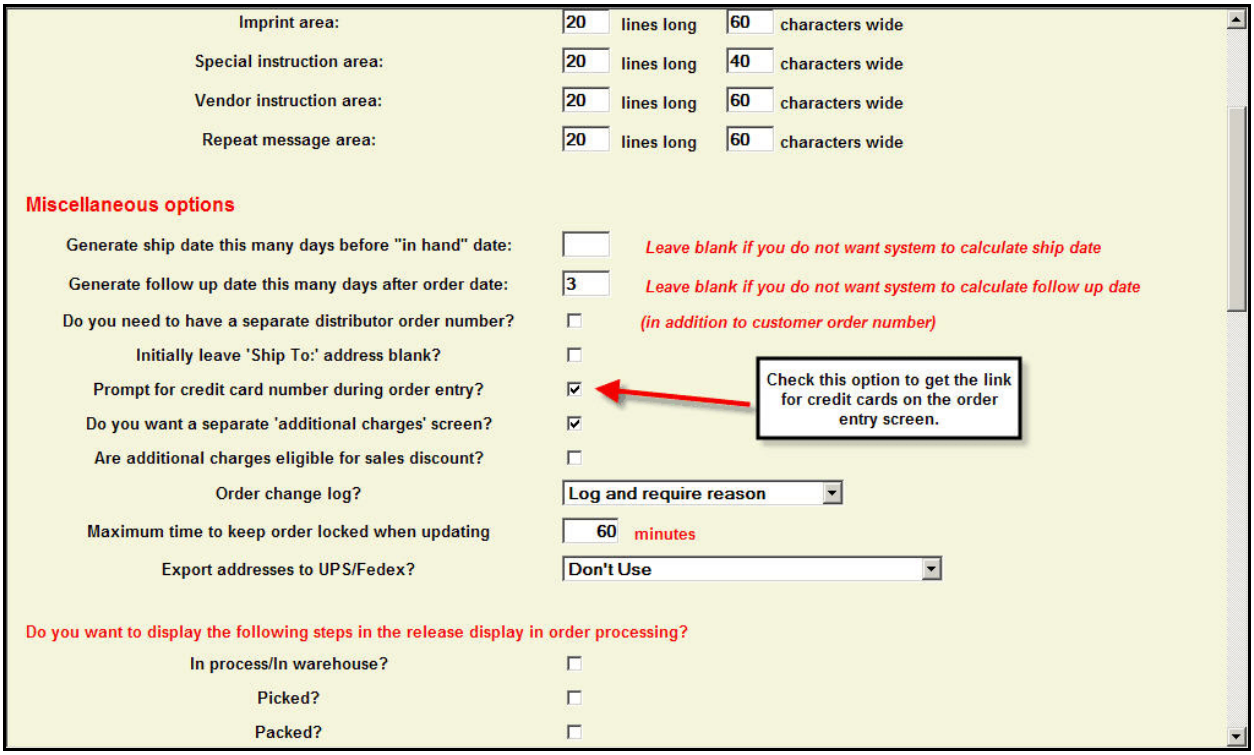
ACCEPTING CREDIT CARDS AS PAYMENT

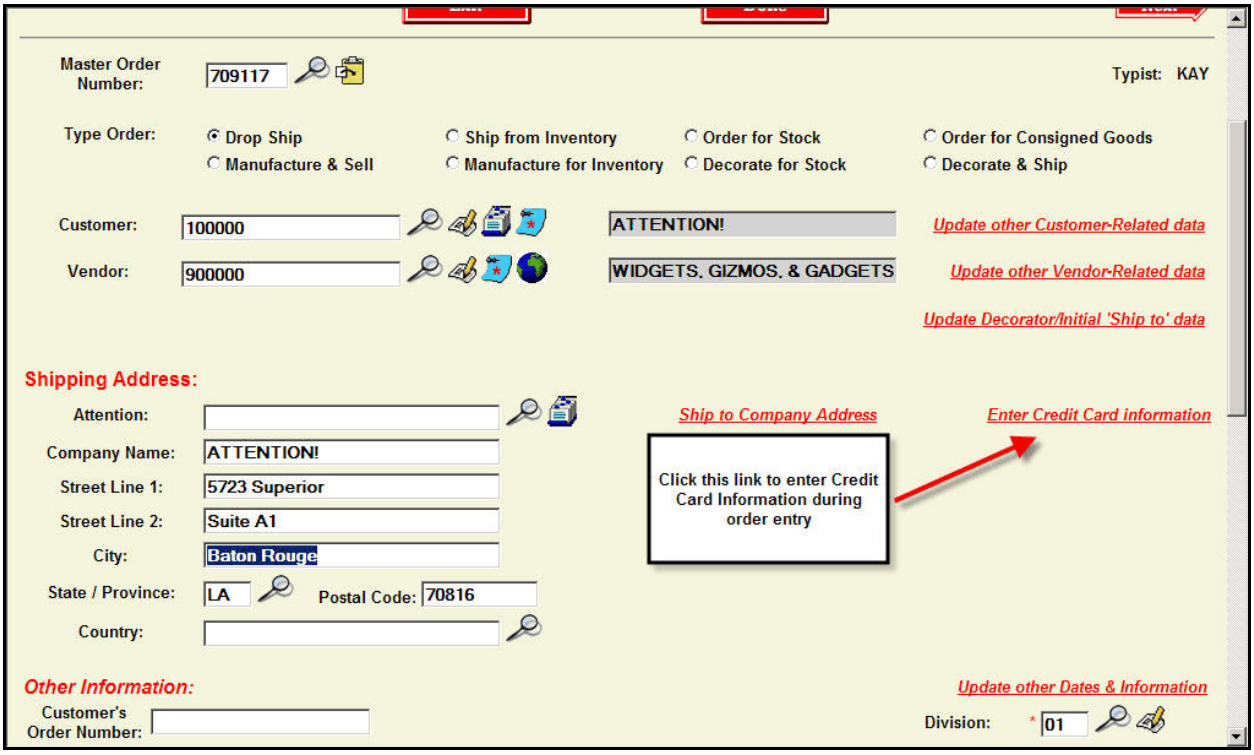
Several features are included in the system to make it easier for you to accept payments from customers using their credit card.

Entering credit card information during order entry

If you want to be prompted for credit card information during order entry, check the Order Processing system option "prompt for credit card during order entry?"



If you have selected this option, you will have a link for the credit card information during the order entry process. The link will be on the “general information” screen of the order as shown below and on the “totals” screen. You may enter or update the information from either screen.



On the screen that appears (see below), you will be prompted for the following information:

CREDIT CARD NUMBER - The credit card against which the payment will be charged. Some checking is done for the validity of the number itself. This check will warn you of errors in the typing of the number itself only, not the customer's credit situation.

You may store up to 5 customer credit card numbers and related information. Click on the look up icon to look up and select this data. Click on the pen/pencil icon to update this list.

IMPORTANT! Lakeshore does **NOT** recommend storing your customer's credit card numbers. There is a security risk involved that you should carefully consider before using this feature.

EXPIRATION DATE - The expiration date of the card entered as month, then year.

SECURITY CODE - The 3-4 digit security code on the back of the credit card.

CREDIT CARD NAME - The name on the face of the credit card.

There is also a place to enter authorization information if you wish.

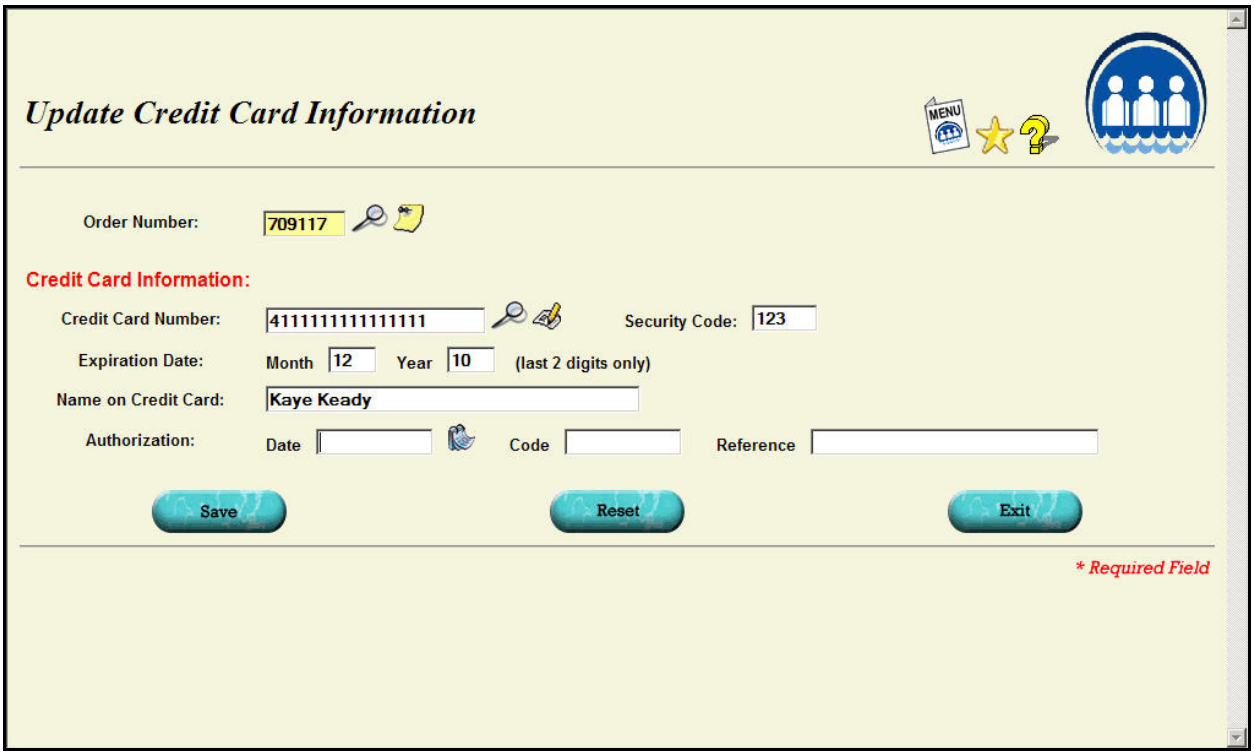
If you come back to the order later, the link on the order will be changed to a "Paid by" notation following by the type of card and the last 4 digits (see below). You can click on this link to make changes. At this point, if you have a password set up for updating credit card information, you will need to enter this password to display or change the credit card data. You will then see the same update screen as you did when the credit card information was originally added.

There is also an "Update credit card information" function on the Order Processing, Miscellaneous Functions submenu. It will also require a password if you have one set up.

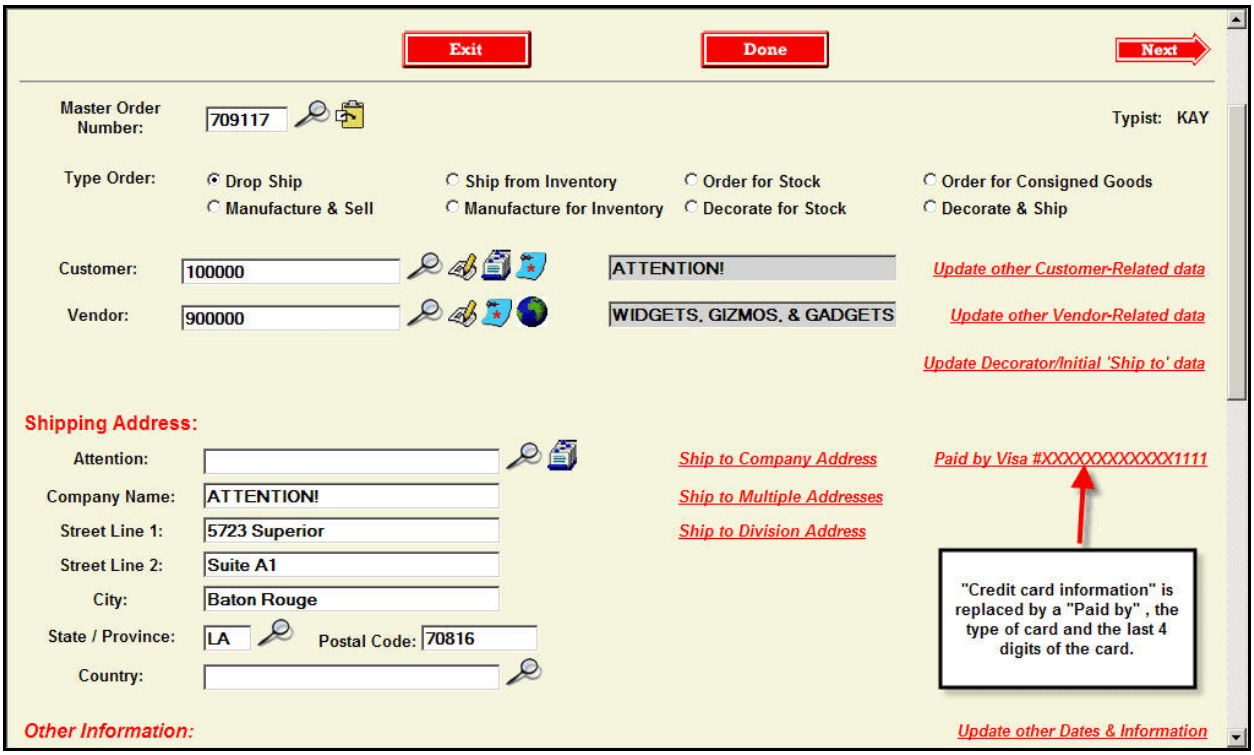
Print list of orders using credit cards

At any time during the day, you can request a print out of all orders that are to be paid with a credit card. Information necessary to get credit approval is included as well as any authorization information that has already been entered.

Credit card update screen



Credit card link under “change order”

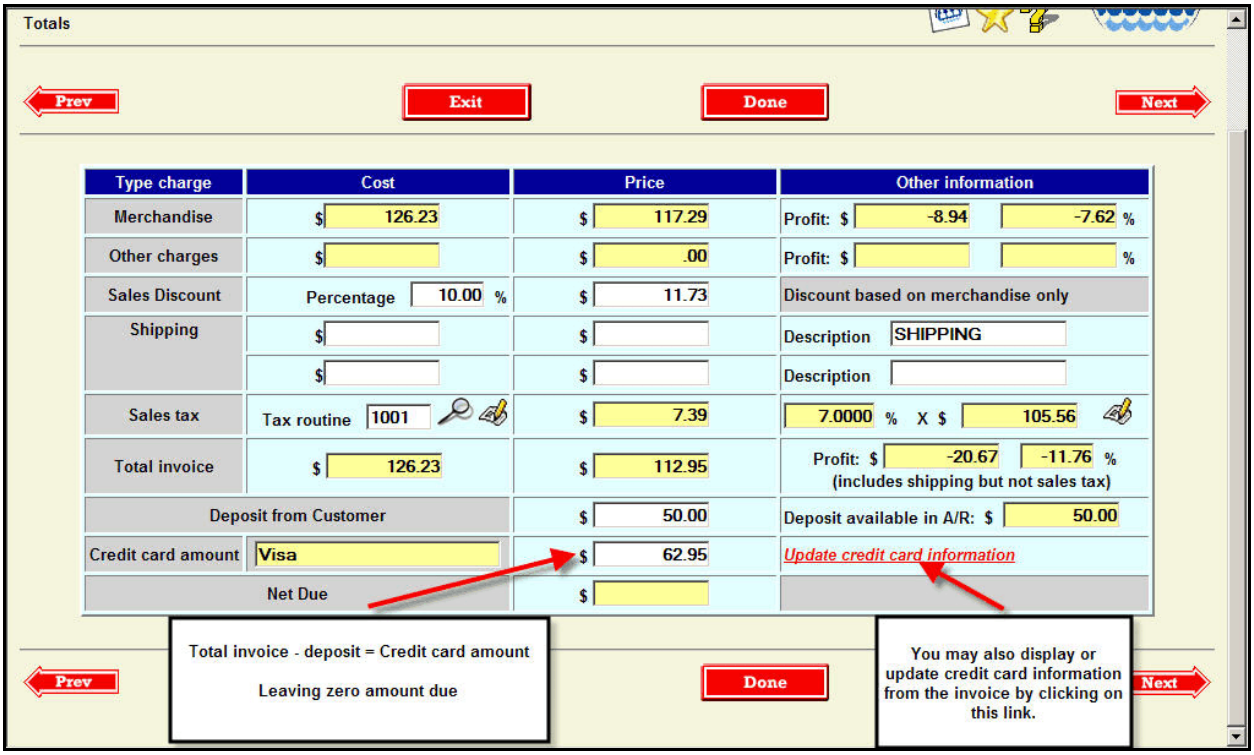


Invoicing the order

When the invoice is processed, if there is a credit card number included on the order, the amount to be charged to the credit card is calculated as

Total of the invoice - Customer deposit amount (if any) = Credit card amount

This amount will be displayed on the invoice "totals" screen. You may adjust it if appropriate.



You may also add or update the credit card information at this point. A password is required if you have one set up.

Credit card amount and a notation of the type of card and last 4 digits are usually printed on the invoice form if there is any credit card information stored on the invoice.

Invoice Close procedures

When the invoice is closed, you have two ways the credit card amount can be handled. You indicate on the Customer Invoicing system options which way you want to do it (see options screen on next page).

Method 1 - Credit card applied to net amount due in A/R - option is checked

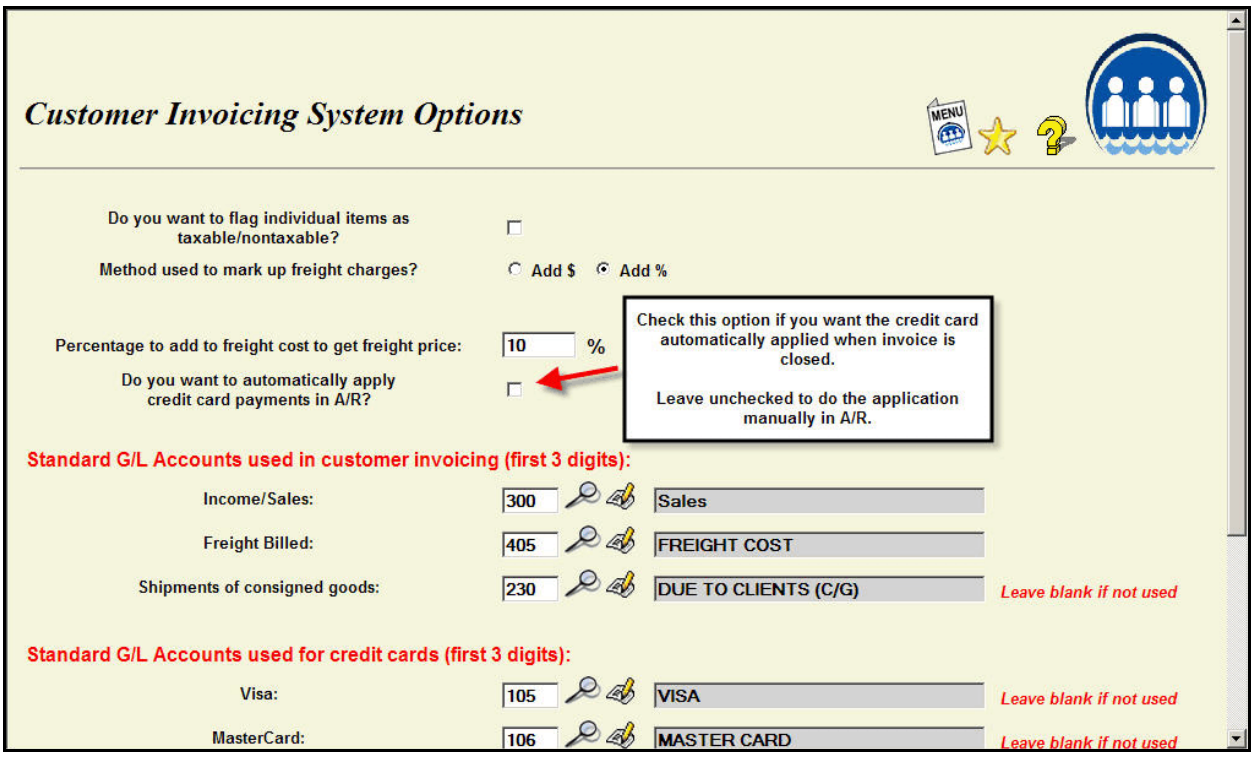
If you check the option, the credit card amount will be applied to the net due on the invoice much like a customer deposit. If the amount due is zero, the invoice is still posted to A/R for historical reference only.

For the journal entry, the amount that would normally post to the accounts receivable account is posted to the appropriate credit card account. These are set up in the Customer Invoicing system options. You may use a single credit card account or have a separate one for each type of card.

IMPORTANT! If you use this method, make sure you have a solid method of ensuring that the credit card charges are actually processed or some type of reconciliation process such as your bank statement.

Since the A/R invoice would normally be cleared, the entry will no longer appear on your open A/R detail. If you forget to place the charge, you will never receive the corresponding cash.

If you use this method and the credit card is rejected, you would need to enter a debit on the A/R file to offset the credit card payment. The G/L account would be the same one used when the invoice was closed.



Method 2 - Credit card amount NOT applied - option is NOT checked

If you use this method, the credit card amount is a memo amount only. You would need to enter the actual cash on to the A/R file and apply it to the invoice. This is a more manual method but it gives you a better trail and better control over the process.

There are advantages and disadvantages to each method. Method 1 is helpful if have a large volume of credit cards and/or you do automatic processing of credit cards (described below). Method 2 has better control and is safer if you have a smaller volume of cards.

For either method, at the end of the Sales Journal, a Credit Card Journal is printed listing all invoices paid with a credit card. You can use this as a list of those cards that need to be processed.

Automatic authorization and charges

If you do a large volume of credit card orders, you may want to consider adding the capability of generating a computer file containing requests for authorizations that can be sent to the bank. The bank would check the credit, then return the list indicating whether the charge is authorized or not. If the charge was authorized, the bank will put a "committed" notation on the credit card account for the amount of the order for a certain period of time. If the charge was not allowed, the order could be cancelled.

When the order is invoiced, another file would be generated and the actual charge placed on the customer's card.

This is not part of the system as a standard feature because the structure of the files that must be created and the various procedures required differ from bank to bank. Therefore, some amount of special programming is required. However, many of the mechanisms (capturing the credit card number, etc.) are already in place and make it a feasible project to undertake.

If you would like to consider this option, contain Lakeshore Technical Support for additional information.

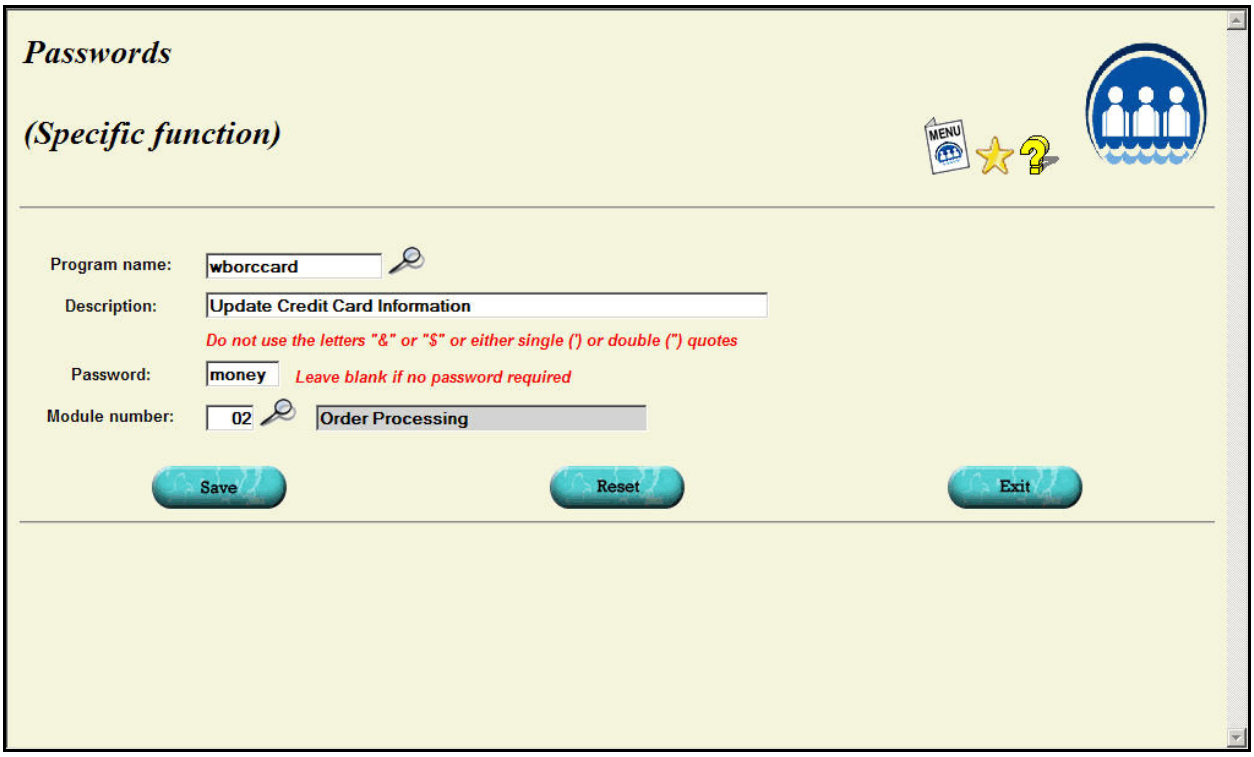
Security Concerns

Unfortunately, in today's world, you must make sure your credit card procedures and information are secure. You may be required to follow certain guidelines or you may be able to set your own policy. We recommend that at a minimum you do the following:

1. Do not store your customer's credit card numbers. Although convenient, there is a potential for abuse.

2. Set passwords on all credit card related functions. Go to

   Reference Information
   Miscellaneous codes/group 2
   Passwords (specific functions)

   Enter passwords for the following program names

wborccard	Update credit card information in order entry
wbinvccard	Update credit card information in customer invoicing
wbcstcc	Store credit card information for a customer