

# STATEMENT ANALYSIS EXAMPLE

**PROCESSOR/BACK-END:** TSYS  
**PRICING TYPE:** FLAT RATE

## BASIC STATEMENT INFORMATION

In this section we're looking at the general information including:

Processor name, address and telephone number	Business name, address and telephone number
Number of pages in the statement	Month of the statement ("processing month")
Association number	Merchant number
Routing and DDA (depository/settlement account)	Total fees deducted

### Merchant Statement

PROCESSOR / SALES OFFICE NAME  
SALES OFFICE ADDRESS  
SALES OFFICE TELEPHONE

MERCHANT NAME  
MERCHANT ADDRESS

Page 1 of 2

Processing Month: 05-15 2866

Association Number:

Merchant Number: 2866

Routing Number: xxxx

Deposit Account Number: xxxx

Amount Deducted:  
\$ 312.19

## PLAN SUMMARY

In this section we're seeing the overall picture of the merchants processing for the month. This section includes:

Type of card accepted ("plan code")	Net Sales (\$) <i>sales less credits</i>	Discount rate (%)
Number of sales (#)	Number of credits (#)	Discount per item (%)
Amount of sales (\$)	Amount of credits (\$)	Discount due
Average ticket (\$) <i>sales \$ / sales #</i>		Minimum discount fee*

\*Minimum discount fee (*charged based on discount rate and discount per item ONLY, no interchange fees*)

## PLAN CODES

Plan Summary									
Plan Code	Number of Sales	Amount of Sales	Number of Credits	Amount of Credits	Net Sales	Average Ticket	Disc P/I	Disc %	Discount Due
VS	28	2,002.23	00	.00	2,002.23	71.51	.000	1.890	37.83
VD	53	6,309.77	00	.00	6,309.77	119.05	.000	1.890	119.26
VB	04	501.80	00	.00	501.80	125.45	.000	1.890	9.49
MC	22	4,613.67	00	.00	4,613.67	209.71	.000	1.890	87.18
MD	06	880.84	00	.00	880.84	146.81	.000	1.890	16.64
MB	00	.00	00	.00	.00	.00	.000	1.890	.00
DS	03	120.00	00	.00	120.00	40.00	.000	1.890	2.27
DD	00	.00	00	.00	.00	.00	.000	1.890	.00
DZ	01	35.00	00	.00	35.00	35.00	.000	1.890	.66
DJ	00	.00	00	.00	.00	.00	.000	1.890	.00
DB	00	.00	00	.00	.00	.00	.000	.000	.00
**	<b>117</b>	<b>14,463.31</b>	<b>00</b>	<b>.00</b>	<b>14,463.31</b>	<b>123.62</b>			<b>273.33</b>

PLAN CODES					TRANSACTION CODES	
VS -VISA	MC -MASTERCARD	DS -DISCOVER	JC -JCB	T -ALL PLANS	D -DEPOSIT	
VL -VISA LARGE TICKET	ML -MASTERCARD LARGE TICKET	DD -DISCOVER DEBIT	AM -AMERICAN EXPRESS	1 -PLAN ONE	C -CHARGEBACK	
VD -VISA DEBIT	MD -MASTERCARD DEBIT	DZ -DISCOVER BUSINESS	DB -DEBIT	2 -PLAN TWO	A -ADJUSTMENT	
VB -VISA BUSINESS	MB -MASTERCARD BUSINESS	DJ -DISCOVER JCB	EC -ELECTRONIC CHECK	3 -PLAN THREE	B -CHARGEBACK REVERSAL	
V\$ -VISA CASH ADVANCE	M\$ -MASTERCARD CASH ADVANCE	D\$ -DISCOVER CASH ADV	EB -EBT	PP -PAYPAL		

## VOLUME

The number of sales (transaction count/#) and amount of sales (dollar amount/\$) is shown here:

Plan Summary									
Plan Code	Number of Sales	Amount of Sales	Number of Credits	Amount of Credits	Net Sales	Average Ticket	Disc P/I	Disc %	Discount Due
VS	28	2,002.23	00	.00	2,002.23	71.51	.000	1.890	37.83
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DD	00	.00	00	.00	.00	.00	.000	1.890	.00
DZ	01	35.00	00	.00	35.00	35.00	.000	1.890	.66
DJ	00	.00	00	.00	.00	.00	.000	1.890	.00
DB	00	.00	00	.00	.00	.00	.000	.000	.00
**	<b>117</b>	<b>14,463.31</b>	<b>00</b>	<b>.00</b>	<b>14,463.31</b>	<b>123.62</b>			<b>273.33</b>

## CREDITS & NET SALES

The number of credits (transaction count/#), the amount of sales (volume/dollar amount/\$) and the total net sales amount (\$) which is the gross volume of sales

Plan Summary									
Plan Code	Number of Sales	Amount of Sales	Number of Credits	Amount of Credits	Net Sales	Average Ticket	Disc P/I	Disc %	Discount Due
VS	28	2,002.23	00	.00	2,002.23	71.51	.000	1.890	37.83
VD	53	6,309.77	00	.00	6,309.77	119.05	.000	1.890	119.26
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DJ	00	.00	00	.00	.00	.00	.000	1.890	.00
DB	00	.00	00	.00	.00	.00	.000	.000	.00
**	<b>117</b>	<b>14,463.31</b>	<b>00</b>	<b>.00</b>	<b>14,463.31</b>	<b>123.62</b>			<b>273.33</b>

## AVERAGE TICKET

The average ticket is shown in this section, the average ticket takes the amount of sales (volume/dollar amount/\$) divided by the number of sales (transaction count/#.)

Plan Summary									
Plan Code	Number of Sales	Amount of Sales	Number of Credits	Amount of Credits	Net Sales	Average Ticket	Disc P/I	Disc %	Discount Due
VS	28	2,002.23	00	.00	2,002.23	71.51	.000	1.890	37.83
VD	53	6,309.77	00	.00	6,309.77	119.05	.000	1.890	119.26
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DJ	00	.00	00	.00	.00	.00	.000	1.890	.00
DB	00	.00	00	.00	.00	.00	.000	.000	.00
**	<b>117</b>	<b>14,463.31</b>	<b>00</b>	<b>.00</b>	<b>14,463.31</b>	<b>123.62</b>			<b>273.33</b>

### DISCOUNT RATE - PER ITEM/DISCOUNT PERCENTAGE

In this example, we're seeing a \$.00 per item fee and a 1.89% discount rate. Some statements will show the discount rate written out as .0189, which is the same as 1.89% basis points. *(Applied to monthly minimum, if applicable)*

Plan Summary									
Plan Code	Number of Sales	Amount of Sales	Number of Credits	Amount of Credits	Net Sales	Average Ticket	Disc P/I	Disc %	Discount Due
VS	28	2,002.23	00	.00	2,002.23	71.51	.000	1.890	37.83
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DZ	01	35.00	00	.00	35.00	35.00	.000	1.890	.66
DJ	00	.00	00	.00	.00	.00	.000	1.890	.00
DB	00	.00	00	.00	.00	.00	.000	.000	.00
**	<b>117</b>	<b>14,463.31</b>	<b>00</b>	<b>.00</b>	<b>14,463.31</b>	<b>123.62</b>			<b>273.33</b>

### DISCOUNT DUE

The discount due is based on the discount per item and discount percentage multiplied by the number of sales and amount of sales. In this example, the first row (VS) is Visa, so to reach the \$37.83 discount due for Visa would be 28 items multiplied by \$.00 discount per item plus the \$2,002.23 multiplied by the 1.89% discount percentage rate.

Plan Summary									
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VS	28	2,002.23	00	.00	2,002.23	71.51	.000	1.890	37.83
VD	53	6,309.77	00	.00	6,309.77	119.05	.000	1.890	119.26
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DZ	01	35.00	00	.00	35.00	35.00	.000	1.890	.66
DJ	00	.00	00	.00	.00	.00	.000	1.890	.00
DB	00	.00	00	.00	.00	.00	.000	.000	.00
**	<b>117</b>	<b>14,463.31</b>	<b>00</b>	<b>.00</b>	<b>14,463.31</b>	<b>123.62</b>			<b>273.33</b>

## DEPOSITS

In this section we can see pertinent batch information including the date of the settlement, transaction code, plan code, number of sales, and amount of credits, discount paid and net deposit. We want to pay mind to batch settlement date, ensuring we see consistent daily batch history. When we see a merchant go days without settling a batch, we expect to see higher interchange expense (for example, a high percentage of Visa EIRF downgrades which occur when a merchant settles the transaction 24 hours after the initial authorization of the transaction.)

Deposits								
Day	Reference Number	Tran Code	Plan Code	Number of Sales	Amount of Sales	Amount of Credits	Discount Paid	Net Deposit
01	90001360007	D	T	07	664.56	.00	.00	664.56
04	90001380005	D	T	05	477.45	.00	.00	477.45
04	90001370009	D	T	09	686.25	.00	.00	686.25
05	90001390005	D	T	05	259.47	.00	.00	259.47
06	90001400006	D	T	06	931.08	.00	.00	931.08
07	90001410003	D	T	03	553.09	.00	.00	553.09
08	90001420004	D	T	04	761.33	.00	.00	761.33
11	90001440003	D	T	03	132.69	.00	.00	132.69
11	90001430005	D	T	05	697.15	.00	.00	697.15
12	90001450004	D	T	04	445.93	.00	.00	445.93
13	90001460005	D	T	05	1,032.90	.00	.00	1,032.90
14	90001470004	D	T	04	732.01	.00	.00	732.01
15	90001480003	D	T	03	506.78	.00	.00	506.78
18	90001500001	D	T	01	36.12	.00	.00	36.12
18	90001490003	D	T	03	416.17	.00	.00	416.17
19	90001510006	D	T	06	946.59	.00	.00	946.59
20	90001520007	D	T	07	412.92	.00	.00	412.92
21	90001530002	D	T	02	557.90	.00	.00	557.90
22	90001540010	D	T	08	1,441.36	.00	.00	1,441.36
25	90001550004	D	T	04	214.02	.00	.00	214.02
26	90001560008	D	T	08	797.42	.00	.00	797.42
27	90001570002	D	T	02	226.61	.00	.00	226.61
28	90001580003	D	T	03	413.20	.00	.00	413.20
29	90001590010	D	T	10	1,120.31	.00	.00	1,120.31
<b>Deposit Totals</b>				<b>117</b>	<b>14,463.31</b>	<b>.00</b>	<b>.00</b>	<b>14,463.31</b>

PLAN CODES				TRANSACTION CODES	
VS -VISA	MC -MASTERCARD	DS -DISCOVER	JC -JCB	T -ALL PLANS	D -DEPOSIT
VL -VISA LARGE TICKET	ML -MASTERCARD LARGE TICKET	DD -DISCOVER DEBIT	AM -AMERICAN EXPRESS	1 -PLAN ONE	C -CHARGEBACK
VD -VISA DEBIT	MD -MASTERCARD DEBIT	DZ -DISCOVER BUSINESS	DB -DEBIT	2 -PLAN TWO	A -ADJUSTMENT
VB -VISA BUSINESS	MB -MASTERCARD BUSINESS	DJ -DISCOVER JCB	EC -ELECTRONIC CHECK	3 -PLAN THREE	B -CHARGEBACK REVERSAL
V\$ -VISA CASH ADVANCE	M\$ -MASTERCARD CASH ADVANCE	D\$ -DISCOVER CASH ADV	EB -EBT	PP -PAYPAL	

## FEES

The fees section can include any of the following:

Processor Fees	Sales Agent/ISO Fees
Interchange & Assessments	Interchange Downgrade Fees/ Surcharges
<a href="#">American Express OptBlue Fees</a>	PIN Debit Network Fees
Authorization & Transaction Fees	<a href="#">Association Pass Through Fees</a>

Fees are often charged as monthly, quarterly, bi-annually or annually.

Fees			
Number	Amount	Description	Total
		PCI MONTHLY	6.00
33		VISA NPF	10.90
		ACQUIRER PROCESSING FEE	.64

  

Fees - continued			
Number	Amount	Description	Total
01	311.06	DIGITAL ENBLMT	.03
04	155.00	DDUC	.07
113	14,463.31	ASSESSMENT	19.87
27		NABU	.53
53		NAPF	.82
Total Fees Due			38.86

## FEES – INTERCHANGE / DOWNGRADE FEES / SURCHARGES

With this statement being bundled, we are not seeing any interchange qualification information listed as we would with tiered, EBB or cost plus. For statements where the merchant is priced as cost plus, we would expect to see interchange categories listed individually (names and/or rates) and with a tiered statement, we would expect to see interchange lumped together in “buckets.”

This merchant is paying a flat 1.89% for all transactions regardless of qualification level (Q/M/N).

The words “surcharge” or “differential” usually indicate EBB pricing. The words “mid-qualified” and “non-qualified” generally indicate tiered pricing.

## FEES – PASS THROUGH ASSOCIATION FEES

The [Pivotal Learning Center](#) provides a document to identify pass through association fees & their respective rates. These fees are billed by the card brands or payment networks. Some pass through association fees are billed based on sales volume (\$), others on the number of transactions (#), and one fee in particular, the Visa FANF fee is based on volume (\$) and SIC code. When looking at a merchant’s statement, reference the pass through association fee guide to determine whether a line item is actually interchange or an association pass through fee.

BASED ON VOLUME	BASED ON NUMBER OF TRANSACTIONS
ASSESSMENTS (V/MC/DISC)	BASE II TRAN FEE (BASE II/KILOBYTE)
VISA SETTLEMENT NETWORK ACCESS FEE	ZERO DOLLAR VERIFICATION FEE
VISA INTERNATIONAL ASSESSMENT FEE	VISA MISUSE / MISUSE OF AUTHORIZATION FEE
VISA INTERNATIONAL ACQUIRER FEE	VISA ZERO FLOOR LIMIT FEE
MASTERCARD CROSSBORDER FEE	VISA TRANSACTION INTEGRITY FEE
MASTERCARD DIGITAL ENABLEMENT FEE	VISA ACQUIRER PROCESSING FEE (APF)
MASTERCARD ACQUIRER LICENSE FEE (ALF)	MASTERCARD NABU FEE
DISCOVER INTERNATIONAL ASSESSMENT FEE	MASTERCARD AVS – CARD NOT PRESENT
	MASTERCARD CARD VALIDATION CODE FEE
<b>BASED ON VOLUME &amp; SIC CODE</b>	DISCOVER DATA USAGE FEE
VISA FIXED ACQUIRER NETWORK FEE (FANF)	DISCOVER NETWORK AUTHORIZATION FEE

## FEES – AUTHORIZATION FEES

Authorization fees bill each time the terminal dials out to an issuer for approval of a transaction. Authorization fees are charged to a merchant even in instances of a decline.

## FEES – TRANSACTION FEES

Transaction fees bill each time the terminal dials out to the processor for settlement. Transaction fees are charged to a merchant only on settled/captured transactions. *(Applied to monthly minimum)*

## FEES – [AMERICAN EXPRESS OPTBLUE FEES](#)

American Express does not participate in interchange like Visa, MasterCard and Discover. AmEx has their own unique program of fees which bill in three distinct tiers based on the business type (retail, healthcare, restaurant etc.) and the dollar amount of the transaction.

### **FEES – PIN DEBIT NETWORK FEES**

When a merchant accepts PIN based debit transactions, those do not qualify in interchange like Visa, MasterCard and Discover. Issuing banks partner with PIN debit networks like STAR, MAESTRO, ACCEL, PULSE etc. to offer debit card services. Each of these networks has their own interchange rate (not rates like V/MC/DISC). When a cardholder uses a debit card as signature, the debit transaction flows through interchange (referred to as signature based or offline debit). When a cardholder uses a debit transaction as PIN, the debit transaction flows through the PIN network interchange (referred to as PIN based or online debit).

### **FEES – PROCESSOR FEES**

Processor fees can include fees for security, product use, payment card compliance (PCI), industry regulations, data compromises etc. The fees may vary between each merchant, even between locations for multiple location merchants. These fees are also often billed on quarterly, semi-annual or an annual basis. There may also be third party fees for use of specific products (like internet gateway processing platforms, i.e. Authorize.net.)

### **FEES – SALES AGENT/ISO FEES**

Processor fees can include fees for monthly service, statements, batch header (each time the terminal settles out a batch of approved transactions), product use, etc. These fees may be processor fees in the beginning, but are generally marked up by the sales agent/ISO for additional revenue or can be eliminated and covered by the sales agent/ISO when desired. These types of fees are referred to as sales agent fees since their price is determined by the sales agent.

## EFFECTIVE RATE

One of the most useful pieces of information we can draw from a merchant's processing statement is their effective rate. An effective rate takes into account all fees, including discount, per transaction/item, per authorization, interchange and interchange surcharges etc. This gives a clear picture of the merchants "all-in" cost.

To calculate an effective rate, divide the total fees into the total volume. To move the decimal place over, multiply the product by 100. In this example, we would take \$312.19 / \$14,463.31 to come up with an effective rate of 2.16%.

Amount Deducted:  
\$ 312.19

Plan Summary									
Plan Code	Number of Sales	Amount of Sales	Number of Credits	Amount of Credits	Net Sales	Average Ticket	Disc P/I	Disc %	Discount Due
VS	28	2,002.23	00	.00	2,002.23	71.51	.000	1.890	37.83
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MB	00	.00	00	.00	.00	.00	.000	1.890	.00
DS	03	120.00	00	.00	120.00	40.00	.000	1.890	2.27
DD	00	.00	00	.00	.00	.00	.000	1.890	.00
DZ	01	35.00	00	.00	35.00	35.00	.000	1.890	.66
DJ	00	.00	00	.00	.00	.00	.000	1.890	.00
DB	00	.00	00	.00	.00	.00	.000	.000	.00
**	<b>117</b>	<b>14,463.31</b>	<b>00</b>	<b>.00</b>	<b>14,463.31</b>	<b>123.62</b>			<b>273.33</b>