

CASH MANAGEMENT AGENCY MANUAL		NUMBER 02 18 14.PO
OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE May 1, 2008
CHAPTER	CASH MANAGEMENT	
PART	3 rd PARTY VENDOR REQUIREMENTS	
SECTION		APPROVAL

Authority ORS 293.875

PURPOSE OF THE POLICY

- .101 This policy documents 3rd party vendor approval requirements for state agencies and organizations processing, storing, or transmitting information associated with Automated Clearing House (ACH) and/or credit/debit card transactions. Failure to comply with these requirements may unnecessarily expose customers to loss due to financial fraud and may result in termination of an agency's or organization's ability to conduct such transactions.

Prequalification by the Office of the State Treasurer (OST) helps insure that vendors have met minimum industry and state security, interface and depository requirements. It does not insure suitability of vendors' products for agency specific applications.

OST RESPONSIBILITIES

- .102 OST will maintain a prequalification process for 3rd party vendors who wish to provide financial transaction storage, processing, or transmission services and/or applications to state agencies and organizations. Vendors may request prequalification as a service provider or request prequalification of an application, or both.
- .103 To pre-qualify as a service provider for the state for credit/debit card transactions, the organization must be listed on Visa's website as a compliant service provider in good standing. To pre-qualify an application for credit/debit card transactions, OST will require the application to be listed as a validated payment application on Visa's website.

- .104 To pre-qualify an application or as a service provider for the state for ACH transactions, the organization must certify that their products and/or services comply with the rules set forth by the National Automated Clearing House Association (NACHA).
- .105 OST will maintain a list of 3rd party vendors which indicates the financial transaction storage, processing, or transmission services and/or applications they are prequalified to provide to state agencies and organizations. An annual requalification will be required by all vendors on the list to ensure they remain qualified.

AGENCY/ORGANIZATION RESPONSIBILITIES

- .106 State agencies and organizations will contract with prequalified 3rd party vendors for services and/or applications associated with the storage, processing, or transmission of ACH and/or credit/debit card transactions. The method of individual vendor selection will be at the discretion of the agency/organization as permitted by applicable rule or law. Potential vendors will be directed to seek prequalification through OST prior to contract.
- .107 State agencies and organizations who have contracted for services or purchased applications prior to April 1, 2006 should contact their 3rd party vendor and request that they seek qualification through OST. If the 3rd party vendor is unable or unwilling to achieve qualification, state agencies and organizations are directed to work with OST to identify acceptable alternatives.

3rd Party Vendor Application