



NORTH CAROLINA
ADMINISTRATIVE OFFICE
of the COURTS

Credit Card Payment Project

Interim Report [S.L. 2013-360, § 18B.11]

March 13, 2014

Technology Services Division



S.L. 2013-360, 18B.11

CLERKS' ACCEPTANCE OF CREDIT CARDS

SECTION 18B.11. The Judicial Department shall begin implementation of a cost-effective system for the acceptance of credit card payments for court costs to clerks of superior court as provided under this section. The Judicial Department shall select at least five counties that do not currently accept credit card payments, representing a balance of the urban and rural areas of the State, and shall implement the system in those counties by January 1, 2014. The Department shall report on this implementation and on its plans for implementing the system in the remaining counties of the State to the Chairs of the Joint Legislative Oversight Committee on Justice and Public Safety by February 1, 2014. The Department shall implement the system in the remaining counties of the State by January 1, 2015, and shall report on this statewide implementation to the Chairs of the Joint Legislative Oversight Committee on Justice and Public Safety by February 1, 2015.

Selection of Pilot Counties

- Six Pilot Counties
 - Alleghany
 - Forsyth
 - Halifax
 - Mecklenburg
 - New Hanover
 - Union
- Urban, rural, large and small counties
- Approximately 18 percent of state workload

Credit Card Advisory Group

■ Membership

- One clerk from each of the six pilot counties
- Representatives from NCAOC technology, financial, purchasing, legal and communications staff

■ Advisory group objectives

- Make recommendations regarding credit card payments project requirements and design
- Review the system, training plans, rollout plans, and approve commencement of the pilot
- Assess lessons learned from the pilot and make recommendations concerning statewide implementation

Laying the Groundwork

- Developed a web-based application designed to interface with current financial systems and the credit card vendor
- Enhanced NCAOC financial systems to allow acceptance of credit cards
- Contracted with a security consulting firm to evaluate NCAOC's security framework
- Upgraded data security measures in pilot counties
- Purchased and installed equipment, including credit card reader devices and printers
- Established procedures and processes for handling chargebacks, voids, rejected and misapplied payments

Scope of Credit/Debit Card Acceptance

- Accepted Credit/Debit Card Vendors

- American Express®
- Discover®
- MasterCard®
- Visa®



- Payment of \$1,000 or less

- Portal administration fee for each transaction

- 2.25% of the total amount due paid for credit card processing
- \$1 for third party vendor services

- Some exclusions based on increased financial risks

Credit/Debit Card Payment Exclusions

- Credit/Debit cards are not accepted for the following transactions:
 - Alimony
 - Bond forfeiture
 - Cash bonds
 - Child support purge payments
 - Civil judgments
 - Condemnation awards
 - Disputed funds
 - Rent bonds
 - Trusts
 - Upset bids on foreclosures



A Phased Implementation Approach

- NCAOC implemented a soft rollout in December 2013
 - December 17 – Alleghany and New Hanover counties
 - December 18 – Union and Halifax counties
 - December 19 – Forsyth County
 - December 30 – Mecklenburg County
- Onsite training and support personnel at each rollout
- Advisory group identified and resolved potential issues

By the Numbers

- 3,983 card transactions through February 28, 2014
- \$703,051.27 paid through February 28, 2014
- Costs
 - Pilot Implementation – \$313,000
 - Expansion to remaining 94 counties – \$835,000
 - Costs include implementation costs, equipment, training and compliance with applicable credit card security requirements
- Portal administration fees through February 28, 2014
 - Credit card companies – \$15,818.65 (2.25 percent per transaction)
 - Third party vendor – \$3,983 (\$1 per transaction)

Statewide Expansion

- Expansion to remaining counties began March 1, 2014
 - 23 counties live as of March 7, 2014
 - Brunswick, Burke, Cabarrus, Cleveland, Cumberland, Currituck, Dare, Davidson, Davie, Durham, Harnett, Lee, McDowell, Pender, Person, Randolph, Rowan
- Rollout expanded to a limited number of counties each week
- Ongoing training and personnel support at each rollout
- Statewide implementation scheduled to be completed by June 30, 2014



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LAW AND JUSTICE