Office of The State Campaign Manager

Square Reader Process

The State Employee Charitable Campaign (SECC) State Campaign Manager's office has received approval from the State Policy Committee to offer the use of Square credit/debit card readers for each of the 17 Texas SECC regions in Texas.

The goals of this initiative are:
- Continue efforts to modernize the SECC, per Sunset Commission feedback;
- Provide State agencies and institutions of Higher Education with a secure electronic payment method at special fund-raising events;
- Promote and increase charitable giving;
- Boost awareness of the campaign;
- Offer donors easy to use alternative methods to contribute;
- Reduce security challenges and operational expenses associated with processing cash or checks.

The following is an overview of Square reader usage:

- The State Campaign Manager (SCM) purchases and transfers one or more Square reader device(s) to each SECC region's Local Campaign Manager (LCM).

- A designated LCM authorized representative visits squareup.com/help for instructions on how to set up the Square reader device(s) that they received from the SCM, linking only their region's SECC bank account to the Square reader device(s).

- If an LCM wishes to opt-out of Square use for the 2022 SECC, it shall notify the SCM in writing and return the Square reader(s) promptly to the SCM.

- LCMs shall read and review the information available on the Square website regarding Payment Card Industry compliance: https://squareup.com/us/en/townsquare/pci-compliance.

- During initial set up Square will transfer and withdraw a small amount to verify the linked SECC bank account. LCMs will track this amount and reimburse their local SECC bank account for the initial withdrawl.

- SCM will set-up an online webform for State agency and Higher Education Employee Campaign Coordinators to be able to request a device(s) from their LCM. All participating LCMs and the SCM will have administrative access to this form, being able to view which agencies are requesting/ have been granted use of a device by an LCM in their region.

- The LCM will use Square's Team Feature to grant device use permission to State/ Higher Education Employee Campaign Coordinators upon review of their online request form, including

setting limits on the date(s) and time(s) that the device will be activated and deactivated for the Coordinator's use. The ECCs should be set up as an authorized team member on the LCM Square account.

- The LCM must ensure all authorized users review and sign the Square device policy and agree to abide by the terms of the policy prior to accepting the loaned device, downloading the Square app or using the Square reader. ECCs who utilize the devices shall read and review the information available on the Square website regarding PCI compliance: https://squareup.com/us/en/townsquare/pci-compliance.

- LCM will then coordinate the pick-up or delivery of the device to the ECC.

- ECCs shall ensure the Square reader and Square app are password protected and that only authorized users have access to the device for the special event, referring to the following guidance when creating secure passwords: Create and use strong passwords (microsoft.com).

- ECCs shall safely store and secure the Square readers at all times.

- The LCM deactivates user access upon event completion.

- ECCs will submit a completed SECC pledge form (www.secctexas.org/resources) for each special event, noting whether contributions received by the Square reader will be undesignated or designated to a specific SECC-participating charity(ies).

- When state-owned devices are used to operate the Square reader, the ECCs must abide by their respective employer's information security policies.

- ECCs will offer Square readers as a payment option at SECC special event(s).

- State and/or Higher Education employees contribute to the SECC by using the Square reader. Square reads a donor's credit/debit card information and securely communicates the transaction data to the bank and credit card networks.

- The ECC using the Square device must provide a receipt either by email or text message based on the preference of the donor after processing a transaction via the Square device. For technical support, LCMs are directed to contact Square via the help channels available on their website.

- After a credit card is swiped, the payment request is sent by the Square. The transaction is then passed on to a financial institution (the acquiring bank or merchant bank). The acquiring bank acts as a go-between and sends the request to the issuing bank (the employee's credit card company). The issuing bank checks for the appropriate credit card limit. The issuing bank also uses fraud detection software to check if the transaction is legitimate. If the transaction is deemed legitimate, it is authorized and a hold is put on the funds, and the transaction then shows as pending.

- Funds are moved from the credit card company to the acquiring bank. All credit card information is encrypted at the moment the card is swiped. Square does not store card data on any device after a payment has been processed.

- The credit card transaction is settled through the Square's system and funds are transferred into the SECC bank account. Funds are received within two business days. The fee is 2.6% + 10 cents per swipe for Visa, Mastercard, Discover, and American Express.

- When the special event(s) is/are complete, the ECC will return the Square reader to the LCM.

- Lost or stolen devices should first be reported to the LCM by the ECC and then to Square by the LCM. The LCM will then report lost or stolen devices to the State Campaign Manager. The LCM will promptly replace a lost or stolen Square reader using funds from its annual SECC budget.

- The LCM must change passwords regularly, but at a minimum, after the return of each Square device.

- In the event that the LCM suspects a potential data breach or any type of malfeasance, a written Incident Report must immediately be reported by the LCM to the State Campaign Manager who will then notify the State Policy Committee, which could lead to further investigation by the appropriate law enforcement entities.

- The LCM will monitor all Square transactions in their region, matching them with submitted special event pledge forms and tracking charity designation and gift amount information in their SECC 2022 donor records.

- During the remainder of the year, Square readers must be stored securely by the LCM or returned to the SCM.

- The LCM must include Square usage data when submitting their annual campaign report to the State Campaign Manager.