Merchant Account/Credit Card Setup

Lawrence Berkeley National Laboratory **Financial Policies and Procedures** **Part II**

Title:	Merchant Account/Credit Card Setup
Originally issued:	September 10, 2007
Effective Date:	October 1, 2007
Revision Number:	0
Scheduled review date:	March 31, 2010 (every three years)
Primary contact:	Controller

Summary

This policy prescribes guidelines for the establishment of credit card/merchant accounts. It is applicable to requestors who will have custodial responsibilities for the accounts, and will be responsible for the associated setup costs from Wells Fargo Bank and American Express (see attached Merchant Credit Card Pricing guidance).

Policy and Procedures

When a business need for a credit card/merchant account is determined by a Division (after a preliminary analysis and review), the Merchant Account/Credit Card Setup Request form (attached) must be completed and submitted to the **Principal Accountant** in the Controller's Office assigned to oversee bank accounts.

1. The form must include a Statement of Justification (why the account is necessary and how the Laboratory will benefit from the effectiveness and efficiency of establishing such an account).

2. Through a preliminary analysis and review, the requester will work with the responsible **Division Resource Analyst/Business Manager** to determine that establishing a credit card/merchant account is an effective and efficient process for receiving payments (provided that the costs associated with the maintenance are reasonable). This determination may be accomplished by evaluating the various processes available.

3. The request must be authorized by the Department head of the requesting Division.

4. The **Division Resource Analyst** must provide the anticipated total annual MC/Visa and AMEX volume (estimated total dollar amount of *all* transactions), average sales (estimated dollar amount on *each* transaction) and type of processing solution (terminal or internet).

5. Bank charges/fees **cannot** be charged to a DOE program or to a general overhead account if the transactions on the account are not funded from a DOE program.

6. It is the responsibility of the **Division Resource Analyst/Account Administrator** to provide the responsible accountant in the Controller's office with allowable and allocable project IDs for bank fees so that related account transactions may be recorded in the Laboratory's Financial Management System timely and accurately.

7. The completed request form should be forwarded to the **Principal Accountant** in General Accounting responsible for overseeing bank accounts for the Controller's review and approval.

The **Principal Accountant** in the Controller's Office will contact the financial institution and the Laboratory's Information Technology (IT) Division to proceed with establishing the credit card/merchant account once the completed request form is reviewed and approved by the Controller.

Custodial Responsibilities

Custodial responsibilities are shared by the authorizing official (requesting Division/Department head) and those responsible for managing and/or maintaining the Credit Card/Merchant account (i.e., **Division Resource Analyst**, requester and **Account Administrator**).

The requesting Division is responsible for funding the related bank charges/fees.

The **Account Administrator and Division Resource Analyst** is responsible for the following:

- Resolving disputes and/or charge backs on the account.

- Identifying and providing project IDs and additional information as necessary to the accountant responsible for bank account reconciliation in the Controller's Office so that the related credit card/merchant account transactions can be recorded in the Laboratory's Financial Management System timely and accurately.

The **Division Resource Analyst** is responsible for reviewing the transactions on the account to prevent potential occurrences of fraud, waste and abuse. This may be accomplished by reviewing the monthly statement and endorsing it as evidence of review.

Merchant Account/Credit Card Setup Request Form Guidance

Item 1 **Date Prepared**: Use the date in which you are planning to submit the request

Item 2 **Name of Requestor:** ***Division requestor***

Item 3 **Phone Number:** Requestor phone number

Item 4 **Proposing Institution/Operations Office:** Division name

Item 5 **Laboratory:** Lawrence Berkeley National Laboratory

Item 6 **Division Resource Analyst:** The name of the responsible Division Resource Analyst

Item 7 **Phone Number:** Division Resource Analyst phone number

Item 8 **Signature:** The Division Resource Analyst must sign and date the form

Item 9 **Administrator/User:** The name of the **Administrator/ User** responsible for processing credit card transactions. The **Administrator/User** cannot be the same person who reviews the transactions on the account for potential fraud, waste, and abuse. It is recommended for **Administrators/Users** of the credit card/merchant accounts to periodically review the Laboratory's policy and procedures on protecting private information (http://www.lbl.gov/CIO/Privacy/).

Item 10 **Phone Number:** Administrator/User phone number

Item 11 **Authorizing Official:** Appropriate Laboratory Division Director.

Item 12 **Signature:** The authorizing official must sign and date the form

Item 13 **Type of Processing Solutions:** Indicate either terminal or internet

Item 14 **Anticipated Total Annual Volume in dollars**: Estimated total dollar amount of transactions per year

Item 15 **Average Sales**: Estimated average dollar amount of each transaction.

Item 16 **Statement of Justification*:*** Describe how establishing a credit card/merchant account supports the mission of the program efficiently and effectively. Quantify wherever possible (e.g., number of resource hours saved or projected cost saving over a given time period)

Contacts

- Controller
- Manager, General Accounting

Related Documents

- Merchant Credit Card Pricing guidance
- Merchant Account/Credit Card Setup Request Form