

SFU PayPal Accounts

Overview

With the continuing migration of payment options to the on-line environment departments need methods to record revenues collected at the department or project level. Existing methods include:

1. accept cash or cheques in the department
2. obtain a merchant number to accept credit card payments in the department
3. use Meeting, Events and Conference Services (MECS) to record conference registration fees
4. use the Bookstore to sell books and materials

With respect to the credit card option, departments that want to accept credit card payments for products or services have to apply for a merchant number from one of the University's approved credit card processors. This is still the case for the vast majority of revenue collected by departments, however, for small and or infrequent credit card transactions an individual merchant number can be cost prohibitive. There are situations where revenues need to be collected on-line, and the functionality of PayPal is becoming increasingly attractive. PayPal has the added advantage of being compliant with credit card data security standards, which is critically important in curbing credit card fraud.

To that end SFU Treasury has opened a PayPal business account as a means of collecting revenue on-line for the community. **If the above methods of revenue collection are not suitable, Departments can now setup their own PayPal account** and have it linked to the Treasury PayPal account. The departmental PayPal accounts will be set up as 'child' accounts linked to the Treasury PayPal 'parent' account, and revenues collected in the departmental accounts will be sent through the Treasury account to the bank. These revenues will be credited to the departmental (or Project) account in the general ledger. There are no setup charges, no monthly fees, and no cancellation charges associated with a PayPal account. **PayPal does charge a discount rate of 2.9% + \$.30 per transaction for all payment types.**

It is imperative that all university revenues (and expenditures) are recorded directly into the financial accounting system. **PayPal accounts can only be used for collection of revenues, but not for making purchases.** Purchases can be made through the usual Payment Services processes to ensure that expenditures are recorded in the university accounts, and that things such as taxes and HST rebates are handled correctly. Opening a PayPal account is the equivalent of opening a separate bank account, which would expose university faculty and staff to risks associated with unauthorized financial transactions. Therefore, **PayPal accounts not connected to the Treasury account are prohibited.**

Treasury has piloted this process with a few of departments, and can now offer this functionality to the wider university community. For further information, or for questions that you may have please contact John Pierce, Assistant Treasurer, 24008 or email jdperce@sfu.ca. To set up a PayPal account, please refer to the page 2.

Setup PayPal Account

1. Contact John Pierce, Assistant Treasurer, jpgierce@sfu.ca to discuss the intended use of the account.

2. Go to www.paypal.ca.

3. Set up a new Business account - Website Payments Standard ^[1].

4. Get local IT to setup up PayPal "pay now" button on your web site.

5. Provide jpgierce@sfu.ca with new PayPal account ID and password for linking to University 'parent' account.

[NOTES – 1] To set up a business account, you will need an email address for account setup. A generic departmental email address is preferred.