

SENSITIVE EXPENDITURE POLICY

1. PURPOSE

To provide a principles-based framework for reviewing, approving, and managing the University's sensitive expenditure.

2. POLICY

Where an action or expenditure can be seen as sensitive, by a reasonable person, such actions must be assessed by a person who is higher in the organisational chart than the person wishing to take that action, and where approved, documentation must be kept, sufficient to explain the decision.

Members of the university cannot approve their own expenditure or sensitive actions, or those of their peers. Such actions must be approved before they occur, except in clearly exceptional circumstances.

All sensitive expenditure decisions must follow these principles:

- be subject to **high standards of probity and financial prudence**;
- be able to **withstand audit and public scrutiny**;
- be **appropriate in all respects**;
- be clearly linked to the University's role and functions, and have a **justifiable business purpose** only and not provide private benefit to an individual member;
- be made in a **sound and defensible manner**. The decision must make clear sense, supported by evidence of the need for the expenditure or action, and evidence that a range of options have been considered;
- preserve **impartiality**, and be objectively not based on bias, preference or improper reason;
- be **made with integrity**, consistent with the duties of that position and in keeping with agreed professional, moral and ethical principles;
- be **moderate and conservative**, having regard to the circumstances and be consistent with the norms of the sector;
- be **transparent**, and open about the action and be **open to having the decision reviewed and reversed**, be available to audit, advising the Vice-Chancellor or their delegate, where exceptions to policy have been made, be open to corrective action;
- be made with the **appropriate financial delegation** to do so, following the correct procedures.

These principles should be applied together. None should be applied alone, and no principle should be treated as more important than any other.

3. DEFINITIONS

Sensitive expenditure is any spending by the University that could be viewed as giving some private benefit to an individual member that is additional to the business benefit to the University.

It also includes any actions and expenditure which, by their nature may harm the reputation of and trust in the University, regardless of dollar value, such as excessive use of University assets, expenditure with a dual public and private benefit or expenditure where more efficient means are available.

Expenditure that is viewed as highly controversial or considered unusual for the University's purpose and or functions or may also be perceived to have a private purpose.

A reasonable person is seen as a person who displays actions and conduct expected of a reasonably prudent person acting under similar circumstances, with the same knowledge.

4. SCOPE

This policy covering all the activities and operations of the University, including any controlled entities and applies to all members of this University, including Council members, staff (full-time and part-time), temporary staff, contractors employed by the University and students who incur expenditure on behalf of the University.

5. RELEVANT LEGISLATION

[Public Finance Act 1989](#) and amendments; [Financial Reporting Act 2013](#) and amendments; [Public Audit Act 2001](#); and [Protected Disclosures Act 2000](#).

6. LEGAL COMPLIANCE

The University places the Sensitive Expenditure Policy above existing financial rules and policies, informing them with overarching principles and procedures.

These policies are listed under related documents and procedures.

7. RELATED DOCUMENTS AND PROCEDURES

[Purchasing Card Policy](#); [Travel Policy](#); [Council Policy No: 2 Delegations](#); [Preferred Supplier Procedures](#); [Procurement Policy](#) ; [Protected Disclosures Policy](#); [Conflict of Interest Policy](#); [Financial Authorisations Policy](#)

This list is not exclusive, nor exhaustive.

8. RESPONSIBILITY

The person carrying out the action or expenditure is ultimately responsible for their own actions and obliged to seek assessment, confirmation, and approval of their actions.

9. DOCUMENT MANAGEMENT AND CONTROL

Date of Issue: 01 August 2021

Date for Review: 01 August 2024

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