



**CIBOLA COUNTY  
BOARD OF COUNTY COMMISSIONERS  
RESOLUTION № 2022-46**

**POLICY FOR THE ACCEPTANCE AND PROCESSING OF DEBIT/CREDIT CARDS AND ELECTRONIC PAYMENT**

**WHEREAS**, the Cibola County Board of Commissioners met upon notice of meeting duly published at the Cibola County Administration Building, 700 East Roosevelt Ave., Suite 50, Grants, NM 87020, on August 25, 2022, at 5:00 p.m. as required by law; and

**WHEREAS**, the Board of County Commissioners is statutorily charged with examining and settling all accounts of receipts and expenses of the county and all accounts chargeable against the county pursuant to NMSA 1978, Section 4-38-16 (1876); and,

**WHEREAS**, the Board of County Commissioners is the body that is statutorily charged with making such orders concerning the property belonging to the county as it deems expedient pursuant to NMSA 1978, Section 4-38-13 (1876); and,

**WHEREAS**, NMSA 1978 Section 4-38-19 (B) (1973) provides that, “[a] board of county commissioners may employ and set the salary of a county manager to conduct the business of the county, to serve as personnel officer, fiscal director, budget officer, property custodian and to act generally as the administrative assistant to the board, aiding and assisting it in the exercise of its duties and responsibilities;” and,

**WHEREAS**, NMSA 1978, Section 6-10-1.2 (A) Provides that “a state agency or local governing body may accept payment by credit card or electronic means of any amount due under any law or program administered by the agency or local governing body. [ ]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 transfer.

**NOW THEREFORE PURSUANT** to the authority granted to me by the Board of County Commissioners and NMSA Section 6-10-2.1 and Section 4-38-19 the following policy is hereby adopted.



## POLICY

This policy applies to all Cibola County Departments that accept or may accept debit or credit cards for payment of utilities and related services. Section 6-10-1.2 NMSA provides that a local governing body may accept payment by credit card or electronic means and may charge a uniform convenience fee to cover the approximate costs imposed by a financial institution that are directly related to processing a debit/credit card or electronic transfer transaction. Debit/Credit Card customer information is not subject to Public Records Disclosure. Debit/Credit Card customer information will not be subject for use for commercial purposes.

### A. Authorization to Open all Credit and Debit Card Accounts

The Cibola County Treasurer, as the County's *Ex-officio* collector, per NMSA 1978, Section 4-43-3 (2011) may accept payment of property taxes and related services by debit/credit card or electronic transfer transaction. The County Treasurer, with approved by the County Board of Finance, must approve and open all debit card accounts and merchant credit card accounts per NMSA 1978, Section 6-10-8 (1987).

### B. Definitions.

1. "Automated Clearing House" or "ACH" means an association of depository institutions that process financial transactions electronically through the Federal Reserve Bank.
2. "Credit Card" means a card indicating that the holder named on the card has obtained a revolving line of credit from the financial institution issuing the card up to a certain dollar amount valid to a specified date shown on the card. A credit card may be used to pay for goods and services from merchants or organizations participating in the corresponding credit card program.
3. "Debit Card" means a card indicating that the holder named on the card has an open account in a financial institution shown on the card that the holder named on the card is authorized to pay for purchases of goods and services from participating merchants so long as the account is valid and has adequate funds to cover the cost of either goods or services, or both, at the time of the transaction.
4. "Customer" means a person who is paying property tax or related services with an electronic payment, such as a credit card, debit card or electronic check.
5. "Electronic Check" or "e-check" means an ACH debit that is initiated by the customer or agency on the internet against an open account in a financial institution that is authorized for use to pay for purchases of goods and services from participating merchants so long as the account is valid and has adequate funds to cover the cost of either goods or services, or both, at the time of the transaction. This is also known as an internet check.
6. "Electronic Payments" means any financial transaction by which funds are transferred to

through any type of electronic payment option or method. The electronic payment options include, but are not limited to; Internet payment processing, point-of-sale payment processing, and interactive voice response (telephone payments). The methods of payment include, but are not limited to: automated clearing house (ACH), credit cards, debit cards, ACH debit processing and wire transfers.

7. "Electronic Payment Services" means any service provided by a vendor who acts as an intermediary in processing an electronic payment, including, but not limited to: merchant banking services, credit card payment processing, ACH debit processing, and internet payment gateway services. Depending on how contracts with third party vendors are established, electronic payment services may be coordinated by a single vendor or multiple vendors.
  8. "Electronic Payment Processing Protocol" means the standard processes used by Cibola County when accepting electronic payments from customers, including, but not limited to, contracts with financial service providers and business procedures.
  9. "Interactive Voice Response System" (IVR) means a system that allows users to pay for services over the telephone or other audio-signal carrier using a credit card.
  10. "Internet Payment Gateway Service" means a service provided by a vendor that directs an internet payment transaction to the appropriate third-party payment processor who facilitates the transfer of funds from a specific financial institution.
  11. "Merchant Banking Service" refers to the designated bank or banking service that processes an electronic payment.
  12. "Payment Vendor" means a service provider who is involved with the electronic payment transaction, including, but not limited to; merchant bank, credit card issuer, credit card association, internet payment gateway, ACH or credit card payment processor.
  13. "Personal Financial Information" means the information provided by the customer in the course of completing a payment transaction with RWW through an electronic transfer of funds, including, but not limited to credit card number, debit card number and bank account number.
  14. "Point-of-Sale" or POS is a payment option that performs a real-time payment authorization of a customer's account when the customer presents their credit card (or other payment method) in-person at the time of sale.
- C. "Transaction Fee" means the same as "transaction cost" and refers to the cost incurred by a payment vendor for executing an electronic payment. If an agency passes all or a portion of this transaction cost on to the customer, then the resulting fee to the customer is typically called a "convenience fee".



#### **D. Payments.**

Cibola County may accept electronic payments for property tax and related services pursuant to NMSA 1978, Section 6-10-1.2 (2011)

Cibola County must comply with the electronic payment processing protocol and procedural steps as set forth in these administrative policies and procedures.

1. Electronic Payment Processing Protocol and Privacy. Cibola County, with technical assistance and equipment if necessary, shall establish and maintain the protocol for electronic payment processing, including, but not limited to, contracts for electronic payments, convenience fees, and standard business processes and procedures.
  - a. Cibola County shall not store a customer's personal financial information in a database accessible to the public. If Cibola County has a legal and justifiable business need to store personal financial information obtained from customers during an electronic payment transaction, Cibola County is required to provide written procedures and policies for the safekeeping of such personal financial info.
  - b. Such written procedures and policies shall include the names of employees who will have access to such personal financial information. Such procedures and policies shall be forwarded to the County Manager for written approval before storing personal financial information in a database accessible to employees.

#### **2. Contracts**

The County Treasurer, subject to the approval of the Board of County Commissioners, may procure and administer contracts with vendors for the acceptance and processing of electronic payments, including, but not necessarily limited to: merchant banking services, internet payment gateway services, and third party electronic payment processors.

#### **3. Convenience and Transaction Fees**

- a. A convenience fee greater than the cost of a payment vendor's transaction fee may be charged to the customer for an electronic payment. Convenience fees may be calculated to recover all a payment vendor's transaction costs, as well as any additional direct costs borne by Cibola County.
- b. Use of a convenience fee and the methodology used in calculating it must be in accordance with the contracts has established with its payment vendors.

#### **E. Procedures.**

1. Cibola County employees may obtain information from the Cibola County Treasurer on its electronic payment processing protocol, contracts for electronic payments, transaction fee structure and standard business processes and procedures.

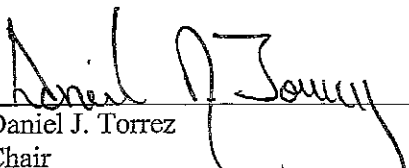



2. The Treasurer will provide the Finance Director information pertaining to set up of accounts which may include, but is not limited to, the following:
  - a. Checking account for electronic payment deposits.
  - b. Merchant bank account and credit card issuer accounts for credit card payment processing.
  - c. Internet payment processing and third-party payment processor accounts
3. The Treasurer is responsible for tracking, researching, and recording all credit/debit card transactions or electronic transfer for reconciliation purposes.
4. Acceptance of debit/credit cards or electronic transfer from the internet shall be done in a secure fashion and on a secure system.
5. Debit/Credit card payments will be accepted in person by POS, or electronically online through the internet payment gateway or through a telephone IVR system. Payments will not be accepted by mail or email.

**BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF CIBOLA**

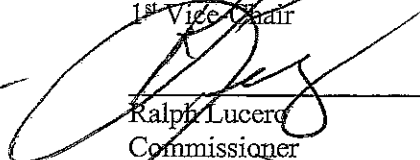
**APPROVED, ADOPTED, AND PASSED** on this 25<sup>th</sup> day of August 2022.

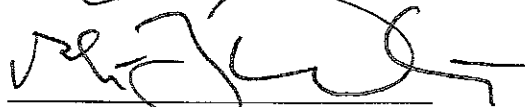
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*Michelle E. Dominguez*

