

## **Credit Card Acceptance Guidelines**

The ability to process credit card transactions has become a necessity for increased customer service, particularly with the increase in e-commerce. The University recognizes that the use of credit cards may stimulate sales in certain types of transactions and may increase the cash collections efficiency. The need to protect our customers' credit card data is essential. This guide provides University units and departments with essential information regarding the requirements and best practices for credit/debit card related activities.

### **General Information**

The Bursar's Office is responsible for coordinating the set up of all University credit card merchants. This centralization ensures that departments benefit from the University's pricing for merchant services, state and university accounting requirements are met, and security requirements are maintained.

### **Costs**

Individual departments are responsible for all costs associated with the acceptance of credit cards including equipment costs and bank processing fees. Departments are also responsible for any credit card transactions that are disputed and charged back to the University. At Clemson University, both debit and credit cards are processed through the same processing channel and are charged similar rates by our contracted merchant services processor.

Credit card merchants are charged a discount fee by the merchant services processor. The discount fee is the contracted rate that includes the current card association interchange rates, per transaction processing fees, and a fee from the merchant services processor. In general, the discount fee for a non-internet transaction is approximately 2% of the transaction amount, depending on the card brand and the type of card. Visa, MasterCard, Discover, and American Express have separate discount fees associated with transactions. In addition, "Reward/Incentive cards" (cards that offer the card holder points, cash back, or other incentives) and corporate cards are charged a higher discount fee.

At Clemson University, internet transactions are processed through Official Payments Corporation, using a secure, fully hosted web server. No credit card data is stored by the University.

A monthly statement is provided that breaks down the discount fees charged based on the sales for the period. Those statements are received and reviewed in the Bursar's Office and monthly charges are paid using the individual merchant's CUBS chart field string. Copies of the statement and voucher information are provided to the merchant department.

### **Procurement /Legal Issues**

Clemson University operates under two main contracts for credit card processing that have been negotiated to provide the best rate and address credit card security requirements. The Bursar's Office should be consulted for any potential purchases or service agreements involving credit card acceptance/processing, including the purchase or lease of credit card equipment, software, systems, etc. prior to the preparation of an RFP or request for bid.

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All third party service providers must provide evidence of PCI compliance at least quarterly. This requirement must be specified in any RFP, contract, or service agreement.

South Carolina state agencies are not permitted to enter into contractual agreements containing certain language and/or clauses. Many credit card/e-commerce entities (i.e. PayPal, VeriSign, etc.) routinely contain include language and/or clauses that are not allowable under state law for state agencies.

**Who can sign a contract?** No faculty, staff or student of Clemson University shall sign any contract binding upon the University unless such individual has been delegated, in writing, the authority to sign such agreements in compliance with the delegation of authority policy. Any agreement signed by an individual without duly delegated authority shall not be binding upon the University and may result in personal liability for the individual signing.

<http://www.clemson.edu/cfo/businessmanual/as11proc.html>

### General Procedures

Departments should complete the payment processor request form at

After the form is received, the Bursar's Office will:

- Assist the department evaluate its credit options and analyze the transaction cost/benefit of credit card acceptance;
- Refer departments to CCIT Web Services Group for coordination of technical specifications for internet transactions as appropriate;
- Coordinate with OPS or First Data Corporation for merchant set-up;
- Provide training to departments on security requirements, deposit procedures, and transaction reconciliation; and
- Provide departments with on-going support.

### FAQ:

**Can a Clemson University Department use PayPal or a similar entity to accept credit cards online?**

*South Carolina state agencies are not permitted to enter into contractual agreements containing certain language and/or clauses. Many credit card/e-commerce entities (i.e. PayPal, VeriSign, etc.) routinely contain include language and/or clauses that are not allowable under state law for state agencies.*

**Can credit card information be obtained via email?**

*No-email is not a secure method of communications.*

**Can we store customer credit card information so that recurring payments or delayed payments can be processed?**

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*In order to help ensure PCI security standards are maintained, Clemson University does not store credit card data and does not offer a delayed payment mechanism.*

### **Can I charge a fee to cover credit card costs?**

*A convenience fee cannot be charged for a face-to-face transaction. The rules associated with charging a convenience fee are very specific. If a department wishes to explore this option, it must be coordinated through the Bursar's Office.*

### **Can faculty, staff, or students contract with a payment entity to collect funds on behalf of Clemson University?**

*Only those persons authorized to execute contracts pursuant the delegation of authority policy or to whom the President has delegated authority in writing shall execute any contract on behalf of the University. Any contract signed by any person in violation of this policy shall not be binding on the University.*

### **Should a department keep a hard copy of the credit card number for future reference?**

*Hard copies of credit card numbers should not be kept in the office under any circumstances. The Bursar's Office can retrieve credit card numbers if necessary.*

### **Definitions:**

**PCI Compliance:** These are national standards from the Payment Card Security Standards Council and apply to all organizations anywhere in the country that process, transmit or store credit cardholder data. The University and all departments that process payment card data have a contractual obligation to adhere to the [PCI Data Security Standard](#) (PCI-DSS). We must adhere to these standards to protect our customers and to continue to process payments using payment cards. Each year, departments and units that are conducting payment card activities must submit a Self-assessment Questionnaire (SAQ) to the University Banking Coordinator assuring their compliance with the PCI data security standards.

**Convenience Fee:** A fee charged by a credit card merchant for payments made through an alternative payment channel such as the internet. The payment card associations have very specific rules that must be adhered to by the merchant if a convenience fee is charged.

**Discount Fee:** The contracted rate that includes the current card association interchange rates, per transaction processing fees, and a fee from the merchant services processor