MSU CREDIT CARD PROCEDURES

Equipment Required

· Chase-Ingenico reader—a separate unit used to verify credit card sales (using an analog phone line or cellular data).

· Paper supplies – thermal paper for receipts

Daily Procedures

· Only trained, authorized personnel will be allowed to transact credit card sales and payments.

· No cash advances are allowed on credit cards.

· **100 % verification is required** -This means that all credit card sales must be authorized through the bankcard service company by using the machine, prior to being entered into PeopleSoft. NO EXCEPTIONS will be allowed. Business Office staff must write the receipt number on the top copy of the credit card verification slip for all transactions processed through their machine.

· The credit card verification slip is to be routed in the following manner:

   o The original is to accompany the departmental deposit to the cashier in the Business Office. (See instructions below)
   o If the customer requests a copy, one is provided. If a copy is generated and not given to the customer, the copy is shredded.

· All transactions posted on a credit card machine in any given day must be included in a daily batch transmittal from the department to the credit card processor.

· In departments other than the Business Office, all transactions processed through the machine must be delivered to the Business Office the next business day.

· For submittal to the Business Office, the department must complete a deposit slip showing the proper fund, department, and account codes. The department must also include the summary slip from the credit card machine closeout process. All of this information must be provided to the cashier in the Business Office the morning of the following business day.

· After month end, the Business Office will prepare a journal entry charging departments the merchant fees for the month. The fee will be processed by the Business Office and will appear as an expenditure in the general ledger.

· In the event that a chargeback occurs for which there is no supporting documentation, the department will absorb the cost of the chargeback. It is the department's responsibility to work with the Business Office to resolve all chargebacks/discrepancies as soon as notification is received which includes providing additional documentation.

Methods for Accepting Credit Cards

1. In person
2. By telephone—destroy by cross-cut shredding any cardholder information obtained immediately after processing the transaction.
3. By fax—only use this method if the machine is in a secure, limited access location, accessible only by authorized personnel.
4. By mail—this method is not preferred. All documents must be secure & cardholder information must be cross-cut shredded after the transaction is processed.

Credit card policy - revised 3-14-19

5. By email—__not acceptable__. If information is received that contain a credit card number, __DO NOT PROCESS THE TRANSACTION.__ The credit card number should be deleted and then a response may be sent to inform the individual that for their security, the University does not accept credit card information through e-mail. The e-mail should then be deleted and emptied from the Trash Folder.

   > "MSU protects the privacy of our customers. The email system is not a secured site. For your protection, please discontinue sending credit card information electronically. Please contact the department that will process the transaction for available payment methods."

   Departments should keep a copy of the response with the supporting document from the transaction in accordance with MSU retention policy.

Refunds

- In the event a refund needs to be issued, the Business Office will:

  o process a voucher to reimburse the customer from the appropriate fund. A check will be issued by accounts payable to the customer.

  o refund through the machine only for corrections made on the same day as the original transaction.

Security

- Employees should contact the Business Office immediately if they suspect that credit card records may have been compromised in any way. The Business Office will take the appropriate steps.

- Any document containing cardholder data such as the card number and CVV code from the back of a card must be cross-cut shredded after processing the transaction.

- Authorized trained employees must periodically inspect their credit card equipment for signs of tampering or unauthorized replacement. Report suspicious behavior and indications of device tampering or replacement of the authorized equipment to a manager or security officer. Verify the identity of any third-party person claiming to be repair or maintenance personnel prior to granting them access to modify or troubleshoot your device.

- There will be periodic formal training provided which will include but not limited to: preventing credit card fraud, protecting paper receipts, and protecting and securing any device that processes credit card transactions.

- The credit card machine should be kept in a locked office and used in that location. Advancement/Alumni Office and Athletics will at times utilize their machine at an off-site location for a MSU-Sponsored activity. The machine will be used and monitored by authorized personnel only.

- When records are destroyed, follow the MSU retention policy.

Accounting for Transactions

- The daily net sales settle electronically into the appropriate university bank account, usually within 48 hours. It is the responsibility of the department to close out credit card batches daily and submit accounting information for the batch to the Business Office Cashier by the next business day.

- It is the department's responsibility, in cooperation with the Business Office, to reconcile the settlement amount in the general ledger account to the credit card receipts on a regular basis, but no less than monthly. Departments will have two months to clear any outstanding credit card transactions that appear on the monthly bank reconciliation after which they will be written off to miscellaneous income.

- Each department receives a monthly statement directly from the authorized merchant service provider. These statements provide a listing of each batch submitted for reconciliation purposes. It is each department's responsibility to verify that this information is correct.

How to Keep Credit Card Processing Costs Low

- Always treat CREDIT CARD SALES TICKETS like cash. Keep them in a safe place, and shred all copies. Blacking out information is not a PCI compliant acceptable method. This will protect your customers and you against loss or fraud.

- Treat your Chase-Ingenico READER like a cash register. Make sure only trained, authorized persons have access to it.

- Make deposits every business day.

- Keep records and deposit reports **in a secure place**, and check them against your monthly reports. If all detail sales appear on the monthly PeopleSoft finance reports, then the detail can be destroyed. It is the department's responsibility to initiate action to locate deposits that do not appear on the monthly reports.

If you have any questions, please call the Business Office @ 858-3333.