



Case Study: City of Novato

City of Novato Transitions to Hosted Solution to Cut PCI Compliance Costs

Background

The city of Novato, California is approximately 30 miles north of San Francisco with a population of nearly 53,000 residents. The city delivers municipal services through six departments: Central Administration, Administrative Services, Community Development, Police, Public Works, and Parks, Recreation and Community Services.

In June 2009, the city's Parks, Recreation and Community Services department transitioned from Class eConnect (self-hosted Internet Registration and Payment Processing) to Class Hosted Internet Registration and Payment Server. Sandy Stohler, Senior Management Analyst for the city, and Lori Simpkins, Office Supervisor, talked with Active about the decision to move to a hosted parks and recreation software solution and the benefits they anticipate it will bring to the department.

Challenge

In 2002, Novato's Parks, Recreation and Community Services department implemented Class software with the Activity Registration, Facility Reservation, Point-of-Sale, Interactive Voice Response, eConnect and Membership modules. The department conveniently accepted credit cards from citizens to pay for events and activities.

As the Payment Card Industry (PCI) continued to tighten security responsibilities for merchants, the city department began exploring new options to ensure PCI compliance without excessive expenses.

The department needed to take action on a new solution to address a few key issues. Stohler explains, "In the best interest of our citizens, our City Manager did not want cardholder data stored on site. Plus, we had no idea how much PCI Compliance measures would cost to implement on our own, but we knew it would be an added expense after speaking with our IT supervisor. In addition to upgrading our servers and firewalls, the department's payment server needed to be updated."

Customer at a Glance

Customer: City of Novato Parks, Recreation and Community Services

Solution: Class Hosted Internet Registration and Payment Server

URL: www.cityofnovato.org

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– Sandy Stohler, Senior Management Analyst, City of Novato PRCS

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How Active Helps With PCI Compliance

1. **Mitigate Your Risks** associated with Credit Card Processing — You achieve the same level of customer service without storing or processing the data yourself
2. **Reduce Your Costs, Time and Resources** Required for Compliance Mandates
3. **Reduce Your Reporting Requirements** for PCI Compliance

“[Moving to a hosted solution] was an easy decision to make: keep all of the same functionality and online credit card conveniences, while alleviating the PCI compliance responsibility.”

– Sandy Stohler, Senior Management Analyst, City of Novato PRCS

Solution

The Parks, Recreation and Community Services began exploring outsourced options. Simpkins notes, “PCI Compliance was the driving force in our decision to transition to the Class hosted solution. We really didn’t explore any vendors, aside from Active Network. We already had a great relationship with Active and, during one of the company’s conferences, Active demonstrated a thorough understanding of best PCI compliance practices.”

With its hosted parks and recreation software solution, Active takes on the role of application provider and merchant, eliminating much of the City of Novato’s PCI compliance responsibility and financial risk. Stohler adds, “We didn’t see much of a difference in the way that we would operate using a hosted platform, so it was an easy decision to make: keep all of the same functionality and online credit card conveniences, while alleviating the PCI compliance responsibility.”

Any concerns the department had about a transition to a hosted platform were quickly addressed by Active’s team. Stohler explains, “For example, we were concerned about how often we would receive a check from Active with our customer’s payments, but once we were told bi-monthly, our finance person gave us the OK. Perhaps our biggest challenge was comparing apples to apples with regard to our banking fees and how those may be impacted. However, Active worked with us to be able to compare the fees, and it appears that the hosted platform could end up being less expensive for us.”

Future

The City of Novato’s hosted Class application was implemented at the end of July 2009, with a go-live date slated for the coming months.

Simpkins notes, “While we’re not completely sure what this entire process will look like a year from now, we are confident in Active’s platform and know-how. The company’s been fabulous, answering every question and following up on all of our requests. We think we’ll be able to save money in the long term, since Active’s hosted solution is competitively priced and we will alleviate the time and resources that would otherwise be spent keeping up with the PCI compliance directives.”

Stohler adds, “Our city recognized that if we didn’t make the transition to Active Network’s hosted software, we would need to spend a lot of money and staff time to not only identify an outside consultant to bring in, but then to pay that person to ensure our ongoing compliance with PCI regulations.”

With the transition to Active’s hosted parks and recreation software, the Parks, Recreation and Community Services department will be able to continue providing the same level of service and online convenience to its community members, despite PCI requirements and the tough economic climate.