

August 18, 2015

MEMORANDUM

TO: University Merchants

FROM: Heidi Kozlowski, Interim University Controller
Mardecia Bell, Director of Security and Compliance

SUBJECT: EMV Technology for Point-of-Sale Merchants

You are receiving this memo because upcoming changes to fraud liability may have an impact on your business operations.

On October 1, 2015 a liability shift for point of sale transactions takes effect. This liability shift is meant to encourage all involved in the payment process to invest in EMV (Europay, MasterCard, and Visa) technology. Because EMV cards in conjunction with EMV enabled terminals can virtually eliminate card present fraud, the party that does not invest in EMV will be financially responsible for any fraudulent card present charges that occur.

Because financial liability will shift to merchants using less secure technology, University merchants are required to enable EMV technology within all payment capture solutions no later than October 1, 2015. Any hardware or software solutions that use only magnetic stripe technology must be retired through the Merchant Services office after October 1, 2015.

Hardware and software replacement is not the only issue: merchants are advised to seriously consider the impact that EMV technology will have on their business operations. It may be necessary to change business processes. Customer service personnel will need training on how to use the new POS devices. In addition, the customer's payment experience will change, and customers may be unfamiliar with the payment process on the updated hardware. Chip transactions may take longer than magnetic stripe transactions, and customers may not be accustomed to the increased transaction time. Merchants should prepare to facilitate customer interaction with the new POS devices.

Merchant Services and Security and Compliance will work with all merchants to assist with meeting this latest University requirement. If you have any questions, please contact Amanda Richardson, Merchant Services Manager in the Controller's Office, at 513-4464 or aarichar@ncsu.edu.

cc: Steve Keto, Associate Vice Chancellor for Finance and Resource Management
Susan West, Director, Technology Support Services
Campus IT Directors