Cash Management and A/R and PCI...

OH MY!!!

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Agenda

- Cash Management
- A/R – Accounts Receivable
- PCI
- Q&A

Cash Management
Cash Management & Accounts Receivable

- New link on Financial Services web page
- Cash Management Plan documents include:
  - Cash Management Plan and Accounts Receivable "draft" PRR
  - Cash Management Plan
  - ACH Payments and Collection Processing
  - Merchant Card Processing

Cash Management & Accounts Receivable - continued

- Accounts Receivable documents include:
  - Guidelines to Departments for Cash Receipting and Receivables
  - Cash Receipting Procedures Template
    - Provided in PDF format for reference
    - Provided in Word format for each of use

Cash Management Key Points

- "Cash Receipts" as used in the Cash Management Plan include
  - Cash and coin
  - Checks and money orders
  - Debit and Credit card payments
  - Wire transfers
  - ACH payments
    - Basically any payment type received by ECU
Cash Management Key Points - continued

- Daily Deposit of Funds:
  - All funds must be deposited unless the receipt total is less than $250.
  - All funds must be deposited weekly even if receipts do not total $250.
  - Health Sciences departments are required to prepare deposits daily – regardless of amount.

University Collection Points

- University Collection Points are defined as departments, event, activity or other entity that has been authorized by either the University Cashier’s Office or Health Sciences Depositary Services to collect funds on behalf of the University.

University Collection Point - continued

- Advise on security classes.
- Main Campus – provide documentation on entering receipts and detail codes.
- Make referrals to E-Commerce Manager as needed.
- Equipment needs
- Use of U-Store
- PCI consultation as needed.
Bank Accounts

- All university funds must be deposited in university bank accounts.
- Financial Services approves and coordinates opening any new bank accounts with the North Carolina Department of State Treasurer.

Electronic Payments

- Department or entity must be approved by University Cashier’s Office or Health Sciences Depository Services to accept electronic payments.
- All departments, individuals, and foundations must receive advance approval from the E-Commerce Manager prior to entering into arrangements with other entities for processing payment cards.

Exceptions

- Any exceptions must be pre-approved by Dee Bowling, Director of Compliance Management – Financial Services.
- Exception approval involves North Carolina Office of State Controller and Department of State Treasurer.
A/R – Accounts Receivable

- This includes debts owed to the department from individuals, external vendors, and external organizations.
- Can be a student debtor and not billed through Student Banner/the Cashier’s Office.
- Receivables include fees unpaid for:
  - services provided
  - merchandise sold
  - fines

A/R – Non-Student & Non-Patient

- Under G.S. §147-86.21:
  - State agencies are responsible for collecting accounts receivable owed.
  - State agencies shall develop policies and procedures for the management and collection of accounts receivable that are consistent with statewide policies and procedures adopted by the State Controller.
  - Office of State Controller and Office of Attorney General requirements.
A/R – Collection Techniques

- Submission to the OAG via the NCDOJ web Portal
- Collection Agencies
- Set-Off Debt Collections (SODCA)
- State Employees Collections (SEDCA)
- Voluntary payroll deductions
- Simple interest charged at rate established by the North Carolina Department of Revenue (NCDOR)
- Late payment penalties of 10%

A/R – Current vs. Delinquent

- Current
  - Account balances are within the time period that is allowed for payments due on provision or sales of goods or services
  - Due date/term of invoice
  - Grace period as defined by management
  - An extended time period as stated in a loan or Promissory Note

- Delinquent
  - Account balances that are not current and are considered delinquent and past due
  - This is determined by department policy:
    - Billing process is complete
    - Invoice terms have not been met
    - The debtor has exceeded the grace period
  - Once an account is considered delinquent and past due, the account is now subject to formal collections.
  - This is why it is vital that a department have a written billings and collections policy!
A/R – Overview of Collections

- This is a very GENERAL overview of the collections process.
- There are exceptions such as:
  - Medical debts
  - Civil Service Members
  - Current State Employees
PCI – Payment Card Industry

- Set of policies and standards created by card brands to ensure the security of payment card data
- Departments must adhere to PCI requirements and remain compliant or merchant status can be revoked
- Fines – up to $500,000 per card brand, all fraud losses, cost of reissuing cards, consumer fraud monitoring expenses
- Any employee/volunteer who handles credit card data must be trained upon hire and annually

Accepting payment cards

- Any department that wants to accept payment cards (directly, via a third party or have a third party collect/sell for them) must have approval from Financial Services and PCI Committee
- Prior to contracting with any vendor for software, hardware or services that involves credit/debit card payments, you must request and receive approval from Financial Services and the PCI committee (as well as ITCS Central Projects Office)
  - Software that processes payments
  - Hardware that processes payments
  - Service offered by a third party to process payments/sell items

Do NOT...

- Email cardholder data (if you receive card info in email, delete it & do not process)
- Allow faxes with cardholder data to a copier/fax (analog fax machines only for PCI)
- Store full card numbers electronically – NEVER
- Store full card numbers (hard copies) after processing unless you have a documented business need
- your business need and storage process must be approved by Financial Services/PCI Committee
- Process any payments or allow others to submit transactions on computers in your department unless it has been approved and those computers have been secured for PCI
- Process transactions on mobile devices (wifi is NOT secure)
- Surplus old credit card terminals/devices – contact eCommerce Manager to have destroyed

First & Last 4 digits are safe to store electronically and hard copy

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So, what can you do???

- ECU currently has the following options available related to payment cards:
  - Touchnet U-store (registration/payments online)
    - https://epay.banner.ecu.edu/C20694_ustores/web/index.jsp
  - Touchnet U-Pay (links with Touchnet partners)
  - POS terminals (credit card terminals connected to analog phone line)
  - POS terminals - mobile (cellular card terminals processes on cellular network)
  - Additional new hardware available in future...
    - Mobile swipe for smart phones/tablets

What’s changing...

- New requirements PCI DSS v 3.0 - effective Jan 1, 2015
- EMV chip cards – Oct 2015
- Contactless (NFC) – Apple Pay

Questions???
Thank You

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