



## ***Office of the State Treasurer***

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### **I. Statewide Merchant Card Services (MCS) Policy – Authority and Intent**

Pursuant to the State Depository Board's (the Board) duty to prescribe cash management policies and procedures that maximize the efficient and effective utilization of the State's cash resources for the State as a whole and the requirement that the Board approve credit card payments for any State taxes or fees, the Board has adopted the following *Statewide Merchant Card Services (MCS) Policy*, formerly the *Statewide Electronic Payments Policy*. As administrative officer of the Board, the State Treasurer shall have the authority necessary or convenient to carry out the purposes and provisions of this policy, OCGA § 50-1-6 and OCGA § 50-17-51.

In order to enhance customer service, in addition to the primary goal of maximizing the efficient and effective utilization of the State's cash resources, all departments, agencies, boards, bureaus, commissions, authorities, and other units of State government shall accept as many forms of payment as practicable. Furthermore, agencies shall endeavor to accept consistent forms of payment across all services wherever practicable.

The State Depository Board initially approved this statewide policy to accept credit cards and other payment cards at its meeting April 2, 2003.

### **II. Acceptance of MCS Payments**

The Board has determined that it is in the best interest of the State to accept MCS payments including, but not limited to, credit cards, charge cards, debit cards and electronic checks, where practicable.

**Pursuant to OCGA § 50-1-6, the acceptance of merchant cards for any state taxes or fees by any department, agency, board, bureau, commission, authority, or other unit of State government, by whatever name called (State Entity) must be approved by the Board.**

### **III. Statewide Contract**

The State Treasurer shall enter into agreement(s) with one or more financial institutions, credit card companies, or other entities for processing merchant card service payments and accepting credit cards, charge cards, debit cards or other forms of electronic payment.

**All state entities must use the statewide agreements entered into by OST. Any state entity that desires not to use a statewide contract approved by the State Treasurer must obtain approval from the Board for an exception to this requirement.**

*On July 5, 2011, the State Depository Board adopted a Resolution approving, authorizing, and directing the State Treasurer, in his capacity as administrative officer of the Board and on behalf of and at the direction of the Board, to approve state entities accepting electronic payments between meetings of the Board **in circumstances in which the Treasurer believes immediate approval is needed in furtherance of the duties of the Board** provided that any and all such approvals shall be reported to the Board at the time of its next meeting, whether called or regularly scheduled, for consideration and review or such other action as the Board in its discretion may determine.*

#### **IV. Procedures**

A state entity desiring to accept or continue accepting MCS payments shall submit a written request to the State Treasurer. OST will obtain necessary approvals from Office of Planning and Budget (OPB) and Georgia Technology Authority (GTA) and present to the Board for its approval or review. **(See Exhibit A, Part 1)**

When appropriate, it is desirable for state entities to pass the cost of MCS fees onto the consumer, either as an increase in the standard fee or in the form of a convenience fee. Any state entity that collects excess convenience fees shall remit them to the State Treasury at the end fiscal year.

OST will notify each state entity in writing upon approval of its request **(Exhibit A)** and include such in a MCS Registry maintained by OST.

#### **V. Annual Report Requirements**

**State entities are required to submit the following information to the OST within 30 days of the end of each fiscal year (See Exhibit B):**

- Name of accepting state entity; Name of MCS provider;
- Location(s) where transactions are accepted;
- Types of fees and taxes collected;
- Total dollar receipts;
- Total number of transactions;
- Fees paid to the service provider (including interchange, access, assessment, transaction and admin fees);
- Amount of appropriated funds and/or convenience fees used to pay MCS fees;
- Other information that may be required from time to time.

#### **VI. Other Government Participation**

Units of local government in the State of Georgia may apply to OST to participate in the statewide card service agreement for the provision of MCS. **(See Exhibit A, Part 2)**

- Local governments will have the option, but not the requirement, to participate in the statewide agreements.