

FAS Credit Card Escalation Protocol

Overview:

In accordance with the University-issued Credit Card Policy, effective 01/01/2024, FAS has developed the below local tub escalation procedures, to address past-due balances, missing required documentation, late fee accrual, and other repeat/significant violations.

Every current University cardholder and Concur approver received a notification regarding the updated University-issued Card Policy in October 2023, just prior to the official posting on the [Financial Policy](#) website. New cardholders will be provided with a link to the Credit Card Policy as part of the application process.

It is important to recognize that the cardholder is ultimately responsible for the timely reconciliation of all charges, even when the University-issued card is being managed by one or more delegates.

Audits:

Monthly audits of each University-issued [card type](#) will be conducted by the FAS Procurement Office. Audits will be performed against:

- Past due amounts/late fees generated by Citibank
- Personal expenses on University-issued credit cards
- Payments to individuals for services
- Reimbursements of third-party entities
- Other compliance reviews on an ad hoc basis

Late Fee:

Per University policy, any late fees incurred on a University-issued card are the responsibility of the cardholder. In rare circumstances, the cardholder's home department may apply for an [exception](#) to the policy if the late fee was caused by an administrative error through no fault of the cardholder. If the exception is approved, the late fee can be charged to departmental funds.

Missing Documentation:

As outlined in the University Credit Card Policy, all transactions must include a detailed business purpose and proof of purchase/itemized receipt for transactions over \$75.00. (Please note that departments may request receipts for all transactions, regardless of the amount.) The cardholder (PCard, Department, or Corporate card) is responsible for providing this information to the delegate/card Approver shortly after the expenses have been incurred to ensure processing and approval within the appropriate time period.

Violations to this policy may result in revocation, as detailed below in this document.

Personal Charges:

Personal charges, defined as those having no relation to University business and/or incurred outside of business travel, are not allowed on any University-issued credit card. Examples of 'acceptable' personal charges include personal travel days associated with a University business trip, and charges that could not easily be separated from business expenses but will be paid directly to Citibank by the cardholder.

In the rare circumstance that a personal charge was made on a **corporate** or **department** card, the cardholder will immediately issue a personal check or electronic payment directly to Citibank to pay off the charge; please see your Department or Financial Administrator for repayment instructions. If not paid directly to Citibank in a timely manner, personal charges may incur non-reimbursable late fees.

If the personal charge was made on a **PCard**, the University must be reimbursed immediately via personal check made payable to the Presidents & Fellows of Harvard College and submitted to the Department or Financial Administrator.

Violations to this policy may result in revocation, as detailed below in this document.

Past-Due Balances:

For **faculty** and **staff** cardholders who are carrying a past due balance over 60 days:

- The Department Administrator and the divisional Administrative Dean will be notified
- An automated reminder message will be sent from Reimbursement and Card Services to the cardholder and the card will be suspended
- If no action is taken within the next seven business days, the Divisional Dean will be notified.
- Citibank will automatically cancel the card after 90 days past due, and a second automated message will be generated with instructions on how to pay off the outstanding balance.
- Any late fees generated in the process will be the responsibility of the cardholder.

Once Citibank has closed the account, a new card is not automatically reissued. After a comprehensive review of the account, a specific set of criteria must be met before another card may be issued:

- The cardholder must complete a new card application, with the required approvals and signatures from their tub finance office, accompanied by a brief statement as to why a new card is needed.

- All outstanding balance must be paid in full, and proof of a \$0 card balance should be furnished to the tub finance office
- The cardholder must complete and/or recertify in Harvard ROPPA training and review the University card policy and FAS Credit Card protocol.

Card Revocation:

Faculty or staff member cards will be eligible for revocation on the basis of a “Three strike rule.” Cardholders will receive a written warning after the first incident described below, a thirty (30) day card suspension after the second instance and card closure after the third offense.

“Three-Strike” eligible violations:

- Repeated occurrence (three or more in a fiscal year) of personal charges unrelated to University business, despite payment to Citibank in a timely manner
- Repeated occurrences of missing documentation
- Late fees incurred for three months in a fiscal year; these may be consecutive or non-consecutive
- Other uses of the card that do not comply with University policy
- PCard: Unsubmitted reports, three months or older, can lead to card suspension.

Please note the FAS Card Program (PCard, Corporate, Department, and Declining Balance cards) is managed by the Office of the FAS Dean for Administration & Finance, working in partnership with the University’s Central Finance Policy Office and Reimbursement and Card Services Program.