

University of Iowa Payment Card Merchant Agreement

Merchant Name: _____

This document with attachments specifies the agreement between the University of Iowa Business Office and University Departments to give Departments the ability to accept credit cards from customers as an accepted form of payment for goods or services.

- Section I: Process Description**
- Section II: General Rules, Regulations and Guidelines for Merchants**
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Section I: Process Description

- University of Iowa Treasury Operations has negotiated a University-wide contract for merchant credit card processing.
- Cards accepted are Visa, MasterCard.
- Electronic ticket capture is the transmission of sales to the credit card processor through the use of electronic equipment. Credit card terminals are the most common devices used for this purpose, and are recommended for low to moderate volumes. Other options for processing include PC software, cash register systems and internet processing.
- Merchant sales information is transmitted electronically to the authorized merchant credit card provider. The provider receives authorization and payment from the cardholder's bank. Funds are then deposited into a University bank account. A bank transmission is obtained and loaded into the University E-deposit system.
- A unit requests approval to become a credit card merchant from the University Controller. Upon approval, Treasury Operations establishes a new merchant account with the authorized credit card provider.
- The credit card provider issues monthly statements to each merchant for reconciliation purposes.

- To become a Credit Card Merchant, a unit or organization must complete the **University of Iowa Request to Process Payment Cards** form found at the end of this document. The application contains Contact information, merchant location, MFKs for revenue/fees, equipment and processing method desired.
- The Credit Card Merchant must fill out a **University of Iowa Payment Card Merchant Change/Termination Request** in the event of any changes in the information provided on the Merchant Application Form. The Merchant Change/Termination Form is also included at the end of this document.
- The Merchant **must** batch out sales at the end of each day.
- The Merchant must reconcile their daily sales to the report generated when the terminal is batched out, to the University General Ledger, and to the monthly statement provided by the merchant credit card provider.
- Merchants must contact Treasury Operations in the event that they will be making any changes to their method of processing after initial set up. Examples include changing from terminal based processing to processing through PC software, through a web site, or terminals built into cash registers. All such changes must be approved by the University Controller and University Information Security.
- If a Merchant experiences a “hacking” incident concerning their credit card operations, or suspects such an incident has occurred, University Information Security must be contacted immediately. Call 335-6332 or after hours call 384-HELP (select the emergency option, and ask the attendant to contact the Security Office person on call).
- COMPLETE CREDIT CARD ACCOUNT NUMBERS OF CARDHOLDERS ARE NOT TO BE STORED IN ANY ELECTRONIC FILE IN ANY CAPACITY. IF NECESSARY, THE LAST FOUR DIGITS (ONLY) OF THE ACCOUNT NUMBER MAY BE CAPTURED.

Section II: General Rules, Regulations and Guidelines for Merchants

All face-to-face transactions should have the payment card present and obtain a signature. Always verify that the card is valid and signed. Compare signatures and check for ID where possible and feasible.

If it is not a face-to-face transaction, some other method must be used for securing the payment (i.e. mail in form with credit card information and signature, fax in signature, etc.). Request a signed authorization letter and obtain a signature of the cardholder as often as possible.

Merchants may accept card numbers via phone, fax, and U.S. mail. **DO NOT ASK FOR CARD INFORMATION OR SOLICIT CARD INFORMATION VIA E-MAIL.**

Merchants must keep all card numbers and information secure and confidential. No sensitive card information (full account number, type, expiration date, or track data) can be stored on any computer, database or server.

Merchants agree not to disclose or acquire any information concerning a cardholder's account without the cardholder's consent. Merchants will not sell, purchase, provide, disclose or exchange card account information or any other transaction information.

Merchants will keep an original copy, imaged copy or a microfilm copy of each credit card transaction for no less than 18 months. All card documentation containing card account numbers must be maintained in a secure environment limited to dependable, trustworthy and accountable staff. Secure environments include locked drawers, file cabinets in locked office, and safes. Credit card receipts should typically be treated the same as you would treat large sums of cash. After 18 months, these materials must be destroyed in a manner that will render them unreadable. Your department will be responsible for any losses due to poor internal controls.

A cash advance or withdrawal from your department to a cardholder, or to yourself, is not authorized. Merchants may not accept money from a cardholder and subsequently prepare a credit draft for the purpose of creating a credit to the purchaser's account. The terminal may only be used for transactions related to purchases of University of Iowa goods and services.

Merchants agree that the sales draft represents a bona fide, newly created transaction involving the merchandise and/or services itemized on the sales draft. A customer should not be charged before merchandise is shipped. In the case of an intangible product (i.e. Registration) process the charge to the customer when registration confirmation is sent.

Merchants are required, in good faith, to maintain a fair policy for the exchange and return of merchandise and for resolving disputes over merchandise and/or services purchased with a payment card. If a transaction is for non-returnable, non-refundable merchandise, this must be indicated on all copies of the sales draft before the cardholder signs it. A copy of your return policy must be displayed in public view.

Merchants will give proper credit for returns and adjustments by performing the proper function on the terminal. Under no circumstances should any card refund or adjustment be paid to a cardholder in cash. If cash is refunded and the cardholder files a dispute, your department will bear the loss of income from the transaction.

All fees associated with processing of credit card transactions will be paid by the Merchant.

Refer to the attachments in Section III for additional documentation on Payment Card Industry Standards.

This Agreement shall not become effective until approved by the University Controller, and will remain in full force until terminated by either party by giving written notice to the other party.

I understand the above Payment Card Merchant Agreement and by signing below agree to abide by the rules and regulations stated herewith and the attachments listed below.

Section III: Attachments

University of Iowa Credit Card Handling Policy and Procedures

Visa Merchants Card Management Guide:

http://www.usa.visa.com/download/business/accepting_visa/ops_risk_management/card_accept.pdf?it=r4/business/accepting_visa/new_acceptance/merchant_responsibility.html/Card%20Acceptance%20&%20Chargeback%20Guide

Mastercard International Rules Manual:

http://www.mastercardmerchant.com/docs/accept_mastercard/merchant_rules.pdf

Payment Card Industry Data Security Standard:

http://usa.visa.com/download/business/accepting_visa/ops_risk_management/cisp_PCI_Data_Security_Standard.pdf

Section IV: Contacts

Laurie Lentz, Treasury Operations

Email: laurie-lentz@uiowa.edu

Phone: 319-335-1398

Fax: 319-335-3678

Terry Johnson, Controller

Email: terry-johnson@uiowa.edu

Phone: 319-335-2791

Jane Drews, Chief Information Security Officer

Email: jane-drews@uiowa.edu

Phone: 319-335-6332

University of Iowa Request to Process Payment Cards

Department _____

Campus Address: _____

Contact: _____ Telephone: _____

Email: _____ Fax: _____

MFK for Deposits: _____

MFK for Fees/Chargebacks: _____

You will automatically be set up to accept Mastercard and Visa.

Estimated Annual Credit Card Sales Volume: \$ _____

Estimated Credit Card Average Sales Amount: \$ _____

Percent of Credit Card Sales: Over the Counter: _____ Telephone/Mail: _____ Web: _____

Describe Transaction Processing Methods (e.g., credit card terminals, software vendor , outsourced service, locally developed application):

Anticipated Number of Terminals Needed _____

***NOTE: Each Terminal will need a shared or dedicated phone line .**

Cash Register Interface with Credit Cards? _____ Yes _____ No

***NOTE: You must send the software specifications for your cash register system to Treasury Operations to verify compatibility with existing credit card software.**

Describe Departmental Goods/Services Offered by Accepting Credit Cards: _____

Departmental Approval Signature: _____

Date: _____

Please return completed form to:

Terry Johnson
Controller's Office
4 Jessup Hall

Controller's Office Approval _____ Date _____

University of Iowa Payment Card Merchant Change/Termination Request

Merchant Name: _____

Merchant Account #: _____

Check either "Change of Merchant Info" or "Terminate Merchant Account" Box

CHANGE OF MERCHANT INFO

TERMINATE MERCHANT ACCOUNT

Check all boxes containing a change and indicate new information.

Contact: _____ Telephone: _____

Email: _____ Fax: _____

MFK for Deposits: _____

MFK for Fees/Chargebacks: _____

Credit Card Processing Method/Equipment

Credit Card Terminal

Cash Register or PC Software

Internet

Departmental Goods/Services Offered by Accepting Credit Cards: _____

Departmental Approval Signature: _____

Date: _____

Please return completed form to:

Laurie Lentz
Treasury Operations
7 Jessup Hall