State of Arizona

Accepting Credit Card & ACH Payments
for the Sale of Products through
the State of Arizona Web Portal

Quick Reference Guide
October 2023

Introductory Notes

This document is intended to serve as a quick reference guide for agencies now processing or intending to process credit card transactions through the State of Arizona Portal Web Portal (Web Portal). The Web Portal is available to all State Agencies, Boards and Commissions to utilize for the sale of products and services and acceptance of credit card, savings and checking account (ACH) payments. State Agencies, Boards and Commissions are referred to as agencies throughout this document.

This document may be updated and/or modified as necessary. It is suggested that agencies refer to the General Accounting Office (GAO) website periodically to ensure that they are using the most recent version. Agencies may refer to https://gao.az.gov/az360/webportal for any updated version.

If additional information or clarification is needed, agencies may contact the GAO for assistance. Contact information for the GAO and other involved parties referred to throughout this reference guide are included in the 'Contact Information' section at the end of the document.

New Agency Set Up

Agencies that are interested in accepting credit cards and ACH through the Web Portal should contact the ADOA-Arizona Strategic Enterprise Technology (ASET) to get started. The Web Portal offers a Payment Gateway utility that allows customers of the State to complete transactions via credit card, savings and checking account (ACH) through the State of Arizona Secure Checkout Service (SCS). Payment information is entered in the State's Secure Checkout Service and payments are processed through the State's contracted vendor, AppDirect (jBilling).

Existing Agencies

Agencies that are already set up to accept credit cards and ACH through the Web Portal should contact the GAO if they need to update their GAO Product Parameters, and/or need assistance with clearing credit card and ACH deposit transactions in the Arizona Financial System (AZ360).

Web Portal Product Parameters

In order to sell products and services through the Web Portal, an agency must first establish a product code for each good or service to be sold using Form GAO-W-100, *Web Portal Product Parameters.* Form GAO W-100 is available on the Forms section of the GAO Website at https://gao.az.gov/publications/forms. The information collected by the GAO, GAO-W-100, is used tocreate the agency's Web Portal deposit file (CRWP transactions) that jBilling transmits to the Transaction Catalog in AZ360 when credit card and ACH transactions are settled. Each product is assigned a product code, product description, function or accounting profile, revenue source, department revenue source (if applicable), and fee. An updated GAO-W-100 is required each time a new online product is to be established or coding of an existing online product needs to be changed. The completed GAO-W-100 is to be sent to the GAO for review and

validation.

Multiple Programs within an Agency

Some agencies will have multiple programs for which product codes are required. There are three options available for the web portal set up for an agency with multiple programs:

Option 1: Add additional products to the same portal the agency currently has and determine the revenue collected by the product purchased. Product level reports can be run in the payment portal as well as the simple payment website. This will help the program know the exact amount collected just for the program.

Option 2: A separate portal can be created just for this new program so that a separate group of users have access to this program and can run reports just for this program. The money will be collected in the same MID/ bank account.

Option 3: A separate portal can be created just for this new program so that a separate group of users have access to this program and can run reports just for this program. The money will be collected in different MID/ different bank account. For this, the agency will have to start working on opening new bank accounts / MID's with the state treasury.

Setting Up the Zero Balance Account (ZBA) and Merchant Identification Number (MID)

Agencies must complete a 'Request for Agency Bank Account Form' to open a new ZBA. The form is available on the Treasurer's Office website at www.aztreasury.gov under Banking (in the header) and then click on 'Request for Agency Bank Account Form' under Agency Account Authorization. A new MID account is also required in order to accept credit cards as a payment method. Agencies must have a ZBA account set up prior to the initiation of the MID account setup. Agencies should contact the Treasurer's Office for additional information and clarification.

Statewide Policy Reminders

Agencies must follow the policies and procedures for accepting credit cards and ACH as payments for amounts owed to the State. Agencies must be familiar with the following State of Arizona Accounting Manual (SAAM) and related forms:

- SAAM Topic 40 Section 15, Accepting Credit Cards as Payment. SAAM may be found on the GAO website under the link: https://gao.az.gov/publications/saam

- Form GAO-E101, Payment Card Acceptance Fiscal Impact Analysis. It is voluntary and is designed to aid in estimating the fiscal impact to the agency associated with the acceptance of credit cards. This form may be found on the GAO website under this link: https://gao.az.gov/publications/forms

Fees and Approved Fee Limits

The credit card transaction fee consists of a discount and processing fee. The discount fee is a fee calculated and charged by a card issuer or processing financial institution pursuant to an agreement for the processing of any credit card transactions. This fee may be a percentage or a flat fee. The processing fee is a fee charged by an entity other than a card issuer or the processing financial institution to complete a credit card transaction. It is currently not charged to agencies that operate on jBilling applications, but this is subject to change in the future.

The convenience fee is an optional, additional fee that is imposed by an authorized agent (for example jBilling), on behalf of a State agency on a web-based or Web Portal transaction, for the acceptance of a credit card that would not be charged if the same transaction were completed by an alternate method of payment. If charged by an agency, a convenience fee must be a flat or fixed amount, regardless of the transaction type or transaction amount, and must be applied to all products sold through the Web Portal. Agencies should contact the GAO for assistance and guidance with establishing convenience fees.

The approved discount fee limit is a percentage, established annually by the State Treasurer's Office, by which the revenue associated with a credit card transaction may be reduced.

The approved processing fee limit is a dollar amount, established annually by the State Treasurer's Office, by which the revenue associated with a credit card transaction may be reduced.

The current approved discount fee limit and processing fee limit are available on the State Treasurer's Office website at https://www.aztreasury.gov/credit-card-agreements.

Web Portal Reports

Web Portal payment service provides various reports to assist State agencies with the daily credit card deposits and reconciliation. Agencies should be familiar with the various report options prior to the launch of their Web Portal payment service. Requests to add or remove Web Portal report access must be submitted to the ADOA Service Desk.

Timely Deposits

Agencies utilizing the Web Portal must reconcile their credit card bank accounts and credit card, ACH deposit transactions residing in the AZ360 Transaction Catalog as frequently as dictated by transaction volume. **Under no circumstance should the reconciliation be performed less than once a month**. All deposit transactions must be cleared at the close of each fiscal year.

Chargebacks, Reversals of a Chargebacks, Returns/Refunds and Rejected Transactions

A chargeback is a payment dispute initiated by the credit cardholder with his/her credit card issuing bank. The amount of the disputed transaction is immediately withdrawn from the agency's bank account.

The reversal of a chargeback occurs when a chargeback is found to have been processed in error. The chargeback will be reversed by the credit cardholder's bank, and the amount reversed is credited to the agency's bank account.

A return or refund is a transaction initiated by the agency when a customer's payment is returned or refunded to the customer. This usually occurs when the customer paid twice for the same product or paid for the wrong product. Online refunds can be processed through jBilling Interface by Authorized Agency Users.

Agencies should contact GAO when chargebacks, reversals of chargebacks, returns/refunds transactions do not reconcile.

Contact Information

ADOA- ASET

New Setup and Production Support: ADOA Service Desk (602) 364-4444
Option 3 or ServiceDesk@azdoa.gov

Treasurer's Office

banking@aztreasury.gov

GAO

FIN Operations FINOperations@azdoa.gov