Credit Card Clearing (Object Code 6684)

Each area that charges internal/external customers via use of a merchant account is required to review/reconcile their credit card clearing object code.

Merchant payments (credit/debit card payments) are distributed on a daily basis and will be reflected in KFS in object code 6684.

A merchant account is required in order to accept credit and debit card payments as a form of payment. To establish a merchant account, or make changes to an existing merchant account, the first step is to contact Banking Services within the Business and Financial Services department (BFS). Banking Services contact information can be found on the Business and Financial Services website. Object code 6684 (credit card clearing) is a clearing object code and is required to be adjusted monthly.

The following process applies:

1. A credit/debit purchase is made using a terminal. A terminal is a stand-alone piece of electronic equipment that allows a merchant to swipe or key-enter a credit/debit card's information as well as additional information required to process a credit card transaction.

2. At the close of each business day, the terminal is closed by the terminal user designated within the department. (For instructions on closing a terminal, please contact Banking Services). Closing of the terminal allows that day's payment card transaction information to be electronically sent to the bank.

3. The bank processes the payment card transactions.

4. The merchant payments are then distributed to Banking Services on a daily basis. See the ACH timeframe table below* (information obtained from FPI 6-3):

Day of transaction	Bank processing	Deposit into KFS account
Monday	Tuesday	Wednesday
Tuesday	Wednesday	Thursday
Wednesday	Thursday	Friday
Thursday	Friday	Monday
Friday	Saturday	Monday
Saturday	Monday	Tuesday
Sunday	Monday	Tuesday

  *Federal Holidays will delay payments

5. Banking Services reviews the merchant payments and *credits* the appropriate KFS account (provided by the department on the merchant form) using expense object code 6684, Credit Card Clearing. This is done using an Advance Deposit document, also known as an AD. (See below)

General Ledger Entry Lookup [?]

9 items retrieved, displaying all items.

Fiscal Year	Chart Code	Account Number	Sub-Account Number	Object Code	Sub-Object Code	Balance Type Code	Object Type Code	Fiscal Period	Document Type	Origin Code	Document Number	Transaction Ledger Entry Description	Transaction Ledger Entry Amount	Debit Credit Code	Transaction Date	Organization Document Number
2013	CO	1322020	-----	6684	---	AC	EX	09	AD	01	2294908	APPLIED HUMAN SCI WEB	2,070.00	C	03/01/2013	DRAFT
2013	CO	1322020	-----	6684	---	AC	EX	09	AD	01	2296779	APPLIED HUMAN SCI WEB	1,265.00	C	03/04/2013	DRAFT

6. Once the funds have been received in the department account, as a *credit* to expense object code 6684, it is the responsibility of the department to reconcile the account and move the funds to revenue. Object code 6684, Credit Card Clearing, should balance to $0 at each month end.
Due to timing, accounts that have activity during the last few days of the month may not balance to $0 at month end. In this case, the account should be cleared to $0 by the 10th of the following month or a detailed explanation to the exception as to why it doesn't clear should be provided to Campus Services.

Clearing object code 6684
To clear an amount in object code 6684, Credit Card Clearing use a Distribution of Income and Expense document (DI). This document can be found in the side menu under "Accounting".

Once you have the document open, start by filling out the 'Document Overview' tab by entering in the document Description, Explanation (optional) and Organization Document Number (optional). The Total Amount will auto populate as you fill in other tabs of the document.

Distribution Of Income And Expense ⦿

EXPAND ALL   COLLA

DOCUMENT OVERVIEW

OVERVIEW

*Description: CAHS CC Receipt	Explanation: Credit Card Clearing for 11-4-19
Organization Document Number:	

FINANCIAL DOCUMENT DETAIL

The next step is to fill out the 'Accounting Lines' tab. This is the step that will *debit* object code 6684 - clearing it to $0, and credit revenue – recognizing the revenue in the proper account. In order to get the journal entries to balance, both accounting lines will go in the 'To' section.

You can choose to put the revenue to the same account, or move it to another appropriate account. In the below example, the department is allocating the revenue to a different account (from 1322020 to 2292200), and using revenue object code 4380 (Other Sales+Services-Auxiliary/Self-Fund). (See below)

FROM

HIDE DETAILS   IMPORT LINES

*CHART	*ACCOUNT	SUB-ACCOUNT	*OBJECT	SUB-OBJECT	PROJECT	ORG REF ID	*AMOUNT	LINE DESCRIPTION	ACTIONS
CO ⌄ Colorado State University	🔍	🔍	🔍	🔍	🔍				➕

TOTAL: 0.00

TO

HIDE DETAILS   IMPORT LINES

*CHART	*ACCOUNT	SUB-ACCOUNT	*OBJECT	SUB-OBJECT	PROJECT	ORG REF ID	*AMOUNT	LINE DESCRIPTION	ACTIONS
CO ⌄	🔍	🔍	🔍	🔍	🔍		0.00		➕
CO ⌄ Colorado State University	1322020 🔍 Center for Healthy Aging	🔍	6684 🔍 Credit Card Clearing	🔍	🔍		1,265.00		⚖ 🔁 🗑
CO ⌄ Colorado State University	2292200 🔍 Hes Youth Sports Camps	🔍	4380 🔍 Other Sales+Services-Auxiliary...	🔍	🔍		1,265.00		⚖ 🔁 🗑

TOTAL: 2,530.00

The remaining tab is the 'Notes and Attachments' tab. This tab is optional in Kuali, however, support (in PDF format) of the payment card transactions needs provided.

NOTES AND ATTACHMENTS (0)

*Note Text:

Attachment:

Browse...

Remove Attachment

ADD

In cases where a refund to a customer occurred, a department may need to recognize a reversal of the activity. In those instances the FROM section of a Distribution of Income and Expense may need to be used. Contact your Campus Services Rep if you have difficulty clearing after a refund/reversal of a credit card transaction. Contact information is located at http://busfin.colostate.edu/Depts/Campus_Svcs.aspx.