



- There are 15 Finance Policies and 32 Finance Procedures – there is no way you can be expected to know them all!
- Knowing when you encounter an issue that could be covered by a policy or procedure is much more important then knowing the policy word for word.
- First point of contact is Client Service Administrators.
- Compliance Analyst, Risk and Compliance Office.

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What is sensitive expenditure?

- Sensitive expenditure is expenditure that could be seen as giving some private benefit to an individual staff member that is additional to the business benefit of the expenditure.
- The University's Financial Delegations Policy states "cost centres are free to spend their approved budget for *business related* operating expenditure and capital expenditure"
- But where does business expenditure end and personal benefit begin? It is a grey area!

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How does the expenditure look?

- The ODT test how will this look on the front page of the ODT?
- Perception can be just as important as the reality of a situation.
- Dunedin City Council Dunedin Coffee Club How would the University have fared if the ODT had given our PCards a similar review?

Official Information Act

- University must respond to requests for information from any source: journalist, member of the public etc.
- Important to remember under all these policies that we can be asked for details down to transaction level.
- Another lens to use to consider if expenditure is appropriate.

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Key Policies in this space

- Sensitive Expenditure Policy and Procedure
- Travel and Travel Related Costs Policy and Procedure
- Purchase Card Policy and Procedure
- Acceptance of Gifts, Benefits and Gratuities Policy
- Koha Payments Policy and Procedure
- Pacific Gifting Policy, Procedure and Guidelines

Key principles of sensitive expenditure

- have a justifiable business purpose;
- preserve impartiality;
- are made with integrity;
- are **moderate** and **conservative**, having regard to the circumstances;

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- are made transparently; and
- are appropriate in all respects.

Sensitive Expenditure Policy Key Features

Meals and alcohol

- \$65 per head for dinner, \$45 per head for lunch
- Where possible on University owned premises
- Alcohol infrequent event and normally only to accompany a meal.
- One standard drink with an evening meal. Mid-range and must not include spirits.
- University should only pay for the meals and alcohol of partners where the presence of a partner is of benefit to the University
- cost of staff travel from and to home for a University function is not a business expense so will not be paid by the University
- Café meetings
 - Café meetings between staff (or between staff and students) will not be funded by the University.



Sensitive Expenditure Policy Key Features (continued)

Recruitment dinners

- Dinners with staff and prospective candidates are acceptable for the recruitment of academic or executive positions.
- Dinners with staff and prospective candidates for the recruitment of all other professional staff positions are not acceptable except in exceptional circumstances

Sale of surplus assets to staff

- The University will not sell assets to staff or others at a value that is less than can be realised by sale on the open market.
- Sales must be approved by DVC, PVC, Service Division Head, then CFO

Loyalty reward scheme benefits

 As far as is practicable, staff should use loyalty rewards for the benefit of the University or for business-related activity.



Airpoints are an exception to this rule

Sensitive Expenditure Policy Key Features (continued)

Farewells and retirement functions

- The time of day, size and scale of the function should be commensurate with the staff member's length of service and role.
- It is not expected that formal farewell functions paid by the University will be held for staff with less than five years of service.
- Approval needs to be from person holding delegated authority and can come from person attending the event.
- Staff recognition, team building, retreats and Christmas functions
 - The one up principle applies except when the approver is just an invited guest rather than organiser or host of an event.
 - Low value events, such as morning teas, afternoon teas, and staff/student events can be approved by a Head of Department or Service Division provided they aren't frequent. Approver can be an attendee at event.
 - The University has an organisation-wide Graduation function and as such if departments wish to hold their own function these should be modest and reasonably priced.
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Sensitive Expenditure Policy Key Features (continued)

Donations

- All donations must be pre-approved by the Vice-Chancellor.

Giving gifts

- I. Farewells and retirements for staff with more than five years
- II. The bereavement of a close family member of a staff member
- III. On the occasion of a staff member's serious illness or accident
- IV. Recognition and thanks for unpaid work given by non-staff members for the benefit of the University
- V. A meeting, event or ceremony where the giving or exchanging of gifts is customary, other than Koha or Pacific Gifts which is covered elsewhere in these procedures and is subject to a separate policy.
- Any gifts up to and including \$100 must be pre-approved by the head of the Division responsible for the cost.
- Above \$100 requires VC approval via the CFO
- Gifts for other events (including births, engagements, weddings, birthdays, Easter and Christmas) will not be paid for by the University.



Acceptance of Gifts, Benefits and Gratuities Policy

- Key features:
 - As a general rule, staff should not accept a gift (whatever its nature or value) if the gift could be *seen by others* as either an inducement or a reward.
 - Where offers of gifts or inducements are made, they should be reported by the staff member to his or her manager or Head of Department, who will determine the appropriate response.
 - A bottle of wine at Christmas for the office may be acceptable - tickets to an event or ongoing personal discounts from a supplier are not.



Acceptance of Gifts - factors to consider

- · monetary value of the gift or benefit
- · how the gift or benefit would look to an outside party
- · reasons for the gift or benefit being offered
- the frequency of the gift
- whether the gift displays a company or organisation logo
- the value or importance of the gift or benefit to the employee
- commercial influence, actual or perceived, that the gift or benefit may represent.

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Purchase Cards – the risks

- Perception
- Frequently used in "high risk" areas or areas with high personal benefit like travel and entertainment.
- Temptation.

Purchase Cards – the benefits

- Easy to complete transaction.
- Processing time is significantly lower than staff reimbursements or invoice payment – great for small value/one off items.
- Transparent and reasonably easy to analyse.
- Should be a more effective approval process than invoice approvals.

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Purchase Card Policy

- There isn't a one size fits all policy on who should have a P-Card. Factors to consider include: travel, volume of minor transactions, regular expenses of P-Card nature.
- Supported by appropriate and relevant documentation.
- Cash advance facility (optional)
 - Must provide fully itemised receipts to demonstrate spend.
 - Must return unspent funds.
- Approval of monthly statements this should always be approved by the line manager, administration support person can prepare and review before approval.



Travel and Travel Related Cost Policy

- All international travel requires written approval from HoD/Service Division Head.
- Specific requirements for how flights are paid for.
- Upgrades must be justified normally available only on long haul travel when work required immediately after arrival.
- Book all overseas travel through Mandatory Travel Agent (MTA)
- Can use AirBnB for Business, only through MTA
- Can use Uber
- Cannot use electric scooters for business travel

Travel and Travel Related Cost Policy (continued)

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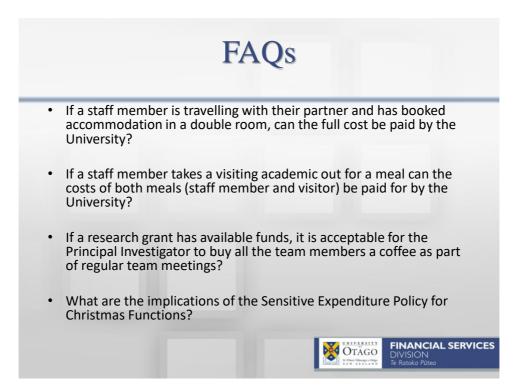
 Staff members may undertake private travel before, during, or at the end of travel paid for by the University. No additional cost to the University and the private travel is only incidental to the business purpose of the travel. Same deal for people accompanying. Make sure annual leave is booked!

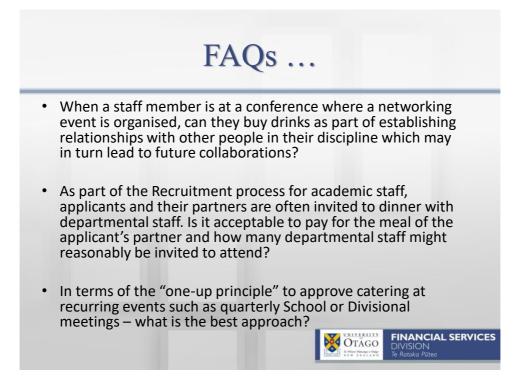
Travel club membership

- Membership of Air New Zealand Koru Club approved by the Pro-Vice Chancellor or Service Division Head.
- Staff member travels at least nine return trips in a calendar year on Air New Zealand, domestically and/or internationally, as part of their required University duties.

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Links

- <u>Sensitive Expenditure Policy</u>
- <u>Sensitive Expenditure Procedure</u>
- <u>Travel and Travel Related Costs Policy</u>
- <u>Acceptance of Gifts, Benefits and Gratuities Policy</u>
- Purchase Card Policy
- <u>Purchase Card Procedures</u>
- Koha Payments Policy and Procedure
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