



IN REPLY
REFER TO

DEFENSE COMMISSARY AGENCY
HEADQUARTERS
1300 E AVENUE
FORT LEE, VIRGINIA 23801-1800

MPOS

April 6, 2012

MEMORANDUM FOR AREA DIRECTORS
ZONE MANAGERS
STORE DIRECTORS

SUBJECT: Policy Change – Customer Service Department (PC3-DeCAD 40-6)

1. PURPOSE. This Policy Change (PC) implements changes to Defense Commissary Agency Directive (DeCAD) 40-6, Customer Service Department, June 5, 2007. PC3:

- (1) Adds clarification and new requirements for instances of suspected privilege abuse.
- (2) Adds the requirement for each operator on the refund terminal to have their own till and operator number.
- (3) Adds the requirement for gift cards to be issued to customers, in conjunction with cash, for refunds of \$25 or more, when a receipt is presented showing the merchandise was originally purchased with a gift card(s).
- (4) Adds the requirement for gift cards to be issued to customers, in conjunction with cash, for refunds of \$25 or more, when a receipt is not presented.
- (5) Updates the coupon acceptance policy to clarify dot scan barcode requirements and PIN requirements for unique numbering, that photocopies and counterfeit coupons are not accepted, and that coupons must be in English.
- (6) Changes the procedures for multiple coupons requests to require them to be submitted by the manufacturer to the Promotions/Marketing Division (MPSM) for approval.
- (7) Adds the requirement for gift cards to be issued to customers, in conjunction with cash, whenever the face value of a coupon exceeds the selling price of the item purchased, and the transaction results in a negative balance of -\$25 or more; i.e., transaction total reflects \$25 or more is owed to the customer due to coupon “overages.”

2. APPLICABILITY. This PC applies to all commissaries.

3. RESPONSIBILITIES. Area directors, zone managers, and store directors are responsible for implementing guidance and monitoring compliance at all commissaries.

4. NEW GUIDANCE.

a. DeCAD 40-6, paragraph 3-5, is replaced with the following:

3-5. SUSPECTED PRIVILEGE ABUSE

a. Commissary management has a responsibility to notify the installation commander, or their designee, when privilege abuse is suspected. Store directors should verify the appropriate point of contact with installation officials. Managers must use good judgment, especially during case lot or Guard and Reserve sales, in deciding when it is appropriate to notify the installation officials of suspected abuse. Some examples of indications of possible abuse are:

(1) Frequently buying large quantities of cigarettes/tobacco products. Quantities could be considered excessive when they exceed 1 case or 30 units of cigarettes/tobacco.

(2) Buying excessive quantities of an individual item. Quantities could be considered excessive when a customer special orders and/or purchases more than 3 cases or 36 units of an individual item.

(3) Excessive number of large orders/transactions on a frequent basis. This would include frequent orders/transactions of an individual item which give the appearance of an attempt to stay below the threshold identified in paragraph 3-5a(2) above.

(4) Buying excessive quantities of an individual item with coupons that exceed the value of the product.

(5) Making numerous purchases in a single day;

(6) Persistent efforts to exceed sales restriction limits; and

(7) Frequent returns of high-dollar items or multiple items, with or without a receipt.

b. Reporting Suspected Abuse.

(1) When privilege abuse is suspected, the commissary employee will immediately notify the manager on duty.

(2) The store director is responsible for elevating suspected abuse to the installation authorities. It is imperative that management reports suspected abuse and leaves the investigative follow-up actions to the appropriate installation authorities.

(3) A DIRep will be completed and forwarded to DeCA Headquarters indicating the suspected abuse and notification to the appropriate installation official. The installation response to the reported suspected abuse should be included in the DIRep, if known. If the installation indicates they will not investigate the suspected abuse, notify the Store Support Directorate for assistance.

c. When a customer reports suspected abuse by another patron not currently in the commissary, the manager should refer the customer to the appropriate installation officials.

b. DeCAD 40-6, paragraph 4-12a, is replaced with the following:

a. If, for any reason, a patron is not satisfied with merchandise paid for and removed from the commissary, the merchandise may be returned for a refund or exchanged for another of the same item.

c. DeCAD 40-6, paragraph 4-13b, is replaced with the following:

b. Issue a separate cash till specifically for refund transactions, except for instances where refunds are not processed on the refund terminal but at a full service cash register. Each employee operating the refund terminal must have his/her own till and refund operator number. Tills and operator numbers cannot be shared. Stock tills with funds consistent with anticipated volume/amounts of refunds.

d. DeCAD 40-6, paragraphs 4-13g is replaced with the following:

g. When the customer provides the original purchase receipt for merchandise being returned:

(1) Merchandise purchased with cash, debit card, check, traveler's check, or money order will be refunded in cash.

(2) Merchandise purchased with a credit card will be refunded as a credit card refund, per the guidance in paragraph i.

(3) Merchandise purchased with a gift card:

(a) If the total amount of the refund is \$24.99 or less, the refund will be in cash.

(b) If the total refund amount is \$25 or more, the refund to the customer will be given as a combination of gift cards and cash. Gift cards will be issued to the customer in \$25 increments, until the remaining balance of the refund is \$24.99 or less, which will be refunded in cash. For example, if the total amount of the refund is \$63.42, two \$25 gift cards (or one \$50 gift card) must be "sold" and activated for the customer within the refund transaction, and the remaining balance of \$13.42 will be refunded in cash.

e. New paragraph 4-13h is added to DeCAD 40-6:

h. If the original purchase receipt for merchandise being returned is not provided:

(1) If the total amount of the refund is \$24.99 or less, the refund will be in cash.

(2) If the total amount of the refund is \$25 or more, the refund to the customer will be given as a combination of gift cards and cash; gift cards must be issued to the customer in \$25 increments until the remaining amount of the refund due is \$24.99 or less, which will be refunded in cash. For example, if the total amount of the refund is \$37.28, a \$25 gift card must be “sold” and activated for the customer, within the refund transaction, and the remaining balance of \$12.28 will be refunded in cash.

f. DeCAD 40-6, paragraph 4-13h, is renumbered to paragraph 4-13i.

g. DeCAD 40-6, paragraph 4-13i, is renumbered to paragraph 4-13j.

h. DeCAD 40-6, paragraph 7-4k, is replaced with the following:

k. Commissaries may accept Internet coupons.

(1) Internet coupons will not be accepted for free products; however, “Buy One, Get One Free” coupons are acceptable, if they meet all other coupon requirements.

(2) Internet coupons must contain a typical barcode (UPC-A) and/or GSI DataBar and be scanned. Coupons with only a GSI DataBar are acceptable.

(a) If an Internet coupon does not scan, and contains a typical barcode (UPC-A), the first 11 digits under the barcode, starting with the number 5, will be manually input into the POS and the POS will validate the coupon with the item(s) is purchased.

(b) If an Internet coupon has only a GS-1 DataBar, and does not scan, the cashier will examine the coupon for authenticity and, if deemed valid, the coupon value may be manually input.

(3) Internet coupons must be an original print in either black and white or color. Photocopies will not be accepted.

(4) Internet coupons may have, but are not required to have, a dot scan barcode or “PIN.” If an Internet coupon has a dot scan barcode or “PIN,” the dot scan barcode number or “PIN” must be unique for each coupon. Coupons with duplicate dot scan barcode numbers or duplicate “PINs” will not be accepted. (See Figure 7-1)



Each dot scan barcode must be a unique number



Each PIN must be a unique number

Dot Scan Barcode Number and PIN Samples
Figure 7-1

i. DeCAD 40-6, paragraph 7-4m, is replaced with the following:

m. Accept only one coupon per item, or purchase requirement as stipulated on the coupon. Additional cents off coupons cannot be used in conjunction with a “buy this, get that free” or “buy item A and get \$X off item B” type coupons. “Military” or “commissary” coupons also cannot be used in conjunction with any other coupon. There is one exception to this policy:

(1) Commissaries may only accept multiple coupons on the purchase of a single item, when the manufacturer’s request has been approved by the Chief, Promotions/Marketing Division. The customer service department should be provided a copy of the request.

(a) Multiple coupon situations are applicable only during a particular commissary promotion, and are typically short term, where the manufacturer or broker provides coupons directly to the commissary in support of the promotional event. The allocated number of coupons are either given directly to the customer by the company representative, when the customer is in the commissary and selects the appropriate item for purchase, or the company representative has made arrangements with the commissary to have the allotted coupons automatically deducted by the register, through coupon linking, when the item is purchased. If a customer comes to the commissary with a coupon for that item, the customer has the option of using either their coupon, and adhering to the one coupon per item or purchase requirement, or

the multiple coupons being offered in the commissary for that item but not both. The customer cannot add their coupon to the multiple coupons being offered in the store, thereby increasing coupon savings not intended by the manufacturer. The total number and total value of coupons allowed cannot exceed the manufacturers or brokers offers for that item.

(2) Manufacturers who voluntarily wish to use multiple coupons in support of a promotion item or event must submit a request to, and be approved by, the Chief, Promotions/Marketing Division, 30 days in advance. The request must be on company letterhead and signed by the appropriate manufacturer representative who is authorized to approve deviations from normal coupon redemption policies. Letters from brokers, or other company representatives, will only be accepted when the manufacturer's representative, identified above, has provided MPSM with a signed letter, on company letterhead, listing individuals authorized to act on their behalf in this matter.

(a) Manufacturers requests must identify the starting and ending period of the offer, item UPC, description, face value of the coupon, number of coupons allowed per item, a copy of the front and back of the coupons that will be provided, and the commissaries involved. Note: Coupons must be provided to the commissary prior to the effective date of the offer period. If coupons are to be linked, sufficient coupons must be provided to cover all sales during the offer period.

(b) MPSM will approve or disapprove the request, by endorsement and signature, and provide a copy to the manufacturer, the affected stores, couponredemption@deca.mil, and maintain a copy on file.

j. DeCAD 40-6, paragraph 7-4n, is replaced with the following:

n. Valid coupons will generally be entered at the value stated on the coupon. If the face value of a valid coupon exceeds the cost of the product, the customer will be given the full face value of the coupon, unless prohibited by the manufacturer's terms and conditions printed on the coupon. In instances where the coupon prohibits the coupon value from exceeding the selling price of the item (frequently referred to as "overage"), stipulates "no cash back," or contains other restrictive verbiage, e.g., "No cash back if coupon value exceeds retail price," the coupon value will be entered into the POS only for the actual selling price of the item being purchased.

(1) When a transaction with a coupon "overage" results in a negative balance, meaning money is due the customer:

(a) If the amount due the customer is \$24.99 or less, the customer will receive cash.

(b) If the amount due the customer is \$25 or more, a combination of a gift card(s) and cash will be given to the customer. Gift cards must be issued to the customer in \$25 increments until the remaining balance owed the customer is \$24.99 or less. For example, if the transaction results in \$100.87 owed to the customer due to coupon "overage," four \$25 gift cards (or two \$50 gift cards) must be sold and activated within the transaction for the customer, and the remaining \$0.87 will be given to the customer in cash.

k. DeCAD 40-6, paragraphs 7-4r, s, and t are added as follows:

r. Photocopies of any coupon will not be accepted.

s. Coupons identified as counterfeit by DeCA Headquarters, or on the Coupon Information Corporation Web site, www.couponinformationcenter.com, will not be accepted.

t. All coupons must be written in English. Coupons that have verbiage in English plus a language other than English are acceptable; e.g., coupons that contain both English and Spanish.

l. DeCAD 40-6, Figure 7-1, renumber to Figure 7-2.

5. RELEASABILITY – UNLIMITED. This PC is approved for public release and is located on DeCA's Internet Web site at www.commissaries.com.

6. POINT OF CONTACT. Ms. Danna Eldridge, Sales, Marketing and Policy Group, Operations Guidance and Program Standardization Division, DSN 687-8000 or 804-734-8000, extension 48772.

7. EFFECTIVE DATE. This PC is effective immediately and shall remain in effect for 180 calendar days from the date of signature or until rescinded, superseded, converted to a new publication, or incorporated into DeCAD 40-6, whichever is sooner.



Teena P. Standard
Chief, Executive Services Division