

CREDIT CARD DISCOUNT RATES AND FEES
SUBJECT TO CHANGE

The department must obtain permission from Kim Herber Wicheta, Associate Director of Accounting, to process credit cards. The letter of request should include the reason for using credit cards (donations, sales, conference fees, etc.) the estimated annual sales volume, the estimated average ticket and the expense account for Cash Management to charge.

Cost for Global Retail Advantage PC software: (Card will not be swiped & all transactions will be classified as Emerging Market non-card swipe)

Global Retail Advantage PC software - Can only be installed on a PC \$195.00 One time fee

In order to use batch processing, the computer needs to have a modem, or be connected to a modem. Department is responsible for obtaining phone line and installing modem.

MASTERCARD/VISA EMERGING MARKET (NON-CARD SWIPE/WEB) CLASSIFICATION:

MasterCard/Visa base discount rate for credit card transactions 1.885% of gross sales

MasterCard/Visa base discount rate for Checkcard transactions 1.745% of gross sales

Handling fee for **unauthorized** transaction \$50.00 per transaction

* Additional non-qualified surcharges, which can range up to 1.27%, will be applied to certain Commercial card transactions, International card transactions, to transactions which are settled beyond 24 hours, and to transactions that do not meet Visa/MasterCard interchange standards.

MASTERCARD/VISA ADDITIONAL FEES

Chargeback fee (actual occurrence) \$5.00 per chargeback

Monthly Statement Fee per merchant number \$3.00 per month

DISCOVER/NOVUS FEES

Discover/Novus discount rate 1.75% of gross sales

Transaction fee .10¢ per item

AMERICAN EXPRESS FEES

American Express discount rate 2.60% of gross sales

Transaction fee .05¢ per item

BANK FEES

Bank Credit charge 25¢ per item

Bank Debit charge 10¢ per item

Each settlement (close-out) of the credit card terminal creates a credit transaction to the Bank, and discount fees and chargebacks create debit transactions. If you have credit card transactions for each card type each day, the average bank credit charge is \$22.50/month and the average bank debit charge is 0.30¢/month.

ADDITIONAL CREDIT CARD INFORMATION

The monthly bank fees, MasterCard/Visa, Discover and American Express fees will be charged to your designated expense account each month by the Office of Accounting-Cash Management. You will receive an activity statement from **each credit card company**, which you are required to reconcile with your deposit records and forward to the Office of Accounting-Cash Management by the **20th** of the month.

Physical Security: Departments are to keep all copies of credit card information confidential and protected from misuse. Current records are to be locked in file cabinets. Only authorized personnel should have access to keys to file cabinets containing credit card information. Discarded daily detail credit card information is to be shredded. Outdated records (fiscal year end plus three) are to be marked for confidential disposal - shred.

Electronic Security: Credit card information stored on local hard drive must be properly secured and properly disposed. If Department uses PC Batch software and confidential credit card information is stored on local hard drive, computer must be locked down. Hard drive must be wiped clean before disposal.

Computer Lock down in the local Group Policy Object as detailed below:

1. Computer configuration/Windows Settings/Security Settings/Local Policies/User Rights Assignments changed so that only authorized personnel and Administrators are the users listed in the security settings on the "access this computer from the network" policy.
2. Computer configuration/Windows Settings/Security Settings/Local Policies/User Rights Assignments changed so that Administrators and authorized personnel are the only users listed in the security settings on the "Log on locally" policy.
3. Under Computer configuration/Windows Settings/Security Settings/Local Policies/Security Options, enable the "Devices: Restrict floppy access to locally logged-on users only" policy.
4. User configuration/ Administrative templates/Windows Components/Windows Explorer

Enable: Hide these specified drives in my computer: Choose drive A: and B:

For proper disposal of hard drives containing confidential credit cards numbers, wipe all systems with DOD (Dept. of Defense) compliant hard drive "scrubbing" software. Procedure to be kept in LAN inventory database to ensure that system is scrubbed at least once with DOD compliant software.

How to Request a Credit Card Merchant Number

Send the following request to Kim Herber Wicheta in the Office of Accounting (fax 512-471-1651 or K5300) with a copy to Rose Paez (fax 512-232-1492 or K5300). For questions, contact Cash Management at oa.cmcc@austin.utexas.edu.

DATE: _____

TO: Kim Herber Wicheta, Associate Director

FROM: _____ (typed name)
_____ (title, Dean, Director or Equivalent)

SIGNATURE: _____

Please approve the issuance of a credit card merchant number to the department of _____ to process card payments. I have read and agree to the Office of Accounting Handbook of Operating Procedures 6.4 Credit Card Collections.

This merchant number is being requested to: (choose one)

_____ Provide income from a new product or service. (explain new product or service)

_____ Provide another means of payment for an already existing product or service. (explain existing product or service)

Estimated Annual Sales Volume: _____ Required by Global Payments
This is the amount you expect to collect per year from the Web credit card sales.

Estimated Average Ticket Amount: _____ Required by Global Payments
This is just a rough estimate of your average ticket price. List only one price, not a range.
i.e. \$600; not \$200 to \$1,000.

Expense Account to be charged for the monthly fees: _____

Authorized Signature for account (please sign): _____

Merchant name: _____

The merchant name is the name that will appear on the customer's statement and is limited to 23 characters including spaces. It should reflect the department's name in a way that the customer will recognize the charge. (i.e. UT Cont Legal Educ)

Department Contact phone number for cardholder's credit card statement: _____

I will accept the following credit cards:

MasterCard & Visa x *Required*

Discover/Novus *Optional*

American Express *Optional*

Statement Mailing Address: _____

Attention: _____

U.S. Postal address where the credit card statement(s) should be mailed. Please provide a P.O. Box if possible. A name is required on the attention line. This is usually the person who is responsible for the credit card reconciliation.

Physical Address of Department: _____ *Include Building, Room #*
_____ *Street Address if available*
_____ *City, State, Zip Code*

Departmental contact: _____ Title: _____

Mail code: _____ Phone #: _____ Fax #: _____

Someone in an administrative or managerial position. i.e. Manager, Director, Assistant Director.

Accounting contact: _____ Mail Code: _____ Phone #: _____ Fax #: _____

Person responsible for creating the daily VC1 to record the income collected.

Reconciliation contact: _____ Mail Code: _____ Phone #: _____ Fax #: _____

Person responsible for the monthly credit card statement reconciliations.

Chargeback contact: _____ Fax #: _____

Person responsible for responding to chargebacks. Global Payments will fax a "Ticket Retrieval Request" or "Chargeback Notification" when a card holder disputes or questions a charge. The department must respond before the date listed to avoid a chargeback. Chargebacks for web processed credit card payments have historically been very hard to avoid. The credit card processor will supply the credit card number, amount, settlement date, and batch control number. They will not provide the name of the card holder.

If you require additional information please contact me at _____ (phone number).