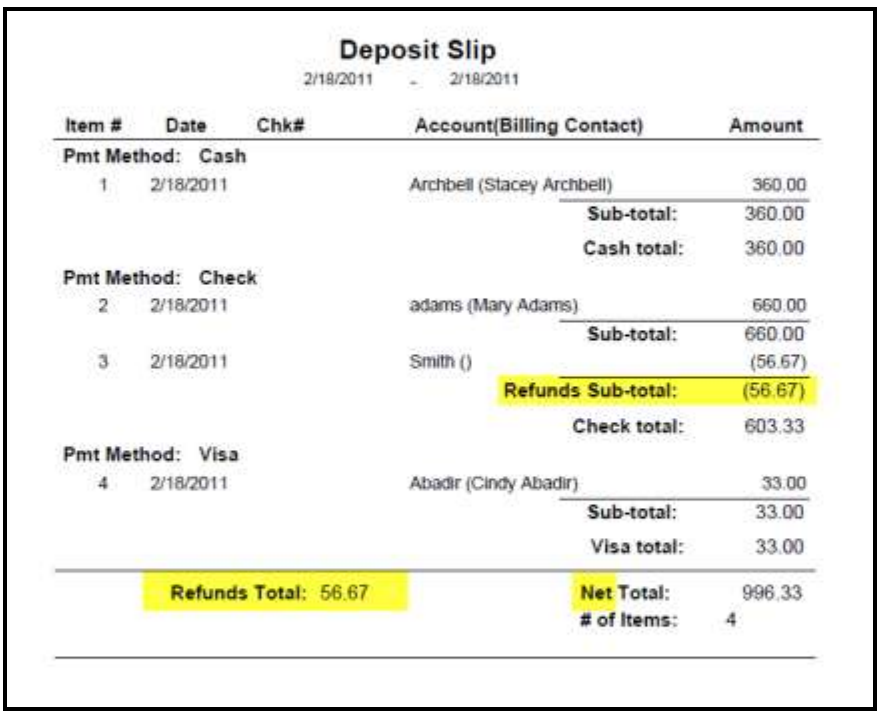
Reporting for Refunds

Deposit Slip – How the return of funds is shown on your Deposit Slip for that day.

From the REPORTS menu – select DEPOSIT SLIP:



The Resulting Deposits for that day are reduced by the REFUND amount as shown:



Deposit Slip

2/18/2011 - 2/18/2011

Item #	Date	Chk#	Account(Billing Contact)	Amount
Pmt Method: Cash				
1	2/18/2011		Archbell (Stacey Archbell)	360.00
			Sub-total:	360.00
			Cash total:	360.00
Pmt Method: Check				
2	2/18/2011		adams (Mary Adams)	660.00
			Sub-total:	660.00
3	2/18/2011		Smith ()	(56.67)
			Refunds Sub-total:	(56.67)
			Check total:	603.33
Pmt Method: Visa				
4	2/18/2011		Abadir (Cindy Abadir)	33.00
			Sub-total:	33.00
			Visa total:	33.00
	Refunds Total: 56.67		Net Total:	996.33
			# of Items:	4

Paid Fees Summary and Revenue Summary – These Reports provide an accurate revenue recording during a defined time period of all FEES that have been LINKED to payments. Both of these revenue reports have Refunds listed under the Category 1 value they have been applied to.

Date: 2/20/2011 11:57:19 AM
Loc: CEC

Paid Fees Summary

From: 2/18/2011 Through: 2/18/2011

Page 1

Cat1	Pmt Date	Family/Acct	Trans Type	Note	Tax	Qty	Pmt. Amount
Bright Horizons - Bellevue							
	2/18/2011	Anzilotti	Tuition Fee		0.00	0	75.00
			Total for: Tuition Fee		**0.00**	**0.00**	**75.00**
	2/18/2011	Smith	Refund Request	Wrote Check and Mailed on 2/19/2011			-56.67
			Total for: Refund Request		**0.00**	**0.00**	**-56.67**
	Total for: Bright Horizons - Bellevue				**0.00**	**0.00**	**18.33**
Recital Fee							
	2/18/2011	Another Aug Family	Recital Ticket				75.00
			Total for: Recital Ticket		**0.00**	**0.00**	**75.00**
	Total for: Recital Fee				**0.00**	**0.00**	**75.00**
Theater: 40-weeks							
	2/18/2011	Aardvark	Tuition Fee		0.00	0	88.00
			Total for: Tuition Fee		**0.00**	**0.00**	**88.00**
	Total for: Theater: 40-weeks				**0.00**	**0.00**	**88.00**
		# of Items: 4		**Total:**	**0.00**	**0.00**	**181.33**

Procedure for Recording Credits – (Gift Certificates, Coupons)

Definition: Jackrabbit defines a Credit: as when a customer's account is being credited a particular amount as opposed to a refund which is when the customer receives money back. Credits can come in many forms: Gift Certificates, Coupons, Client Credit. These credits do reduce a client's balance, but are not classified as revenue on financial reports.

You must create Transaction Types and Payment Methods for Credits. Transaction Types are created by you. A description on how to add the Transaction Type is below. Because Credit Transaction Types are not the same as **Transaction Type: Payment (credit)** (which are used for Payments recognized as revenue) these transactions will NOT show up on revenue Reports and can be reported on separately.

Because a Credit is a different **Payment Method**, ie: not cash, credit card, check. You should also create a Payment Method for this Credit such as: Groupon, Gift Certificate, or company bucks.

(See the Ensuring Accurate Revenue Reporting section of this User Guide for supporting information on this feature)

To create pre-defined Transaction Types for Credits:

1. From the Main Tools Menu – select Edit Drop Down Lists
2. From the List of Options on the left – select Transaction Type
3. Add a Transaction Type that makes "sense" to your credit type: Gift Certificate (credit), Groupon (credit), Tuition (credit)
4. Save your changes

ONLY use this transaction type for CREDITS (not payments or refunds).

To create pre-defined Payment Methods for Credits:

1. From the Main Tools Menu – select Edit Drop Down Lists
2. From the List of Options on the left – select Payment Method
3. Add a Payment Method that makes "sense" to your credit type: Gift Certificate, Groupon, Account Credit.
4. Save your changes

Here is an example of posting a CREDIT in Jackrabbit:

The Smith Family registered and paid for a class on January 10th with a tuition amount of $88.00. Unfortunately, they were unable to complete the class you want to reduce their account balance by offering them a CREDIT.

(Conversely, you may use a CREDIT as partial payment on an account because the Tuition is being paid in both Cash and Groupon certificate, Gift Certificate, Customer Credit)

From the Global Search – find the Smith Account and select their Transactions Tab.

Select the PAYMENT button and insert the Payment with the Transaction Type = The Type of credit you are giving. For example: Customer (credit) and Payment Method (account credit)

The Account now has a credit balance that must be Re-linked with Future FEES. If there were FEES to be paid off, this credit would "pay off" those fees and Revenue would not be increased for your organization in those Category 1 areas of those FEES.

****See the Importance of Linking Fees and Payments elsewhere in this guide!**

Reporting for Credits

Because Credits are a different Transaction Type than Payment (credits) which record revenue, they will not show up on revenue reports. You can easily run a list of all transactions for ANY transaction type for any time period by running any of the following reports:

- Transactions – Advanced Search
- Transaction Listing
- Transaction Summary
- Transaction Sub-Type Listing

Refunds and Credits and Quick Books

****Please see the Quick Books section of this User Guide for additional information****

Refunds which are Transaction Type: Refund Request (Debit) will transfer over to Quick Books as a negative transaction. Credits do not affect revenue and do not transfer over to Quick Books.

Here is an example of how a Refund Transaction appears in Quick Books:

QuickBooks Report Page 1

Date From: 2/18/2011 Date Thru: 2/18/2011

Date	Location			
		Payment Method		**Amount**
02/18/2011	CEC	Cash		360.00
02/18/2011	JRT	Check		660.00
02/18/2011	JRT	Visa		33.00
			Daily Payment Method Total	**1,053.00**
		Refunds		**Amount**
02/18/2011	JRT	Check		-56.67
			Daily Refunds Total	**-56.67**
			Daily Net Total	**996.33**
		Category	**Type**	**Amount**
02/18/2011	CEC	(Blank)	Apparel Fee	-75.00
02/18/2011	CEC	(Blank)	Bad Debt	-65.00
02/18/2011	CEC	(Blank)	Late Fee	-115.00
02/18/2011	CEC	(Blank)	Registration	-30.00
02/18/2011	CEC	Recital Fee	Recital Ticket	-75.00
02/18/2011	JRT	(Blank)	Tuition Fee	-350.00
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	(Blank)	Tuition Fee	-68.75
02/18/2011	JRT	10	Tuition Fee	-111.25
02/18/2011	JRT	Dance	Tuition Fee	-130.00
02/18/2011	JRT	Grade'swithapostrophe	Tuition Fee	-33.00
			Daily Category Total	**-1,946.75**
		Refunds		**Amount**
02/18/2011	JRT	Bright Horizons - Bellevue	Refund Request	56.67
			Daily Refunds (Category) Total	**56.67**
			Daily Net Total	**1,890.08**
			Refund Credits Total	-56.67
			Report Net Total	**996.33**

Nacha Files

If you are using a merchant that processes bank drafts using NACHA Files – please see the JACKRABBIT USER GUIDE for information on this feature.