**FINANCE CHAIR REPORT – 8/24/2015**

1. **Credit Card Service:** Jeff Kincaid, a SEVA coach who works in the credit card field, has reviewed VSI’s PayPal arrangement to assess whether lower service fee rates could be obtained from another service.  Jeff said that the 2.2% rate that we have from PayPal would be difficult to improve upon and feels that we should stay with PayPal as long as we are happy with the service they provide.  He said that the credit card companies currently collect 1.5 to 1.9% of the amount charged, so a 2.2% rate from a provider allows only 0.3 to 0.7% as the provider's fee.  For annual charged amounts of $60,000 to $100,000, it would be difficult for a provider to realize a reasonable return at a service rate lower than 2.2%.
2. **‘Shipping’ Fees:** Currently in the Payment Center there are two options available for paying registration fees by credit card: (1) payments made by teams and (2) payments made by individuals. VS adds a 2.5% ’shipping’ (processing) fee for payments made by teams. For payments made by individuals, a flat fee of $2 is added onto the registration fee. Offering two payment methods has caused a little confusion and can be simplified by offering a single payment option with a two-tiered shipping fee: 3% processing fee for payments up to $130 and 2.5% fee for payments over $130. This two-tiered shipping fee will offset the transaction costs and provide a few cents overage to VS. (The overage will be less than $1.00 for all payments up to $500.)

**Action Item:** Approve a two-tiered ‘shipping fee’ for registration payments with a 3.0% fee applied to payments up to $130 and a 2.5% fee to payments over $130.

Submitted by Bill Geiszler, Finance Committee Chair