

Chapter Acceptance of Credit Cards as Payment for Chapter Events

Chapters may accept credit cards as payment for any and all chapter events they so choose. It is best for each chapter to review all considerations involved before they make any decision in this regard. Each chapter will be responsible for the record keeping, processing and security of the credit card data. Below are some of the issues that should be reviewed when making this decision.

Selection of Credit Card Processor for VISA, MasterCard

There are many very large national providers of credit card processing services. US Bank, Electronic Merchant Systems and NOVA are just a few that come to mind. Services vary as do fees so it is best to request quotes from several before a selection is made. Rates are negotiable but are based on the volume of money processed as well as the number of transactions. Chapters should be prepared to provide an estimate of both in order to receive rate quotes. The higher the dollar volume and the number of transactions, the lower your rate will be. As of July 2004, ACC's rate was 2.4%. Chapters will undoubtedly experience higher processing fees and may wish to consider their program registration fees accordingly.

Because chapters will not usually have the member's actual credit card available, the use of a "slash" machine is really out-of-the-question. Credit card information will have to be manually entered into the chapter's system. To make this easier, credit card processing companies often provide software that facilitates the electronic processing of the data. Alternative software is available in the marketplace if for any reason you do not like or cannot use the software provided by your processing company. The National office of ACC uses software called MacAuthorize simply because its processing company did not have software that worked on Mac computers.

American Express Credit Card Processing

American Express (AMEX) does its own processing of the credit cards it issues. Thus it will be necessary for a Chapter to establish a merchant account with AMEX separate than the account it opens for VISA and MasterCard cards. Be aware that AMEX fees are typically 2-3% higher than VISA/MasterCard fees. Application can be made online at www.americanexpress.com

Recordkeeping and Security

In accepting credit cards for payment, businesses enter into a whole new world of recordkeeping and security issues. Unlike cash and checks, credit cards are far more vulnerable to fraud and abuse. Hence, like other businesses, Chapters will have to establish policies and procedures that protect against the misuse of their members' credit card data while retaining it for recordkeeping purposes. At the ACC National office, actual credit card numbers are not retained in our membership payment system because it is too open of a system. We do however keep the data in a more secured system that has limited access in the event we need to research a charge.

And if your processing software remits the charge data electronically across the web, you will need to ensure the security of the transmission. This is exactly the type of data hackers seek and will actively abuse if given the chance.