

# Best Practices for Accepting Government Purchase Cards (GPC) By Revolution Payments



When it comes to accepting *Government & non-government purchase (GPC) & commercial cards* implement these best practices to keep your business competitive, compliant while controlling your costs.

Implemented properly cost for accepting Business-to-Business (B2B) and Business-to-Government (B2G), Government Purchase Card (GPC) transactions are **Under 1.86%**

- 1. Include Level-3 Payment Detail:** – To encourage merchant participation and support of this program, Visa and MasterCard created special interchange rates that reduce interchange by **30%-40%** allowing vendors reclaim a large percentage of processing margins.
- 2. Do not use credit card terminals:** Credit card terminals are not capable of supporting the additional requirements for level 3. Using a

terminal results in 30%-40% higher interchange rates before your processor adds their fee.

3. Use a [Level-3 Processing](#) capable **virtual terminal**, preferably a web based solution to prevent customers sensitive credit card data from being stored on your local PC's.
  
4. **Enter a zip code for keyed transactions:** Chances are you've paid more than you should for your keyed or interchange transactions by triggering an interchange reclassification for skipping the zip code field. *Standard*, *EIRF* and *Non-Qualified* listed on your statement are indications of these culprits.

FYI, when your set up properly a zip code **"match"** is not required but does have to be entered.

5. **Auto Settle/Batch:** Make sure you batch or settle your transactions daily. Visa and MasterCard require transactions be settled within **24 hours** if you **swipe** transactions and **48 hours** if you **key** or process via the **internet**. Transactions not settled within this time frame will cause everything in this batch to downgrade.
  
6. **Pre Authorization:** If you perform pre-authorization's make sure the settled amount equals the pre authorization otherwise it will result in reclassifying the transaction to downgrade. Pre authorizations also need to be settled in **24 hours** for swiped and **48 hours** for keyed & internet transactions.
  
7. **Cost Plus Pricing:** Insist on cost plus pricing, otherwise you will be unable to receive all the incentive rates available. This pricing method will process your credit card transactions at their respective

interchange rate, with only a small fee added on top. Interchange is the base rate for each type of credit card issued by Visa, MasterCard and Discover.

Interchange is the same regardless of the processor you choose, this makes it easy to compare one processor from the next since the only thing that changes is the processors markup.

**8. Work with an experienced Level-3 Payment Consultant:**

Setting up a merchant account to accept commercial and government cards is much different than a standard retail account.

Knowing what determines your rates and the fees impacting your bottom line expenses, help you make more knowledgeable decisions when choosing your processing partner.

**Have questions about your business?** *We'd love to hear from you*

Give us a call 888 790 3450 or email [info@revolution-payments.com](mailto:info@revolution-payments.com)

[www.revolution-payments.com](http://www.revolution-payments.com)

***Revolution Payments** is a full-service payment provider of electronic transaction processing services for (B2B) business-to-business and (B2G) business-to-government merchants.*