

Valparaiso University

Business Purpose Description

Guidelines for Describing the Purchase Transaction

Business Purpose Description

When using University funds or requesting a reimbursement from University funds, documentation of a clear business purpose is required so that an approver, reviewer and /or auditor may reasonably conclude and agree that the expenditure is an appropriate business expense. The business purpose, which is defined as one that supports or advances the goals, objectives and mission of the university, adequately describes the expense as a necessary, reasonable and appropriate business expense for the University. All expenses must support a University Business Purpose.

Defining an Appropriate Business Purpose

The 5 “Ws” (Who, What, Where, When, and Why) can help you determine if the expense meets the criteria of a University business purpose.

Who –The documentation must note specifically who the expense is for or who was at the event funded by the University. Example – Business Guest Meal: John Smith, Staff and Mary Jones, Alumni.

What – The University needs to know what type of event or activity occurred, or what was purchased. All receipts or invoices must be itemized. For example: Gas 6 gallons at 2.15 per gallon; Flight for (name) from O’Hare to Orlando International Airport.

Where – Document where the business activity took place. For example: Airfare for AALS Conference New York – Mary Smith

When – Document when an event occurred. For example: 9-5-16 Grad Student Reception. Travel expense reports should include the beginning and the ending travel dates.

Why – Most importantly, substantiate why the expenses are reasonable and appropriate for the university. The “why” should include the primary reason for the expense.

In the Works System, the business purpose description field has a 64 character maximum.

64 Character Space Format Requested for the Business Purpose Description

Conference Registration Fee: MALP Conference 5/21/17 – Mary Smith

Airfare: MALP Conference 5/21/17 – Mary Smith

Lodging: MALP Conference 5/21/17 – Mary Smith

Bus/Taxi: MALP Conference 5/21/17 – Mary Smith –airport

Rental Car: MALP Conference 5/21/17 – Mary Smith

Rental Car Fuel: MALP Conference 5/21/17 – Mary Smith

Membership – NALP – Jerry Brown 2/01/17 – 1/31/18

Dinner w/Alumni John Green and his wife – Include names of employees in “add comment” field

Dinner: Candidate S. Fisher – Dean of Nursing – include names of employees “add comment” field

Custom Rubber Stamp – Dean’s Signature

Subscription Renewal for Joseph Black 7/01/16 – 6/30/17

Deposit for Indy Alumni Event 5/22/17

Online Journal: American Econ Assn 7/01/16 – 6/30/17

Book: Modern History – For Collection