

CARSON CITY

September 2025

CREDIT CARD PAYMENT SECURITY & COMPLIANCE ASSESSMENT

Submitted By:

Eide Bailly LLP



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Executive Summary

Eide Bailly LLP (referred to as “we,” “our,” or “us”) performed a review of Carson City’s (“City”) Credit Card Payment Security and Compliance to assess the effectiveness of vendor compliance, cost efficiency, Payment Card Industry (PCI) compliance, and fraud prevention across city departments. This engagement identified “two” (2) observations. These observations provide opportunities for improvement to potentially enhance cost efficiency and oversight of the City’s payment processors.

This engagement was included in the annual audit plan approved by the Carson City Audit Committee as part of the Internal Audit services for fiscal year 2026 (FY26). The review focused on determining whether the City’s credit card payment security and compliance program adheres to Nevada Revised Statutes (NRS) Chapter 603A – *Security and Privacy of Personal Information*¹ and the PCI Data Security Standard² (PCI DSS). The assessment included an evaluation of vendor compliance, cost efficiency, PCI DSS alignment, and fraud prevention practices across departments. We reviewed current PCI DSS documentation, including Attestations of Compliance (AOC), Self-Assessment Questionnaires (SAQ), and contracts and service level agreements with payment processors. Internal processes were also reviewed, such as PCI data flow diagrams, policies and procedures, exception reporting, and monitoring tools.

We extend our sincere gratitude to the Treasurer and the Chief Information Officer for their invaluable contributions to this engagement. Their insights enhanced our understanding of the City’s credit card payment security and compliance program, which enabled us to provide meaningful recommendations for process improvements and control enhancements.

Background Information

The City’s Credit Card Payment Security and Compliance program involves multiple city departments, each playing a critical role in ensuring the secure and compliant processing of payment card transactions. Departments utilize different payment processor systems due to proprietary platforms and operational requirements, which mandate specific technical capabilities. These constraints, along with vendor-imposed limitations, often dictate processor selection and restrict flexibility in standardizing payment solutions across the City.

The Treasurer’s Office supports reconciliation of credit card transactions. This includes monitoring transaction workflows, reviewing fee structures, and ensuring that departments adhere to standard procedures for payment acceptance and reporting. The Treasurer also plays a central role in recommending and approving payment processors, balancing cost, integration capabilities, and departmental needs. While National Cash Register (NCR) is the City’s primary processor, other vendors such as Core, Card Connect, Govolution, and Deluxe are used to meet specific functional or system integration requirements. For example, Core offers enhanced customer features but lacks direct integration, requiring manual uploads, while Deluxe supports payment categorization needed by the Sheriff’s Office.

Carson City’s Information Technology (CCIT) department is responsible for implementing and maintaining the technical infrastructure that supports secure data transmission, system scans, encryption protocols, and access controls, all essential components of PCI DSS compliance. Other divisions assist with procurement and management of third-party vendors and payment processors, ensuring service agreements include appropriate PCI compliance clauses, breach notification protocols, and cost terms, with guidance from the City’s legal counsel. This collaborative structure is essential for maintaining vendor compliance, ensuring cost efficiency, and upholding PCI DSS standards. The division of responsibilities creates a system of checks and balances that

¹ <https://www.leg.state.nv.us/nrs/nrs-603a.html>

² <https://blog.pcisecuritystandards.org/just-published-pci-dss-v4-0-1>

strengthens fraud prevention controls, promotes accountability, and enables consistent compliance monitoring. By promoting collaboration and shared responsibility, the City is well-positioned to sustain a secure, efficient, and compliant credit card payment environment that serves both operational needs and public trust.

Objective & Scope

The **Objective** of the engagement was to assess the effectiveness of vendor compliance, cost efficiency, PCI compliance, and fraud prevention across applicable city departments.

The **Scope** of this engagement focused on current operations.

This engagement was performed in accordance with the Statements on Standards for Consulting Services issued by the American Institute of Certified Public Accountants (AICPA).

Methodology

Based on the above objective, we performed procedures including but not limited to the following:

1. Conducted interviews and process walkthroughs with department representatives such as the Treasurer's Office and CCIT to understand the following:
 - Credit card transaction workflows
 - Roles and responsibilities
 - Vendor oversight and compliance enforcement
 - PCI compliance maintenance practices
2. Obtained a list of all active vendors or third-party processors handling credit card transactions. Reviewed Service Level Agreements (SLAs), and contract terms for fees and compliance provisions.
3. Analyzed actual transaction fee structures against contracted terms to identify inconsistencies or inefficiencies in transaction fee structures.
4. Reviewed latest Attestation of Compliance (AOC), Self-Assessment Questionnaire (SAQ), and/or external audit reports.
5. Assessed internal processes to maintain compliance (e.g., system scans, data retention policies, employee training).
6. Reviewed exception reports and monitoring protocols.
 - PCI Compliance: AOC, SAQ, and Quarterly Vulnerability scans.
 - Credit Card Payment Security: Internal processes such as policies and procedures, employee training, and general system scans.
7. Determined the effectiveness of tools in place to flag or block unauthorized transactions.
8. Determined whether departments follow standardized procedures or if fragmented practices exist that introduce risk.

Results and Conclusion

Based on the procedures performed during this assessment, we concluded that the City has implemented an effective framework of internal controls to support compliance with the PCI DDS. Our review found no issues with the City's most recent AOC, SAQ, Quarterly PCI vulnerability reports, and external penetration testing results, all of which appropriately cover the payment processors used across the City departments. These documents were complete, current, and aligned with PCI DSS requirements.

CARSON CITY: CREDIT CARD PAYMENT SECURITY & COMPLIANCE

CCIT has demonstrated strong governance and technical oversight through the implementation of sound policies and procedures, including a contractor access policy, a documented PCI data flow diagram, and quarterly vulnerability scans of city subnets, workstations, and servers. These activities are performed with appropriate oversight and are consistently aligned with internal policies, PCI DSS controls, and applicable regulatory requirements under NRS Chapter 603A. The coordinated efforts across departments reflect a mature compliance posture and a proactive approach to safeguarding cardholder data and mitigating fraud risk. The assessment also identified two (2) observations that presents opportunities for further improvement and accompanying recommendations below.

OBSERVATION #1 – Payment Processor and Fee Structure Alignment

During our review, we noted that several departments utilize different payment processors due to proprietary systems that mandate specific integration capabilities. These system-driven requirements, along with vendor-imposed restrictions, limit the City’s ability to consolidate payment processing under a single provider. Additionally, departments negotiate contracts independently, resulting in inconsistent terms and reduced negotiating power.

High transaction fees, such as the 3.25% or \$2 minimum charged in Community Development, discourage card usage and create confusion for customers due to fee variability across departments. These inconsistencies highlight the need for centralized oversight and clearer communication of fee structures. While consolidation could offer benefits such as streamlined oversight, reduced administrative burden, and potential cost savings, it is not always practical given the operational and technical constraints. Importantly, this does not present a significant risk to the City’s compliance posture, as each processor is appropriately managed and monitored within its respective departments.

The table below outlines the current fee structure of the City’s payment processors, which includes a total of seven distinct vendors used across various departments. This overview provides a foundation for evaluating potential areas of alignment and identifying opportunities for future optimization, see [Exhibit 1](#) below.

Exhibit 1 – Current Fee Structure of the City’s Payment Processors

Payment Processor Name	Departments	Credit Card Service Charge to Customer	Minimum Fee per Transaction
National Cash Register (NCR)	Public Works – Utilities, Courts, Treasurer’s Office	2.25%	\$1.00
Card Connect / Card Pointe	Public Works – Landfill	2.29% – 2.89%	None Noted
Govolution	Public Works – Utilities, Treasurer’s Office, Assessor’s Office	2.45%	\$1.50
Automated Merchant Services (AMS) BridgePay	Public Works – Utilities	2.45%	\$1.50
CORE	Community Development – Building Division	3.25%	\$2.00
Deluxe	Sheriff’s Office	2.45%	\$2.00
Active Net	Parks, Recreation & Open Space	3.14%	None Noted

Source: Created by Internal Audit from Contracts and Service Level Agreements provided by the Treasurer.

Recommendation

We recommend that the City initiate a cross-department review of payment processing arrangements to identify areas where fee structures can be aligned, minimize inconsistencies in vendor agreements, and explore opportunities, where feasible to improve transparency, enhance vendor oversight, and support long-

term cost efficiency. These efforts would also contribute to a more standardized approach to payment processing and compliance management.

Management Response:

Management agrees, for responses see the attached Appendix.

OBSERVATION #2 – Contract Management and Documentation

During our review of the City’s payment processor contracts, we noted that 1 of the 7 contracts reviewed was outdated and not current. While the City maintains sound internal controls over payment processing, maintaining current contractual documentation is a key component of effective vendor oversight and contract compliance.

The outdated contract appears to be the result of a lapse in coordination between departments responsible for contract management. Although this does not present a significant risk, it may limit clarity around service expectations, fee structures, and accountability particularly during reviews or vendor disputes.

Recommendation

We recommend that the Treasurer collaborate with the Contract Administrator to ensure all contracts and SLAs remain current and accurately reflect the terms of engagement. The Contract Administrator can also serve as a secondary reviewer and custodian of key documentation to support continuity and oversight. This includes confirming that contract terms, fee structures, service expectations, and compliance requirements are clearly defined and align with the most recent agreements.

Management Response:

Management agrees, for responses see the attached Appendix.

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October 8, 2025

Brad Lamog, Senior Associate
Eide Bailly, LLP.
4040 Campbell Avenue, Suite 200
Menlo Park, California 94025
Sent via e-mail: blamog@eidebailly.com

Re: Response from the Carson City Treasurer's Office to Eide Bailly's 2025 Audit of Carson City's PCI Compliance
Credit Card Payment and Security Compliance

Dear Mr. Lamog,

Please accept this letter as the response from the Carson City Treasurer's Office (CCTO) to Eide Bailly's report regarding the recent audit conducted of Carson City's Credit Card Payment Security and Compliance. As noted in its report, Eide Bailly found no issues with Carson City's most recent Attestation of Compliance (AOC), Self-Assessment Questionnaire (SAQ), Quarterly Payment Card Industry (PCI) vulnerability reports, and external penetration testing results, noting that Carson City was current and aligned with Payment Card Industry Data Security Standards (PCI DSS). However, as part of its review, Eide Bailly identified two observations that present opportunities for Carson City to improve its processes related to:

1. payment processor and fee structure alignment
2. (payment processor) contract management and documentation

The following provides the response from the CCTO of its review and implementation of the observations made by Eide Bailly during this recent audit.

CCTO RESPONSE TO OBSERVATION #1:

The CCTO agrees with the notations made in Observation #1 that the use of multiple credit card processing vendors does lead to:

- More difficulties on the part of Carson City to manage the different vendor contracts and terms
- Difficulties with centralized oversight
- Varying fee schedules and inconsistent terms
- Customer confusion and/or questions about fees and service charges

The CCTO further agrees with the recommendation about the need to initiate cross-department review of payment processing arrangements to identify areas where fee structures can be aligned; where Carson City can minimize inconsistencies in vendor agreements, and where Carson City can explore opportunities to improve transparency, enhance vendor oversight, and support long-term cost efficiency where feasible. However, the CCTO adds the caveat that implementing changes with vendor selection, schedule and fee rates, and system integrations may prove difficult to do in some respects given several important factors that lay outside of Carson City's direct control, such as:

- System integration and functionality between payment processors and data systems used by Carson City government offices.

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- The transaction amounts and volume of payments received that help determine payment processor service fees.

As part of its continuing work with payment processors and managing Carson City’s Payment Card Industry (PCI) compliance, the CCTO does review the services, pricing, and incidentals which different payment processors offer. Treasurer Rasor has noted that the payment processing industry is a competitive market, based on the emails and telephone requests that he receives from vendors soliciting Carson City’s business. While payment processors offer different types of package options and features, to include ways in which to retrieve data and reports, appearances and designs, and additional options for customers to submit payments or retrieve information related to user accounts and payment histories, Treasurer Rasor and the CCTO consider three primary areas when selecting a payment processor:

1. fee schedules and rates
2. functionality and ease of system use (for both staff and the customer)
3. system integration

As it relates to fee schedules and rates, Treasurer Rasor has noted that some of the payment processors whose sales presentations he has attended will have varying service fees depending on the volume of transactions and billing amounts that one Carson City government offices will have compared to another Carson City government office. For example, Carson City Utility Billing (water/sewer) takes in a significantly higher amount of online payments for its “One-Time Payment Option” than does the online payment feature for the Carson City Health Department’s Environmental Services Division. Currently, both of these options utilize Carson City’s NCR payment processor, which charges a 2.25% transaction fee for credit and debit card transactions, and for FY 25, NCR reports the following amounts collected for these two online payment categories:

- Utility Billing (One-Time Payment Option): \$1,510,310.69
- Health and Human Services- Environmental Health: \$ 105,070.09

While both of these two payment options have the same convenience/ transaction fee rates of 2.25% because they fall under our current NCR contract, I use this example as another payment processor could decide that since they are two different types of payment organizations—even though they both fall under Carson City government services—this would mean that HHS Environmental Health could have a higher transaction fee associated with it, such as a 3% convenience/transaction fee rate, because Environmental Health doesn’t handle the same amount of transaction amounts and volume as does Utility Billing.

In addition, one of the biggest misconceptions that the CCTO has noted amongst customers involves the transaction fees involved with electronic payments. While cash and checks have served as traditional payment methods, they generally do not have any fees or restrictions associated with them in terms of payments, unless imposed by the vendor itself. In comparison, electronic payments in the form of credit card, debit card, e-checks, and newer forms of alternative electronic payment options such as Apple Pay, Google Pay, and Venmo *require* a payment processing fee charged at some point during the transaction by a payment processor such as those used by Carson City as listed in this audit report: NCR, Card Connect, Govolution, AMS, CORE, Deluxe, and Active Net. The reason why vendors such as NCR must charge a payment processing fee involves the fees and services built into this very electronic payment processing service itself to account for, but not limited to:

- secure communications and point-to-point encryptions
- the use of credit card swipers, often referred to as point-of-sale devices

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- the different banks involved with the transaction, such as the customer’s bank, the vendor’s bank, and/or the payment processor’s bank
- various interchange fees that take place behind the scenes
- fees involved with the type of electronic payment and the PCI security level associated with it: online secure payment (higher level of security) vs. mail order telephone order/ MOTO (lower level of security)
- fees involved with levels of potential fraud

When customers use a credit or debit card at large retailers or service providers such as Wal-Mart, Home Depot, or Amazon, payment processing fees are also involved with these transactions as these retailers must pay these fees as well. However, these retailers pay these fees on behalf of the customer, but in doing so, these retailers often build these fees into the prices of the products or services they sell. In comparison, with services provided by Carson City government offices, such as the CCTO, Health and Human Services, Justice and District Courts, the Carson City Sheriff’s Office, Landfill, and the Carson City Parks, Recreation, and Open Spaces Department (CCPROS), Carson City government offices must either pay these fees out of their own budget if funding is available or require the customer to pay the transaction fee, often referred to as a “convenience fee.” Both the Landfill and CCPROS pay the payment processor fees for customers who use the services listed here, and for FY 2025 (7/1/24 to 6/30/25), these two Carson City government offices paid the following amounts on behalf of those citizens, users, and/or businesses who used their services:

Landfill:	\$ 84,241.46 in interchange, program, and service fees ¹
CCPROS:	\$ 88,533.13 in card processing and Active Net transaction fees ²
TOTAL:	\$172,774.59

In comparison, those Carson City government offices which use NCR as a payment processor—such as the CCTO, the Courts, and Health and Human Services—and *do not absorb* the payment processor fees for customers, the customer will need to pay the applicable transaction/ convenience fee. For FY 25, the combined convenience fees paid by customers submitting payments to the various Carson City government services through the NCR payment processing system amounted to \$60,158.25³. This means that customers, themselves, paid the \$60,158.25 in convenience fees, and not the respective Carson City government offices. However, had the respective Carson City government offices using the NCR system paid the \$60,158.25 in convenience fees, they would have had to use funding from their respective budgets to do this.

While the term “convenience fee” may appear misleading or as a way to disguise the transaction fee that customers must pay when using a credit card, debit card, or e-check, it does provide a somewhat accurate description of this fee. Since many Carson City government offices do allow customers to submit payment by cash or check—in addition to the ability to submit a payment by credit card, debit card, or e-check—these Carson City government offices aren’t prohibiting customers from paying by cash or check, but rather are allowing customers to submit payment by another option that may prove more convenient to the customer. As such, when customers use a credit card, debit card, or e-check to make a payment, they are paying for the convenience to submit an electronic payment that benefits them more—as noted in the term “convenience fee.” For example, many customers have credit cards which provide various types of rewards or incentives to submit a payment by credit card, such as:

- Airfare miles

¹ Information obtained on Monday, 10/6/25 from Card Connect, the payment provider for the Carson City Landfill.

² Information obtained on Monday, 10/6/25 from Mrs. Patti Liebespeck, Business Manager for CCPROS.

³ Information obtained on Tuesday, 10/7/25 from NCR, the online payment provider referenced here.

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- Cashback incentives
- Program rewards
- Interest rate incentives

In terms of functionality and ease of system, this, too, adds another factor to consider when selecting payment processors. Like any market product, payment processors offer a variety of features to separate their product from their competitors, such as:

- Use of payment options for customers (such as Google Pay, Apple Pay, Venmo, etc.)
- Billing options and payment frequencies
- Linking multiple accounts such as water, gas, electric, and property taxes to one payment account
- Reporting features for both the customer and service provider (such as Carson City government)
- Ease of system use and ability of users to easily navigate the system and reduce time
- System integration with specific data systems or platforms

For the CCTO, staff members have noted that the functionality of some payment system processors is easier to use than others, such as in running reports, posting payments, and processing returns. In addition, for those payment processors which don't have a direct integration with the two main data systems which the CCTO uses—Tyler Utility Billing and Devnet (property taxes)—CCTO staff will have to import manually a lockbox file from the payment processor into either Tyler Utility Billing or Devnet. Currently, the two main payment processors which the CCTO uses to import a manual lockbox file into Tyler Utility Billing and Devnet—NCR and Govolution—are simple for staff members to use as are their abilities to navigate their respective systems. While having additional features such as those that enhance the look or ability to accept different types of payment methods does provide an added benefit for consideration, sometimes having fewer but simpler options provides better functionality and ease of use, especially for such processes that involve Carson City staff having to serve as the integration connection between a payment processor and data system—such as in having to upload manually a lockbox file to process and apply customer payments.

Finally, as it relates to system integration—the process in which a payment processor can integrate or work with a certain data system to reduce the amount of work that a human user has to do such as manually uploading a payment file—this can prove problematic where certain systems are requiring subscribers such as Carson City to use either their own payment processor or a preferred payment processor. For a payment processor to do the work to accept a credit card payment and then automatically apply this payment to a data system file such as Carson City's Tyler Utility Billing system, a variety of work must take place behind the scenes for computer programming to take place for this entire process to work seamlessly and effortlessly. While this is a very simplified explanation, some data systems do not work with payment processors such as AMS-Bridgepay (one of Carson City's current payment processors) either by technical limitations or by business choice. Since late 2024, the CCTO has been reviewing the contract with AMS-Bridgepay, the current vendor that handles Carson City's payment processing linked to the Tyler Citizen Self Service (CSS) feature which allows utility subscribers to link their water/sewer/stormwater account to a designated email account. The purpose of this review has been due to Tyler Technologies informing Carson City that Tyler Technologies will not support the current AMS-Bridgepay version that integrates with the Tyler Utility Billing and CSS modules which Carson City uses. The current Tyler CSS version which Carson City uses allows customers to then control the following account features themselves:

- submit credit card, debit card, and e-check payments
- review payment and usage history

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- enroll in autopay from a checking account
- link other utility accounts, such as those customers who own multiple properties

As previously reported during the audit which Eide Bailly conducted of Carson City’s Utility Billing system as presented in the [report to the Carson City Audit Committee \(https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1748972/Utility_Billing_Internal_Audit_Report_-_Final_Report.pdf\)](https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1748972/Utility_Billing_Internal_Audit_Report_-_Final_Report.pdf), the CCTO noted that the Tyler CSS system isn’t “user friendly” due to the number of steps needed to establish the account and use its features. In addition, during the two occasions in which Carson City implemented the Tyler CSS option for customers—the first time being during the initial rollout of the Tyler CSS in August 2021 and the second time being with the Tyler CSS system upgrade in May 2022—the CCTO received many complaints from customers about the difficulties they experienced with the system. Because of this, the CCTO has been heavily scrutinizing the two primary vendors whose products and services the CCTO and IT Department have had under review to replace the current AMS-Bridgepay contract in order to minimize the impacts to those customers who are enrolled in and use the CSS system as it will impact them.

MANAGEMENT RESPONSE TO AUDIT RECOMMENDATION:

Who Will Be Responsible and What Will Be Performed:

In reviewing payment processing arrangements, this will involve four primary individuals:

1. Andrew Rasor, Treasurer
2. Frank Abella, Chief Information Officer
3. Respective Department Head and/or Business Finance Manager
4. Assigned Deputy District Attorney

As it relates to the review and involvement of these three individuals or positions, this allows for the following: The Carson City Treasurer will review the financial and banking related aspects to any payment processor contracts, to include:

- Service fees and rates.
- Terms of contract.
- Banking information to allow for such items as:
 - The timely deposit and reconciliation of funds from the payment processor into Carson City’s designated bank account as well as the timely deposit of funds held by third party vendors.
 - The payment processor to submit deposits into Carson City’s general account.
 - The appropriate Automatic Clearing House (ACH) blocks.
 - Any applicable chargebacks (such as when a customer disputes a credit card charge).
 - The types of credit cards allowed:
 - For example, the CCTO does not allow or accept American Express.
- The necessary adherence with PCI compliance.

The Chief Information Officer will review the technical aspects to any payment processor contracts, to include:

- Determining if Carson City’s IT Department can support or authorize the necessary platforms needed or used by the credit card vendor or payment systems, such as:
 - any data lines or specialized equipment needed.
 - credit card swipers (point-of-sale devices).

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- appropriate levels of data protection or system firewalls needed.
- system integrations between the payment processor and the data system used by the respective City department.
- How any data involved in the transaction processed is stored or transmitted.
- The necessary adherence with PCI compliance.
- Who controls or owns any data involved.
- Total cost of ownership.

The Respective Department Head and/or Business Finance Manager will review the business needs and applications to include:

- Any considerations if the services and functionality of the payment processor meet the necessary or appropriate business needs of the department office.
- System integration between the payment processor and the data system used by the respective department or office.
- Service fees and rates.
- Terms of contract.

The Assigned Deputy District Attorney will review the legal and contractual terms of any contract to include:

- Legal terms and lengths of contract.
- Assuring that Carson City does not breach any existing contracts with other vendors who could sue Carson City or seek other legal action against the City.

When It Will Be Performed:

The CCTO will initiate a cross-department review of payment processing arrangements as recommended by this audit by Thursday, 10/1/26, which the CCTO will also include as part of its annual review of its Fee Schedule (<https://www.carson.org/home/showpublisheddocument/91488/638913713105830000>) for submission to the Carson City Executive Office. This will not only provide the CCTO the opportunity to review what other offices and departments are listed publicly in terms of payment processors and service fees, but it will allow the CCTO to then determine if the CCTO and the respective department or office can identify if another payment processor:

- Will integrate with existing data systems.
- Is exclusive or proprietary to a data system in use by the department or office.
- Can provide competitive service fees and rates.
- Provides the necessary support, service, and reporting methods that best service the respective office and the City.

Additionally, the CCTO estimates that it does review payment processing arrangements at least two to three times a year based on requests submitted from the different Carson City government offices as they, themselves, look at payment processors to handle some of their payment processing needs as they implement new data systems to assist with their workloads or needs. For example, the CCTO recently worked with one Carson City government office to utilize NCR as a payment processor for a new data system currently scheduled for implementation within the next few months. While NCR can integrate with this new data system, the data system would require a one-time set up fee of \$3,000 plus an annual fee of \$1,785.

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Because of these added fees, the Carson City government office has opted not to pay the system integration charges between the data system and NCR given the costs, and will have office staff do the system entries to apply any payments made by credit card, debit card, or e-check. In addition, the CCTO has also received word that this same government office wishes to possibly implement NCR as a payment processor for another service that it provides. When the contract for this current service expires next year, the CCTO and this government office will review the needs of this government office to identify what payment processor best suits their demands, workloads, functionality, and service fees and rates in order to determine if NCR meets their needs at the time.

CCTO RESPONSE TO OBSERVATION #2:

The CCTO agrees with the notations made in Observation #2 that the Treasurer collaborate with the Contract Administrator to ensure contracts and SLAs are kept current. Treasurer Rasor believes that this not only allows the Contract Administrator to maintain relevant and centralized information for contract lengths, extensions, and services provided, but it also provides the Contract Administrator with oversight about which contracts the City has in service, to include those elected offices such as the Treasurer. While the Treasurer and other elected officials do have certain authority to enter into various types of contracts, it benefits both the elected office and the City to collaborate together when contracting with vendors, such as payment processors, to enhance oversight and contractual expertise that perhaps either the Treasurer (or other elected official) may not have which the Contract Administrator can provide or vice versa. Similarly, the collaboration may further bring in other needed expertise and review to optimize the contract or determine that it does not meet or suit the needs of the City and/or office, such as having the City's Chief Information Officer and the District Attorney's Office review aspects of a service contract through their professional lenses.

As a final note: while this audit identified the contract with AMS-Bridgepay as being outdated and not current, as noted in the previous response to Observation #1, this involves the payment processing service which AMS-Bridgepay provides that integrates with the City's Tyler Utility Billing and CSS services. Because of the technical concerns and questions which the CCTO has reviewed with the City's IT Department, the CCTO is moving cautiously with this matter, especially given the many criticisms and complaints that the CCTO received during the previous two implementations of the CSS system. The CCTO did receive a Scope of Work from one payment processor in February of this year to assume the payment processing functions handled by AMS-Bridgepay, and the CCTO has been reviewing the provisions of this document to determine if it will meet both the City's needs as well as that of those customers enrolled in and using the CSS system.

MANAGEMENT RESPONSE TO AUDIT RECOMMENDATION:

Who Will Be Responsible and What Will Be Performed:

In reviewing contract collaboration, this will involve two primary individuals:

1. Andrew Rasor, Treasurer
2. Carol Akers, Purchasing and Contracts Administrator

As it relates to contract collaboration, Treasurer Rasor will notify Administrator Akers about any contracts involving payment processors, to include any Scopes of Work received, signed contracts, and legally binding documents so that Administrator Akers' office has these documents on file. In turn, Administrator Akers' Office will maintain copies of these contracts so that her office can serve as a central repository for these

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documents as well as provide updates to the CCTO when any contracts involving payment processors are set to expire or require renewal.

When It Will Be Performed:

This process and collaboration will take place immediately.

I hope these responses provide you and Eide Bailly with the information needed to conclude your audit of Carson City's Credit Card Payment Security and Compliance. If you need any additional information or documentation to conclude this audit, please let me know.

Sincerely,

Andrew Rasor, Treasurer
Consolidated Municipality of Carson City, Nevada

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