

COMPTROLLER POLICY MANUAL

 NORTHERN ARIZONA UNIVERSITY	POLICY: CMP 119
	Section: 100 General
	Page 1 of 1
	Responsible office: Comptroller
	Origination date: 01/01/2000
Subject: Public Purpose Served	Effective date: 01/01/2000
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PURPOSE

To provide background information on the importance of documenting public purpose served

SOURCE

Arizona Accounting Manual

CMP 119: Public Purpose Served

Public Purpose - public funds are to be expended only for public purposes and cannot be used to foster or promote purely private or personal interests of any individual (Arizona Constitution Article 9, Section 7, Note 4). Dispensation of public funds must serve a public purpose; and, the dispensing public entity must receive "consideration" which is not so inequitable and unreasonable that it amounts to an abuse of discretion, thus providing a subsidy to the private entity. While no hard and fast rule can be formulated, each case must be decided with reference to the object sought to be accomplished and the manner in which such object affects the public welfare.