To address possible school fees and vendor-provider business models the system must support two fee mechanisms

1. An existing contractual relationship between the two sets of clients and vendors
2. Fee calculation, notification and acceptance in advance of delivery

**Use Cases Involving Fees**

1. Client\_A uses Vendor\_A to **send an unsolicited document** to Client\_B via Vendor B where a set fee has been contracted between the two vendors.

* Unsolicited in that the sender sends the document without have received a request from the recipient. (e.g. a student requests that his school send a transcript to another school)
* We assume that there is no charge by the receiving client for receiving the document.
* The vendor fee is set by business relationship between vendors.
* Fee calculation, accounting and billing are outside of network.

1. Client\_A of Vendor\_A **requests a document** from Client\_B of Vendor\_B
   1. The transaction cycle may include the request, acknowledgment, a fee statement request and fee statement response, a response and/or the requested document.
   2. The transaction may require a fee calculation, notification to the requestor and agreement by the requestor.
   3. The fee for a given transaction may depend on a number of factors and include a vendor fee component and a school fee component
      1. School fees may be reflect differences for

* Alumni vs. active students
* In state vs. out of state
* Agreements between schools or systems
* Additional school charges
* The type of transaction (enrollment verification, degree verification, transcript)
  + 1. Vendor fees may reflect differences based on
* A contractual relationships between the two vendors
* The volume of transactions
* The type of transaction (enrollment verification, degree verification, transcript)

**Suggestions regarding the support for fee requirements**

1. The calculation of the fee should be outside of the transmission service
2. The transmission service should support the communication of the request for fee payment and the response to this request.
3. Provided the request is honored the collection of the fee should be outside of the service
4. *Fee relationships do not need to be secret.*

For example, if the combined school and vendor fees for a given transaction are not covered by a pre-existing agreement then there would need to be a means of

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| calculating the fee | this would be handled by Vendor B in support of their Client B and may require interaction with their Client in order to obtain both the school fee and the vendor fee. |
| communicating the fee to the requestor | e.g. a PESC standard ‘FeeStatementRequest.xml’ |
| communicating the requestor’s agreement | e.g. a PESC standard ‘FeeStatementResponse.xml’ |
| completing the transaction | i.e. returning the requested document, e.g. a transcript |
| collecting the fee | A requirement for participation in the network might be that the parties must agree to pay for charges that they accrue. It may be possible to use Paypal accounts or other methods of micropayments and build support for these into the FeeStatementRequest/FeeStatementResponse protocols. |

These high level flow diagrams are intended to describe

1. A possible transaction flow for a document request, fee statement and response and ultimate document delivery.
2. Periodic invoicing and payments to reconcile fee accounts.

