

Credit Card Processing Using Oracle iPayments

Cathy Cakebread – Consultant
Northern California OAUG
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Agenda

- ▶ Credit Card Processing Options
- ▶ What is iPayments?
- ▶ Standard Flows
- ▶ Decisions to be Made
- ▶ Working With Your Credit Card Processor
- ▶ Key Setups
- ▶ User Procedures
- ▶ Dealing With Rejects
- ▶ Credit Card Refunds
- ▶ Clear Credit Card Receipts
- ▶ Reporting
- ▶ Testing
- ▶ Potential Gotchas

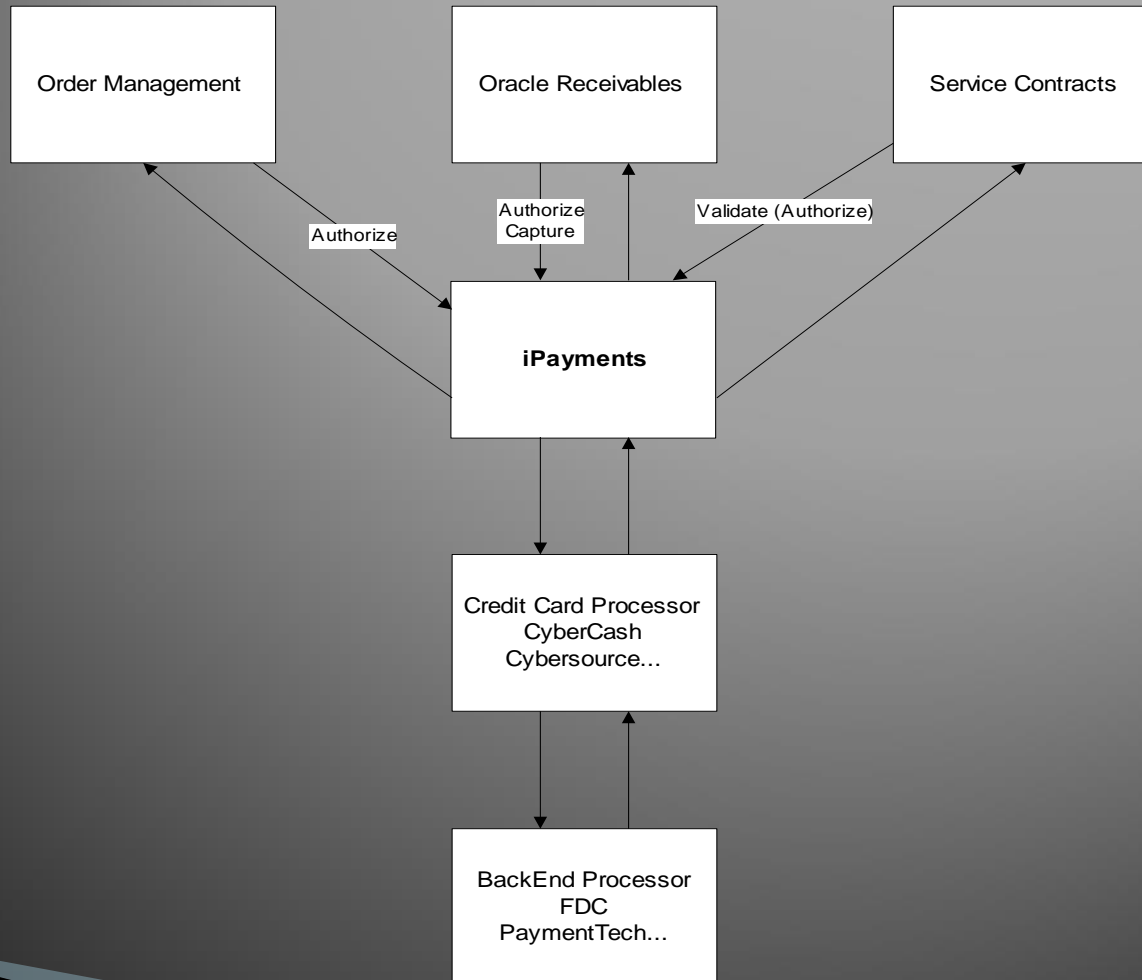
Credit Card Processing Options

- ▶ Apply Credit Card to Web Store Orders
- ▶ Use Credit Card for OM Orders
- ▶ Use Credit Card for Service Contracts
- ▶ Apply Credit Cards to Open Invoices
- ▶ Create a Manual Credit Card Invoice to be Paid By Credit Card
- ▶ Refund Credit Card Payments

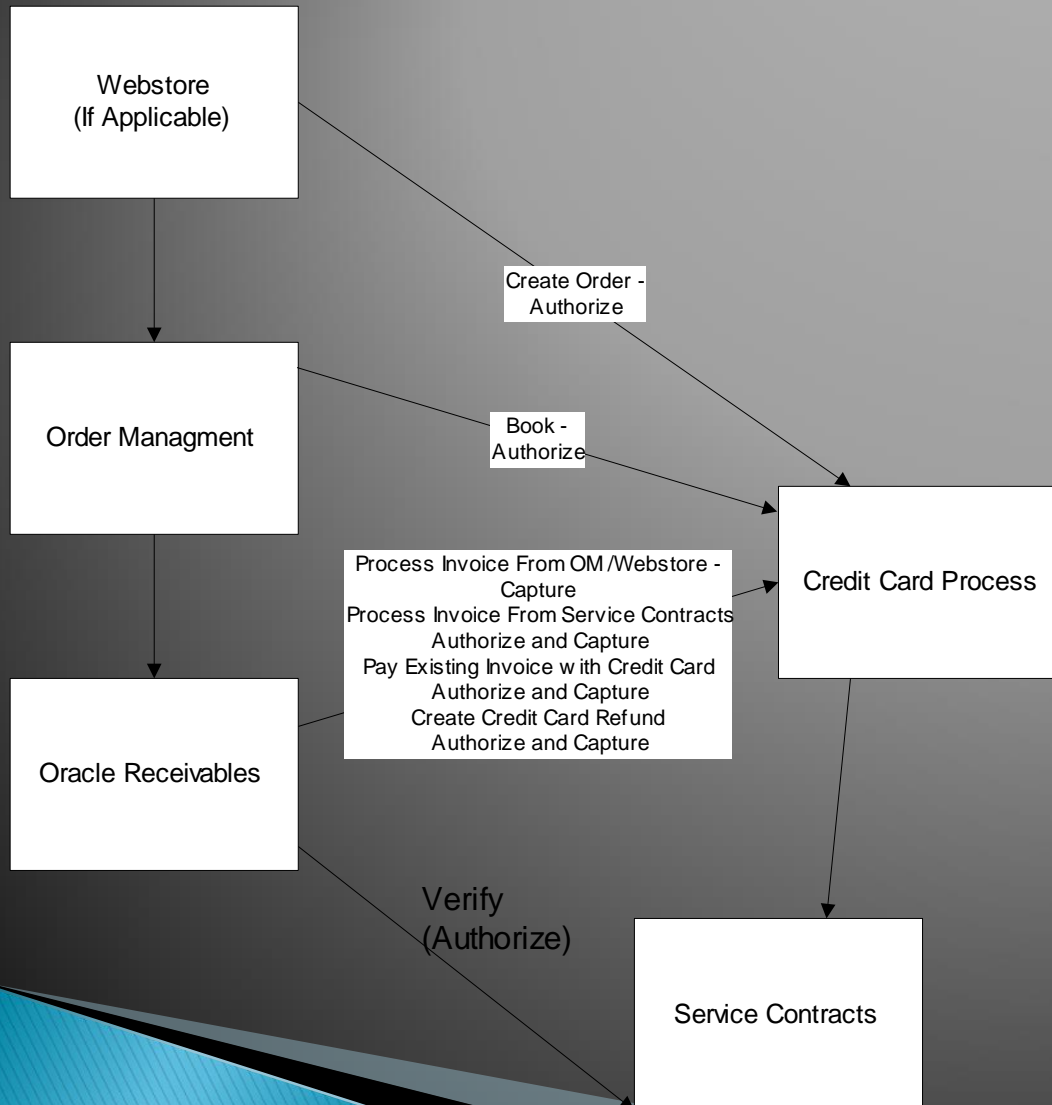
Standard Processes

- ▶ Validate (Web Store, OM, Service Contracts, AR)
 - Verify That This Is a Proper:
 - Card Number, Expiration Date, Within Credit Limit
- ▶ Authorize (Web Store, OM, AR)
 - Provide Bank Reference and Auth Code
- ▶ Capture – Settle (Remit) (AR)
 - Request Funds from Customer's Bank
- ▶ Clear (AR or Cash Management)
 - Verify that Payment Has Been Deposited Into Your Account

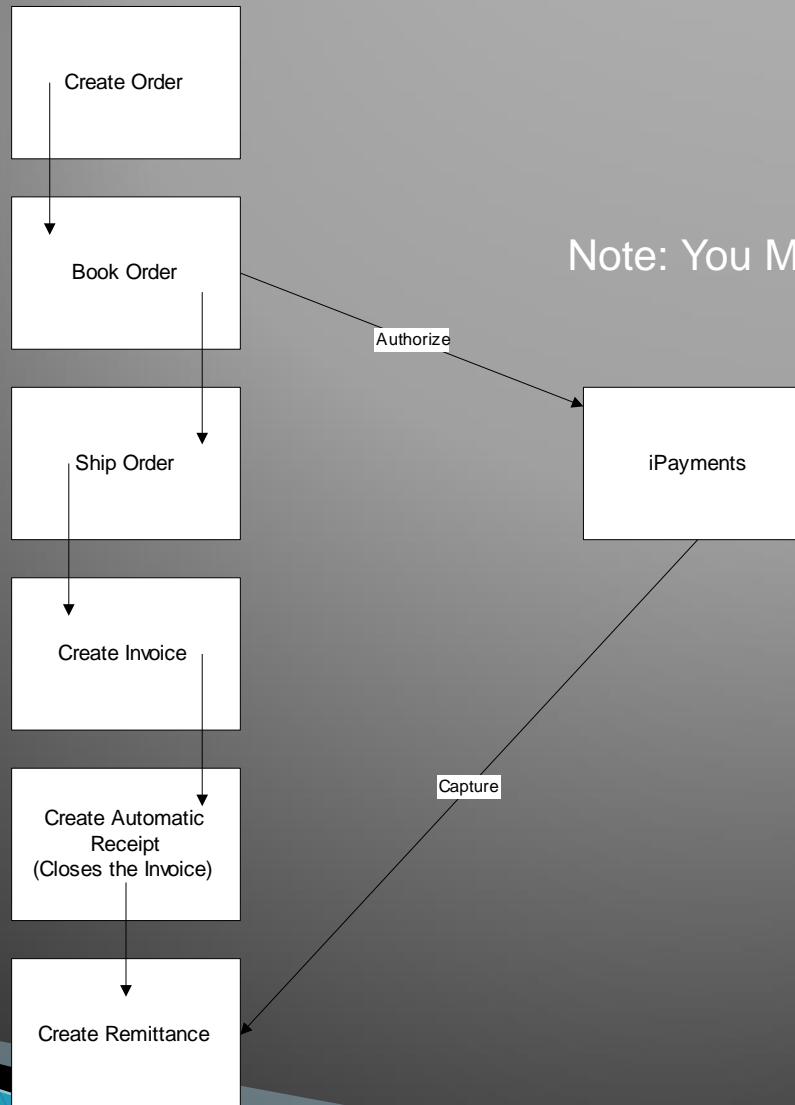
How Does iPayments Fit In?



Credit Card Process Flow

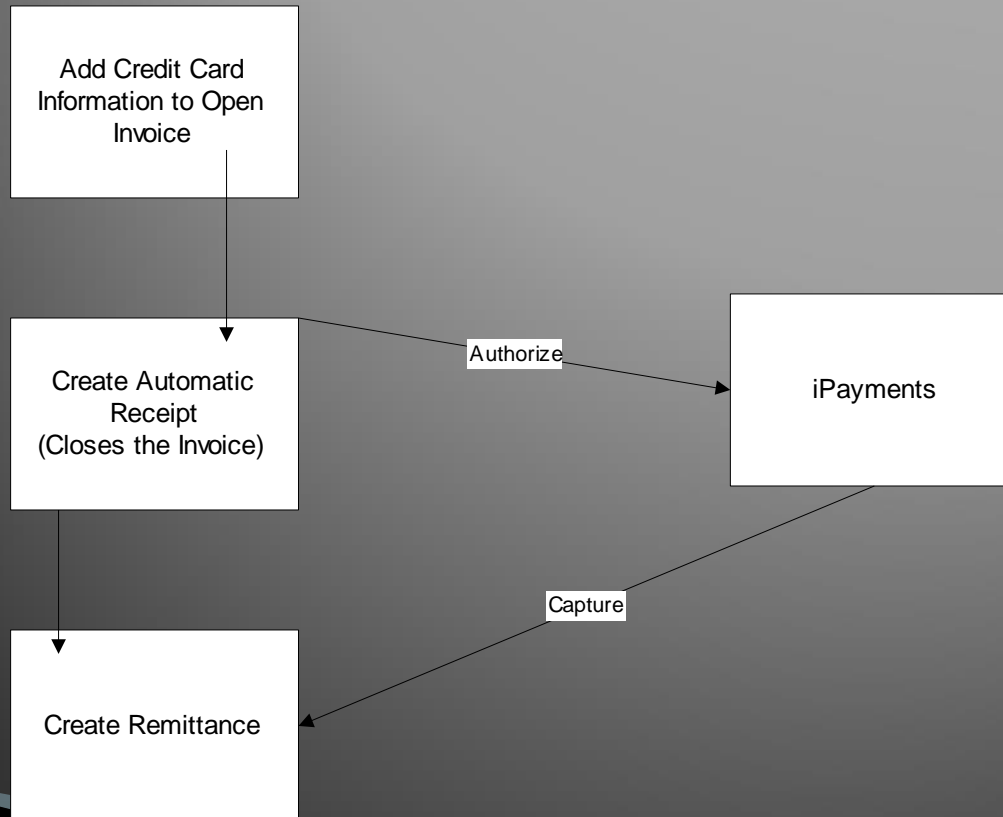


Order to Cash Flow

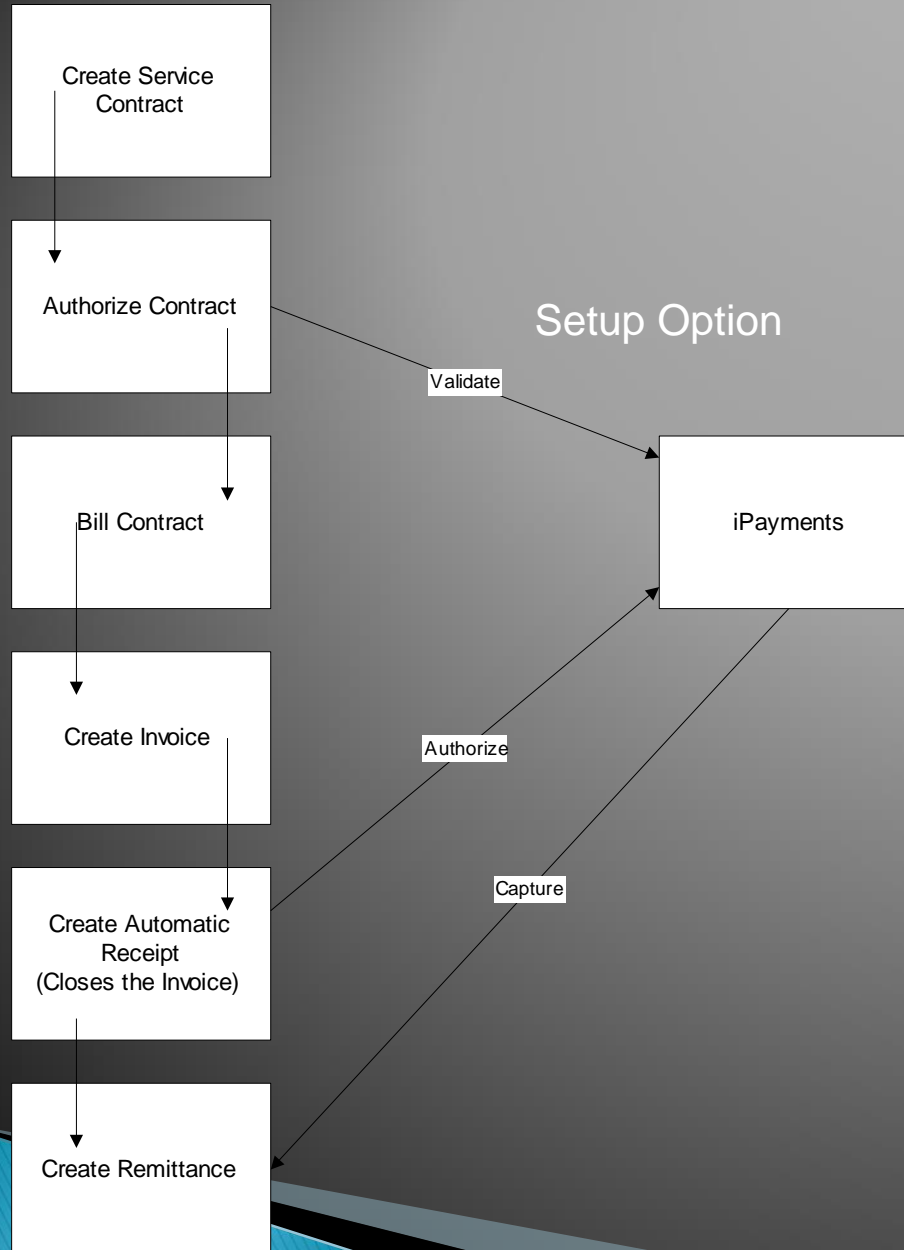


Note: You May Authorize Multiple Times

Apply Credit Card to Open Invoice



Service Contracts Flow



Note: Does Not Interface with OM

Decisions to Be Made

- ▶ How Will You Allow Credit Cards to Be Used?
- ▶ What Applications Will be Impacted and How?
- ▶ Which Credit Card Processor Will You Use?
- ▶ How Will You Clear Credit Card Receipts?
- ▶ Will You Utilize Address Validation?
- ▶ Will You Allow Voice Authorizations?
- ▶ How Will You Deal With Credit Card Fees?
- ▶ Will You Re-Credit Check Credit Card Orders Prior to Shipping?

Working With Your Credit Card Processor

- ▶ Are They A 'Preferred Vendor' for Oracle iPayments?
- ▶ What Customizations Will Be Required?
- ▶ When You Receive New Servlets – Be Sure to Bounce Apache (Web Server) to Take Effect?
- ▶ Bounce Apache Frequently
- ▶ How Do You Work With Their Support Organization?
- ▶ Watch Out For Finger Pointing!

Key Setups

▶ Oracle Receivables

- Receipt Class/Payment Method –
 - Unique, Watch Start Date
 - How Credit Card Receipts will be Numbered
 - Define Confirmation and Remittance Accounts (New?)
 - Watch Merchant Ref!
- Receivables Activity
 - Credit Card Reimbursement
 - Applicable Account
 - Credit Card Fees
 - Applicable Account
- QuickCodes
 - Credit Card Types
 - Had to Use Examine to Disable
 - Credit Card Reversal Reason

More Set Ups

▶ Oracle Receivables

- System Options
 - Credit Card Payment Method
- System Profile Values
 - AR: Mask Bank Account Numbers
 - ** At Site AND Application Levels

▶ Order Management

- System Profile Values
 - OM: Credit Card Privileges (Who Can See What)
 - OM: Estimated Authorization Validation (# Days)
 - OM: Payment Method for Credit Card
 - Pre-defined In AR
- *** Credit Checking –
 - Impact: When Credit Card Will Be Checked

And ...

▶ Service Contracts

◦ System Profile Values

- OKS: Credit Card Privileges
- OKS: Credit Processing QA Level
- OKS: Payment Method for Credit Card
 - Must be Pre-Defined in AR

▶ System Administrator

◦ Document Categories

◦ Document Sequences – Define and Assign

- Watch Start Date

◦ System Profile Values

- ICX: Oracle Payment Server URL
 - Varies by Environment

iPayment Setups

▶ System Profile Values

- IBY... – Lots But I Only Changed These
 - IBY: Debug Log Directory
 - Varies By Environment
 - IBY: Financing PG Login Name

▶ iPayment Screens

- Note: Have to Be Defined As a CRM User With Access to These Screens to Be Able to Perform These Setups
- Must Also Use the Apps Username and Password

More...

► Payments Tab

- Payment System Details
 - Be Consistent With Credit Card Processor re: ID
- Payee
 - Be Consistent With Credit Card Processor re: ID
- Payees and Risk Management
 - Must Be at Least 1
- Routing Rules
 - Must be at Least 1
- Advanced Properties
 - Exact URLs and Directories You will Be Using
 - Varies by Environment

Credit Card Processor Setups

- ▶ Varies By Vendor
- ▶ Mostly Technical
 - Servlets
 - Create Objects
 - Apache Setups
 - Configuration
- ▶ Note: Have to Bounce Apache After EACH Change

User Procedures

(Who Is Responsible for What? Be Explicit!)

- ▶ Orders to be Paid via Credit Card
- ▶ Changes to Orders with Credit Card Information
 - Process Payment
- ▶ Change To The Credit Card Number on An Order
- ▶ Change to the Credit Card Expiration Date on an Order
- ▶ Create Service Contracts That Will be Paid by Credit Card
- ▶ Run the Credit Card Processes

And...

- Accounting for Credit Card Processing
- Resolving Credit Card Issues
- Paying an Existing Open Invoice by Credit Card
- Manual Invoices to be Paid Via Credit Card
- Refund Processing in Oracle Receivables
- Processing Chargeback's
- Add New Customer Credit Card Accounts
- Manual Credit Card Corrections
- Re-Authorize A Credit Card in Oracle Receivables
 - Blank Out Auth Code on Receipt – Remittance Tab

Dealing With Credit Card Rejects/Issues?

- ▶ Who Will Be Responsible? How Will The Issues be Resolved?
- ▶ Potential Issues:
 - **OM**
 - Invalid Credit Card Number
 - Invalid Credit Card Expiration Date
 - Card is Refused
 - **COLLECTIONS**
 - Credit Card Holds
 - Credit Holds (Still Occur)
 - **AR**
 - Request is Over the Customer's Credit Limit
 - Billed Amount Exceeds Auth Amount
 - Credit Card Refunds
 - Can't Create Receipt
 - Can't Remit
 - Can't Clear

Watch Out For:

- ▶ Card Holder Name – Must Be 2 or More Separate Words
- ▶ Inconsistencies Between Screen Contents in OM, AR and Service Contracts
- ▶ Can't Use iPayments Screens for Any Real Processing
- ▶ Credit Card Refunds – Must All Be Done At One Time
- ▶ Copies Credit Card Number From Last Order From That Company
- ▶ Action: Process Payment

Accounting Impact (In AR ONLY)

Activity	Debit	Credit
Create Receipt	Confirmation Account (AR Trade Credit Card Clearing?? Use New Unique Account!)	AR (Based on the Invoice)
Remit Receipt	Remittance Account (Use the same account for Remittance and Confirmation?)	Confirmation Account (Offsets the Confirmation Account)
Clear	Cash	Remittance Account (Offsets the Remittance Account)

Note: The invoice is marked as closed when the receipt is created, not when the cash is deposited!

Refund Credit Card Receipts

- ▶ Create On-Account Credit
- ▶ Open Receipt
 - Unapply Previous Application
 - Apply On-Account Credit
 - Add New Line – Credit Card Refund
- ▶ Run Remittance Process
 - Not Necessary to Create Receipt
- ▶ *Do This All Together!*

Reconciling Cash

- ▶ Issue: Remitted (Captured) Does Not Mean That You Actually Have the Money!!
 - Visa/MasterCard = 2–3 days
 - American Express = 3–7 days ??
- ▶ Options:
 - Automatic with Remittance
 - Cash Management
 - Batch
 - Select Individual Items
- ▶ Accounting for the Not Yet Cleared Amounts

Clear Credit Card Receipts

- ▶ Receive Report From Bank
 - On-line, Paper ...
- ▶ Match to Remitted Data for Applicable Dates
- ▶ Use Cash Management to Indicate That Cleared
 - By Batch – Allows You to Tie to Totals
 - Individual – No Tie Out
- ▶ Or, Use Automatic Clearing
 - Loss of Control and Visibility

Reporting

▶ Standard Reports

- Order Management
 - Orders On Credit Hold
- Oracle Receivables
 - Transactions Awaiting Consolidation
 - Automatic Receipt Not Created
 - Receipts Awaiting Bank Clearance Report
 - Not Remitted
- Cash Management
 - Cleared Transactions Report
 - What Has Been Cleared
 - Transactions Available for Reconciliation Report
 - What Has Not Yet Been Cleared

Potential Custom Reports

- ▶ Order Management
 - Credit Card Holds Report
 - With Details About the Credit Card Issues
- ▶ Oracle Receivables
 - Settlement Report
 - Details of What Was Processed
 - Credit Card Receipts With Status
 - Visibility To Receipts/Invoices With Issues (With Credit Card Details)

Protecting Your Customers

- ▶ Restrict Access to Credit Card Information
 - Numbers
 - Expiration Dates
- ▶ Utilize Masking Options
 - Consistency is Key!
- ▶ Watch Custom Reports

Testing Scenarios

- ▶ Work With Credit Card Processor, Watch Out For:
 - Limited to Special Credit Card Numbers to Use
 - Special Meaning Tied to Total Amounts
- ▶ Test All Standard Processes And Potential Exceptions:
 - Split Shipments
 - On Same Day and On Different Days
 - Voice Authorizations
 - Import From Web Store
 - Integration with Web Store, OM, Service Contracts, Cash Management

And...

- ▶ Full and Partial Refunds
- ▶ Changes to Order After Created e.g., Add New Lines
- ▶ Changes to Credit Card Information After an Order is Booked
- ▶ Current and Future Dated Service Contracts
- ▶ Service Contracts with Multiple Invoices
- ▶ Clearing Credit Card Receipts
- ▶ Partial Credit Card Payment to Open Invoice
- ▶ Billed Amount Is Greater Than Authorized Amount

Potential “Gothchas”!!

- ▶ You Add Freight Charges After the Card is Authorized
- ▶ You Have Customers That Use Voice Authorizations for Specific Orders
- ▶ You Using a Web Store Other Than Oracle iStore
 - How is the Credit Card Information Authorized? Interfaced?
- ▶ You Allow Split Shipments of Orders
- ▶ You Require the Additional Reference Number

And...

- ▶ You Billed But You Used the Wrong Credit Card?
- ▶ You Need to Credit a Credit Card Transaction That Was Created Prior to Starting to Use iPayments?
- ▶ Service Contracts Creates Future Credit Card Invoices
- ▶ Lack of Adequate and Consistent Documentation from Oracle!

Conclusion

- ▶ Doable but Allow LOTS of Time!!!
- ▶ Coordination Issue
 - Multiple Products and Vendors
 - Even Within Products In Oracle
- ▶ Requires Explicit Instructions – Picky!
- ▶ Test, Test, Test!

Questions?

Cathy Cakebread

Cathyc@cathycakebread.com

www.cathycakebread.com

(650) 610-9130