



Business Purpose

A business purpose and justification work together to provide an understanding as to how expenses relate to university business.

All expenses, whether via FredMart, Procurement Card, or a Travel Expense, require a business purpose. The business purpose is accomplished via a dropdown selection and will work with the comments sections which should be detailed to allow the reviewer to determine that the transaction was university related and that purchasing processes were followed.

A comment entry should answer four basic questions:

- What activity does the expense represent or how are the goods used?
- When did the activity occur?
- Where did the activity take place?
- Why or how does the expense relate to university business?

Selecting Business Purpose on FREDmart Requisition

To capture that information, you will now be able to choose the “Business Purpose” via a dropdown on the requisition in FredMart and add any details via the “comments” tab on the requisition.

The image shows a screenshot of the FredMart requisition form for requisition 4013436. The form is divided into several tabs: Summary, Taxes/S&H, and PO Preview. The Summary tab is active, showing a 'General' section with fields for Cart Name, Description, Priority, Prepared by, Prepared for, Owner Phone, Campus, Department, Business Purpose, and Business Purpose. The Business Purpose field is highlighted with a yellow circle and is currently set to 'no value'. A dropdown menu is open, showing a list of business purpose categories under 'Profile Values' and 'Organization Values'. The 'Business Purpose' field is marked as 'Required'.

Field	Value
Cart Name	2024-04-30 FRE-MILLERSK 01
Description	no value
Priority	Normal
Prepared by	Shari Miller
Prepared for	Shari Miller
Owner Phone	+1 716-673-3438
Campus	Fredonia (28180)
Department	PURCHASING (PURCHASING-FRED)
Business Purpose	no value

Profile Values

- CONFERENCE/REGISTRATION FEES
- EDUCATIONAL SUPPORT
- INTERCOLLEGIATE ATHLETICS
- MAINT AND OPERATION PHYSICAL PLANT
- MEMBERSHIP/SUBSCRIPTIONS/LICENSE FEES
- OTHER
- RECRUITMENT/RETENTION
- RESIDENT HALLS
- TRAINING

Organization Values

- ACADEMIC SUPPORT -
- AGENCY FUNDS -
- AUXILIARY OTHER -
- EDUCATIONAL OPPORTUNITY CENTER -
- EDUCATIONAL SUPPORT -
- FOOD SERVICE -
- GENERAL ADMINISTRATION -



Choices for the drop down business purpose are listed below:

- **Conference/Registration fees** – Expenditures that are part of a conference or workshop that are not travel related expenses. Some examples of these expenses are registration fees and reference materials that are sold at the conference that are University property.
- **Educational Support** – Expenditures that include departmental administration, libraries, museums, educational media services, academic computing support, and course and curriculum development. Some examples are approved software, art supplies and mediums, and books.
- **Intercollegiate Athletics** – Expenditures that support intercollegiate athletics such as equipment and transportation.
- **Maint and Operation Physical Plant** – Expenditures of current operating funds for the administration, supervision, operation, maintenance, preservation, and protection of the institution’s physical plant.
- **Membership/Subscriptions/License fees** – Expenditures paid for memberships, subscriptions, and licenses that are in the name of the University and that support the University or when they are required for the position. All must be in the name of the University.
- **Other** – Should only be chosen when the procurement of goods or services do not fit in any other category.
- **Recruitment/Retention** – Expenditures that are specific to organized events that recruit new students or employees or retain existing students.
- **Resident Halls** – Expenses that support resident halls.
- **Training** – Expenditures that support employee training.

Frequently Asked Questions

1. Is the business purpose mandatory?

Yes, your requisition will not advance to the next step without choosing a purpose.

2. Does the business purpose field take the place of putting the business purpose in “comments” on the requisitions?

No, they work together. The business purpose is a category and will be used for running reports to satisfy System Admin. The “comments” section is your further explanation of the university purpose. Things that are stated in the “comments” field are similar to: “Supplies to be used by ARTS 222” (noting what class the supplies are for) or price justification listing additional quotes (vendor A pricing = \$2600, vendor B pricing = \$3200, and vendor C pricing = \$3000).

3. What happens if a requisition has two business purposes?

Chose the business purpose that holds the most value on the requisition.