



State of North Carolina Office of the State Controller

Michael F. Easley, Governor

Robert L. Powell, State Controller

April 24, 2008

MEMORANDUM

TO: Agency Fiscal Officers
University Vice Chancellors
Community College Business Officers
Local Units of Government Finance Officers

FROM: Robert L. Powell, State Controller 

SUBJECT: Discover Network Card

As you are aware, the Office of the State Controller has a Master Services Agreement (MSA) with SunTrust Merchant Services (STMS). The MSA allows participating entities to accept credit and debit cards issued by both Visa and MasterCard, without the participant having to execute any additional agreements. The master agreement does not provide for the acceptance of proprietary cards, such as American Express or Discover, unless the State or the agencies were to enter into agreements directly with the proprietary card companies.

On December 15, 2006, the State Controller issued an E-Commerce policy entitled, "Types of Merchant Cards Accepted." The policy addresses how participants can elect, on an optional basis, to accept proprietary cards. The policy also allows the State Controller to negotiate master agreements with the various proprietary card companies, in order to obtain more favorable discount rates. The policy can be viewed at the following link: <http://www.ncosc.net/SECP/TypesOfMerchantCardsAccepted.pdf>

As previously reported, on February 1, 2007, the State Controller successfully negotiated a master services agreement with American Express Travel Related Services Company, Inc., to allow participants to begin accepting the American Express Card.

This is to advise that the State Controller has recently negotiated a master services agreement with DFS Services LLC ("Discover® Network") to allow participants to begin accepting the Discover Network Card. Enrollment in the Discover Network Card program is being made available to participants beginning May 1.

Entities considering accepting either of the two proprietary cards should make any determination based upon the criteria specified in the above referenced policy. Detailed information regarding the Discover Network Card program, including enrollment forms, can be viewed at the following link: http://www.ncosc.net/SECP/SECP_Discover_Cards.html

Questions may be addressed to the OSC Support Services Center at (919) 875-4357, or email OSC.secp.info@ncosc.net.

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