

How Schools Are Modernizing 1099 Payments

Insights from District Leaders on Digitizing Payments Across Athletics and Beyond



THE LEADERS BEHIND THESE LESSONS

School and district leaders across the country are rethinking how they manage payments for 1099 workers—from game officials to fine arts judges and seasonal staff.

Arbiter interviewed experienced athletic directors Lanness Robinson (Hillsborough County, FL) and Max Kattwinkel (Lubbock-Cooper ISD, TX) to uncover what's changed since switching to digital payments—and why they're not going back.

About Lanness Robinson

Lanness serves as athletic director of Hillsborough County Public Schools which is located in Tampa, FL. The district serves 213,000 students, operates on a \$3.3 billion budget, is home to more than 15,000 teachers, 25,000 support staff, and includes 250 individual schools. Lanness was elected as the Region A At-Large representative to the NIAAA Board of Directors by the membership at the 2016 National Athletic Directors Conference in Nashville, Tennessee. He was selected by the Board of Directors to become the 41st President of the NIAAA Board in 2020. Lanness became the fourth Floridian to serve as President of the NIAAA Board of Directors and he holds the distinction as the association's initial African American president.



Lanness Robinson

About Max Kattwinkel

Max is the athletic director of Lubbock-Cooper Independent School District which serves over 6,500 students through the expertise of more than 500 teachers. Prior to his position as athletic director, Max was a champion high school football coach compiling a 59-18 record at the school including an undefeated regular season campaign with the most wins in the school's 86 year history as well as coaching in the school's first ever nationally televised athletic event with the upset of top ranked Stephenville. Max graduated with his Master's Degree in Educational Leadership and his Bachelor's in Education from Texas Tech University.



Max Kattwinkel

This report outlines five key lessons from district leaders working to modernize how they manage payments, reduce admin time, and better support coaches, staff, and 1099 workers across departments.



LESSON 1

Digital Payments Are No Longer Optional

The shift away from paper checks and cash is accelerating. According to the Federal Reserve, check usage in the U.S. dropped from 19 billion annually in 2000 to just 3.4 billion in 2023—and that number continues to decline. Meanwhile, digital payments now account for the vast majority of all disbursements, with younger generations expecting immediate, electronic transfers across every part of their lives—including school-related work.

- Both Lanness and Max have said that cash has been eliminated completely from their school districts, and the switch to digital payments occurred seven years ago.
- The overriding move away from cash and checks found its origins in a need to streamline the payment process for contract workers, who in some instances like Friday night football games in Texas, can total as many as 100 game day personnel.
- In the Hillsborough School district, they were still paying 1099 workers in cash before they moved to digital payments, but the true purpose of the move was in the context of accountability.
- Accountability, in fact, is a huge reason to move to digital payments, and both Lanness and Max are in 100% agreement that accountability might even be the best approach for receiving buy-in and a ringing endorsement to move to a digital payment platform from personnel in the business office.
- In other words, if athletic departments want to switch to software like Arbiter Pay, it's simple to focus on the finance departments who are overly burdened with paperwork, record keeping and issuing 1099s. There's even a strong argument that athletic departments should not pay the subscription price of the software, but the business office should.
- Both ADs agreed that there will never be a "turning back" to the manual process of seven years ago, and the simplicity of today's digital payment solutions will only grow and expand to other people and uses throughout a school district.



**82% of Americans
used digital
payments in 2023
—up from 72% in
2020.**

LESSON 2

The Real Win Is in the Business Office

Max explained it this way, "Our business office loves Arbiter's digital payments platform. The amount of paperwork that has been eliminated is unbelievable. From officials submitting pay sheets, to me submitting check requests, and then back again, and toss in signatures, it was a real mess. Now that everything is done electronically, it saves everybody a lot of time and paperwork."

- The key to all of this is the issuance of 1099s to contract workers. Not only was the payment process a 5-step procedure, as Lanness explained, but even after that, the business office had to issue, track and follow up with 1099s and that was a huge problem that required a massive amount of time. Now, all the steps have been completely eliminated.
- A by-product of that has been an entirely new dynamic within business offices. Because the work has been streamlined so thoroughly, there is greater staff continuity; workers in that office are staying longer in their jobs because processes are easier.
- Both Max and Lanness are in total agreement that it's the audits that have truly changed. Because of digital payments and recordkeeping, the audits are cleaner, faster and more accurate. And, of course, they are far less time-consuming.
- It's very important to close-out each event and there can be thousands of events in a year. In some cases, an event can't be reconciled until the 1099s are reconciled, and because Arbiter handles much of this dynamic, athletic departments are able to close-out events faster and more accurately.
- Another advantage for the business office is the ability to correct or amend any payments with the click of a button, and that makes the finance people very content. As Max has indicated, in Texas football, officials get a percentage of the gate; can you imagine how complex that would be to determine, and how time-consuming that would be, but not when the process is digitized?



LESSON 3

Real-Time Pay Is a Must-Have to Attract and Keep Officials

One of the biggest drivers in addressing the official shortage is the expectation of real-time pay—especially among younger referees. They expect to be paid immediately before or after a game, and only digital payments can deliver on that. Without it, schools will struggle to recruit and retain new officials.

- The entire payment ecosystem of the way things were just won't cut it in today's digital world. School districts and schools that are still paying by check or cash will not successfully compete for officials much longer. There is strong evidence that the new breed of referees will choose games where they are paid digitally over games where they need to wait for payment.
- Both Max and Lanness agree that digital payments are actually a recruitment tool for many schools; it's one of the few ways where districts can attract younger officials by highlighting the advantages of digital payments, and that advantage is immediacy.
- Today, the expectation is you work a game, you get paid for that game. Waiting to be paid, or even paid inaccurately, just doesn't appear to be an option any longer.
- Immediate gratification is very important to younger people and it's no different for younger refs either, according to Lanness. Refs need to be paid in accordance with their personal preferences, or there won't be refs. And their personal preferences don't include being presented with a check.
- As Max said, "If you work a game, that money needs to be in the worker's account before they leave the field or the gym. That's the process and that's a plus. The official shortage is caused by bad sportsmanship, that's reason number one so if you want to recruit new officials, under difficult circumstances, the very least you can do is pay them right away."



LESSON 4

1099 Payments Are Expanding Well Beyond Athletics

As Kyle said, "Schools are branching outside of athletics for digital payments. There's a school in Texas that's actually paying the piano accompanist for the choir through digital payments. There are schools in California that are paying their lawn guys this way. It broadens the ability of the business office to pay all their 1099 contractors this way."

- Although both Max and Lanness are somewhat restricted to athletics, both believe that broadening the scope of digital payments to other non-athletic contract workers makes perfect sense.
- Lanness added that in his school district, they add digital payment recipients all the time and with a lot of frequency. It's so simple to add names and information that schools should expand the scope of digital payments.
- According to Max, in their school district it's already happening. They're digitally paying judges for a one act play contest so electronic payments have already moved into their fine arts program.
- Districts are realizing that using one system to pay all 1099 workers—not just game officials—improves consistency, reduces errors, and simplifies reporting. Whether it's fine arts judges, accompanists, curriculum contractors, or event staff, a unified approach cuts across departments and helps finance teams stay in control.
- It was brought to the attention of the audience that it's all district money whether it's athletics, fine arts, curriculum-based workers, or facilities management personnel. And whatever the department, districts need to be responsible and accountable for taxpayer's dollars, and digital payments and recordkeeping are two of the best ways to demonstrate accuracy and accountability.



**Schools are now using
Arbiter Pay for fine arts
judges, accompanists,
event staff, and curriculum
contractors—all from one
centralized system.**

LESSON 5

Digital Payments Help Districts Make Smarter Budget Decisions

The pressure on athletic budgets is relentless. Costs are rising faster than funding opportunities and the focus, at least currently, is trying to maintain the quality of the programs, services and experience. Reducing expenses can help, and transitioning to digital payments is one way to save money and valuable resources.

- Anytime an athletic department can implement a process that is more accountable and trackable the better the department will be and digital payments are one, very important step in financial stability. That's because it allows ADs to easily pull reports, analyze and compare data, and make fact-based decisions.
- There is a need for athletic departments and the personnel to be more business minded because the decisions are difficult ones. As long as costs are rising faster than funding, digital processes, not manual ones, are going to be the answer to a more business minded approach to management.
- It was agreed that digital payments save athletic departments money, and with those savings Lanness mentioned that his district needs to, first and foremost, maintain the services they provide in spite of rising costs, after that, those savings would be directed to adding new sports and activities.
- For Max, any money saving attributes from digital processes would go to offering a better product to fans. The overall product experience is essential to the success of high school sports. And Max reminded everyone that athletics is one of the few departments, if not the only department in a school, that actually brings in revenue. That doesn't lessen the strain on the budget, but it does help.
- Accountability, in the end, is what will always be most important in any discussion about budgets and performance. Without accountability, which is so difficult without digitized processes, it will be almost impossible to run an athletic department efficiently. Digital payments, and the reporting that goes along with it, are the backbone of accountability.





BONUS TAKEAWAY

Digital Adoption Starts with Support

Not everyone is comfortable with new tools—and that's okay. Like coaching a team, digital adoption takes a bit of support and practice. The tools are simple. It's the habit shift that takes a little time.

- Switching to digital payments was easier than expected. Max and Lanness said it took about an hour to onboard staff in the athletic and business offices.
- For assigners and officials, it wasn't much different. For refs, many were shown how to set up their accounts right when they arrived at the field or the gym for the first time during the transition; it literally only took minutes.
- Some users need more coaching—but most just need a clear reason to care. Once they realize there's no more printing forms, chasing checks, or submitting paperwork in person, even the skeptics come around.

Most districts onboard in one session—with no IT support needed.



**"We didn't need to convince anyone.
Once they saw how easy it was,
everyone was on board."**

**— Lanness Robinson,
Hillsborough County Public Schools**



Digital Payments Are the New Standard— Here's What That Means for Schools

Paper checks and manual workflows are being replaced across schools and districts. From athletics to arts and admin roles, more leaders are embracing digital payments—for the accuracy, accountability, and time savings they bring.

- **Built-in accountability.** Districts get real-time visibility into who was paid, for what, and when.
- **Faster recruiting.** Younger officials and 1099 workers expect instant digital payment—without it, assignments get missed.
- **Cross-department use.** Schools now pay everyone from referees to theater judges to event staff—using one system.
- **Less admin work.** What used to take days—forms, approvals, mailing checks—now takes minutes.
- **Fully automated 1099s.** No manual forms, follow-ups, or end-of-year crunch.
- **Easy rollout.** Most schools are up and running after one session, with no IT bottlenecks.
- **Trusted at every level—from business office to the field.** When people see the time saved, they're quick to shift—even those hesitant at first.

