

# Policy: Capital and Investment Expenditure Project Prioritisation

## Purpose

This Capital and Investment Expenditure Project Prioritisation Framework provides guidance and templates for relevant ANU Staff on the processes for seeking approval to undertake a capital or operating expense project.

This guidance includes:

- financial and non-financial justification for the project;
- project risk management requirements;
- project governance, reporting and control requirements.

## Overview

This policy has been created to provide a mechanism for the consistent assessment of capital and investment projects on both a financial and non-financial basis, to ensure that project risks are appropriately managed, that sufficient governance and reporting structures are in place to ensure that project objectives are met and that the University's position is maximised from a procurement and legal perspective.

## Scope

This policy applies to all ANU staff that are seeking to undertake a Capital or Investment Expenditure Project.

## Definitions

**Capital Expenditure Project** – Any project where funds are expended on Assets, as defined in the [procedure for Assets](#).

**Investment Expenditure Project** – Any project where operating funds will be expended, which are greater than \$1.5 million, are non-recurring in nature and relate to strategic projects rather than ongoing operations.

## Policy statement

1. Prior to commencing a Capital or Investment Expenditure Project, the responsible ANU Staff member completes the applicable sections of the Capital and Investment Expenditure Project business case template (refer to the reference documents available on [Capital and Investment Expenditure Project Prioritisation Framework](#)).
2. The project sets out clear objectives including links to the [ANU Strategic Plan](#).
3. All relevant stakeholders to the project are identified and an [Implementation and Communications plan](#) reflecting the engagement strategy is documented.
4. The business case presents all feasible options considered for the project, along with the recommended option.
5. A full financial analysis is provided including upfront and ongoing capital costs, operating costs, revenues, cost savings and decommissioning costs, to the extent applicable. Costs and revenues are whole of life of the project and whole of University.
6. Where external funding (debt or equity) is used for the project, relevant details are set out.
7. A full risk assessment is undertaken in accordance with the [ANU Risk Management Framework](#).
8. Appropriate governance structures and mechanisms are in place for the project in accordance with the [University's Project Management policy](#).
9. Approval for the Capital or Investment Expenditure project is obtained in accordance with the [University's Delegations Framework](#).
10. Once approval has been obtained Capital or Operating Investment projects are managed in accordance with
  - a. ANU Financial Delegations
  - b. ANU Risk Management policy
  - c. ANU Procurement policies and procedures
  - d. ANU Project Management structures as outlined in the Capital or Investment Expenditure Project Business Case
  - e. ANU Project Reporting mechanisms as outlined in the Capital or Investment Expenditure Project Business Case

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