

CREDIT CARD POLICY CHANGE

What will change?

Effective as of November 12, 2007, the University has implemented a new policy regarding the acceptance of credit card payment for tuition and fees. These are the primary changes that resulted from the new policy:

- Visa branded credit cards are no longer accepted for payments made for tuition and fees.
- The Bursar's office no longer accepts credit cards payments for tuition and fees. Students will instead be directed to nearby computer stations at which payments can be made via the SAIL web site. A service fee of 1.9% of the total payment amount will be charged at the time of processing the Credit Card payment option.

Why were these changes made?

While credit card payments offer a convenient manner for students and parents to pay tuition and fees, there are significant costs for the University to provide this service and it continues to grow beyond our budget resources. The University will now have the students that use this service assessed a user service fee to cover the costs.

How was the 1.90% rate determined?

Section 54.5011 of the Texas Education Code, as amended during the last legislative session, allows the university to recover the direct costs charged to the university by the credit card company. The rate is based on an estimate of those direct costs by the three credit card merchants we are accepting. At this percentage rate, the university anticipates it will come close to covering all direct costs but it may continue to incur part of the costs. The rate will be reviewed periodically to determine appropriateness.

Are there payment options other than credit cards?

The university will continue to accept cash, checks and pin entry debit card payments at the Business Office or payments by check received in the mail. Payment by check online will also be offered at no cost to the student. The University also offers two Installment Payment Plans for tuition and fees (Fall and Spring Only) and Emergency Tuition Loans.

Can I still use my Debit Card at the Business Office?

The Business Office will still be accepting debit cards even if they have a credit card logo (MasterCard, Visa, American Express and Discover). The debit card must indicate that it is a debit card and the card holder will need to enter in their pin code.

Why eliminate Visa branded credit cards?

Unlike the other brands of cards, Visa will not allow the university to assess a service charge that varies with the amount of the payment. In other words, a student paying \$100.00 would be paying the same service fee as a student who was paying \$2,500.00. This would also violate section 54.5011 of the Texas Higher Education Code which states that fees must be reasonable and necessary to reimburse the institution for expenses incurred in the processing and handling of payments.

Are other colleges and universities making similar changes?

Many colleges and universities both within and outside of Texas have already made similar changes to their practices of accepting credit cards. Other universities that no longer accept Visa and charge a service fee include University of Texas, Texas A&M University, Southern Methodist University, Baylor University, University of Houston, University of Texas – Dallas and University of Texas – San Antonio.

What should I do if all I have is a Visa card?

In addition to accepting MasterCard, American Express and Discover credit cards over the internet subject to a service fee, students and parents will be able to make payments directly from any checking or savings to avoid the service charge, simply by entering the bank/financial institution routing and account number information at the time of online payment. The university will also continue to accept check payments by mail and payments made by cash, check and debit card at the Business Office. The University has expanded its payment plans to allow for more flexible payment arrangements (see Installment Plans) and also offers an emergency tuition loan.

What is the University doing to keep my credit card numbers and information private?

Payments made by credit card will not be accepted in the Business Office, in person or over the phone, for tuition and fees. This is being taken to minimize the risks associated with acceptance of your credit card numbers and information. All activity for student payments using credit cards and debits to their bank accounts will be processed on the secure WEB site for tamucc. Additionally, the provider of our WEB processing has the private financial information secured, required by PCI standards, and is not contained in any of our servers on campus.

Why can't I use a credit card at the Business Office window if I am willing to pay the fee?

The complicated regulations are such that to charge a service fee for credit card transactions at the Business Office would also necessitate the same charge for payments made by cash or check. The university has established several computer stations conveniently located near the Business Office for use by students who wish to make payments with a MasterCard, American Express or Discover, and are willing to pay the fee.

Can I use my Visa elsewhere on campus?

The University Bookstore and Aramark Food Services, contracted operations, will continue to accept Visa cards.

Does the university have the legal authority to institute this charge?

Yes, the Texas Education Code (Section 54.5011) was amended to authorize institutions of higher education to charge persons making payment by credit card a service charge to cover the cost.

How will the monies that are collected from this fee be used?

The monies collected will be used to defray all or much of the cost of providing the credit card payment options (merchant fees) for those who wish to pay via credit card. This change will benefit all students as the University continues to look for ways to control costs and invest the University budget resources into academic excellence and other services.

Who can I talk to about these changes?

Questions may be directed to the Business Office at 361-825-2600.