

**ENROLLMENT INSTRUCTIONS
MERCHANT CARDS PROCESSING SERVICES
CONTRACT NUMBER 14-06002**

PURPOSE

The Office of the State Controller entered into a new Master Services Agreement (MSA) with SunTrust Merchant Services, LLC (STMS) on August 1, 2006. The purpose of this document is to:

- Provide new participants with instruction on how to enroll under the new contract
- Provide current participants with instructions on how to add additional outlets

SECP WEBSITE INFORMATION

Eligible entities desiring to become participants under the new MSA should review all the information contained on OSC's Website. The steps to become a participant will depend largely on the capture method(s) the entity will be using. The power point presentation entitled <http://www.osc.nc.gov/SECP/MerchantCard-Enrollment.ppt> should be viewed.

There are two Project Implementation Plans to assist an entity in enrolling in the program.

- Entity that will be using the services of the Common Payment Service (CPS) gateway
 - Internet application
 - Virtual Credit Card Terminal (VCCT) solution
- Entity that will be not be using CPS, as capture solutions involve:
 - Stand-alone POS Terminals – using analog telephone line
 - POS Terminals using POS software – involving networks and servers
 - PayPoint gateway provided by STMS (First Data Government Solutions)
 - Third-party gateway (other than CPS or PayPoint) – requires approval of OSC

The plans can be viewed at the following sites:

<http://www.osc.nc.gov/SECP/CPSImplementationProjectPlan.xls>

<http://www.osc.nc.gov/SECP/ElectronicPaymentsImplementationProjectPlan.xls>

CONTRACT COMPONENTS

Security compliance rules and associated liabilities exist today that did not exist in 2000 when participants began enrolling into the MSA. Because the new contract is clearer in disclosing a participant's obligations, it is important that participants read and understand the documents comprising the contract before executing the Agency Participation Agreement (APA). The APA should be executed by the chief fiscal officer.

The components of the contract, as represented by STMS's Best and Final Offer (BAFO), are the result of the State's negotiations with the STMS, and the vendor's response to the State's Request for BAFO document. The documents are published on OSC's Website:

http://www.osc.nc.gov/SECP/SECP_MerchantCard_Services_Agreement.html

- Request for BAFO solicitation document dated July 10, 2006
- Merchant Services Bankcard Agreement – With Schedules
 - Schedule A – Modified Scope of Services
 - Schedule B – Schedule of Fees
 - Schedule C – Visa and MasterCard's Interchange Qualification Data Requirements
 - Schedule D – Service Level Agreement
 - Schedule E – Agency Participation Agreement
 - Amendment Number 1 – Truncation
 - Amendment Number 2 – PayPoint Gateway
- STMS's Operating Procedures ("Operating Guide")

Fee schedules and typical fees can be viewed at: http://www.osc.nc.gov/SECP/Cards_Schedule_of_Fees.pdf

CARD ASSOCIATION RULES

As a condition of participating under the contract, entities are required to comply with all card association rules. This includes the rules pertaining to the Payment Card Industry Data Security Standard (PCI DSS) and rules regarding when convenience fees can and cannot be levied. PCI Security Compliance is a

significant requirement of the new MSA. Information on card association rules, including PCI DSS, can be found at:

http://www.osc.nc.gov/programs/risk_mitigation_pci.html
http://www.osc.nc.gov/SECP/SECP_Card_Industry_Rules.html

E-COMMERCE POLICIES

As a condition of participating under the contract, entities are required to adhere to all Electronic Commerce Policies promulgated by the Office of the State Controller (OSC). The policies can be viewed at: http://www.osc.nc.gov/SECP/SECP_Policies.html.

The entity should incorporate the applicable policies into its "Internal Policies and Procedures" document. See template: <http://www.osc.nc.gov/SECP/InternalPoliciesProcedures-Cards.doc>.

FORMS

Following is a list of forms that an entity must complete in order to enroll in the MSA:
http://www.osc.nc.gov/SECP/SECP_MerchantCard_Enrollment.html

- **Agency Participation Agreement (APA)** - Submit four signed originals. Note: An entity only needs to execute one APA. After execution by all parties, a copy will be returned to the entity. If adding additional outlets, a new APA does not have to be executed.
- **Merchant Card Participant Setup Form** - Note: An entity only needs to execute one Participant Setup Form. If adding additional outlets, a new Participant Setup Form does not have to be executed.
- **Merchant Card Outlet Setup Form** – Complete a separate form for each merchant number that the participant (entity) desires to establish.
- **Merchant Card POS Terminals Order Form** - Complete a separate form for each outlet (merchant number) that will require the procurement of one or more POS terminals from STMS.
- **ClientLine Setup Form** – Complete form to indicate entity users that are to be granted access to STMS's online reporting system.
- **Trustwave Validation Enrollment Form** – Complete form to enroll with Trustwave, for the purpose of validating compliance with PCI Data Security Standard.
- **Wachovia Connection Setup Form** – Complete form to indicate entity users that are to be granted access to Wachovia Bank's online reporting system, to access the bank settlement account. This form only applies if the participant is required to deposit funds with the State Treasurer, with Wachovia Bank being the depository bank. In the case where a new outlet is being added, where the new outlet's merchant number will settle to an existing bank account, this form does not need to be completed. The "Wachovia Connection UserID Change Form" can be used to add, delete, or change users for an existing settlement bank account. Participants not depositing funds with the State Treasurer should make arrangements directly with their local depository bank, which may or may not be Wachovia Bank.
- **Internal Policies and Procedures Template** – Prior to final deployment of project, the entity should prepare an Internal Policies and Procedures document. The document is useful in addressing policies from both the security and the business areas. A new document does not necessarily have to be completed if a new merchant number is being added, unless the new merchant number utilizes a different capture method than what is covered under the participant's existing policies and procedures document.

COMMON PAYMENT SERVICE (CPS) FORMS

Should CPS be utilized, additional forms are required to be completed. These forms can be found at: http://www.osc.nc.gov/SECP/SECP_CPS_Enrollment.html

MORE INFORMATION

More information can be found at the following link: <http://www.osc.nc.gov/SECP/index.html>
Questions should be addressed to OSC's Support Services Center, telephone (919) 707-0795.