

# SEAS Business Purpose Overview

June 2015



**HARVARD**  
School of Engineering  
and Applied Sciences

A “business purpose” is a required part of many University financial transactions. Specific documentation is required to support these transactions. Documentation **must include** the following information and not exceed 256 characters:

- **Who** – The **name(s)** of individual(s) who incurred the expense or attended
- **What** – What the **expense** entailed (business lunch, travel dinner, reception, etc.)
- **Where** – The **location**, including city and state (and country, if international)
- **When** – The **date** (or date range) the expense occurred.
- **Why** – **Activity** or agenda, topic discussed, justification, relevance to the fund

Insufficient “Why”	Sufficient “Why”	Sufficient “Who” and “What” (must clearly relate to the “Why”)
Conference	Presenting on behalf of Professor Jones at 2014 Applied Physics conference	John Smith, Applied Physics Post Doc
Traveled to New York to meet with Peter Parker	Traveled to New York City to meet with Peter Parker for collaboration on the impact of spider webs on inner-city street congestion	Professor Betty White

## Recommended Formats for Business Purposes

### 1. **Non-Employee Reimbursement** (Non-Employee Reimbursement box checked in HCOM):

“Expenses in direct support of Harvard research/ particular grant (if sponsored)\*: Who/What/Where/When/Why”

“Expenses in direct support of Harvard research: John Smith, Applied Physics Post Doc (who), airfare (what), Chicago, IL (where), 6/14/15 (when), to **present research** (to stay up to date with the latest technologies/ learn technique used on this project, etc.) related to the grant on behalf of Professor Jones at 2014 Applied Physics Conference (why)”

“Expenses in direct support of Harvard research: John Smith, Applied Physics Post Doc (who), hotel (what), Chicago, IL (where), 6/14/15 (when), **attending** the 2014 Applied Physics Conference and to **present findings related to the grant at group meeting upon return to Harvard** (why)”

### 2. **Fellowship Payment** (Payment Request in HCOM, box unchecked; taxable) [A fellowship is an amount paid to or allowed for the benefit of an individual to aid in the pursuit of that individual’s own study or research (**not** in direct support of Harvard research). Refer to the University’s Fellowship Policy for more explanation and details]

“Fellowship payment: Who/What/Where/When/Why”

“Fellowship payment: John Smith, Applied Physics Post Doc (who), travel fellowship (what), Chicago, IL (where), 6/14/15 (when), to **attend** the 2014 Applied Physics Conference **for personal benefit** (why)”

*\* The preceding distinction before the who/what/where/when/why in both examples above helps the University Tax office determine if the payment will be considered a taxable fellowship or a non-reportable business expense reimbursement.*

### 3. **Employee Reimbursement/CitiCard DirectPay/PCard**:

“Who/What/Where/When/Why”

“Sam Jones SEAS Finance (who), business lunch (what) with John Smith at John Harvard’s in Cambridge, MA (where), 4/14/15 (when), to discuss SEAS Business Purpose Overview (why)”

Fellowship Policy: <http://policies.fad.harvard.edu/fellowships-vs-reimbursements>

Fellowship Toolkit: [http://policies.fad.harvard.edu/files/fad\\_policies/files/fellowships\\_toolkit\\_1.1.15\\_1.pdf](http://policies.fad.harvard.edu/files/fad_policies/files/fellowships_toolkit_1.1.15_1.pdf)

Fellowships on SEAS Finance website: <https://www.seas.harvard.edu/financial-operations/payment-request-invoice-payments/fellowship-payments>

\* For more guidance on sponsored travel please refer to the OSP website <http://osp.finance.harvard.edu/travel-policy>