

BUSINESS PURPOSE QUICK GUIDE

What is a business purpose?

- A business purpose is the business reason the Pcard was used to make a purchase with University funds. It is required for each purchasing card transaction per the GVSU Pcard Policy.

Elements of a business purpose:

- A business purpose should be written so that a person unfamiliar with University activities or someone several years from now (e.g., auditor) can read and understand the business purpose of the transaction.

Guiding Questions:

- WHO
 - Who attended the function or event?
 - What is the person's relationship to the University?
- WHAT
 - What is the item being purchased?
 - What is the item or service being used for?
 - What is the name of the conference or seminar?
 - What agenda items were discussed at the meeting?
- WHERE
 - Where did the function, conference or event take place?
- WHEN
 - When did the function, conference or event take place?
 - When was the expense incurred?
- HOW/WHY
 - How or why did this transaction benefit the University? Why was the transaction made?

Examples:

Good: Registration for John Smith to attend ISM Conference, May 18-24, 2016, Tempe AZ

Poor: Conference registration

Good: Annual subscription to "Education Monthly" magazine for office operations and data.

Poor: Magazine

Good: Atomic blasters for NIH secondary metabolites research

Poor: Equipment

Good: Ring binder indexes for Detroit alumni celebration reception

Poor: Office supplies

Good: Refreshment items for student worker (Sally Jones) farewell reception

Poor: Party / Luncheon

Good: Nuts and bolts to repair landscaping lawn equipment

Poor: Hardware