

## Changes to Payments across The Basketball Network.

10 April 2017

### ***Introduction***

Over the coming months, administrators will see changes to the way payments are managed through The Basketball Network, basketball's whole of sport technology solution powered by SportsTG.

- Instead of NAB, the payment gateway will be provided by BrainTree, a subsidiary of PayPal. With the move to BrainTree, PayPal will become a payment option.
- All organisations within the Basketball Network will transition to an inclusive processing fee model by 1 July 2017.
- With the move to an inclusive processing fee model, POLiPay (bank transfer) will be offered as another new payment option. POLiPay comes with the reduced rate of 2.7% and will be available from 10 April 2017 or as your organisation transitions across to an inclusive processing fee model.

### ***Benefits***

- An introductory processing fee of 2.7% is offered for POLiPay.
- Additional payment options for participants – POLiPay (at 2.7%), PayPal, and Pay Later at the standard processing fee of 3.9%.
- Compliance with Competition and Consumer Amendment (Payment Surcharges) Act 2016.
- Participants have the option to pay later without having to complete the form in its entirety again.

### ***Why are these changes occurring?***

- Associations, Clubs, Teams and Participants have expressed a strong desire for alternate payment options to credit card.
- To ensure our sport's compliance with the introduction of the Competition and Consumer Amendment (Payment Surcharges) Act 2016.
- As a result of SportsTG transitioning to the best payment gateway system from within their business and making it available across all sports in every country. BrainTree isn't new, SportsTG have utilised this gateway for over 5 years and it has proven to be the best payment solution available.

### ***What do administrators need to do to prepare for these changes?***

**All administrators need to;**

- Read the FAQs – both for administrators and participants.
- Circulate the FAQs for participants to your basketball community when you have moved to an inclusive model.
- Review your saved financial reports. Do you need to adjust to include the additional payment types?
- Review your website and registration forms. Do you need to update to reflect references to the new payment options?

**Additionally, if your organisation has a 'User Pays' Processing Fee Model you will need to;**

- Adjust your Product pricing to include the 3.9% processing fee.
- Lodge a support ticket via <http://support.sportstg.com/help/contact-us> with the following information (allowing 3 working days for action);
  - Database Name(s)
  - Please adjust the processing fee model from User Pays to Inclusive.

## ***Resources***

Changes to Payments across The Basketball Network, FAQ's for Participants is available for you to distribute as required. Our recommendation is that this information be made available on your website and referenced in communication regarding payments.

## ***Links***

[BrainTree Payments](#)

[POLiPayments](#)

SUPPORT: [Processing Fee Model and \\$1 minimum explained](#)

SUPPORT: [Transfer funds from your bank using POLiPay](#)

SUPPORT: [How to Pay Later](#)

SUPPORT: [POLiPay FAQs](#)

## ***Contact***

For more information contact [amy.clarke@basketball.net.au](mailto:amy.clarke@basketball.net.au)

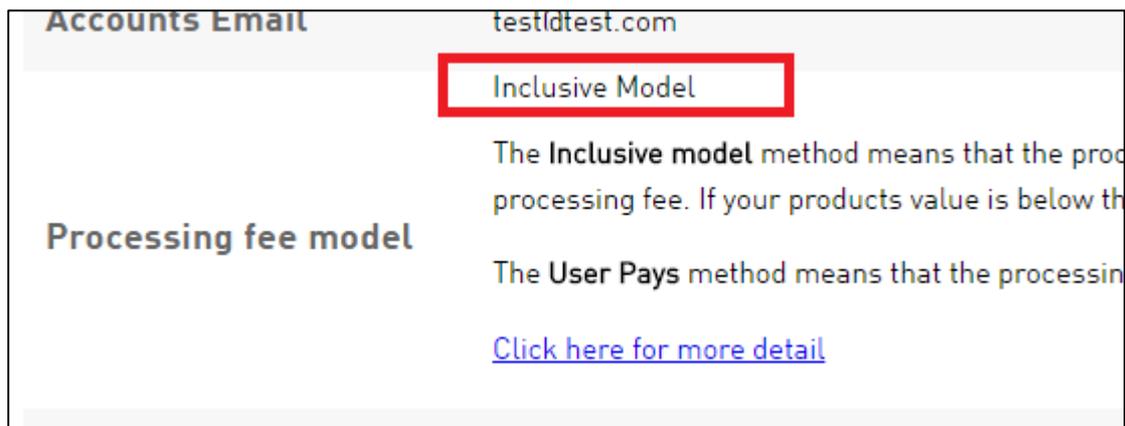
## Changes to Payments across The Basketball Network.

FAQ's for Administrators

### How do I know what my Processing Fee Model is?

Your Processing Fee Model can be determined by reviewing your original payment application in The Basketball Network, to do this;

- Click *Registrations*
- Click *Payment Application*
- Click *View Payments Application*
- Scroll down to processing fee model.



### We currently have a 'User Pays' Processing Fee Model, how do I change to an inclusive?

- Adjust your Product pricing to include the 3.9% processing fee.
  - To calculate the total customer price, divide your club/association fee by 0.961.
  - For example, if you want to receive \$95, you will need to charge \$98.86 (= 95 / 0.961).
- Lodge a support ticket via <http://support.sportstg.com/help/contact-us> with the following information (allowing 3 working days for action);
  - Database Name(s)
  - Please adjust the processing fee model from User Pays to Inclusive.

### What happens if I do not change my Processing Fee Model by 1 July 2017?

Your database(s) will automatically be switched to an inclusive payment model.

### Will the processing fee of 3.9% (and \$1 minimum) increase?

Basketball Australia is committed to ensuring there is not an increase to the processing fee. In fact, POLiPay comes with an introductory fee of 2.7%.

**Can I charge a different amount for participants who pay online vs a participant that pays at the venue?**

No. The Competition and Consumer Amendment (Payment Surcharges) Act 2016 requires that products sold via the same means (i.e. via a card system) are sold at the same price regardless of whether they are sold online or at venue. However, if clubs/associations take payments for basketball network registration in cash, they would (under the Laws) be permitted to impose a surcharge in order to encourage online payments.

**Can I mandate compulsory online payments?**

Yes, if clubs/associations wanted to avoid the administrative burden of handling cash, they should remove manual payment in person as a payment method, and require all registration payments to be made online. This would result in one fee being charged for all registrations (increasing fairness) and removal of the administrative burden of manual payment processing. There is no legal obligation on clubs/associations to offer an option to pay by cash if they do not wish to do so.

**Is AMEX or Diners Club offered as a means of payment?**

No, due to additional fees associated with these payment types the processing fee would exceed 3.9%. As a result, Basketball does not offer these payment types.

**The Competition and Consumer Amendment (Payment Surcharges) Act 2016, changed in 2016, why are we only seeing changes now?**

Initially, the Competition and Consumer Amendment (Payment Surcharges) Act 2016 only applied to large merchants. Basketball organisations are categorised as small merchants and are therefore required to comply with legislative changes by 1 September 2017. Moving to an inclusive model by 1 July 2017 ensures we are compliant well before this.

**How will the User-Pays and Inclusive Models differ?**

Offering an inclusive model ensures that your participants know the full cost before registering, thereby improving the overall experience.

*Example*

	Inclusive
Club Registration (Product price)	\$100
Consumer Pays	\$100
SportsTG Fee *	\$3.90
Club Receives	\$96.10

\* SportsTG’s fee will be less than \$3.90 if POLiPay is selected by the customer.

**Our organisation is GST registered, how do I report on the cost of the processing fees?**

The processing fee is GST inclusive. If you are GST registered, you are able to claim the GST credits for the processing fee.

Example

All Stars Basketball Club sell their annual registration product for \$100 (on an inclusive basis). When John Smith purchased this product, online via credit card, All Stars incurred the processing fee of \$3.90.

The processing fee of \$3.90 includes GST. To figure out how much, you must divide by 11.

$\$3.90 / 11 = 0.35$  which is 35 cents

This amount of 35 cents can be claimed as GST credits.

Calculations

- Registration (inclusive of Payment Fees) = \$100.00
- Processing Fee (  $\$100.00 \times 0.039$  ) = \$3.90
- GST =  $\$3.90 / 11 = \$0.35$

**Our association/club's processing fee model is now set to inclusive. I know the amount we need to receive; how do I determine how much to set the product price too?**

Take the amount you need to receive and divide by 0.961 – this will determine the product price.

Calculations

- Association to receive = \$96.10
- Divide by 0.961 (1-0.039)
- Consumer Pays (Product Price) = \$100

**Our association/club's processing fee model is now set to inclusive. I know the amount we need to charge our participants; but what amount will we receive?**

Take the amount you will charge the consumer and multiply by 0.961 to determine the amount you will receive after processing fee.

Calculations

- Consumer Pays = \$100
- Multiply by 0.961 (1-0.039)
- Association/Club Receives = \$96.10

**Do we receive a tax invoice outlining the cost of the processing fee?**

A monthly tax invoice outlining GST costs for Processing Fee Model is emailed to your organisation and sent to the email listed in the payment application. To review this email;

- Navigate to your Membership Dashboard
- Select Registrations
- Click Payment Configuration
- Click View Payments Application
- Scroll to the bottom and review the section Accounts Email

Accounts Email

Inclusive Model

The Inclusive model method means that

### How do I update the accounts email?

Lodge a support ticket via <http://support.sportstg.com/help/contact-us> with the following information (allowing 3 working days for action);

- Database Name(s)
- Please adjust the accounts email to <insert new association email address>

### When a product has a payment split with multiple levels receiving funds, who pays the processing fee?

The processing fee is paid by the entity listed in 'Remainder', this field is compulsory. This should be considered when determining pricing and the payment split.

Remainder (Compulsory)

Recipient

League



### Example

Jacksonville Basketball Association and All Stars Basketball Club offer the combined annual registration product to their participants of \$200. The Payment Split is set up with \$100 to the association and the remainder to the club. The settlement is broken down as follows;

### Calculations

- Registration (inclusive of Payment Fees) = \$200
- Processing Fee (200 x 0.039) = \$7.80
- Association receives \$100
- Club Receives \$92.20 (Club set as Remainder Recipient).

### How do I manage refunds?

Refunds cannot be processed through the Basketball Network as the required information is not stored within the system. Refunds should be processed outside of the Basketball Network system, ensuring you notify users of your refund policy via your terms and conditions. Once the refund has been processed according to your club or association's refund policy you can change the transaction status from 'paid' to 'cancelled' in the system.