



BUSINESS PURPOSE

Definition: A statement that is provided to explain an expense as appropriate and reasonable and to justify how it supports and/or advances the goals and objectives of the University.

Expenses purchased on behalf of the University should have an answer to all of the following questions:

- **What** is being purchased?
- **Why** is the purchase necessary and is it reasonable and appropriate for the University?
- **Who** is the person that requested or needs the purchase? For event, this will include the audience or list of attendees
- **How** does the expense benefit the University? Expenses that appear to be personal or provide a benefit to an individual must include a written explanation of how they are business related.
- **Where** is the event/activity taking place? If travel is included, provide the benefit to the University for sending the individual(s) to the event/activity.
- **When** is the event/activity taking place? Include all dates associated with this event/activity expense, especially when including travel time.

A business purpose needs to be written in a way in which reconcilers, approvers and auditors can use the information to fully understand the intent of the purchase and base their approval/disapproval of the expenditure(s) as it relates to the over-all mission of the University. Approvers are responsible and accountable to determine whether expenses comply with the business purpose guidelines and the expenses are necessary.

Type of Expense	Insufficient Business Purpose Description	Information to Include for the Type of Purchase	Appropriate Business Purpose Description
Meal for job candidate	Candidate for Assistant Dean of Students dinner	Name of candidate, list of attendees and their affiliation to University, and the job posting number should be included.	Interview dinner for candidate Mary Smith for Assistant Dean of Students Job#XXXXXX. List of attendees attached to backup documentation.
Research supplies	Supplies needed for analysis	Clarification of the supplies and project where the supplies will be used.	Focus 3ml 60mg cartridge needed for analysis on PROJECT NAME.
Purchase	100 custom imprinted toy cars to use as swag for Department Name	The reason for needing the items must be clear, along with the flyer/program that shows these are for the event and not purchased to be given away as gifts. The cost of these items should be minimal with no monetary value.	100 custom imprinted toy cars to be used as promotional items for the NAME OF EVENT to be held by DEPARTMENT NAME on DATE to promote department to AUDIENCE. Flyer/program is attached to backup documentation.
Membership fees	2018 NACADA membership for EMPLOYEE NAME	Why the membership is necessary for the individual and how it benefits the University's mission.	2018 NATIONAL ACADEMIC ADVISING ASSOCIATION membership for EMPLOYEE NAME to increase his/her ability to assist students as an academic advisor.
Conference	AMA Conference	Include the attendee, travel authorization number for the traveler, and start and end dates of travel. If a student is traveling, it is necessary to provide an explanation of how the University benefits.	EMPLOYEE NAME to attend the 2017 American Marketing Association Conference in San Francisco, CA, August 4-6, 2017 for professional development. Travel Authorization NUMBER.
Business meeting	Pizza for monthly lunch, 02/28/17	Provide the agenda/details of the meeting, the date and location where the meeting took place, and a list of attendees.	Monthly meeting on MM/DD/YYYY to collaborate on SPECIFIC RESEARCH and UP COMING ITEMS within the department. List of attendees attached to backup documentation.
Business entertainment	Pizza for student participation 2/28/17	A flyer/program should be included along with a description of the event and how it benefits the University.	Pizza will be provided to encourage participation in a survey to assist the SU with feedback regarding what events would be beneficial for students for academic year 2017. The goal of this event is to hear from students on what types of events they would like to see at the SU in order to bring students together and provide them with an activity to allow themselves an opportunity to meet and network with other students. MM/DD/YYYY.
Supplies	Coffee, bottle water, creamer	The purpose and intended consumers of these items should be clear since University funds can generally not be used to purchase these items for break room employee only consumption.	Purchase coffee, creamer and bottled water for meetings with visitors and customers to DEPARTMENT NAME.
Decorations	Decorations for employee appreciation	Include the attendees and the flyer/program for the event as backup for purchasing decorations to clarify the event is not personal in nature.	Decorations for employee appreciation event to be held on MM/DD/YYYY at LOCATION. Flyer/program and list of attendees attached to backup documentation.