

How To Guide - Using PayPal

The Hot Lunches On-Line system has been built with an interface to the PayPal payment gateway. The reasons for selecting PayPal as the payment processor are:

- It is easy for a school council or business to get an account.
- No monthly fees for the account. As the hot lunch ordering does not happen every month there is no reason to pay a monthly fee.
- Reasonable rates. Not the best available, but when the monthly fee is factored in PayPal is very competitive.

Setting Up a PayPal Account

1. Go to "www.paypal.com".
2. Click on the link "**Sign Up**".
3. Select a "**Business**" account.
4. Then select the "**Website Payments Standard**" product as the integration is done by the application and this solution is the most economical.
5. Fill in the next form using an email address that can be managed by the school council. If you require an email address for the council, we recommend setting up a Gmail account or a Hotmail account. Do not use your personal email address! If you select "**Non-profit Organization**" you will be required to provide documentation such as a letter on school letterhead to prove the status. This will also delay the setup process.
6. Once you have created the account you will have to verify it by linking the PayPal account to your bank account. After providing the bank account information to PayPal two small deposits will be made to your bank and you need to login and provide the amount of the two deposits to PayPal to verify that the account information is correct. After you have entered the amount of the deposits you will be able to transfer money from your PayPal account to your bank account.

How Much Does PayPal Charge?

PayPal will charge (as of July 2009) 2.9% + \$0.30 CAD on each transaction. For more information go to www.paypal.com, click on the "**Home**" tab and under "**How PayPal Works**" click on "**How Much It Costs**".

Payment Process for Parents

When parents have a balance outstanding they will have a button on the screen to "Pay with PayPal" (or other text if you have customized this). When they click this button, they are taken to a PayPal payment screen where they can pay using their PayPal account or if they do not have a PayPal account they can click on a link to pay as a guest using their credit card, Visa, Mastercard or American Express. The link to pay with credit card is **"Don't have a PayPal account?"**.

Using PayPal in the Application

In order to get the PayPal integrated into the system you need to enter your Paypal code (email address you login with at PayPal) into the school profile. Enter the code in the profile field labeled **"PayPal Account Email"** and set the **"PayPal Payments Enabled"** value to 'Yes'.

You can also adjust the text on the PayPal payment button that parents see. This field is labeled **"PayPal Button Text"**.

PayPal Transaction Fees

PayPal will charge a fee for every payment transaction that is made. It is possible to pass this fee on to the parents making the payment as a **"Convenience Fee"**. When the lunch program or fund raiser is providing funds for your school parents are very understanding that the council should not have to pay the fee.

1. Go to the **"ADMINISTRATION"** tab => select **"Edit Application Profile"**.
2. Scroll down near the bottom of the form and set **"PayPal Payments Enabled"** to **"Yes"**.
3. Enter your PayPal account email address in the **"PayPal Account Email"** field.
4. Ensure the currency is correct.
5. Edit the **"PayPal Button Text"** if required.
6. Enter a **"PayPal Transaction Fee"** of \$0.30 if you wish to have parents pay the fees.
7. Enter a **"PayPal Transaction Percentage"** of 3.0% if you wish to pass the transaction cost back to the parents, based on your rate being 2.9%. You must charge a higher rate as the system adds this fee onto the amount owing and then PayPal calculates its fee based on the new total. Charging 3.0% results in a balanced transaction rate for you.
8. If you are charging the parents the fees then enter a **"PayPal Transaction Message"** as this will be displayed on the screen for your parents.

PayPal Issues and Considerations

PayPal is a payment processing gateway service and as with any online service there may be performance issues so **please caution parents not to hit the submit button repeatedly when making payments**. There can be a number of different issues that cause timeouts or performance delays including:

1. Gateway performance
2. The sending application (ie. the Hot Lunches Application)
3. The user's computer or network connection
4. Any of the many computers between the parent and PayPal's servers

Unfortunately, there is nothing you or we can do about any of these issues.