

CITY OF EL CENTRO

POLICY STATEMENT

Policy Statement No: 310
Category: Finance
Subject: Credit/Debit Card Processing Policy

Adopted: September 20, 2016
Revised:
Distribution: All Departments

I Purpose

The intended purpose of the City accepting credit/debit cards is to provide organizational effectiveness and efficiency by having a convenient payment option for customers of the City, while preserving the City's gross revenues.

This Credit/Debit Card Policy ("Policy") establishes guidelines for how transaction fees associated with accepting credit/debit cards as a form of payment by the City of El Centro ("City") will be administered.

II Policy/Guidelines

- A. The City will accept VISA and MasterCard credit/debit cards only.
- B. On site, initially the City will accept credit/debit cards payment for business license and building permits only.
 1. Each time a customer is using a credit/debit card, signed picture identification must be required. Examples of acceptable identification are driver's license, military or government identification, or California identification card.
 2. Signed picture identification is not required for debit card transactions where the customer uses a personal identification number (PIN) to process transaction.
 3. Telephone number, address or driver's license numbers are not required as a condition to accept credit/debit card payments, unless necessary if a fraudulent card is suspected.
 4. Telephone number, address or driver's license number should not be written on the sales draft or note pad.
 5. Customer receipt should ONLY display the last four (4) digits of credit/debit card number.
 6. Cashiers should NEVER ask for customer for their PIN for debit card transactions.
 7. No cash or check refunds will be made on transactions paid for by credit/debit card. Credits will ONLY be issued to the card used for the original transaction.

8. The City reserves the right to refuse acceptance of any credit/debit card for payment
9. Any fraudulent use of credit/debit card subjects individuals to criminal prosecution.

C. The City is authorized to accept credit/debit cards at the following locations:

El Centro City Hall
1275 Main Street
El Centro, CA 92243

All credit/debit card payment will be integrated with the City's financial management software.

D. The City reserves the right to charge a Service Fee for all credit/debit card based on transaction amount. Service fee shall not exceed City's cost. No payment in excess of \$9,999.99 will be accepted using a credit/debit card.

1. The Service Fee will be charged directly to the credit/debit card user by a third-party vendor for providing the merchant credit/debit card services.
2. The service Fee will be charged for all credit/debit transactions processed at City office.
3. The Service Fee will be a predetermined fixed percentage of the transaction total or a flat amount and is set by the third-party vendor (s). The Service Fee may vary by location based on the rates established by the third-party vendor(s). The service fee is not collected by the City and is not considered to be a City fee.
4. All credit/debit card users will be made aware of the service fee prior to processing the transaction for payment.
5. The City reserves the right to amend the terms with the third-party vendor(s) providing the service of processing credit/debit cards as it deems appropriate.
6. The City will impose a fee in the event that a credit card, debit card draft, electronic funds transfer or other payment offered in payment is returned without payment. Said fee will be to recover the City's processing and collection costs. In that circumstance, the City may require a different method of payment and future payments by the offer of the defective payment.

E. The Finance Department will oversee and establish procedures associated with all other credit/debit card matters. As discussed previously, it is the goal of the City to preserve gross revenues while providing a convenience to customers of the City. Any procedures established subsequent to this policy will consider the preservation of revenues.

F. The City Manager and the Finance Director have the authority to expand the type of

payments for which credit and debit cards are accepted. In addition, they have the authority to amend, change or increase the locations at which such credit and debit card payments are accepted.

III Procedures

A. Access to Customer Credit Card Data

1. Access is authorized only for City staff responsible for facilitating credit/debit card transactions.
2. Only Authorized City staff may process credit/debit card transactions or have access to documentation related to credit/debit card transactions.
3. A copy of this policy must be read and signed by authorized staff on initial employment.
4. Signed policies will be maintained by the Division Supervisor.

B. Transmission of Credit/Debit Card Transactions

1. Limit credit/debit card transactions to over the counter (card present) transactions. Insecure (unencrypted) transmission of cardholder data is prohibited. Credit/debit card numbers and cardholder data may not be emailed, faxed, or sent via any electronic messaging technologies such as instant messaging for chat.

C. Card Present Transactions

1. Picture ID is required if the credit/debit card is not signed.
2. A receipt of the transactions will be provided to the customer.
3. All transaction documentation and merchant receipts shall be stored in a secure (locked) area.

IV Prohibited Use

- A. Payments for services not listed in policy will not be authorized.