



# Keeping Control Over Online Customer Payments

NH Government Finance Officers Association

Annual Conference May 2-3, 2019

- Vicki Lee, Deputy Finance Director, City of Lebanon
- Betsy McClain, Director of Administrative Services,  
Town of Hanover

# Credit Card Reconciliation

Over the Counter Purchases for clerks, water/sewer, taxes

Online Purchases for vital records and dog licensing

- Interware   
Development

Online Purchases for vehicle registration, taxes, water/sewer

- **InvoiceCloud**

# Counter credit card terminal

Ingenico





# City Clerk Tax Collector Water/Sewer

The City implemented Interware (integrated with MuniSmart Software) where the customer pays the processing fee. The first transaction (swiping of the card) is the fee charged to the customer and the second is the monies due to the City.

The City implemented Invoice Cloud (integrated with MuniSmart Software) where the City absorbs the ACH fees; customer pays convenience fees directly to Invoice Cloud – all Invoice Cloud transactions occur via web. These payments are imported daily into our software (Munismart) system.

- Invoice Cloud transactions can have a maintenance window that does not accept payments to be made, we chose the hours from 11PM to Midnight for balancing purposes.

Interware transactions:	Bank	Receipt
8PM cutoff	x	x
8PM - Midnight		x
Midnight cutoff*	x	x

\*Disadvantage: ACH doesn't hit bank next day



Notifications of resident payments stating the amounts that have been processed the previous day are emailed to the Finance Department daily.



Finance - InvoiceCloud		
RECEIVED	FROM	SUBJECT
Date: Yesterday		
Tue 10:03 AM	InvoiceCloud	InvoiceCloud Daily Management Report
Tue 12:57 AM	InvoiceCloud	City of Lebanon - Batch Close Notification 4/23 \$440.64 UB
Tue 12:55 AM	InvoiceCloud	City of Lebanon - Batch Close Notification 4/23 \$1686.70 (MV 501.40 PT 1185.30j)
Date: Monday		
Mon 10:01 AM	InvoiceCloud	InvoiceCloud Daily Management Report
Mon 12:55 AM	InvoiceCloud	City of Lebanon - Batch Close Notification 4/22 MV \$1139.60
Date: Sunday		
Sun 10:01 AM	InvoiceCloud	InvoiceCloud Daily Management Report
Sun 12:55 AM	InvoiceCloud	City of Lebanon - Batch Close Notification 4/21 \$1742.20 MV (PAYMENTECH \$997 AND AMEX 745.20)
Date: Last Week		
Sat 4/20	InvoiceCloud	InvoiceCloud Daily Management Report
Sat 4/20	InvoiceCloud	City of Lebanon - Batch Close Notification 04/20 \$4066.36 (mv 1098.00 & pt 2968.36)
Sat 4/20	InvoiceCloud	City of Lebanon - Batch Close Notification 04/20 \$140.76 UB

Changing an Account Record (1100-1150-05-0001)							
General Balance Summary by Period							
Current Year Activity   Activity to Prior Year Encumbrance							
Year	Period	Description	Actual/Prov	Acct Balance	Enc Balance	Net Budget	Remaining
2018	5	May	35,934.01	43,793.26	0.00	0.00	0.00
2018	6	June	356,248.61	400,041.87	0.00	0.00	0.00
2018	7	July	-389,226.82	10,815.05	0.00	0.00	0.00
2018	8	August	15,183.50	25,998.55	0.00	0.00	0.00
2018	9	September	-21,652.79	4,345.76	0.00	0.00	0.00
2018	10	October	35,043.05	39,388.81	0.00	0.00	0.00
2018	11	November	415,687.97	455,076.78	0.00	0.00	0.00
2018	12	December	-345,244.75	109,832.03	0.00	0.00	0.00
2019	0	Balance	0.00	109,832.03	0.00	0.00	0.00
2019	1	January	-95,359.32	14,472.71	0.00	0.00	0.00
2019	2	February	-4,176.19	10,296.52	0.00	0.00	0.00
2019	3	March	949.72	11,246.24	0.00	0.00	0.00
2019	4	April	-2,775.18	8,471.06	0.00	0.00	0.00

0 \* \*

440.64 +

1,686.70 +

1,139.60 +

997.00 +

4,066.36 +

140.76 +

006

8,471.06 \*\*

# CLERK OLNE PAYMENTS PROCEDURES

A report is generated by EB2.gov for dog license renewals and vital records. The clerks receive an online payment report daily.

An ACH batch is created (2 days)

A Credit Card batch is created (1 day)

Enter all dog renewals thru the OLP\_DOG

Enter all Vitals thru OLP\_VTL

The screenshot shows the 'Enter Payments' software interface. The main window is titled 'Enter Payments' and has a tab 'Build Deposit Batch'. Below the title bar is a 'Browse the Transaction Type Table' window. This window has a search bar with 'By ID' and 'By Description' options. Below the search bar is a table with columns: Type ID, Group Code, Category Code, and Type Description. The table lists various transaction types, including 'OLP\_DOG' and 'OLP\_VTL'. The 'OLP\_DOG' row is highlighted. Below the table are buttons for 'Insert', 'Change', and 'Delete'. A 'Close' button is also present.

Overlaid on the main window is an 'Edit a Transaction Type' window. This window has a 'General' tab. It contains fields for 'Program Type' (with radio buttons for Miscellaneous, External, Internal, Electronic Payments, and Prepayments), 'Group Code' (set to 'CLK OLP'), 'Default Bank' (set to '2MSB CC'), 'Type ID' (set to 'OLP\_DOG'), 'Internal Prog Name' (set to 'Animal Lic'), 'Description' (set to 'ANIMAL LICENSING-OLP'), and checkboxes for 'Show Details On Receipt', 'Hide Bal Due', and 'Allow Desc Edit'. At the bottom of the window is a table with columns: Order, Detail Desc, Dflt Amount, Show, GL Acct, and Bank. Below the table are buttons for 'Insert', 'Change', and 'Delete'. At the very bottom of the window are 'OK' and 'Cancel' buttons.

Interware credit card "Bank ID" which is a cash account set up in General Ledger

Receipting 8.7 4 8 - CITY OF LEBANON

Entry Reports Utility Setup Window Help

Payments Build Deposit Batch

Browse the Transaction Type Table

By ID | By Description |

Type ID:

Type ID	Group Code	Category Code	Type Description
I8000	MISC		LF PUNCHCARDS:
IAR	TAX		A/R PAYMENTS
IMISC REV	MISC		****PLEASE WRITE DESCRIPTION
IPT	TAX		PROPERTY TAX
<b>IPT INV CL</b>	<b>TAX</b>		<b>PT INV CLOUD ONLY</b>
IPT TX SRV	TAX		PT TAX SERVICE
IPTMANUAL	TAX		PROPERTY TAX MANUAL
IRCVBL-TAX	TAX		ELDERLY LIEN RCVBL
IUB	TAX		WATER/SEWER
IUB ELEC	TAX		WS ELECTRONIC PAYMENT
#PT	UTILITY		PROP TAX
#PTELEC	UTILITY		PT ELECTRONIC PAYMENTS
#SEWER REV	UTILITY		SEWER REVENUE
#UB	UTILITY		UTILITY BILLING
#UB ABATE	UTILITY		UTILITY ABATEMENTS
#UB ELEC	UTILITY		WS ELECTRONIC PAYMENTS

Insert Change Delete

Close

In Cash Receipting, we have a PT INV CL ID.

Receipting 8.7 4 8 - CITY OF LEBANON

Entry Reports Utility Setup Window Help

Payments Build Deposit Batch

Edit a Transaction Type

General

Program Type: ☐ Miscellaneous ☐ External ☐ Internal ☒ Electronic Payments ☐ Prepayments

Group Code: TAX

Default Bank: **INVOICECLOUD**

Type ID: **IPT INV CL** Electronic Prog Name: **Prop Tax** ☒ Show Details On Receipt

Description: PT INV CLOUD ONLY ☐ Hide Bal Due ☒ Allow Desc Ed

Order	Detail Desc	Dflt Amount	Show	GL Acct	Bank

Payment Category Code:

Insert Change Delete

OK Cancel

Set up the "Default Bank" INVOICE CLOUD which was set up for receivable purposes only



nt\_March\_2019.pdf (SECURED) - Adobe Acrobat Pro DC

View Window Help

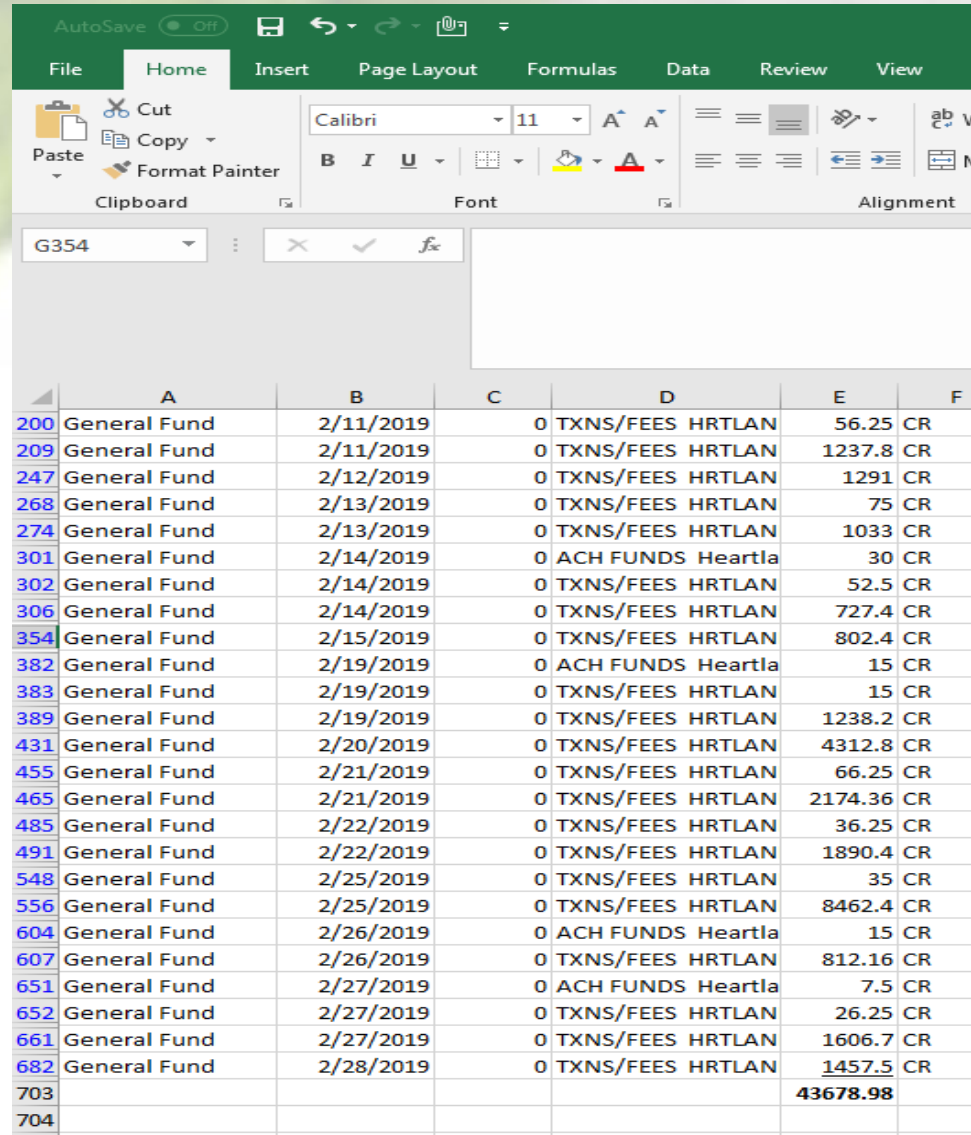
Tools Statement\_March\_... x

13 / 75 119%

Date	Description	Withdrawals	Deposits	Balance
3/12	Check 95972	6,446.23		582,464.56
3/12	Check 95913	6,886.20		575,578.36
3/12	Check 95911	9,598.38		565,979.98
3/12	Check 95988	11,387.23		554,592.75
3/12	Check 95918	12,447.59		542,145.16
3/12	Check 95909	12,858.63		529,286.53
3/12	Check 95939	229,201.52		300,085.01
3/13	TXNS/FEES HRTLAND PMT SYS CCD 6500000010239146		15.00	300,100.01
3/13	ACH FUNDS Heartland CCD 2858940		16.25	300,116.26
3/13	TRANSFER PAYMENTECH CCD Invoi0001297787		40.40	300,156.66
3/13	ACH Paymen NORTHEAST RESOUR CCD T03766		156.20	300,312.86
3/13	TRANSFER PAYMENTECH CCD Invoi0001297782		201.45	300,514.31
3/13	TRANSFER PAYMENTECH CCD Invoi0001297787		277.75	300,792.06
3/13	HCCLAIMPMT NH Claims CCD TRN*1*0900111067*1454792498\		575.79	301,367.85
3/13	TRANSFER PAYMENTECH CCD Invoi0001297782		1,158.60	302,526.45
3/13	MERCH SETL EPX ST 031892047 CCD 3130031892047		1,376.00	303,902.45
3/13	TXNS/FEES HRTLAND PMT SYS CCD 6500000009833537		1,471.00	305,373.45
3/13	TRANSFER PAYMENTECH CCD Invoi0001297787		1,487.17	306,860.62
3/13	TRANSFER PAYMENTECH CCD Invoi0001297782		1,493.00	308,353.62
3/13	Transfer From DDA Sweep		1,149,200.00	1,457,553.62
3/13	Deposit		13,504.92	1,471,058.54
3/13	Deposit		32,299.85	1,503,358.39
3/13	we022819 Santrax Systems CCD 300005040091204	15.20		1,503,343.19

Heartland Payments are for over the counter transactions as well as dogs and vitals online.  
Paymentech is Invoice Cloud motor vehicle, taxes, water/sewer payments made online.

I download my bank statement to excel and filter on Heartland transactions. I credit the cash account set up for Interware credit cards and debit cash.



	A	B	C	D	E	F
200	General Fund	2/11/2019	0	TXNS/FEES HRTLAN	56.25	CR
209	General Fund	2/11/2019	0	TXNS/FEES HRTLAN	1237.8	CR
247	General Fund	2/12/2019	0	TXNS/FEES HRTLAN	1291	CR
268	General Fund	2/13/2019	0	TXNS/FEES HRTLAN	75	CR
274	General Fund	2/13/2019	0	TXNS/FEES HRTLAN	1033	CR
301	General Fund	2/14/2019	0	ACH FUNDS Heartla	30	CR
302	General Fund	2/14/2019	0	TXNS/FEES HRTLAN	52.5	CR
306	General Fund	2/14/2019	0	TXNS/FEES HRTLAN	727.4	CR
354	General Fund	2/15/2019	0	TXNS/FEES HRTLAN	802.4	CR
382	General Fund	2/19/2019	0	ACH FUNDS Heartla	15	CR
383	General Fund	2/19/2019	0	TXNS/FEES HRTLAN	15	CR
389	General Fund	2/19/2019	0	TXNS/FEES HRTLAN	1238.2	CR
431	General Fund	2/20/2019	0	TXNS/FEES HRTLAN	4312.8	CR
455	General Fund	2/21/2019	0	TXNS/FEES HRTLAN	66.25	CR
465	General Fund	2/21/2019	0	TXNS/FEES HRTLAN	2174.36	CR
485	General Fund	2/22/2019	0	TXNS/FEES HRTLAN	36.25	CR
491	General Fund	2/22/2019	0	TXNS/FEES HRTLAN	1890.4	CR
548	General Fund	2/25/2019	0	TXNS/FEES HRTLAN	35	CR
556	General Fund	2/25/2019	0	TXNS/FEES HRTLAN	8462.4	CR
604	General Fund	2/26/2019	0	ACH FUNDS Heartla	15	CR
607	General Fund	2/26/2019	0	TXNS/FEES HRTLAN	812.16	CR
651	General Fund	2/27/2019	0	ACH FUNDS Heartla	7.5	CR
652	General Fund	2/27/2019	0	TXNS/FEES HRTLAN	26.25	CR
661	General Fund	2/27/2019	0	TXNS/FEES HRTLAN	1606.7	CR
682	General Fund	2/28/2019	0	TXNS/FEES HRTLAN	1457.5	CR
703					<b>43678.98</b>	
704						

As stated previously, Heartland is for online purchases for vitals and dogs and inhouse over the counter transactions.

help

**View Record** ? X

Batch | Statement | Checks | **Deposits** | Other Transactions | Adjustments | Summary

**Deposits Outstanding**

Deposit Date	Description	Amount
2/28/2019	CLK OLP CC 2/27/19-1	\$15.00
3/01/2019	02/28/2019 COUNTER WORK-4	\$2,701.82

Statement Date: 2/28/2019

Adj Bank Bal: \$2,716.82

Adj G/L Acct Bal: \$2,716.82

Difference: \$0.00

Outstanding Deposits Report

Deposits Outstanding: \$2,716.82

**Reconciled Deposits** by Date Range by Date Range

Trans Date	Transaction Description	Amount
1/31/2019	CLK OLP CC 1/30/19-1	\$15.00
1/31/2019	CLK OLP ACH 1/30/19-1	\$15.00
2/01/2019	Counter Work 01/3/2019-2	\$3,935.70
2/01/2019	1/31/2019 CLK OLP ACH-1	\$16.25
2/01/2019	1/31/2019 CLK OLP CC-1	\$73.75
2/04/2019	COUNTER WORK 02/01/2019-2	\$2,128.60
2/04/2019	CLK OLP CC 2/2/19-1	\$31.25
2/05/2019	CLK OLP CC 2/4/19-1	\$81.25
2/05/2019	2/4/19 COUNTER WORK-2	\$4,287.20
2/06/2019	CLK OLP CC 2/5/19-1	\$35.00

Reconciled Deposits Report

Deposits Reconciled: \$43,678.98

Import

(Ctrl-Enter to Complete) ☒ OK ☐ Cancel

There is a journal entry that then needs to be done that credits cash and debits the cash-Interware credit card account to clear out all credit cards that were actually deposited during the month.



# Off to the Races with Credit Cards!

Reining in Bank Account Reconciliations



# All types of payments are out of the gate and racing towards our bank account...

- Cash and Checks – still predominant, but labor intensive and most risk
- Direct Bank Debits – PayMode, ACH ‘checks’ becoming S.O.P. for many large corporations who simply don’t write checks anymore
- Credit Card Payments ... a horse of many colors



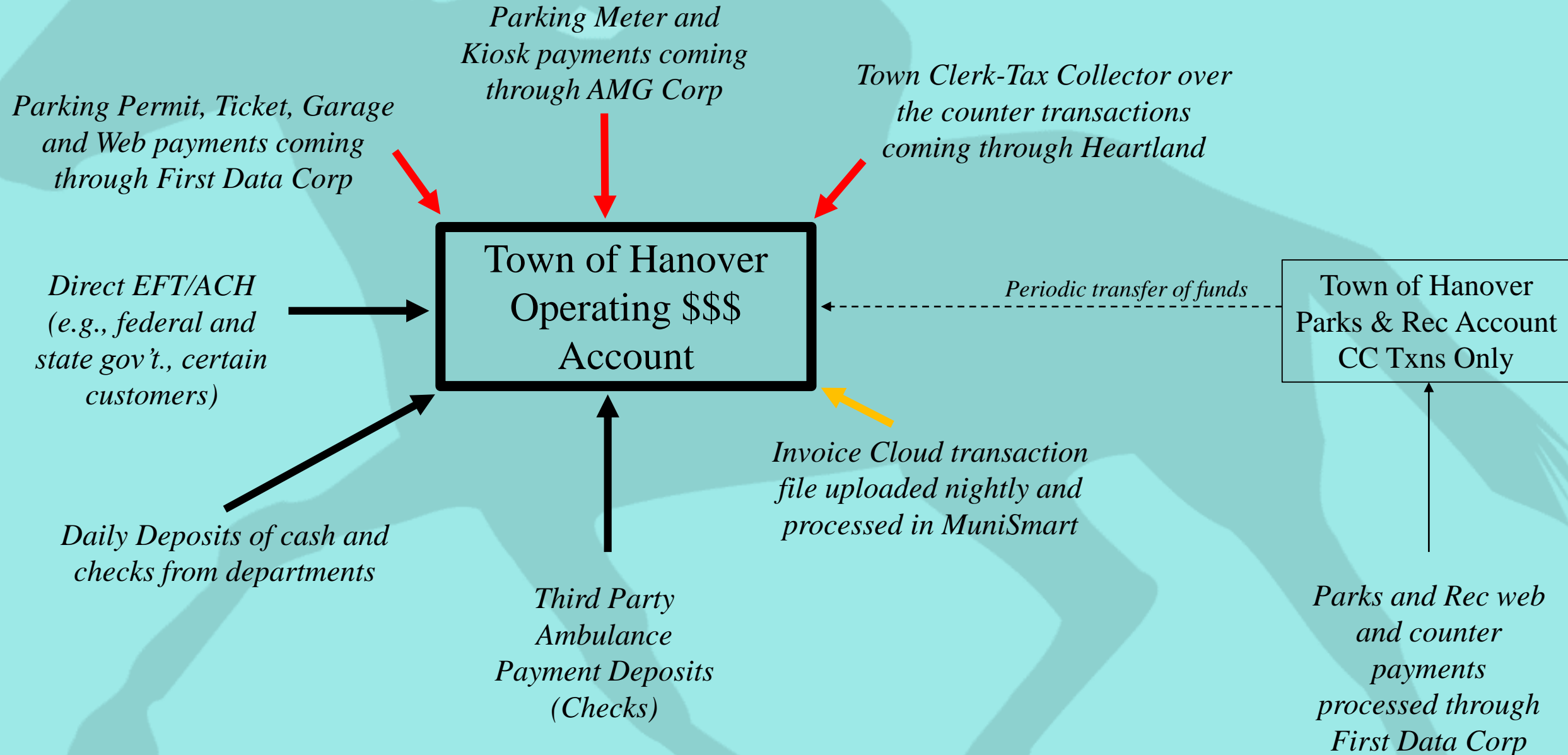
# **Our customers were (and are) chomping at the bit to use their credit cards ...**

1. Our Parking Operations, a separate enterprise fund, began accepting credit cards in the office and absorbing fees in 2006; expanded to parking meters and kiosks
  - ✓ Cautionary tale re adding on explicit convenience fees – we were busted by MasterCard!
2. Added tax and utility payments through OfficialPayments.com in 2008
3. Town Clerk-Tax Collector implemented Invoice Cloud (integrated with MuniSmart software) where Town absorbs the ACH fees; customer pays 2.75% convenience fees directly to Invoice Cloud – all Invoice Cloud transactions occur via web
  - ✓ Many, many ACH transactions save us lots of time as these payments are auto updated into MS

# **Our customers were (and are) chomping at the bit to use their credit cards ...**

4. Parks & Recreation accepts credit cards through its registration software; we created a separate bank account just for these transactions as a trial
  - ✓ Customer transaction is grossed up by 2.75% to cover processing fees – usage is incredibly high for after school program and other youth activity registrations, fees do not appear to be an issue here
5. Added over-the-counter credit card option via Interware for Town Clerk-Tax Collector
  - ✓ 2.79% fee explicitly charged to customer – rung through first as these funds do not come to Town
  - ✓ Second transaction run through for monies due to Town

# All Trails Lead to the Town's Operating Cash Account



Not gonna lie ... the bank rec was initially a night-mare

- Each merchant location directly crediting bank account separately for AMEX vs. MC vs. DISC
- Fees trotting all over our bank account at the beginning of the month – per merchant location, by type of fee, what is interchange anyway?

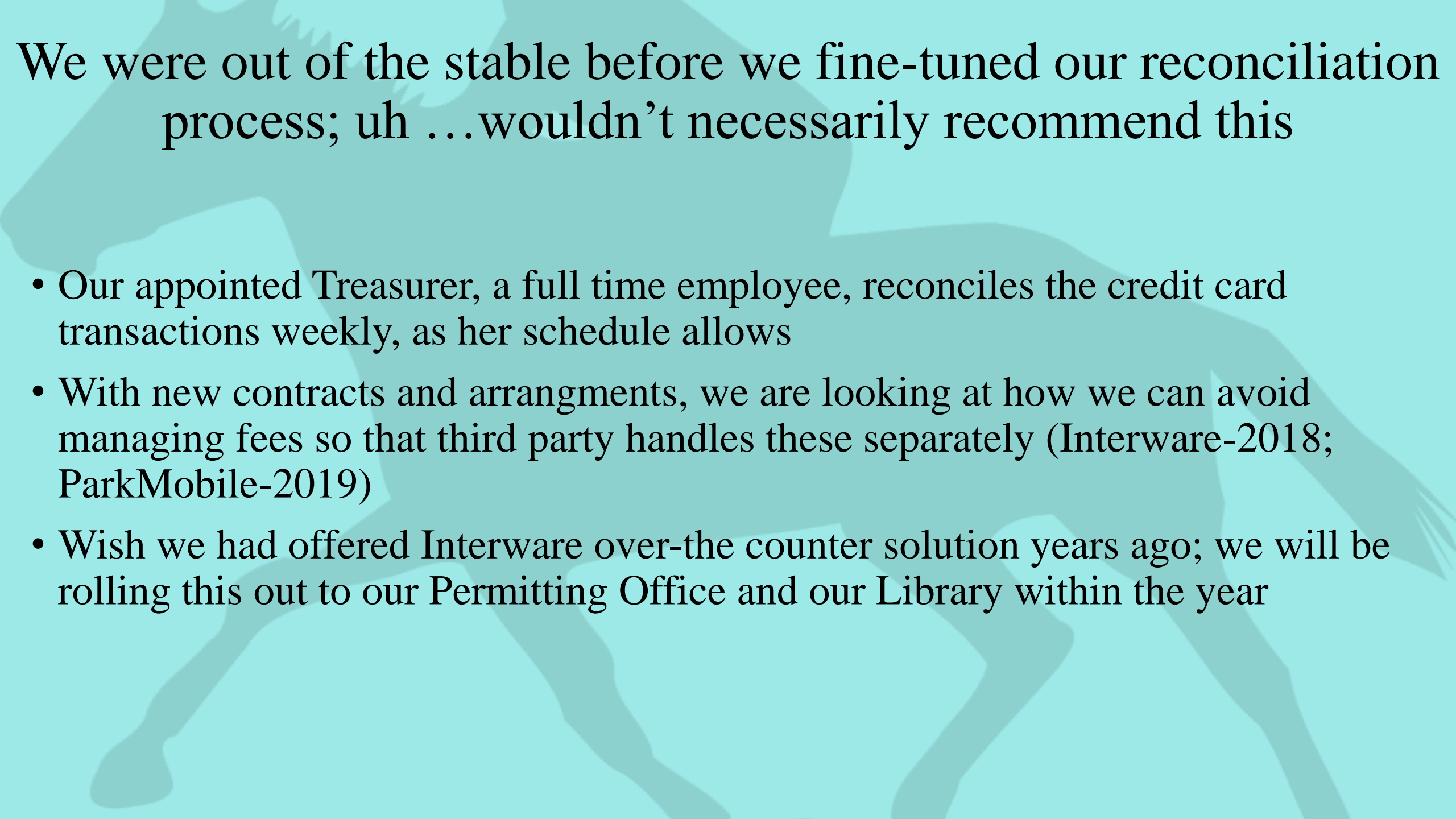


Transactions By Date Posted				Transactions By Date Posted			
Date	Description	Withdrawals	Deposits	Date	Description	Withdrawals	Deposits
3/04	DEPOSIT FRST BK MRCH SVC CCD 982027804888		191.00	3/04	INTERCHNG FRST BK MRCH SVC CCD 982027816882	91.34	
3/04	DEPOSIT FRST BK MRCH SVC CCD 982027804888		345.25	3/04	FEE FRST BK MRCH SVC CCD 982161732887	110.13	
3/04	DEPOSIT FRST BK MRCH SVC CCD 982027804888		468.00	3/04	INTERCHNG FRST BK MRCH SVC CCD 982027804888	226.23	
3/04	DEPOSIT FRST BK MRCH SVC CCD 982161732887		510.00	3/04	INTERCHNG FRST BK MRCH SVC CCD 982161732887	495.11	
3/04	DEPOSIT FRST BK MRCH SVC CCD 982027816882		624.00	3/04	MOTOR VEH TOWN OF HANOVER CCD 0534	1,805.28	
3/04	DEPOSIT MERCHANT BANKCD CCD 498276868888		1,169.50	3/04	DISCOUNT MERCHANT BANKCD CCD 498276868888	3,610.71	
3/04	TXNS/FEES HRTLAND PMT SYS CCD 650000010308305		1,283.10	3/04	Transfer To Sweep R A	4,958.28	
3/04	DEPOSIT MERCHANT BANKCD CCD 498276868888		1,660.40	3/04	Check 46990	38.50	
3/04	DEPOSIT FRST BK MRCH SVC CCD 982027816882		1,672.00	3/04	Check 46951	12,012.00	
3/04	DEPOSIT MERCHANT BANKCD CCD 498276868888		1,679.05	3/04	Check 47048	23.06	
3/04	TRANSFER PAYMENTECH CCD Invoi0001223068		1,913.81	3/04	Check 46945	208.80	
3/04	DEPOSIT FRST BK MRCH SVC CCD 982161732887		1,935.00	3/04	Check 46994	36,143.33	
3/04	DEPOSIT FRST BK MRCH SVC CCD 982161732887		3,183.00	3/05	Trsf from Parks n Recreation Reduce bal in P&R account Confirmation number 305190095		55,000.00
3/04	Transfer From DDA Sweep		1,400.00	3/05	DEPOSIT MERCHANT BANKCD CCD 498276868888		15.30
3/04	Deposit		3,643.63	3/05	TXNS/FEES HRTLAND PMT SYS CCD 650000010308305		239.40
3/04	Deposit		4,319.35	3/05	DEPOSIT FRST BK MRCH SVC CCD 982161732887		810.00
3/04	Deposit		33,756.77	3/05	TRANSFER PAYMENTECH CCD Invoi0001223068		1,781.40
3/04	FEE FRST BK MRCH SVC CCD 982027816882	10.22		3/05	HCCLAIMPMT NGS, INC. CCD 1497852487 TRN*1*890302578*1351840597~		1,925.75
3/04	DISCOUNT FRST BK MRCH SVC CCD 982027804888	16.79		3/05	Deposit		93.24
3/04	DISCOUNT FRST BK MRCH SVC CCD 982027816882	17.23		3/05	Deposit		69,859.09
3/04	FEE FRST BK MRCH SVC CCD 982027804888	45.46		3/05	MOTOR VEH TOWN OF HANOVER CCD 0534	1,431.50	
3/04	DISCOUNT FRST BK MRCH SVC CCD 982161732887	85.58		3/05	TAXPAYMENT TOWN OF HANOVER CCD WHT10063280	3,444.57	
				3/05	TAXPAYMENT TOWN OF HANOVER CCD 026000371	84,702.17	



We were out of the stable before we fine-tuned our reconciliation process; uh ...wouldn't necessarily recommend this

- We tried to pare down number of merchant locations with First Data – didn't understand implications
- redesigned our cash-up sheets so that debits to cash accounts would be distinct for credit cards, cash and checks, and EFTs/ACHs
- Deposits are posted every day as quickly and timely as possible
- Credit card fee are reviewed and submitted for processing as cash journals before the 10<sup>th</sup> of every month



We were out of the stable before we fine-tuned our reconciliation process; uh ...wouldn't necessarily recommend this

- Our appointed Treasurer, a full time employee, reconciles the credit card transactions weekly, as her schedule allows
- With new contracts and arrangements, we are looking at how we can avoid managing fees so that third party handles these separately (Interware-2018; ParkMobile-2019)
- Wish we had offered Interware over-the counter solution years ago; we will be rolling this out to our Permitting Office and our Library within the year

TOWN CLERK - TAX COLLECTOR CASH SETTLEMENT				
PREPARED BY		Date_____		
DEPARTMENT HEAD APPROVAL		Date_____		
<b>I. CASH AND CHECKS COLLECTED</b>				
	# OF CHECKS (ATTACH CALCULATOR TAPE)			
<b>DO NOT STAPLE CHECKS TO COVER SHEETS</b>	TOTAL ALL CHECKS(SEPARATE STUBS FROM CHECKS)	\$		
	TOTAL CASH	\$		
	TOTAL COIN	\$		
<b>TOTAL CASH/COIN DEPOSIT TO BE PHYSICALLY DEPOSITED IN BANK</b>		\$		
<b>II. ELECTRONIC PAYMENTS PROCESSED IN MUNISMART</b>				
	INVOICE CLOUD PAYMENTS	\$		
	HEARTLAND/INTERWARE CREDIT CARD PAYMENTS	\$		
	FIRST DATA PARKING FUND CREDIT CARD PAYMENTS	\$		
DARTMOUTH AND OTHER EFT'S; OFFICIAL PAYMENTS; MISC ELEC PYMTS		\$		
<b>TOTAL ELECTRONIC DEPOSITS POSTED TO BANK DIRECTLY</b>		\$		
<b>GRAND TOTAL DEPOSIT OF CASH AND OTHER COLLECTIONS PROCESSED IN MUNISMART</b>		\$		
<i>THIS SHOULD TIE TO TOTAL CREDITS TO BE RECORDED AS OFFSET TO CASH DEPOSITS</i>				
<b>TO BE COMPLETED BY ACCOUNTING</b>				
RECEIVED BY/VERIFIED BY		DATE RECEIVED_____		



Now that I'm a little hoarse, I'll stop;

... but don't be a neigh-sayer: offer  
credit cards to your customers - and  
you're Off to the Races with Credit  
Cards!

# Keeping Control Over Online Customer Payments

NH Government Finance Officers Association

Annual Conference May 2-3, 2019

- Vicki Lee, Deputy Finance Director, City of Lebanon  
[Vicki.Lee@lebanonnh.gov](mailto:Vicki.Lee@lebanonnh.gov)
- Betsy McClain, Director of Administrative Services,  
Town of Hanover  
[Betsy.McClain@hanovernh.org](mailto:Betsy.McClain@hanovernh.org)