Payment Card Phone Terminal Guidelines

Payment card data is very sensitive – if you have any questions about what is allowable – ask first. This guide is to supplement the employee training, payment card policies and payment card requirements outlined by the university.

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University Requirements
• payment card compliance: http://busfin.osu.edu/filestore/pdfs/515_creditcard.pdf
• payment card requirements: http://u.osu.edu/treasurer/files/2015/07/PCI-Requirements-6-30-15-FINAL-1s94ecg.pdf

CFAES Contacts
• Assistant Merchant Manager: Carol Allen
• Security Liaison: Rob Clifford

Before you begin – Is a phone terminal right for you?
• How often will you need a terminal? Short term rentals and cell phone rentals are available.
• What kind of revenue are you bringing in? This should be used for sales, speaking fees and registration fees. It cannot be used for donations or grant payments.
• The deposits from the terminal will only go to one Chartfield. Each terminal is tied to a merchant account which is tied to one Chartfield for revenue and expenses.
• Do you have a tracking system set up to cover the phone terminal transactions? A separate ledger will be needed to track all incoming transactions with customer name, purpose, amount and sales tax collected.
• Transactions must be reconciled and the terminal must be inspected monthly.
• Do you have/need a dedicated phone line that is in an appropriate location and accessible when payments are to be made? Can you afford that cost?
• There is an annual training that is required of any user of the system? Are you willing to have your staff take this training every year? This training should be taken but all employees at the address of the location where the equipment is located even if they are not involved in the transactions.

Looking for other payment card options? Check out how to accept payment cards for donations and for online registration payments here: http://cfaesfinance.osu.edu/training/PCR
Security
The payment card terminal should be as secure as possible. Because terminals are usually kept at the front desk, make sure that someone is always monitoring visitors that come in and out of the office. The machine may have sensitive data that, if stolen, could be used to access customer payment card information.

Location of equipment: The peripheral part of the machine needs to be close to the front counter for customers to be able to insert their own cards. The body of the machine should be on a counter out of immediate reach from the customer.

Do not collect payment card information via fax or email.

You may collect payment card information in person by having the individual insert their own card, by swiping the card, by typing the payment card numbers into the machine, or over the phone. You may also collect payment card information via U.S. mail – but be sure the payment card numbers can be torn off of the “form” and destroyed before filing the paperwork. Example: put the signature and payment card info at the bottom of a form and then tear off the part with the number, leaving the signature.

If you are unable to process a transaction immediately and you have papers with the full payment card number, temporarily store all physical documents containing cardholder data including the full 16 digit card number and customer’s name in a locked drawer, locked file cabinet, or locked office. Once processed, shred the piece with the 16 digit card number.

Protecting cardholder data is everyone’s responsibility. Known, suspected, and alleged incidents involving lost, disclosed, stolen, compromised, or misused cardholder data must be reported immediately to
a) Your supervisor,
b) Rob Clifford
c) Brian McClain

Rob or Brian will contact the OCIO: by e-mail to security@osu.edu and by phone to 614-688-5650.

Fees and costs as of 3/14/17
Fees will be directly billed to your Chartfield (where the revenue is deposited) on a monthly basis.
• The payment card processor charges a per transaction fee not to exceed 5 cents.
  o If your phone line is an internet phone line (VOIP) you will have an additional 2 cents per transaction fee.
• The payment card companies charge a variable fee depending on the type of card, type of transaction and other factors. On average this fee is 2.5% of the transaction amount.
• A fee may be charged by the payment card companies even if the terminal isn’t used. Between $5-$10 monthly
• Machine cost:
  o Standard terminal purchase $350 or monthly rent $25
  o Cell phone terminal purchase $550 or monthly rent $50

Merchant Information
• Request a new merchant account
• A merchant account is required in order to get a terminal.
• Each terminal is tied to its own merchant account. Merchant accounts are assigned an ID.
• The merchant name is what will appear on your customer’s receipt and payment card statement. The merchant id is what tells the bank whose money it is and where that money should be deposited.
Terminal
- If you need to purchase a new terminal, contact Carol Allen.
- The machine should be placed on your Non Capital Equipment Log or tracked like other Non Capital Equipment.
- When you receive the machine please attach an OSU Non Capital Equipment Tag.
- If you would like to use your machine off-site please create a sign in/sign out sheet for the terminal to track its uses and whereabouts. Keep in mind that the location where you take the machine will need to have the same dial out procedures as your office. Ex. Dial 9. The machine should never be left unattended – either at the event or in your vehicle. Treat the machine like you would your personal wallet – keep it with you at all times.

Chartfield
- Each merchant account is tied to the unit’s ORG and fund.
- Revenue will be deposited to a revenue account number. Usually 41384 Other Academic Services.
- If you would like to permanently change the fund, program, account or user defined for the revenue you may contact Carol Allen. However, temporary changes of deposit location will not be permitted.
- Money can be deposited to only one Chartfield and cannot be split.

Employee Responsibilities

Unit Leader/Approver:
- Is required to do annual training.
- Is responsible for ensuring all employees in the physical location where the terminal is housed take annual training, even if they are not involved in the process. Exception to this: Units that have multiple office locations, only the individuals assigned to the office location with the terminal must take the training.
- Is responsible for assigning a terminal manager to meet the duties outlined below.
- Is responsible for assigning a reconciler who is different from the terminal manager. If no employee is available, the Unit Leader should reconcile the accounts monthly to meet segregation of duties requirements.
- Is responsible for periodically reviewing the eReports to verify there are no unexpected refunds being processed.
- Is responsible for reporting issues immediately per the approved protocol above.

Terminal Manager:
- Upon Appointment- Is required to do a one-time background check.
- Annually- Is required to do training.
- As needed- Is responsible for reporting the individuals with access to the terminal and keeping this list up to date.
  - User Form: http://cfaesfinance.osu.edu/training/accounts-receivable/credit-card-revenue/credit-card-terminal-users
- Monthly- Is responsible for the monthly inspection of the terminal and maintaining a file of those forms.
  - Payment Card Monthly Inspection Checklist
- As needed- Is responsible for reporting issues immediately per the approved protocol above.

Payment card terminal user or employee in office with terminal:
- Upon Appointment- Is required to do a one-time background check.
- Annually- Is required to do training.
- As needed- Is responsible for reporting issues immediately per the approved protocol above.

Training Instructions
Individuals who handle, process, or support the processing of payment card transactions, or individuals who have responsibility for managing payment card transactions must complete annual training.
- https://buckeyelearn.osu.edu
- Payment Card Industry (PCI)
- Institutional Data Policy
- Securing the Human
Use of machine

• **Only OSU money:** These machines can only be used to collect OSU money – don’t collect money on behalf of other organizations even if they are affiliated with OSU.

• **No donations:** The machine is programmed to one Chartfield combination and that is not an OSU Development fund, therefore donations should not be accepted via the machine. Payment card donations can be made online by the donor at: [https://www.giveto.osu.edu/makeagift/OnlineGivingDonation.aspx](https://www.giveto.osu.edu/makeagift/OnlineGivingDonation.aspx)

• **No grants:** The machine is programmed for unrestricted funds. Grant funds must be received via check or EFT.

• **Mail, Phone and In Person Payments:** You should not accept payments via fax or email.

• **Shared phone lines:** The unit can share a phone line with another phone or fax machine via a phone splitter.

• **Charging a Customer** - Use when charging the customer for their purchase.
  - If the card is present first try letting the customer insert the card into the EMV reader, this will create the lowest variable fee from the card companies. If needed, scan the card yourself or type in the number.
  - Include the total amount of the purchase, including calculated sales tax if applicable.

• **Refunding a customer**
  - Refunds should be done by the unit leader or other manager, not by the normal user of the terminal.

• **Batching or Closing out the system**
  - The machine is scheduled to batch nightly (usually 11:30pm) if it is plugged into a phone line. The batch process is what charges the customer’s card. Check daily to make sure a successful batch completed the night before; a batch report will be on the terminal. If the printout is not there, process a manual close.

• **Replacing the paper:** Staples on OSU eStores has item number 452175 that will fit most machines.

Reconciliation

The reconciler is responsible for running eReports and comparing with terminal ledgers to verify all has been received.

**Keep printed receipts:** Create a system to reconcile payment card transactions. We recommend you use the printed payment card receipts and ledger and compare those to the eReports and the monthly bank statement. You should be able to track individual transactions or “batched” transactions by payment card type. Note that some transactions – such as Discover card transactions – take longer to show up on the eReports than others.

**Create a Ledger:** Create a ledger for recording transactions as they are completed. At minimum the ledger should record – the date, the amount, the payee’s name, the purpose for the transaction and the payment card type. Some have chosen to simply use a separate page of their normal receipt book like the pegboard system used for checking accounts.

**Track Taxes:** You are required to track and report sales tax. [http://cfaesfinance.osu.edu/training/accounts-receivable/sales-tax](http://cfaesfinance.osu.edu/training/accounts-receivable/sales-tax)

**Reconciler:** Reconciliation should be completed monthly by someone other than the normal payment card processor. However, in small offices where this segregation of duties is not possible, the unit leader should reconcile the payment card transactions. The reconciler should pay special attention to tracking down documentation for refunds.

Need to dispose of an old machine?

If you decide your office is not benefiting from having the ability to accept payment card payments you may cancel the machine and merchant account at any time.

  a) First do your final batching for your transactions.
  b) Reconcile the last transactions to your eReports.
  c) Package up the machine and have your unit leader drop the machine off at the Business Office the next time they are in Columbus. Room 4 Ag Administration, 2120 Fyffe Road, Columbus, Ohio 43210
  d) Include a note are you 1) closing your account or 2) simply disposing of the old machine and intend to replace it.
  e) Remove the item from your non capital equipment tracking.

Records Retention – use cross cut shredder for discarding of material

• payment card receipts and monthly inspection forms (*not containing the 16 digit account number*) should be kept for 2 full years and then destroyed

• payment card logs or ledgers of activity and bank statements should be kept for 4 full years.

• Any documentation with 16 digit account numbers should be shredded immediately.

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