NC STATE UNIVERSITY

University Controller's Office
Internal Administrative Procedures

Section: General Accounting
Function: Cash Management
Person Responsible: Heidi Kozlowski

Procedure Number: GA-CM-MS-08
Procedure Title: Merchant Account Assuming Cost and Fiscal Responsibility

History: March, 2014

Procedures:

Merchants are responsible for all costs related to credit card processing, such as, related equipment and supply costs, processing fees, and fines and penalties resulting from noncompliance with University, State, and Payment Card Industry (PCI) policies. It is also the merchants responsibility to continuously observe internal control standards for safeguarding receipts and data.

Point of Sale Swipe Terminal:

For non-Internet transactions, a point-of-sale (POS) swipe terminal with printer, optional pin pad, and a dedicated analog phone line are required. Merchants are responsible for the installation and cost of their dedicated analog phone line. Also, merchants will need to order their point of sale terminal through Merchant Services in the Controller's Office. Terminals are available through the Merchant Service Agreement, MSA, for either purchase or rental pricing. Contact Merchant Services for the most current pricing schedule. The cost of terminals purchased or rented through the State contract is billed directly to the merchant on their SunTrust Merchant Services monthly invoice. To order a terminal, complete the POS Terminal Order Form and submit it to Merchant Services in the Controller's Office. Terminal supplies, such as paper, printer ribbons, and Visa/MasterCard logo signage are available for just the cost of shipping. Contact the SunTrust Merchant Services help desk, (800) 654-8816, to order these supplies.

Point of Sale Computer Terminal:

The merchant is responsible for all software required for a POS computer terminal application. The software and configuration must be compliant with the Payment Card Industry Data Security Standard (PCI DSS) and if applicable, the Payment Application Data Security Standard (PA-DSS). Merchants must have software and configuration approved by the Controller's Office and Security & Compliance. See GA-CM-MS-02 – Applying for a Merchant Account, or GA-CM-MS-04 – Changing an Existing Merchant Account for information related to establishing a new account or changing an existing account.

Disposal:

Disposal of POS terminals or computers that have processed or stored credit card information must be done in a secure manner. See GA-CM-MS-06 – Disposal of Point-of-Sale Terminals for information on how to securely discard the POS Terminal.

Processing Fees:

The credit card processing fees include interchange fees, assessment and switch fees, and merchant service fees. If applicable, additional fees are charged for the use of third party payment applications.

Fines and Penalties:

Merchants have the final responsibility for complete compliance to the Payment Card Industry (PCI) Data Security Standard. If the merchant does not comply with the security requirements or fails to rectify a security issue, the payment card industry may fine and/or place restrictions on the responsible merchant.

Loss or Theft of Account Information:

Merchants must immediately notify the Office of Information Technology if there is suspected or confirmed loss or theft of any material or records that contain cardholder data, in accordance with the Incident Management Policy. All security incidents should be reported to OIT-ISS using one of the following methods:

- During business hours, call 515-HELP and ask to speak with security
- At other times, send a page with your phone number and the phrase "PCI security incident" to OIT Security Group at: http://pager.ncsu.edu
- Send an email description to security@ncsu.edu

Failure to immediately notify the proper authorities will put the merchant at risk of a $100,000 penalty per incident. If merchant is not compliant at the time of an incident, they are subject to fines by PCI, up to $500,000 per incident, for any cardholder data that is compromised.

Internal Administrative Procedures Approved By:

Name of Person	Date
Associate Controller: Heidi Kozlowski	April, 2014
University Controller:	