

STANDARD ADMINISTRATIVE POLICY AND PROCEDURES MANUAL

Title: Financial Policy
Section: Credit Card Acceptance and Processing

Date: Effective March 1, 2019
Resolution: 19-02-XXX



SECTION 1 – CREDIT CARD HANDLING AND ACCEPTANCE POLICY

The purpose of this policy is to establish business processes and procedures for accepting payment cards, which will minimize risk and provide the greatest value, security of data, and availability of services within the rules and regulations established by the Payment Card Industry (PCI) and defined in the PCI DATA Security Standards (DSS).

SECTION 2 – SCOPE OF POLICY

It is the policy of the city of Oskaloosa to establish standards for the acceptance and processing of payment card payments in various city departments and maintaining the security of confidential payment card data.

SECTION 4 – GENERAL GUIDELINES

1. Only transaction amounts over \$5.00 will be completed by the city of Oskaloosa.
2. The city accepts Visa, MasterCard, Discover and American Express credit cards, and debit cards with the Visa or MasterCard logo.
3. Only in-person payment transactions will be accepted by departments. Over the phone or transactions requested via email will not be accepted in departments.
4. The cardholder, who must be present, may only complete transactions. The city will not accept payment on behalf of a representative presenting the card for payment. For example, the city will not accept payment from a child presenting a parent's card, a person presenting their spouse's card, etc.
5. Staff may request to see a form of identification before accepting a payment card.
6. All customers will be informed of the total sale amount plus convenience fee amount that will be charged to their payment card. The amount charged must match the transaction amount.
7. Prior to swiping the customer's payment card, staff must ensure the payment card expiration date has not passed. If the payment card has expired, it may not be accepted for payment.
8. Each transaction must have a reference code. For example, a permit number, library card number, parking ticket number, etc.
9. Two copies of each payment card transaction are printed. A signature must be obtained on the payment card receipt and compared to the signed payment card. A supervisor must be immediately notified to determine what course of action to take in the event the signatures do not match. The unsigned copy of the transaction is given to the customer, and the signed copy is retained in the department for reconciliation.
10. If the payment card magnetic strip cannot be read by the terminal, the card number will be manually keyed into the credit card terminal.
11. In all circumstances of declined or unaccepted transactions, the payment card will be returned to the customer and the customer informed that the presented card was not accepted. The employee will offer to accept another payment card or other authorized form of payment.
12. Only authorized and properly trained city staff may accept, process and access payment card data.

13. All city staff who has access to payment card information is responsible for properly safeguarding the payment card information in accord with this policy and all other applicable city policies.

SECTION 5 – PROHIBITED PAYMENT CARD ACTIVITIES

The city of Oskaloosa prohibits certain payment card activities that include, but are not limited to the following:

1. Accepting payment cards for cash advances.
2. Processing e-check transactions.
3. Establishing recurring payments in the credit card on-line software for any customer.
4. Discounting any good or service based on the method of payment.
5. Adding an additional surcharge or fee to payment card transactions.
6. Using a paper imprinting system.
7. Accepting payment card information and/or processing transactions over the phone or via email.

SECTION 6 - TRANSACTION CONTROL AND COMPLIANCE REQUIREMENTS

1. Staff is prohibited from storing sensitive cardholder data electronically on any city or personal computer, server or device, including spreadsheets, local databases and removable media.
2. The transmission of cardholder data or sensitive authentication data via email or using unsealed envelopes through inter-office mail is prohibited.
3. The city restricts access to cardholder data to those with a business “need to know”.
4. Payment card transactions must be processed immediately. Any physical documents that contain payment card data information must be shredded immediately after it is no longer needed, in a manner that makes reconstruction impossible.
5. The customer’s payment card shall be visible to the customer at all times.
6. Payment card machines are to be secured and inaccessible to the public at all times.
7. Customer receipts and other printed materials shall never display the full payment card number (Personal Account Number). Only the last four digits of the account number should be visible after the transaction has been processed.
8. Payment card records, including receipts, payment card numbers, expiration dates, card type, and banking information are exempt from public disclosure and will not be disclosed unless required via court subpoena or in writing by the city attorney.
9. The city will notify payment card customers of any breach of security, which has placed their confidential payment card information at risk of being compromised.
10. All staff with access to sensitive cardholder data must review this security policy prior to processing or accessing any payment card data.

SECTION 7 - DEPARTMENT PAYMENT CARD PROCESSING RECONCILIATION

Each department will designate at least one employee to balance receipts. It is recommended that two employees per department are trained and familiar with the reconciliation process in order to cover vacations, illnesses, etc. Each department will reconcile transactions on a daily basis, using the deposit report from the card processing website, which includes all transactions. Each department will provide the City Clerk/Finance Department with detailed procedures for all payment card transactions and reconciliations.

SECTION 8 - RECORD RETENTION

All credit card receipts and transaction details are retained for five years. At the end of the retention period, the materials must be shredded.