

UPDATED June 19 2013

Replace S-PCPN 2013 -002 with this document

SPAWAR Purchase Card Policy Notice (S-PCPN 2013- 002) – Service Fee

Note: Level 5 APCs - It is your responsibility to give this Policy Notice widest dissemination to include all AOs & CHs.

27 Feb 2013 – Effective Immediately

PURPOSE: This S-PCPN addresses policy for changes to VISA rules that now allow Government and higher education institutions to charge a “Service Fee” when using the Government Commercial Purchase Card (GCPC).

OVERVIEW: [NAVY GCPC Consolidated Card Program Management Division \(CCPMD\) sent out PCAN 21 FEBRUARY 2013 – SERVICE FEES FOR USING THE GCPC TO PAY GOVERNMENT AGENCIES AND HIGHER EDUCATION INSTITUTIONS](#) on Feb 22 2013.

Visa now allows Government agencies and higher education institutions to include a “Service Fee” (also referenced as a Convenience Fee) when using the GCPC to procure or pay for goods or services. A “Service Fee” is not to be confused with “Surcharge” as outlined in the PCAN dated 24 January 2013. Government Agencies that routinely accept the GCPC (i.e. GSA and DLA) can include a “Service Fee”. (see attached PCAN for details)

ACTION/GUIDANCE:

1. CHs should always verify if a “Service Fee” will be levied when making a payment / purchase from other Government agencies or higher education institutions.
 - a. VISA merchant rules require disclosure to the CH of a “Service Fee”
 - b. The “Service Fee” will appear as a separate line item on the receipt and a separate transaction on the statement.
2. CHs should consider other sources for similar goods or services, whenever available, which do not assess a “Service Fee”
 - a. Alternate sources can't be considered when a source is mandatory i.e. DAPs.
3. Service fees are to be considered in total purchase cost, which cannot exceed \$2,500 for services subject to the “Service Contract Act” (FAR Subpart 22.10—Service Contract Act of 1965, as Amended).

SPAWAR Navy ERP Process for “Service Fees”

Create a separate line for the service fee with the following PR entry:

1. Item Overview section:

- 1a. Account Assignment Category (“A” column) - "N" or "P"
- 1b. Item Category (“I” column) – “D”
- 1c. Short Text – SERVICE FEE
- 1d. Quantity – 1
- 1e. Unit of measure - AU
- 1f . Material Group – 3590 (Misc.)

Note: Do not forget to populate the Delivery Date, Plant, Storage Location, Purchasing Group, Requested By, Des. Vendor, and Purchasing Org. For further instruction check the Navy ERP P-Card desk guide.

2. Item Detail section:

- 2a. Limits tab –
Overall Limit and Expected value – amount of the service fee
- 2b. Enter in the NWA or WBS
- 2c. G/L Account - 6100.3252

If this is the last line select the Adhoc approver, save, and submit to workflow if PR is ready.

If you have any questions please call the SPAWAR Level 3 A/OPC, Randy Grau.

Randy Grau
SPAWAR Claimancy Purchase Card APC
SPAWARSYSCOM Policy Branch 2.3.1
Phone: (858) 537-0440
E-mail: randall.grau@navy.mil