

SENSITIVE EXPENDITURE AND GIFTS POLICY

Section	Finance
Contact	Chief Financial Officer
Last Review	November 2019
Next Review	November 2022
Approval	C19/147
Effective Date	November 2019

Purpose:

The purpose of this Policy is to:

- Set out clearly defined parameters for sensitive expenditure and gifts.
- Ensure that sensitive expenditure and gifts are assessed, authorised and reviewed consistently for all Massey University (the “University”) Members.
- Ensure all sensitive expenditure and gifts received meet standards of probity expected of a publicly funded organisation. It must have a clearly identifiable and justifiable business purpose or benefit, be made with integrity and be moderate, conservative and appropriate in all respects.

Definitions:

Sensitive expenditure is defined as:

- Expenditure by the University that provides, has the potential to provide, or has the perceived potential to provide a private benefit to an individual member of the University that is additional to the business benefit of the University; or
- Expenditure by the University that could be considered unusual when the University’s purpose and/or function are considered. Travel, accommodation, gifts and hospitality are examples of sensitive expenditure.

Member/s include members of Council, Committee Members, Students, Staff, Board Members and Contractors working for, and on behalf of, the University.

Policy:

This Policy must be read in conjunction with the Sensitive Expenditure and Gifts Procedures, the Travel Policy and Delegations of Authority Policy which form part of this Policy.

Sensitive expenditure and gifts are to be managed in accordance with the “Controlling Sensitive Expenditure: Guidelines for Public Entities”, published by the Office of the Auditor General.

The manager responsible for the relevant budget centre and the approver of any expenditure will be accountable for financial decisions that breach this policy.

All expenditure relating to this Policy must:

- be authorised by a manager with delegated authority as outlined in the Delegations of Authority Policy and in accordance with the Sensitive Expenditure and Gifts Procedures.
- comply with all policies and related documents (listed on page 3).

Under no circumstances should staff of equal or less seniority authorise expenses in relation to this policy.

Areas covered by this Policy include:

- Entertainment and hospitality (including alcohol) for internal and external events
- Hospitality or gifts received
- Hospitality, gifts and koha given
- Farewells and retirements
- End of year functions
- Welfare payments
- Papers and periodicals
- Professional memberships

Refer to the Sensitive Expenditure and Gifts Procedures for related spend limits and approvals required.

Reporting of Inappropriate Expenditure – Individual Responsibilities

Staff who consider there are grounds for enquiry into inappropriate expenditure must advise their manager or the DVC People and Culture or the Director Risk and Assurance, in accordance with the Fraud and Corruption Policy. Alternatively, disclosure may be made under the Protected Disclosures Act 2000, refer to the Disclosure of Serious Wrongdoing Policy and associated procedures.

Monitoring and Review

Compliance with this policy will be monitored through a programme of management review and internal audit. In addition, compliance with relevant legislation and “good business practice” is reviewed annually as part of the external audit programme and in accordance with good practice guidance detailed in ‘Controlling Sensitive Expenditure: Guidelines for Public Entities’ (Office of the Auditor-General, February 2007).

Exceptions

The Vice-Chancellor must approve exceptions to this policy.

Audience:

All members as defined above.

Relevant legislation:

Public Finance Act 1989 and amendments
Financial Reporting Act 1993 and amendments

Legal compliance:

Public Finance Act 1989 – The purpose of the Public Finance Act is to provide a framework for parliamentary scrutiny of the Government's expenditure proposals and the Government's management of its assets and liabilities. It also clarifies the lines of responsibility for effective and efficient management of public financial resources, spells out

minimum reporting obligations of Ministers and Departments and safeguards public assets by providing control over the borrowing of money.

Financial Reporting Act 1993 and amendments – The purpose of the Financial Reporting Act 1993 and amendments is to provide a framework for financial reporting. It also clarifies the lines of responsibility for effective and efficient reporting and outlines the minimum reporting obligations of parties.

Related procedures / documents:

[Sensitive Expenditure and Gifts Procedure](#)
[Credit Card Policy](#)
[Credit Card Procedures](#)
[Delegations of Authority Policy](#)
[Procedure for the Disclosure of Serious Wrongdoing \(Whistleblower\)](#)
[Procurement Policy](#)
[Procurement Procedures](#)
[Fraud and Corruption Policy](#)
[Reimbursement of Expenses Policy](#)
[Travel Policy](#)
[Travel Procedures \(Domestic and International\)](#)

Document Management Control:

Prepared by: Chief Financial Officer
Owned by: Deputy Vice Chancellor – Finance and Technology
Authorised by: Massey University Council
Date issued: November 2019
Last reviewed: November 2019
Next review: November 2022