

BF 1. Budget Preparation Policy

Title:	Budget Preparation Policy
Policy Number:	BF 1/04, 2017
Effective Date:	April, 2017
Issuing Authority:	VP of administration and Finance

1. RATIONALE

Budgeting is a process to ensure that resources are directed towards meeting the priorities of RHU, revenues and expenses shall be budgeted in a comprehensive manner and changes in budgetary expectations shall be forecasted and managed.

The budget process serves as the primary planning and control tool for linking RHU's various programs and financial resources necessary for its success. Budgets shall be finalized and entered into RHU's financial system before the beginning of each fiscal year. Budgets shall include both operating and capital components, which shall be aligned to reflect the effects of capital activity on the operating budget.

The BOT shall approve the budget requests.

The Finance director shall have the responsibility of preparing, reviewing and monitoring the approved budget.

Each Director/ Dean has the responsibility of preparing budget proposals for submission as part of the annual budget development process. The budget requires an understanding of the major budget components by the Academic and Research departments/centers and unit heads. Responsibilities for budget details are typically delegated to faculty and staff, who have operational decision-making authority. Departments, colleges and Research Centers are responsible for accurately budgeting revenues and associated expenses for all their activity groups

Under the direction of the Vice President for Administration and Finance, the Finance director or delegate shall propose the format and the structure for the submission of budget proposals and shall assist Vice Presidents, Deans and Department Heads in the creation of plans and may also provide a set of centrally supported financial planning tools to help in the creation of specific proposals as well as the entire process of financial planning, monitoring, and reporting.

2. Budget planning Calendar

A budget planning calendar is a schedule of the dates by which budget information must be submitted by deans and directors.

Budget schedule	Objective	Input	Process
September (current financial year)	To review the budget base & updated it as needed	Current year's approved budget appropriations to serve as the base	Finance Team works on the base budget, reviewing it and make any planned changes to be presented to the <u>Budget Committee</u> and to be sent to the Budget holders
October (current financial year)	To complete the enhancement budget (requests based on <u>unit strategic plan</u>) by units	Enhancement budget templates; enhancement budget instructions; RHU strategic plan; unit (academic and non-academic) last academic year's assessment report; VP/Admin letter with emphasis on SP alignment; Academic Program/Admin/Educational/Research Unit Review decisions by the Academic and Administrative Advisory Boards (if a review was recent)	Budget Holders analyze the inputs and fills out budget templates; send the output to the <u>Budget Team</u> .
November-December (current financial year)	To finalize the budget by the <u>Budget Committee</u>	Filled enhancement budget templates prepared by all units; special requests for new initiatives; Budget Narrative, current budget status data (at the unit level); related Academic and Administrative Advisory Boards directions, if any	<u>Budget Committee</u> , reaches to the Budget Team to tabulate the information, reviews the enhancement budget requests and any requests for new initiatives; makes decisions on allocating enhancement fund from the current budget if possible; meets heads of units to discuss their budget requests; develops the first comprehensive budget, then forwards it to the Administrative Advisory Board and President for approval.
January (current financial year)	To approve the 1st budget proposal by the Administrative Advisory Board and President	1st budget proposal and Budget Narrative	<u>Administrative Advisory Board</u> discusses the proposal and recommends it to the President
February (current financial year)	To secure the BOT 1st approval of the budget	1st budget proposal, Budget Narrative and President approval	BOT discusses the budget submitted by the President and makes decision
June-July	To Prepare the second budget	1st budget proposal and updated data	Budget team will update the budget figures such as revenue
July-August	To secure the Admins Board and president approval on the 2nd budget proposal	2nd budget proposal and Budget Narrative	Administrative Advisory Board discusses the proposal and recommends it to the President
August (current financial year)	To secure the BOT 1st approval of the budget	2nd budget proposal, Budget Narrative and President approval	BOT discusses the budget submitted by the President and makes decision
August-September (current	To allocate the approved budget	Final and approved budget	Finance Team works on allocating the approved Budget

3. STAKEHOLDER IMPACT AND SCOPE

It is the responsibility of each RHU upper management, deans and directors.

4. APPROVAL AND REVIEW

Approved by RHU Administrative Board on October 22, 2024