

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: Fiscal Affairs

NUMBER: 03.A.06

AREA: General

SUBJECT: Establishment, Maintenance, and Discontinuance of Credit Card Services

1. PURPOSE

This document prescribes the standards for the acceptance of credit cards by system components that store, process, or transmit credit card data.

2. DEFINITIONS

2.1. Payment Card Industry (PCI) Data Security Standards - a single approach to safeguarding sensitive data for all types of credit cards. This Standard is a result of collaboration between Visa and MasterCard and is designed to create common industry security requirements.

3. POLICY

- 3.1. Only PCI compliant vendors may be used by the system. Proof of compliance must be in writing from the vendor or other credible source such as Visa.
- 3.2. The UHS Treasurer's Office is authorized to negotiate credit card processing and related services on behalf of the system. The system will consolidate credit card processing with one vendor in order to take advantage of the negotiating leverage offered to the system by the consolidated credit card transaction volume generated by the system components.
- 3.3. The UHS Treasurer's Office is responsible for promulgating [guidelines](#) for the storing, processing, and transmitting of credit card data to help ensure compliance with PCI Data Security Standards.
- 3.4. The UHS Information Technology Division is responsible for maintaining a standardized, secured data network for the initiation and acceptance of credit card transactions.
- 3.5. Each Chief Financial Officer (CFO) is responsible for ensuring that its university complies with all credit card industry standards, rules or regulations as well as state or federal laws related to credit card acceptance and adherence to this document.

- 3.6. Each CFO shall appoint a PCI compliance representative for its university. The component PCI compliance representative is responsible for ensuring that each merchant (department processing credit cards) within its university performs the responsibilities established by the UHS Treasurer's Office.
- 3.7. Merchants are responsible for following guidelines promulgated by the UHS Treasurer's Office for the storing, processing, and transmitting of credit card data.
- 3.8. Merchants are subject to reviews for compliance with PCI data security standards and UHS guidelines by the PCI Compliance Representatives, UHS Treasurer's Office, UHS Information Technology Division, and Internal Auditing.
- 3.9. Components shall require annual training for all staff who currently initiate credit card transactions, access credit card information, prepare credit card journal entries, or supervise staff who perform any of these functions. This training must include security awareness.
- 3.10. Components shall require all staff who wish to begin initiating credit card transactions, accessing credit card information, preparing credit card journal entries, or supervising staff who will be performing these tasks, to successfully complete standardized training prior to performing these tasks.
- 3.11. Components shall have a system and procedures to monitor and analyze security alerts and information and distribute these alerts to the appropriate personnel.
- 3.12. Components shall use the Incident Response Plan in the event there is a system compromise or a reason to believe there may have been a system compromise involving credit card data. This incident response plan shall be tested annually.
- 3.13. Discount fees and other fees and expenses related to accepting credit cards will be charged on a periodic basis to the merchants accepting credit cards. The discount fee and related fees and expenses are variable and subject to re-negotiation periodically.

4. REVIEW AND RESPONSIBILITIES

Responsible Party: Associate Vice Chancellor for Finance

Review: Annually to determine if the PCI standards have changed;
otherwise every three years for all other sections of this policy.

5. APPROVAL

Approved: Jim McShan
Interim Vice Chancellor for Administration and Finance

John M. Rudley
Interim Chancellor

October 16, 2007
Date