



2026 ANNUAL CONFERENCE OAKLAND, JANUARY 11 - 13

AUXILIARY ORGANIZATIONS ASSOCIATION

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**THE NEXT ERA OF AUXILIARIES  
SHAPING TOMORROW**

# Checks Out, Cards In

Payment Innovation Across the  
Higher Education Ecosystem



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# Checks?

Yes – We're still talking about them

## Possible reasons why:

- False view that they are safer than digital payments
- Organizations are unfamiliar with new payment technologies
- Compared to B2B, a higher percentage of B2C payments are made by check

***How many organizations do you think plan to eliminate check usage in the next 2 years?***

**91%**

Organizations currently using checks

Source: 2025 AFP Payments Fraud and Control Survey Report

# Motivations for change

Top reasons cited to consider eliminating checks

**Manual process**

75%

**Vulnerability to fraud**

66%

**Administrative and labor costs**

61%

**Administrative burden**

56%

**Escheatment process**

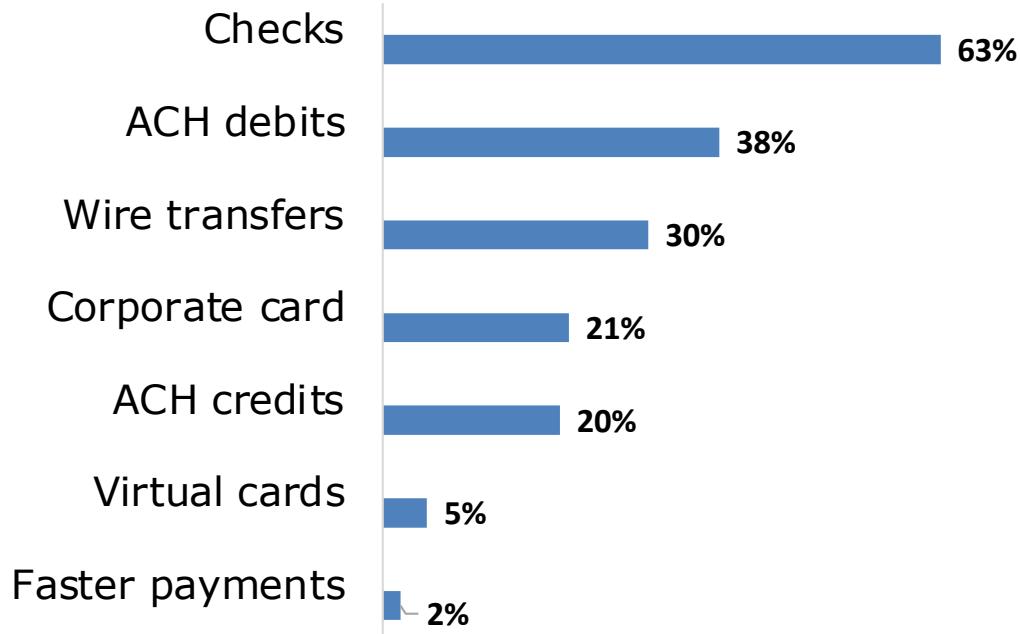
26%

**Float time**

25%

# A word on fraud

This should come as no surprise...



Checks continue to be the payment method most often subjected to payments fraud – targeted in **63%** of actual or attempted payments fraud in 2024.

# The problem is clear

Campus payments not keeping up with needs

- Departments continue to rely on manual, paper-based disbursements
- Payment processes are fragmented across auxiliaries
- Staff, students, athletes, and partners expect modern payments
- Reliance on checks increases fraud exposure
- Modern payment tools need to include those without traditional bank accounts



# Challenges to consider

What's holding us back?

## Decentralized operations

Issuing payments independently:  
Auxiliaries, athletics, research units,  
housing, student services, etc.

## Diverse payee populations

One-size-fits all payment methods don't  
always work, especially when recipients  
don't have stable banking relationships

## Manual, legacy processes

Paper forms, physical checks, in-person  
pickups, and reconciliation is time-  
consuming across systems & depts.

## Heightened fraud pressure

Siloed processes often make oversight  
difficult

## Expectations for fast funds

Students and staff expect modern  
payments with speed, flexibility, and  
convenience

# Digital payment menu

Multiple options can lead to confusion

	RTP® network	FedNow® Service	Zelle®	Push-to-Card	Same Day ACH	ACH	Wire
Transaction maximum	\$10,000,000	\$500,000	No limit (Recipient banks may set limits)	\$125,000 (issuers can set lower)	\$1,000,000	Up to NACHA format limit	Banks can set their own limit
Settlement timeframe	Real-time 24/7/365	Real-time 24/7/365	Real-time 24/7/365	Real-time 24/7/365	Throughout business day	Throughout business day	Real-time through business day
Funds availability	Immediate	Immediate	Typically within minutes	Typically within minutes	Same business day	1-2 business days	Typically within minutes
Payment finality	Irrevocable	Irrevocable	Irrevocable	Irrevocable	Revocable	Revocable	Irrevocable
International payments	No	No	No	Varies by bank	No	Yes	Yes
Required recipient info	Bank account & Routing	Bank account & Routing	Email or Mobile number	Debit card number	Bank account & Routing	Bank account & Routing	Name, Bank account & Routing

# Let's talk prepaid cards

What makes them a practical option?

## What is a prepaid card?

- Business-to-Consumer (B2C) payment solution
- Receiver can access cash at ATMs and use like a debit card
- Single use or reloadable options

## Why use prepaid?

- Lower cost vs. producing, handling, and delivering checks
- Ideal for under / unbanked demographics
- No recipient bank account information required
- Fast access to funds
- Payroll and non-payroll use cases

# Why prepaid cards stand out

What makes them a practical payment option?

- Don't require payee banking or other unique information
- Support both one time and/or recurring payments
- Flexible for diverse populations
- Low friction for recipients



# 2026: Trends to consider

*"In 2026 innovators in prepaid programs can rise to the top as true pioneers in consumer payment experiences"*

## **Physical and digital cards in equilibrium**

Consumers want choices: sometimes digital, sometimes a physical card

## **Focus on the receiver**

Promote prepaid card program benefits with users to a strong relationship

## **Inclusion of digital assets in prepaid programs**

How digital assets, like cryptocurrencies, can be integrated into prepaid offerings is to be determined

# But, how?

## Possibilities to begin eliminating checks

### Explore payment rails independently

Diverse menu of options available (instant payments, alias-based payments, push-to-card, ACH, prepaid cards, etc.)

- Evaluate each rail and determine what option(s) work best
- Pilot with one, and expand slowly
- Consider: Requirements for each payment rail, how choice will be obtained and stored, connectivity to bank partner

### Implement a choice-based solution

Develop a program that allows payment recipients to **choose** how they want to get paid

- Determine options you want to offer, and do not offer check
- Develop in-house, or find a provider / bank solution in the market
- Consider: Contact info for payee communications (i.e. email address), default if choice not provided

# Exploring use cases



# Use case: Athletic per diem

## Common Challenges

- Administrative (and security) challenges with checks & cash
- Difficulty tracking issuance, reconciliation, and escheatment
- Travel complexity & timing, with multiple teams
- Compliance with NCAA rules tracking funds usage

## Why it Works

Simplify the way you allocate funds and track expenses for athletes, coaches, and staff

- Cards funded in real time, with ability to pull unused funds back
- Great for non-employee travelers not in payroll
- Reduce reimbursement volume
- Consider: costs per check, cost of customer service, and cost of escheatment

Eliminate the  
“envelope handoff”

Prepaid cards offer an opportunity to streamline travel by replacing manual processes with fast, controlled, flexible funding

# Use case: Payroll

## Common Challenges

- Individual expectations for digital payments, including card options
- Payroll edge cases where direct deposit is less adopted
- Under / unbanked employees
- Bank account record updates as employees turnover

## Why Prepaid Makes Sense for Payroll

Reduce payroll check distribution costs with a prepaid card option for non-ACH employees

- Load funds onto reloadable cards for payees
- Great for off-cycle pay, emergency, or termination payments
- Flexibility for a diverse workforce that includes unbanked employees, seasonal workers and/or part-time employees

\$4 - \$20

Typical cost range to issue a paper check

# Use case: Research studies and clinical trials

## Common Challenges

- Often one-off, unpredictable payments
- Obtaining bank account information sometimes outweighs expectations for digital payments

## Why it Works

Build a tailored solution with reloadable non-payroll cards or single load cards

- Confidentiality by minimizing PII info collected
- Strong audit trails with payment and 1099 data
- Participants aren't left waiting for checks

Give participants fast  
frictionless compensation –  
without collecting sensitive  
payee information

# Use case: NIL/athletic rev share

## Common Challenges

A unique and relatively new use case in athletics

- Diverse NIL / rev-share recipients: scholarship athletes, walk-ons, international athletes, transfers
- Roster turnover
- Reputational risk if payments are delayed, paired with a high expectation for speedy payments

## Why it Works

- Onboarding without collection of sensitive data
- Great for athletes with short or unstable tenures
- Clean audit trail for reporting requirements
- Frictionless payment supporting an “athlete-first” model

In recruitment, delayed payments are not an option

Not every athlete has a traditional bank account – but every athlete can use a prepaid card

# Other use cases on campus

If your dept hands out checks, chances are there's a better way

## Student refunds

- Housing, meal plans, parking, transportation, etc.

## Stipends / program participation

- Internships, event staff, etc.

## Camps, clinics, conferences

- Workshop facilitators, temporary staff, event stipends, etc.

## Emergency aid

- Financial aid, housing, food, travel

## Gifts & incentives

- Orientation incentives, survey participation, library research, etc.

## Employee expense card

- If you don't want to issue a traditional corporate card, consider a prepaid option

# Key takeaways

## If you remember only 3 things...

- **ONE:** Checks aren't only outdated, they introduce cost, risk, delay, and frustration
- **TWO:** Higher education needs payment tools that match its complexity and speed
- **THREE:** Prepaid cards offer a practical, scalable way to modernize payments

*Prepaid cards can fill a unique gap when other digital payments aren't realistic options for faster and safer campus payments*



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**THANK  
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