

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

CREDIT CARD COLLECTION NETWORK PROCEDURES

In September of 1987, the Department of Treasury through its Financial Management Service (FMS), established a government credit card collection network to enable federal agencies to accept two types of credit cards (Visa and MasterCard) for the collection of receipts due the government. Now, most other major credit cards, including American Express, Discover and Diners Club are accepted for financial transactions by the Office of the Clerk of Court.

As a follow-up to the request of the Clerk of Court for the Eastern District of Pennsylvania in August of 1986, the Administrative Office of the United States Courts approved it as the pilot district for implementation of the credit card network within the Judiciary. Subsequently, the Administrative Office on behalf of the United States Courts, entered into a contract with a bank which provides clerks' offices with processing services for credit card transactions.

To implement the program in the Clerk's Office, we first identified potential transactions which we felt were conducive to the use of credit cards, as follows:

- filing fees
- copywork (including docket sheets, documents, judicial opinions)
- copies of ESR-taped proceedings
- fines and restitution
- bail
- attorney admission fees
- searches and certifications
- retrieval fees for records maintained at FRC, and
- CVB payments

Next, we selected 25 law firms and 10 sole practitioners in the Philadelphia and surrounding areas to participate in a pilot program, prior to announcing this service to the general bar and public. We conducted a one-day seminar for members of those law firms and outlined the program to them with a series of presentations from members of the Clerk's Office staff and bank representatives.

We believe the use of credit cards by members of the bar and the public facilitates the processing of financial transactions at the district court. From the government's perspective, the use of credit cards provides next-day availability of funds, reduces the amount of cash handled each day by cashiers, thereby minimizing the possibility of error, and facilitates the bookkeeping process for both the Clerk's Office and participating customers. Conservative estimates place the volume of charges of government transactions at \$3 to \$10 billion annually. By providing next-day availability of funds to the government, savings of at least \$2 million a year will be realized.

From the law firms' perspective, the benefits are even greater. Using a credit card for payment of transactions in the Clerk's Office means that legal couriers no longer are required to carry cash to pay filing or copy fees; blank checks are no longer drawn because amounts are unknown; and the billing procedures fit easily into any internal accounting method used.

For those law firms concerned with the safekeeping of an actual credit card, after completion of an authorization form (Attachment 1), the Clerk's Office will maintain the firm's credit card number and expiration date in a secured drawer. The law firm's courier will reference the authorization form and the transaction will be processed. On the bank charge slip, "AUTHORIZATION ON FILE" would appear in the signature block.

Credit card transactions are handled in the same manner as transactions paid for by check or cash.

For counter transactions, the charge card is obtained from the customer for recording, validating, and imprinting onto a bank charge slip. The customer's card is then "swiped" through the terminal and the amount of sale is entered on the keyboard. The bank is contacted electronically through the terminal and an authorization number is obtained.

Once authorization is received, the slip is given to the payor for signature. The amount of the charge is entered into the register and it records the sale and payment data on the receipt in the slip printer. The bank charge slip is then inserted into the register printer and this action records the transaction code, date, time, charge, and amount onto the bank charge slip and matches the data recorded on the cash register receipt.

The original cash register receipt and bank charge slip are given to the customer and the copies are kept on file in the Clerk's Office.

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AUTHORIZATION FORM**

(Name of Company/Firm)

hereby authorizes the United States District Court for the Eastern District of Pennsylvania to charge the following bank credit card number for payment of filing fees and other court-related expenses.

PLEASE PRINT:

Visa No.: _____ Exp. Date: _____

MasterCard No.: _____ Exp. Date: _____

American Express: _____ Exp. Date: _____

Other: _____ Exp. Date: _____

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone No.: _____ Fax No.: _____

This information shall remain in effect until specifically revoked in writing. It is the responsibility of the firm/company named herein to notify the Clerk's Office of the new expiration date when a credit card has been renewed, or if a credit card has been canceled or revoked.

Signature (Firm's Partner): _____ Date: _____