



New Mexico Department of Finance & Administration Local Government Division, Budget & Finance Bureau

REQUIRED CHECKLIST FOR ACCEPTANCE OF CREDIT CARDS AND ELECTRONIC TRANSFERS

This checklist is intended to assist local governments in complying with Section 6-10-1.2, NMSA 1978 which states *“the local governing body shall adopt procedures, subject to the approval of the department, on the terms and conditions of accepting payments by credit card or electronic transfers”*. *“Department” is the Department of Finance and Administration (DFA).*

Check completed items below, as applicable, and prepare documents as needed.

This signed checklist and supporting documentation must be included with the submission of your local entity’s “Interim Budget” due on or before June 1st. Upload all files onto the Local Government Budget Management System (LGBMS) using the “files” tab.

Local Government Entity Contact Information

Entity: _____	Phone Number: _____
Entity Contact Name: _____	Email Address: _____

REQUIRED DOCUMENTATION-Submit as part of the formal request for approval.

A letter addressed to the DFA Local Government Division Director, from the local entity's County Manager, Municipal Mayor or CFO including all the following:

GENERAL INFORMATION

- _____ The reason the local entity would like to accept credit card payments or electronic transfers.
- _____ A list of all fees, taxes, or other amounts to be collected from credit card payments or electronic transfers.
- _____ A statement as to whether the local entity will absorb fees for acceptance of payment cards, or the cardholders will be assessed a convenience or service fee.
- _____ A statement identifying the payment gateway that will be used to facilitate online credit card payments or electronic transfers.

ATTESTATION THAT THE LOCAL ENTITY WILL:

- _____ Follow the terms and conditions for payment card acceptance as set out in the Fiscal Agent Agreement. **Include fiscal agent name and agreement effective dates on letter.**

CONTINUED-ATTESTATION THAT THE LOCAL ENTITY WILL:

- _____ Follow industry guidance, procedures, and rule compliance established by National Automated Clearing House Association (NACHA) for electronic payments and Payment Card Industry (PCI) for credit card payments.
- _____ Pay all costs associated with the acceptance of payment card services card services, including but not limited to (1) purchases or leases of merchant equipment, as set out in the Fiscal Agent Agreement and any agreement with an approved third-party processor, and (2) any assessment charged by local entity to cover the cost of compliance with PCI data security standards (DSS) and NACHA.
- _____ Be responsible for tracking, researching, and recording all payment card transactions for reconciliation purposes.
- _____ If a PCI audit has been completed, please provide a copy of the audit compliance report to DFA.
- _____ Provide your independent auditor with DFA’s approval letter.

CONFIRMATION THAT:

- _____ Memorandum or other attestation from your local entity’s information and technology (IT) which certifies the acceptance of payment cards and electronic transfers are on a secure system , meet current PCI-DSS and NACHA standards, provide proper encryption of account numbers, and customer data is protected. **A copy of the memorandum or PCI Audit must be provided to DFA.**
- _____ If fees for acceptance of payment cards will be paid by the cardholder, procedures must be developed defining current charges of collected convenience and/or service fees from cardholders. In addition, confirmation that the convenience and/or service fees will be in compliance with Subsection B of 6-10-1.2 which states “*local governing body may charge a uniform convenience fee to cover the approximate costs imposed by a financial institution thar are directly related to processing a credit card or electronic transfer transaction.*” **A copy of these procedures must be provided to DFA.**
- _____ Memorandum or other attestation from the Fiscal Agent-Merchant Service Agreement that the structure and/or procedures for collecting payment cards meet the Fiscal Agent’s requirement, complying with the Fiscal Agent Agreement. **A copy of the memorandum or attestation must be provided to DFA.**
- _____ If the local entity is using a third-party processor, **a copy of the executed third-party processor agreement must be provided to DFA.**

I _____, certify this check list is complete and
Name & Title (must be signed by Mayor or County Manager)

copies of all required documents have been uploaded onto DFA’s Local Government Budget Management System (LGBMS) with the local entity’s interim budget due on or before June 1st: and

Attest _____ will comply with all PCI, DSS
Local Entity’s Name

and NACHA Standards, and **release The Department of Finance and Administration (DFA), against any claims, suits, or actions of any kind whatsoever for liability, damages, compensation or otherwise brought by anyone on behalf of the Local Entity, including attorney’s fees and any related costs.**

Signature Date: _____