

# **GSA SMARTPAY® SMART BULLETIN**

# U.S. GENERAL SERVICES ADMINISTRATION FEDERAL ACQUISITION SERVICE SMART BULLETIN NO. 039

**GSA SmartPay – GSA Multiple Award Schedules Payments** 

EFFECTIVE DATE: September 25, 2023, shall remain in force until modified or rescinded.

#### **UPDATE:**

Date	Version History Action Log - Summary of Action/Changes
September 28, 2023	Implementation of SmartPay Bulletin #39

# **BUSINESS LINE(S) AFFECTED:**

Purchase

## INTRODUCTION:

The GSA Multiple Award Schedule (MAS) contracts for both supplies and services were updated in 2014 to include a clause which requires any contractor that holds a MAS contract to accept the purchase card for payment. This includes when the card is used as a purchasing mechanism under the micropurchase threshold (MPT) and when the card is used as a payment mechanism against a task order above the micropurchase threshold for all dollar values.

The previous MAS clause pertaining to purchase card utilization only required contractors to accept the purchase card at or below the micropurchase

threshold. Acceptance of the purchase card over the micropurchase threshold was previously optional. The updated MAS clause gives cardholders a greater opportunity to expand the use of purchase cards as a payment mechanism for payment of supplies or services purchased via a MAS contract.

#### SUMMARY:

Federal Acquisition Regulation (FAR) clause <u>52.232-36</u> Payment by Third Party is included in the MAS solicitation and incorporated into all MAS contracts for supplies and services. This clause captures the contractor's agreement to accept payments due under the MAS contract through payment by a third party, i.e., the financial institution that issued the purchase card. Any processing fees should already be included in awarded MAS prices - contractors are NOT authorized to add processing fees at the order level for purchase card transactions.

Inclusion of this clause in MAS contracts means the contractor has agreed to accept the purchase card as a payment mechanism - regardless of dollar amount - subject only to any limitations related to the Contracting Officer's warrant level, thresholds for usage in the customer agency's purchase card contract, or agency-level restrictions established by the customer agency itself.

The clause does not contain parameters or thresholds based on dollar value, i.e., in contrast to the now-deleted GSAR clause (GSAR <u>552.232-79</u> Payment by Credit Card) that only required acceptance of the purchase card for payments at/below the micropurchase threshold.

In agreeing to accept the purchase card as a payment mechanism, the contractor has also agreed to any associated processing fees. Therefore, these fees should have been factored into proposed MAS prices. MAS contractors cannot add a separate charge at the order level for processing fees associated with purchase card payments.

## **ACTION:**

This Smart Bulletin is provided to inform A/OPCs of updates to the GSA Multiple Award Schedule contracts, including a clause that requires any contractor that holds a MAS contract to accept the purchase card for payment above or below the micro-purchase threshold.

Agencies should review their current card policies and guidance and update based on additional purchase card utilization opportunities available under the GSA MAS program.

David J. Shea Director

# Center for Charge Card Management

If you have questions or comments regarding this Smart Bulletin, please email the GSA SmartPay Team at gsa\_smartpay@gsa.gov.

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