

## **Procedures for Processing Credit Card Transactions**

In order to set up for credit card processing, the first step would be to determine what method of processing will be used – terminal or software. Once the department has determined which method of processing will be utilized, the next step would be to establish a merchant account. The University has an established merchant relationship with PNC Bank. The set up of all new merchant accounts will be through PNC Merchant Services.

Departments seeking the ability to process credit card transactions must contact the University Cashier to obtain the necessary forms to begin the set up process. The department is responsible for the completion of the forms, with the exception of the banking information. Once completed, the department should forward the forms to the University Cashier for the proper authorized signature. Once the account request is authorized, the information is forwarded to PNC Merchant Services to establish a new account. This process usually takes approximately one to two weeks. If the department chooses to process transactions utilizing a terminal, the purchase or lease of the terminal should be done at this time. Also, the department is responsible for informing the University Cashier of the project grant that all income/fees should be credited/debited against. Failure to inform the University Cashier will delay the processing of transactions. If a new account needs to be created in order to effectively monitor these transactions, the department should fill out the 'Project Grant Form' to have a new internal account created. These forms can be found online at the following link in the Forms Directory:

<http://web.princeton.edu/sites/TreasurersOffice/Gateway>

Once the account is established the department will either be contacted by a representative of PNC Bank or the University Cashier. They will provide the merchant id that has been assigned and assist in the set up of the new equipment.

After the setup of the new equipment/software is complete, the department is ready to begin processing transactions.

At the time of settlement, the merchant/cardholder information is electronically sent either via phone line or internet through a gateway provider. The gateway provider is responsible for the encryption and authentication of the data. The data is transmitted via the gateway provider to the Visa Network.

Once a settlement is complete, Visa makes payment to the University for the settlement amount. When the funds are received for the settlement, the University Cashier then distributes the funds accordingly based on the merchant id that is assigned to the settlement. The funds are internally distributed according to the project grant specified by the department during the account set up process. The fees are charged to the department in the same manner.

After the funds are distributed internally to the specified project grant, it is up to the departmental financial manager to reconcile the account to ensure the initial settlement amount was received. It is also the departmental financial managers responsibility to move the funds via EII (electronic internal invoice), if necessary.