



Internal Audit
Stop 8093
Pocatello, Idaho
83209-8093

Seven Tests to Determine the Propriety of University Expenditures

University expenditures will be considered proper if they meet all of the following seven tests:

1. The expenditures are in the best interests of the University and for official University business only.
2. The expenditures comply with all applicable federal and state laws and University regulations, policies and procedures.
3. The expenditures do not appear to, nor do they actually provide any personal benefit to any employee without there being a valid business benefit to the University.
4. The expenditures are within approved budgets as determined by the appointed account manager.
5. The expenditures are necessary to accomplish University business. Without the expenditures, objectives would be difficult or more costly to achieve, or the impact, level or quality of the achievement of these objectives would be reduced.
6. The expenditures are reasonable, meaning the quality and quantity of the goods or services were sufficient to meet, but not exceed, the identified need.
7. The appropriate level of management has approved the expenditures.