

MT. VERNON COMMUNITY SCHOOL CORPORATION

RESOLUTION REAUTHORIZING ELECTRONIC PAYMENT PLATFORMS AND RECOVERY OF DISHONORED PAYMENT EXPENSES

NO. 2026-10

WHEREAS, the Mt. Vernon Community School Corporation ("MVCSC") is an Indiana public school corporation assigned school corporation number 3135 by the Indiana Department of Education; and

WHEREAS, the Indiana State Board of Accounts (SBOA) requires that a School Board authorize the use of online payment systems through a resolution approved in the minutes; and

WHEREAS, the SBOA guidelines further mandate that the School Board implement and ensure that proper internal controls are in place for such electronic systems; and

WHEREAS, MVCSC utilizes third-party electronic payment services, including but not limited to eFunds for Schools (EFS), to facilitate the collection of student fees, lunch accounts, and other related expenses; and

WHEREAS, the district occasionally incurs third-party transaction fees, return fees, or "dishonored payment" charges (such as a \$35.00 EFS fee) resulting from insufficient funds, fraudulent "guest payer" activity, or other payment reversals; and

WHEREAS, Indiana Code allows for the recovery of reasonable costs of collection associated with dishonored or fraudulent payments;

WHEREAS, Board Policy F176 authorizes the Corporation to utilize any legal method deemed necessary to collect unpaid funds and debts...

NOW, THEREFORE, BE IT RESOLVED that beginning with the 2025-2026 school year, the following actions are authorized with regard to electronic payments and cost recovery:

1. The Administration is authorized to continue and expand the use of online payment platforms, such as eFunds for Schools, provided that such systems maintain industry-standard data encryption and secure payment processing.
2. The Board explicitly authorizes the Administration to recover the actual costs and fees assessed by third-party processors (e.g., EFS) for any dishonored, reversed, or fraudulent payment. Such fees shall be added to the relevant student's Skyward account as a "reasonable cost of collection" pursuant to Indiana Code.

3. The Administration is directed to implement internal controls to mitigate recurring fraudulent activity, which may include disabling "guest payer" options or requiring verified accounts for students with a history of dishonored payments.
4. All recovered fees must be supported by a fully itemized invoice or electronic bill from the payment processor to ensure audit compliance.

BE IT FURTHER RESOLVED that the Administration of the Mt. Vernon Community School Corporation is authorized and directed to take any and all actions necessary or advisable to carry out the intent and purposes of this resolution.

ADOPTED this 11th day of May, 2026.

VOTE AYE:

VOTE NAY:

ATTEST:

Secretary