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Name: **Budget Control – Capital Expenditure Request**
Policy Number: 4-2010
Origin: Financial Services
Approved: 1 August 1994
Issuing Authority: Director, Financial Services
Responsibility: Manager, Financial Planning
Effective Date: 1 September 2007
Revision Date(s): 1 September 2007

PURPOSE: Department heads are required to complete the "Capital Expenditure Request" for items that were not part of the original capital budget, or where the purchase price exceeds the previously approved Project Budget. Completed forms are to be forwarded to Financial Planning for review and assignment of a Capital Project FOAP (account).

COMPLETION:

Section A: The [Capital Expenditure Request](http://smu-web5.smu.ca/pages/financial-services/internal-forms.php) is available online on the Financial Services web page (<http://smu-web5.smu.ca/pages/financial-services/internal-forms.php>).

Section A is to be completed by the department. Select an asset type from the options available, provide a brief description of the asset and indicate the expected life expectancy.

Additional approvals are required as follows:

| <u>Asset Type</u> | <u>Approval Required</u> |
|---|------------------------------|
| Computer Hardware & Software | ITSS |
| Alterations & Renovations | Facilities Management |

Section B: Covers the sources of funding for the project and the required approvals. Depending on the source of funding different approvals are required:

| <u>Source</u> | <u>Approval Required</u> |
|--|--|
| Departmental Operating Funds | Dean/Division Manager and Executive |
| Admin Reserves and Contingencies | VP Administration |
| Academic Reserves and Contingencies | Dean and Academic Vice President |
| Ancillary Reserves | VP Administration |

Source
Research Grants
Information Technology Reserves
Capital Reserves - Faculties
Capital Reserves - Other

Approval Required
Grant holder
Director ITSS and VP Administration
Dean
Division Manager and Executive

Capital projects are funded to match transfers to actual expenditures during the fiscal year. Where the project was incomplete at year end funds will remain in the capital reserve to fund the project in the next fiscal year.

Capital budget envelopes are held in reserves and transferred to capital projects after expenditures are incurred. Any unspent balance remaining after a project is complete remains in the reserve to be allocated to future projects.

Funding from sources outside the capital budget approved by the Board will be transferred as expenditures are incurred. Once the project is complete any unspent balance will expire and therefore will not be transferred to other capital projects.

Section C: To be completed by Financial Services. Financial Services will provide the capital project expense FOAP (account).