



UW TACOMA CREDIT CARD CONVENIENCE FEE POLICY

Background

Due to Visa Card acceptance guidelines, the UW Tacoma Cashier's Office is transitioning from a "credit card merchant service fee" to a "credit card convenience fee." The Cashier's Office will also be updating the way we collect this fee from both the consumer and the department.

Scope

The credit card convenience fee is added to online payment orders purchased on TouchBase, UW Tacoma's online payment portal. These fees are charged to the consumer for the true convenience associated with providing a bona fide alternative payment channel.

The convenience fee is being implemented in order to provide an allowable stream of cost recovery dollars back to the departments utilizing TouchBase. The fee is meant to offset the merchant fees associated with the acceptance of credit card payments.

As this is a credit card convenience fee, the consumer can choose to pay by the standard payment method by mail or in person.

In the best interest of our students, our constituents and our stakeholders, in order to keep costs low, and to align with UW PCI Merchant Services, the convenience fee shall be adjusted to a flat \$3.00 fee. This rate is subject to change based on the actual fees incurred by the University within the guidelines of PCI compliance.

Policy Statement

In order to Visa Card acceptance guidelines, the UW Tacoma Cashier's Office is transitioning to a credit card convenience fee for purchases made on TouchBase. The fee is being charged to customers in order to establish a cost recovery stream for charges associated with accepting credit card payments.

Reason for Policy Update

In working with UW PCI Merchant Services, it has been determined that the service fee charged on TouchBase is out of compliance with the Visa Card acceptance guidelines

Definitions

Item Price: The actual price of the item



Visa Convenience Fee: “Categorized as charges associated with a bona fide alternative payment channel offering a convenience to the cardholder – the ability to pay, for example, through a website, as opposed to in person..” This fee structure must be a fixed amount, regardless of amount. Meaning as long as the convenience fee is a flat dollar amount, there is no fee cap associated with a convenience fee.

Policy Section

Convenience Fee for TouchBase online Payments

Important Notice: A \$3.00 convenience fee will be charged for payments processed online via TouchBase, UW Tacoma’s payment portal, starting SPR 2018.

UW Tacoma is happy to provide students and guests a range of options for paying non-tuition related expenses. However, those choosing to pay online will begin paying a \$3.00 convenience fee, effective SPR 2018. The fee covers the cost to the University for making online payments available to its customers.

Examples of non-tuition related expenses include, but are not limited to: parking citations, OUE exam fees, Milgard Writing Skills Assessment, Academic Advising Center Assessments, Study Abroad Admin Fees and graduation stoles, Events & Conference Services registrations and invoices, Housing Property Listing Ads, and Veteran Graduation Stoles.

UW Tacoma will continue to accept Visa, MasterCard, American Express and Discover credit and debit cards online and in person for payment. However, only online purchases are subject to the convenience fee. Payments made in person (card present environment) are not subject to convenience fees.

Frequently Asked Questions (FAQs)

Why is the University assessing a convenience fee for credit and debit card payments?

UW Tacoma is committed to providing students and guests a range of options for paying expenses. However, providing complimentary online payment services has become prohibitively expensive due to the processing costs assessed by the credit card companies and financial institutions. This expense is currently paid by University department budgets, which then reduces funds available for other needs. To ensure that department budgets are not overburdened by these costs; the convenience fees collected through the online payments will help to defray the operating costs to the departments.

What is the convenience fee?

Visa describes convenience fees as:



For merchants who offer an alternate payment channel (i.e., mail, telephone, or eCommerce) for customers to pay for goods or services, a convenience fee may be added to the transaction amount. If the merchant chooses to assess a convenience fee to its customers, the merchant must adhere to Visa Rules regarding convenience fees.

An AP or U.S. merchant that charges a convenience fee must ensure that the fee is:

- Charged for a bona fide convenience in the form of an alternative payment channel (i.e., mail, telephone, eCommerce) outside the merchant's customary payment channels (i.e., not solely for the acceptance of the Visa card).
- Disclosed clearly to the cardholder as a charge for the alternative payment channel convenience. • Disclosed before the completion of the transaction and the cardholder is given the opportunity to cancel.
- Added only to a transaction completed in a card-absent environment. • A flat or fixed amount, regardless of the value of the payment due**.
- Applicable to all forms of payment accepted in the payment channel. • Included as part of the total amount of the transaction.

How was the dollar amount established?

In order offset the cost of processing credit card payments, a \$3.00 flat fee is being instituted as the convenience fee for on-line credit card transactions.

Do other colleges and universities assess a convenience fee for credit and debit card payments?

Yes. Many colleges and universities have implemented a similar convenience or service fee charges for credit and debit card payments.

Which credit and debit cards are accepted?

UW Tacoma accepts Visa, MasterCard, American Express and Discover.

Can a customer opt out of paying the convenience fee?

Yes, the convenience fee is displayed prior to completion of the transaction, and the customer has the option of canceling the order prior to the completion of the payment. The consumer's completion of the transaction acknowledges their acceptance of these payment terms. Payment may be made in person or by mail.

Related Information: Credit Card Monthly Billing Reports

In those cases where payment for the convenience fee is not paid directly by the customer, the convenience fee will be billed to the department budget receiving the payment. The Cashier's Office will provide a monthly billing report and a journal voucher will be submitted for the convenience fees accrued during the monthly cycle at a rate of \$3.00 per order. This includes both in person and online credit card payments.



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History

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References

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