

Inappropriate Use of University Funds

FIN-ACC-I-330



About This Policy

Effective Date:

01-01-1996

Last Updated:

01-01-1996

Responsible University Office:

Financial Management Services

Responsible University Administrator:

Vice President and Chief Financial Officer

Policy Contact:

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and University Controller,
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Related Information

- * [I-50, Allowable Hospitality Expenses](#)
- * [I-70, Payments for Memberships in Social Organizations](#)
- * [I-80, Donations and Contributions to Other Entities](#)
- * [I-310, Moving Expenses](#)

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Policy Statement

Judgment should be utilized by Fiscal Officers, Account Managers and Account Supervisors in determining if expenditures are appropriate, given the fund group and the mission of the university. Indiana University, being a state institution is in a sensitive situation of using state appropriations and student fees in an appropriate manner. Since many of the other fund groups are supported by these revenues as well, the issue of appropriateness applies to all accounts.

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Reason For Policy

To ensure that the Fiscal Officers, Account Managers and Account Supervisors exercise judgment in determining if an expenditure is appropriate.

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Procedure

Departments who are unsure of the appropriateness of an expenditure should contact the office of the campus business officer for guidance. Financial Management Services will also provide guidance should a department wish to contact them.

Expenditures that are inappropriate with university funds might be allowable with an Indiana University Foundation account. The foundation should be contacted in regard to their policies.

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Definitions

An **inappropriate expenditure** is one that is not for the purpose of the institution; or proper. Specific examples of **inappropriate expenditures** that are not covered in other policies (see Related Information) are reimbursements to employees for normal expenditures they would incur from working, such as child care, including additional child care necessary for travel, the purchase of books, recordings, or magazines, to be utilized solely by employees during breaks, the donation of funds to another entity, or the entertaining of guests beyond normal allowable hospitality such as tickets to plays, movies, or sporting events.

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History

This policy was established on January 1, 1996.