

North Dakota State University

Policy Manual

SECTION 509

PAYMENT CARD AND ELECTRONIC FUNDS TRANSFER (EFT) POLICY

SOURCE: NDSU President

The purpose of this policy is to outline payment card and/or EFT acceptance methods suitable for University business and the usage restrictions for payment card transactions.

The Division of Finance and Administration and the Division of Information Technology are responsible for campus compliance of payment card and/or EFT processing and security regulations. These Divisions are granted authority to take appropriate action to ensure conformity and compliance with University policies and procedures.

1. All individuals who participate in payment card or EFT processing on behalf of NDSU must be compliant with Payment Card Industry Data Security Standards (PCI DSS), all applicable laws and mandates, and North Dakota University System and NDSU policy and procedures.
2. All merchants engaged in any form of payment card or EFT acceptance (e.g. point of sale, swipe, or e-commerce) must have the approval of the Vice President of Finance and Administration or their designee and the Vice President of Information Technology or their designee prior to engaging in any commerce activity. No merchant may enter into any contracts or otherwise arrange for payment transaction processing, or obtain any related equipment, software, or services without the involvement and approval of the Vice President of Finance and Administration or their designee and the Vice President of Information Technology or their designee.
3. All payment card and EFT activity by agents of NDSU must be established within the University banking and accounting environment with receipts deposited into the Bank of North Dakota, unless an exception is approved by the Vice President of Finance and Administration and the Vice President of Information Technology, and the Bank of North Dakota.
4. Payment card transactions may only be accepted via walk-in (face-to-face) payment, telephone, mail, or customer-initiated online payment. No merchant may accept a payment card transaction via email, fax, or any end-user messaging technology. Use of a website that collects payment card information requires authorization by the Vice President of Finance and Administration or their designee and the Vice President of Information Technology or their designee.
5. Anyone wishing to accept online payment card or EFT transactions must use NDSU's official online payment system, unless an exception by the Vice President of Finance and Administration or their designee, and the Vice President of Information Technology, or their designee is granted. All online transactions must be customer-initiated; that is, NDSU merchants may not enter customer payment information into their website on a customer's behalf; nor may they provide computers as "virtual terminals" to customers on their premises.
6. Vendors using NDSU facilities to conduct business are to ensure that they are compliant with all PCI DSS standards and guidelines. NDSU is not required to provide internet services to vendors doing business on campus to access credit card payment processors; it is the vendor's responsibility to specifically request such services. Vendors on campus can use the Third-Party Internet Acceptable Use Form to request access.

7. Appropriate action up to and including suspension or termination of payment card and/or EFT processing activities will be imposed for a merchant that violates NDSU Policy 509.

8. Definitions

- a. Electronic Funds Transfer: Commonly referred to as “EFT” or “ACH”. The term “electronic funds transfer” means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes but is not limited to; point of sale transfers, automated teller machine transactions, direct deposits or withdrawals of funds, and transfers initiated by telephone or online. This term does not refer to transactions initiated by the customer directly with their financial institution, which are then sent to NDSU’s financial institution.
- b. Processing Method: The means by which merchants accept payment cards or EFT payments.
- c. Payment Card: Any credit, debit, or pre-paid credit/debit card. All payment card activity for North Dakota State University is supervised by Customer Account Services.
- d. Payment Card Industry Data Security Standards (PCI DSS): The PCI DSS is the result of collaboration between the major credit card brands to develop a single approach to safeguarding sensitive data. Merchants engaged in any form of payment card processing must comply with these standards as a condition of their payment card processing contracts. A copy of the PCI DSS can be obtained from Customer Account Services or the Information Technology Security Office.

For related procedures see the Electronic Financial Transaction Procedure #509.

HISTORY:

New	June 2008
Amended	January 2009
Amended	June 2009
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