



### FAS PCard Policy Addendum, effective January 9, 2014

This addendum is to the [Harvard University Financial Policy: Purchasing Card](#), in effect June 30, 2013.

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#### Department and Local Unit Guidelines

At their discretion, FAS local units/departments may impose more restrictive guidelines for budgetary or control reasons, but they may not be less restrictive than the guidelines stated in this policy.

#### Eligibility

Individuals who have as part of their regular job duties responsibility for routine purchasing of high-volume, low-dollar supplies (where an HCOM vendor is not available) and local entertainment-related expenses are eligible to apply for, receive, and use a PCard – in accordance with the University.

Individuals who engage in infrequent purchasing or purchasing high-dollar items should not receive or use a PCard.

**Faculty, staff, graduate students, teaching assistants, research assistants, and internal post-docs** – may apply for, receive, and use a PCard assuming routine purchasing is part of their regular job duties.

**Undergraduate students** typically should not apply for, receive, or use a PCard. If a department, center, or tub feels there is a need for an undergraduate student to receive and use a PCard for high volume, routine purchasing, the administrator should contact the PCard Local Administrator in the FAS Office of Finance (or College Financial Office, where applicable) for further information.

**External, non-employee post-docs and fellows** are not eligible to receive or use a PCard, nor should departments, centers, or tubs use PCards to make payments to or purchases on behalf of external, non-employee post-docs and fellows, as this presents a risk of non-disclosure of fellowship funds to these individuals.

#### Independent Review

University policy requires that all PCard transactions be reviewed in the online settlement system by an individual other than the PCard cardholder. FAS departments that have only one staff member with a PCard and/or where independent review of transactions is not possible due to limited resources may request an exemption from the FAS Office of Finance. Upon review of the circumstances, the FAS Office of Finance and the department will document in writing that independent review of transactions in the online settlement system is not feasible. The department administrator and the PCard Local Administrator in the FAS Office of Finance will both sign and date an FAS PCard Independent Review Addendum (Appendix A) and it will be kept on file in both the department and the FAS Office of Finance. Exemption documentation will be reviewed and updated annually.

## Telecommunications Expenses

The FAS does not allow any telecommunications expenses, including cell phone, PDA, wireless, or home internet access, to be charged to PCards at 100% business use. Telecommunication expenses require that the [FAS Telecommunications Allocation Form](#) be completed and an appropriate business usage be claimed. Instead of PCard, these expenses should be paid by

- Direct billing by Harvard University Information Technology (HUIT);
- Corporate Card, where applicable;
- Reimbursement to employee.

## FAS PCard Local Administrator (Applications and Monitoring)

The PCard Local Administrator in the FAS Office of Finance will review and approve all applications for new PCards and new transaction reviewers, with the following exception:

- Harvard College (Tub 310) applications will be reviewed by the PCard Local Administrator in the College Financial Office.

This office will also monitor PCard usage and transaction review for compliance with the University and FAS policies.

Departments, centers, or tubs that are not compliant with the University and FAS policies will be contacted, and a plan to become compliant will be enacted between the department and the FAS Office of Finance (or College Financial Office, where applicable). **Individual PCards that consistently fail to be compliant will be canceled.**

## CONTACTS

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## Appendix A

### FAS PCard Independent Review Addendum

[Department Name] and the FAS Office of Finance have consulted and determined that [Department Name] will not be able to comply with the University requirement that all PCard transactions be independently reviewed in the online settlement system. [Department Name] will comply with all other provisions of the University and the FAS PCard policies, namely that:

- All PCard transactions will have a business purpose assigned in the online settlement system;
- All PCard transactions will have the proper chart of accounts coding in the online settlement system;
- Proof-of-purchase documentation will be retained locally according to PCard and/or Records Retention policies;
- All PCard transactions will be reviewed [monthly or quarterly] for reasonableness in Detail Listing and/or Budget reports by the administrator; such review will be evidenced by signature of the administrator, dated, and retained locally for the current audit period;
- No PCard purchase of prohibited commodities or personal items will be made.

Additionally, in accordance with the FAS PCard Policy, the FAS Office of Finance will include [Department Name] in its monthly review of PCard transactions. Such review will include entry of business purposes, purchase of prohibited commodities, and reasonableness of charges.

This addendum is signed and dated by the administrator for [Department Name] and the FAS Office of Finance, below. This document shall be in effect for one fiscal year, July 1 [2013] through June 30, [2014], and kept on file both in [Department Name] and the FAS Office of Finance. A review of the circumstances will be conducted prior to the beginning of the next fiscal year.

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Administrator Signature

Date

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FAS Office of Finance

Date