

Guiding Principles: University Expenditure

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The University is a public statutory body and all its funds, irrespective of the source, are public monies. The University's funds must be spent for its defined purposes and in its best interests.

The University is accountable publicly for the use of its funds and all employees exercising financial authority under delegation are responsible for ensuring that approvals for expenditures comply with University delegations, policies and procedures.

All purchasing transactions must meet the following four (4) principles. An expenditure must be:

1. Necessary to perform a valid business purpose consistent with the University's mission. If required, employees must be able to explain the relationship and connection between the expenditure and the official business of the University.
2. Reasonable and represent "value for money" in that the expenditure amount is not extreme, extravagant or excessive.
3. Appropriate in that the expenditure is suitable and fitting in the context of the valid business purpose.
4. Allowable according to the terms of any regulation, law, contract, or University policy and its procedures. There is evidence that University procedures have been followed to demonstrate that a prudent and defensible decision to incur the expense has been made.

Consistent with the above guiding principles:

- I. University funds cannot be used for private purposes, under any circumstances.
- II. An employee is entitled to the reimbursement of approved reasonable expenses they incur on behalf of the University.
- III. Research grants received by the University are University funds and must be used according to the specified purposes and conditions of the grants. Any property or goods and services purchased with the funds remain the property of the University at all times.
- IV. An employee cannot provide goods or services to the University in any capacity, outside of those provided through their employment relationship.
- V. An employee cannot enter into a commitment for the supply of goods or the performance of services unless designated funds are available and the appropriate approval has been obtained as set out in University delegations.

- VI. An employee approving purchases must ensure they are familiar with the restrictions outlined in the delegations' documentation.
- VII. An employee cannot approve their own expenditures.
- VIII. All expenditures must be properly documented and costed to the correct general ledger codes.

Managers should lead by example and foster a culture of moderation when spending University funds. They must scrutinise and exercise good judgement in approving and reimbursing expenditures, having due regard to the University's Code of Conduct.

The concept of "value for money" is not restricted to price alone and should include assessment of key factors like sustainability, quality, service and support, whole-of-life costs, as well as transaction costs associated with acquisition, use, holding, maintenance and disposal of the item purchased.

Confidentiality must be maintained in all purchasing transactions.

Employees must not accept gifts, gratuities, or any other benefit which may influence, or might be seen and deemed to influence equity, impartiality and sound judgements.

An employee cannot undertake negotiations, contracts or arrangements in which they have either a pecuniary or significant non-pecuniary relationship with any supplier. The latter relationship would include immediate family members.

Budget Centre Managers are responsible for monitoring expenditures in their budget centre, and are encouraged to be frugal and to minimise their expenditures where possible.

Procurement of goods and services relating to specialised work functions and responsibilities of the University (such as building works and projects, information technology, library services and publications) must be placed either through or by the relevant Division/Office/Faculty. For example:

- Computers / AV Equipment - contact: CSU Computer Shop;
- Books / Journals / Subscriptions - contact: Division of Library Services;
- Printing - contact: CSU Print;
- Radioactive Materials – contact: Radiation Safety Committee;
- Catering on campus – contact: CSU Events Unit.

Failure to follow the above principles (and any aspect of this document) may result in disciplinary action.