



NORTH CAROLINA  
ADMINISTRATIVE OFFICE  
*of the* COURTS

## **Acceptance of Credit Cards in Clerk of Superior Court Offices**

[S.L. 2013-360, §18B.11]

February 1, 2015

Technology Services Division



## Introduction

Section 18B.11 of Session Law 2013-360 provides as follows:

### **CLERKS' ACCEPTANCE OF CREDIT CARDS**

**SECTION 18B.11.** The Judicial Department shall begin implementation of a cost-effective system for the acceptance of credit card payments for court costs to clerks of superior court as provided under this section. The Judicial Department shall select at least five counties that do not currently accept credit card payments, representing a balance of the urban and rural areas of the State, and shall implement the system in those counties by January 1, 2014. The Department shall report on this implementation and on its plans for implementing the system in the remaining counties of the State to the Chairs of the Joint Legislative Oversight Committee on Justice and Public Safety by February 1, 2014. The Department shall implement the system in the remaining counties of the State by January 1, 2015, and shall report on this statewide implementation to the Chairs of the Joint Legislative Oversight Committee on Justice and Public Safety by February 1, 2015.

The North Carolina Administrative Office of the Courts (NCAOC) submitted an interim report to the General Assembly in February of 2014, and made a presentation to the Joint Legislative Oversight Committee on Justice and Public Safety. Pursuant to the legislative mandate, NCAOC respectfully submits this final report on statewide implementation.

## Implementation Strategy

In August of 2013, NCAOC convened an internal workgroup to develop and implement a pilot program to allow acceptance of credit cards in at least five counties by January 1, 2014. The workgroup selected six counties for the pilot: Alleghany, Forsyth, Halifax, Mecklenburg, New Hanover, and Union. These counties represent the diversity among North Carolina's 100 counties for purposes of population, workload, and urban and rural areas.

After the pilot counties were selected, NCAOC asked each clerk of superior court in the respective counties to appoint a representative to an advisory group for the project. Based on consultation with the advisory group, NCAOC's Technology Services Division (TSD) developed a web-based application designed to interface with the current financial receipting system and the current credit card vendor for ePay, NIC. The advisory group provided additional input and recommendations regarding, policies and procedures, training, and public communication.

NCAOC implemented the credit card pilot in phases beginning in December 2013. This soft rollout was intended to allow NCAOC to properly train staff, identify potential issues, and resolve any technical and logistical issues prior to January 1, 2014. The implementation dates for each county were as follows:

- December 17 – Alleghany and New Hanover counties



- December 18 – Union and Halifax counties
- December 19 – Forsyth County
- December 30 – Mecklenburg County

At each rollout, NCAOC provided onsite training and support personnel to the clerk of superior court in the respective county. By January 1, 2014, clerks in the six pilot counties had the ability to accept credit card payments. Clerks processed 1,658 credit card transactions in the six pilot counties through January 30, 2014.

After the pilot, NCAOC expanded implementation to the remaining 94 counties on a gradual basis, continuing to provide onsite training and support personnel to the clerks as the counties came on board. Statewide implementation was completed by May 27, 2014.

For the 2014 calendar year, NCAOC accepted 104,732 credit card payments at local courthouses, totaling \$17,513,181.05. Overall, NCAOC has collected more than \$18.6 million in credit card payments since the inception of the project.

## Parameters of Credit Card Payments

Clerks accept credit card payments from American Express®, Discover®, MasterCard®, and Visa®. Credit card payments must be \$1,000 or less, and can be applied to criminal, civil and other fees – with the exception of the following:

- Alimony
- Bond forfeiture
- Cash bonds
- Child support purge payments
- Civil judgments
- Condemnation awards
- Disputed funds
- Rent bonds
- Trusts
- Upset bids

The NCAOC workgroup chose to exempt these categories because of the increased financial risk involved with these types of payments.

## Security Considerations

The major credit card companies have established standards to ensure that companies that process, store or transmit credit card information protect the security of that information. Those standards, known as



the Payment Card Industry Data Security Standard (PCI DSS), recommend a framework of data security measures to ensure the security of credit card data.

In October 2013, NCAOC contracted with a security consulting firm to evaluate its ability to meet PCI DSS standards. The consulting firm identified PCI DSS standards which NCAOC already meets and standards that NCAOC does not meet. Based on the evaluation by the consulting firm, NCAOC implemented PCI DSS standards in network infrastructure components and on desktop devices (cashier stations) at all locations. NCAOC continues to implement additional measures to establish and maintain full PCI DSS compliance and to further enhance system and data security.

## **Costs**

NCAOC spent approximately \$313,000 to implement the pilot in the six pilot counties, and an additional \$1,091,996 to expand the project to the remaining 94 counties. Those costs included application development, implementation, training, security compliance, PCI DSS compliance, and equipment purchases such as credit card reader devices and printers.

Future expenses will include implementation of additional PCI DSS standards; ongoing annual maintenance costs for technology staff to monitor and maintain the new web-based application and associated interfaces; equipment maintenance and lifecycle replacement; and required updates to existing security measures. Many of these costs will be driven by industry trends and court needs, and NCAOC is not able to provide a full monetary estimate of those additional costs at this time.

## **Summary**

NCAOC completed statewide implementation of the credit card project by May 27, 2014, and staff continues to provide technical support and training necessary to support the project. Full statewide implementation has cost more than \$1.4 million to date and will require ongoing funding for enhanced security, equipment, maintenance, training and staff resources. To date, there have been over 111,000 transactions processed through this system and more than \$18.6 million collected.