



## Fiscal Guidance for Direct Expenditures

Fiscal Services

April 16, 2020

Now more than ever, we must be vigilant stewards of university resources, as cost management is everyone's responsibility. We will be incurring substantial financial losses, and the timeline for recovery is unknown. We must slow direct expenditure spending, defer costs, and eliminate, reduce and/or delay non-critical expenses for the remainder of FY2020 and into FY2021 (excluding expenditures funded by grants or solely by participant fees).

We recommend units consider the following questions prior to authorizing any purchase:

- Can this purchase be eliminated or temporarily suspended?
- Are all aspects of the purchase essential at this time, or are components ancillary to the core purchase, and potentially not necessary?
- Can the estimated quantity or frequency of the purchase be reduced or deferred to a later date?
- Is there already a negotiated contract that can be used? Exceptions to standardized contracts will be flagged for additional review
- Is this item available in surplus located at Central Receiving or available elsewhere in the university?

For existing contracts, Procurement is following up with contract owners to determine if current services can be reduced.

Possible considerations for reducing certain discretionary commodities:

**Advertising and Printing:** Media purchases and printing for promotional items should be reviewed to ensure that there is a clear need or return on investment.

**Consultants:** Consulting projects not already in progress should be considered for deferral, with exceptions for projects that provide a critical strategic benefit.

**IT Hardware, Software and Audio/Visual:** Purchases and/or replacements should be deferred unless essential for operations. Existing equipment that is sufficient should not be replaced or upgraded at this time. All new purchases should align with [ITS standards](#).

**Travel, Conferences, Catering and Business Meals:** Consider whether business can be performed remotely to avoid the cost of in-person travel. Catering and business meals should be considered essential for the participants if incurred.

**General Office Equipment, Furniture and Supplies:** Upgrades to existing functional equipment should be deferred at this time. Only those items that are essential to conducting day to day operations should be purchased.

*Please contact your unit/division financial manager with additional funding or budget questions.*