

## Interim Thresholds for Approval of Capital Expenditure by the Secretary of Education

### 1. Budgeted capital expenditure:

A capital expenditure commitment or transaction, or related series of transactions, is deemed to be within the Secretary's approved limits of cost and risk where:

By entering into the relevant commitment or transaction, the NZIST or subsidiary will not exceed its capital expenditure budget;

AND

The value of the commitment or transaction, or related series of transactions, is less than \$2 million.

Where the **Budgeted expenditure** means expenditure provided for in the annual budget for the current year that was approved by the Council of the prior Institute of Technology or Polytechnic (ITP).

### 2. Un-budgeted capital expenditure:

A capital expenditure commitment or transaction, or related series of transactions, is deemed to be within the Secretary's approved limits of cost and risk where:

By entering into the relevant commitment or transaction, the NZIST or subsidiary will exceed its capital expenditure budget;

AND

The value of the commitment or transaction, or related series of transactions, is less than \$1 million.

AND

The aggregate value across the Institute of such transactions does not exceed budgeted capital expenditure by more than \$5 million.

Where **Institute** means the NZIST subsidiary undertaking the capital expenditure, or NZIST (the unconsolidated parent entity) if it is undertaking the capital expenditure.

Where the **Un-budgeted expenditure** means expenditure that is not provided for in the annual budget for the current year that was approved by the Council of the prior ITP.

### 3. Any other capital expenditure:

Any capital expenditure or commitment, or related series of transactions, not falling within the above 1) and 2) requires the Secretary's consent, unless:

Such consent has already provided in writing, OR the relevant commitment or expenditure has been approved by the Secretary as part of an approved capital plan.