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ANNUAL CAPITAL EXPENDITURE (CAPEX) PLAN

Section	Finance		
Approval Date	16.08.2010	Approved by	Executive Team
Next Review	13.01.2023	Responsibility	Executive Director: Finance and Campus Services
This Review	13.01.2021	Key Evaluation Question	6

PURPOSE

To provide up-to-date resources for education and training at Nelson Marlborough Institute of Technology (NMIT) Ltd.

SCOPE

- 1 Furniture, plant and equipment
- 2 Computer hardware and software
- 3 Motor vehicles
- 4 Library stock
- 5 Individual capital works (Refer to Capital Asset Management Plan)
- 6 Specialist equipment for programme delivery

RESPONSIBILITY

Executive Director: Finance and Campus Services and the **Executive Director: Demand Management** consult with Business Support Managers and Curriculum Directors.

Chief Executive and the **Executive Director: Finance and Campus Services** approve capex budget as part of annual budget cycle for subsequent approval by NMIT Board

PROCEDURE

Seek capital requests from all managers.

Agree annual budget sum for each category (refer SCOPE).

Any capex over \$500,000 requires a full business case (including Net Present Value or Discounted Cash Flow modelling) and NMIT Board approval.

Prioritise requests for each category according to strategic need and business benefits.

Agree annual capex budget (forming part of the Capital Asset Management Plan).

Incorporate capex budget into NMIT budget for Board approval.

Receive costed, justified capital expenditure requests using capex business case format

Delegate purchasing responsibility for individual capital items to managers, within their approved budgets once approved by the Board.

All capital expenditure requires the approval of the relevant Curriculum or Executive Director based on the delegated approval limits from the Chief Executive.

Once approved by the Board as part of the annual budget, capital expenditure requisitions can be submitted by budget managers for approval as follows:

1. Capital expenditure up to \$25,000: approval required by Curriculum or Executive Director
2. Capital expenditure up to \$50,000: approval required by Executive Director
3. Capital Expenditure between \$50 – 100,000: approval required by two Executive Directors
4. Capital expenditure over \$100,000: approval required by Chief Executive

REFERENCES

INTERNAL

[Budgets and Forecasts Procedure](#)
[Capital Asset Management Planning](#)
[Procurement and Purchasing Policy](#)

EXTERNAL

External accreditation requirements
Health and Safety at Work Act 2015 and associated Regulations