Responsibilities and Guidelines for Phone/Mail Merchants

This exhibit outlines the responsibilities and guidelines for University units and affiliates authorized to accept credit or debit card payment for services performed or for merchandise sold via telephone, through the mail, or via facsimile transmission.

Phone/Mail merchants are responsible for:

- Maintaining the physical security of the virtual terminal or merchant terminal. The virtual terminal allows a merchant to enter cardholder information, perform authorization and settlement through a personal computer. The merchant terminal allows a merchant to manually enter the cardholder information directly into the terminal for authorization and settlement.

- Following the requirements of the operating guidelines.

- Ensuring no cardholder information is stored electronically in any form. Phone/mail merchants are prohibited from transferring, entering, reentering, storing, or capturing cardholder information in any electronic database or software application other than entering it into the merchant or virtual terminal.

- Maintaining physically secure receipt and storage of departmental receipts and/or cardholder information forms and timely and secure destruction of the departmental receipts and cardholder information forms at the end of the appropriate retention period (see UC Records Disposition Schedules Manual).

- Completing compliance tasks to demonstrate on-going compliance with all credit card security compliance programs.

Fees for Card Acceptance

Merchants are prohibited from assessing convenience fees, but may in some limited instances assess a surcharge to defray the expense of accepting the form of payment. The UCD Credit Card Coordinator must give prior approval to the use of surcharges.

Processing Card Transactions

Authorization
Merchants must authorize each transaction in order to secure the most favorable interchange fee rates.

Settlement
Merchants must complete settlement for their transactions daily, pursuant to the appropriate operating guidelines, to secure the most favorable interchange fees. Settlement may be accomplished manually for a single transaction or manually or automatically for a batch of transactions. To ensure daily settlement, merchants are required to activate the auto settlement feature of the terminals.

Equipment
Virtual terminals may be acquired with prior approval of the Vice Chancellor—Administration upon recommendation of the UCD Credit Card Coordinator. Approval is dependant on the ability to interface with the acquiring bank, the level of data security within the virtual terminal and hosting network, and the business practices surrounding the proposed use of the virtual terminal developed, documented,
and demonstrated by the merchant. All costs of acquisition, maintenance, and compliance are the responsibility of the phone/mail merchant.

Merchant terminals may be purchased from the acquiring bank, or may be rented for a monthly fee.

Merchants who purchase merchant terminals are responsible for ensuring that they remain in good repair and for maintaining compliance with retail operating guidelines and compliance requirements. Modifications to or replacement of purchased merchant terminals and associated programming may require additional costs. All costs are the responsibility of the merchant.

Rented merchant terminals and the associated programming with rented merchant terminals will be upgraded periodically by the acquiring bank to ensure compliance with retail operating guidelines and compliance requirements. Generally, such updates are completed without additional fees.