

Virginia Military Institute

Merchant Agreement

This Merchant Agreement, which includes the merchant application (Departmental Request to Process Payment Cards) and any addendum(s) to this Agreement, is entered into between Virginia Military Institute Comptroller's Office (referred to as "VMI", "we", "us", or "our") and you, the undersigned VMI Merchant card acceptor (referred to as "Merchant", "Department", "you", or "your"). The Comptroller's Office will administer the process so that you will be capable of accepting payment cards. Along with this privilege comes required responsibilities. In the event of non-compliance, the Comptroller's Office reserves the right to revoke those privileges. The Comptroller's Office, and you, the Department, agree to the following terms and conditions:

Payment Card Process Overview:

1. The daily net sales will settle into the appropriate bank account designated by the Comptroller's Office.
2. It is the responsibility of the Department to properly settle payment card terminals daily, combining batches if one merchant has multiple machines for the same merchant number.
3. It is the responsibility of the Department to properly prepare and submit appropriately completed deposit transmittal forms in a timely manner. If you are unable to reconcile any discrepancy, notify the VMI Cashier at WhitsellMA@vmi.edu or 464-7217 immediately.
4. It is the responsibility of the Department to resolve all disputed claims ("charge backs") as expeditiously as possible. The payment card organization or the Comptroller's Office will notify the Department regarding the nature of the dispute, who is lodging the dispute and the amount in dispute. You will have a specified length of time in which to respond back to the credit card organization. It is imperative that you respond in a timely manner with all of the information requested. The card company is authorized to process a chargeback to VMI's local bank account. The Department's account will be charged immediately, regardless of any questions that they may have about the transaction. It is the Department's responsibility to resolve any issues with the Payment Card Company and the customer.
5. Payment of the processing and discount fees related to the transactions you process are coordinated by the Comptroller's Office. It is the Department's responsibility to verify the fees charged to the account using the hardcopy documentation provided by the Comptroller's Office.

General Rules, Regulations, and Guidelines:

- Department must not store card information on any computer, database, or server. Department must ensure that all of their employees and business processes comply with this agreement and Colleague Departmental Manual section #30300 Payment Cards procedures.
- All card processing activities must comply with the Payment Card Industry Data Security Standard (PCI DSS). No activity or technology may obstruct compliance with the PCI DSS. Departments must ensure their employees (including cadet employees) are aware of the importance of cardholder information security.
- If the terminal is not settling as described, it is the Department's responsibility to notify the Comptroller's Office in order to correct the problem.
- If you are directed by the authorization center to recover a payment card, you are encouraged to comply with the request. However, VMI does not wish to put any of its employees at risk. Therefore, if you are not comfortable recovering the payment card, you are not required to do so.
- The Institute does not recommend accepting unsigned cards. If the Department chooses to do so, they accept all risk for those transactions. Merchants choosing to accept unsigned cards MUST REQUIRE a second form of signed picture ID prior to completing the transaction and are responsible for ensuring departmental staff is trained on this process as well as documenting the procedure in writing.
- Department agrees that the sales draft represents a bona fide, newly created transaction involving the merchandise and/or services itemized on the sales draft.
- Department is required, in good faith, to maintain a fair policy for the exchange and return of merchandise and for resolving disputes over merchandise and/or services purchased with a payment card. If a transaction is for non-returnable, non-refundable merchandise, you will indicate this on all copies of the sales draft before the cardholder signs it. You should also display your return policy in public view.
- Department will give proper credit for returns and adjustments by performing the proper function on the terminal or through the e-commerce venue. Department should not, under any circumstances, pay any card refund or adjustment to a cardholder by any means other than a refund to the same card used for the original purchase. Contact the Comptroller's Office if the customer no longer has the original payment card available for the credit.
- Department will provide VMI or our processor, upon demand, with any information, evidence, assignments or other assistance needed for any billing dispute with a cardholder or any dispute with a cardholder over the nature, quality or performance of the goods or services or in connection with any return or rejection of such goods or services. Department will comply with this request in a timely manner.
- Department agrees not to disclose or acquire any information concerning a cardholder's account without the cardholder's consent. You will not sell, purchase, provide, disclose or exchange card account information or any other transaction information.

- Department will maintain all card documentation (i.e. sales draft) containing card account numbers in a “secure” environment limited to dependable, trustworthy, and accountable staff with documented need for access. Secure environments include locked drawers, file cabinets in locked office, and safes. All Fax machines approved for use in receiving customer payment card information must be located in appropriately secured, limited access areas. The Department will be responsible for any losses due to poor internal controls.
- Department agrees to schedule, in coordination with Comptroller’s Office, annual security audit of facilities for daily operations and records storage. Department further agrees to make reasonable attempts to implement all action items identified by Comptroller’s Office staff during security audit to maintain compliance with Merchant Agreement.
- Department will keep an original of each sales draft and each credit draft, maintaining the current and three previous fiscal years’ records. Records must be stored in secure storage facilities during the required retention period. Secure storage facilities include file cabinets or safes kept in locked office. The records should be sent to the VMI Archives in Preston Library after the audit performed by the Auditor of Public Accounts. Department remains responsible for limiting access to the stored data in accordance with secure, limited access policy.
- The VMI Archives will destroy these records in a secure manner.
- The Comptroller’s Office will provide the mandatory Payment Card Acceptance training for all new Departments as they are approved. The Departments are responsible for advising the Comptroller’s Office of any changes to departmental staff to coordinate the scheduling of required training and granting required access for new staff within Department.

This Agreement will not become effective until accepted by the Comptroller’s Office. Annual renewal agreements will be assumed but must be resigned by both parties on a fiscal year basis. Annual agreements remain in effect from July 1st – June 30th unless terminated on an earlier date by either party by giving written notice to the other party.

I understand the above Merchant Agreement and by signing below agree to abide by the rules and regulations stated here with.

Department Head :	Comptroller Office Approval:
Signature	Signature
Date: _____	Date: _____

Appendices:

Appendix A: VMI Payment Card Merchant Staff Terms of Agreement.

References –Department should refer to web for most recent releases of the following:

Payment Card Industry Data Security Standards (PCI DSS):

https://www.pcisecuritystandards.org/tech/download_the_pci_dss.htm

Colleague Departmental Manual Section 30300 – Payment Cards