



Title: Budget Procedures

Code: GU-PR48BUD

Version: 3.1

Date of Issue: 2023

Effective Date: November 2023

Approval Authority: University Council

Document Owner: Chief Operating Officer

Review: The procedures are subject to periodic reviews as per amendments
of university budget policy

1. Purpose

The purpose of this document is to describe the procedures to be followed for the preparation, approval, and control of budgets at Gulf University . It also outlines the responsibilities of relevant staff holding budgets at the University.

2. Scope

The document applies to staff engaged in the preparation and management of budgets for all academic and non-academic units at Gulf University.

3. Acronyms

BOT	Board of Trustees
BQA	Education and Training Quality Authority
COO	Chief Operating Officer
DFA	Delegation of Financial Authority
FY	Fiscal Year
GU	Gulf University
HEC	Higher Education Council
HOD	Head of Academic Department

4. Definitions

Budget: Budget is the main tool of financial control that contains all projected revenues and expenditures of academic and administrative operational activities of the University.

Delegation of Financial Authorities: This defines the authorized individuals at the University, who can spend within the approved budget.

Fiscal Year: This is the period used for accounting purposes and preparing the financial statements of the University.

5. Procedures

5.1 Setting Budgets

- 5.1.1 Budgets for each academic and non-academic unit at the University are established as part of their annual planning.

- 5.1.2 Manager of Finance Department/Senior Accountant shall meet, during November of every year, Deans of Colleges, Heads of Units and Centers, and Managers of Administrative Departments and share with them the financial information for the last year, information relating to the University's mission and objectives, the estimated expenditure and income in the current year, anticipated inflation relating to income and expenditure and any other change which are likely to impact on finance.
- 5.1.3 Deans, in collaboration with HODs shall prepare the draft College's budget (including budgets for the Departments within the College) for the coming year, based on the activities planned to be undertaken in the coming year and proposed capital equipment/expense to be incurred in the coming year.
- 5.1.4 Similarly, Heads of Units and Centers, and Managers of Administrative Departments shall prepare their draft budget for the coming year based on the activities planned to be undertaken in the coming year and proposed capital equipment/expense to be incurred in the coming year.
- 5.1.5 All draft budgets shall be sent to the Finance Department before the end of December.

5.2 Developing University Budget

- 5.2.1 The Manager of Finance Department/Senior Accountant shall develop an "initial budget" before end of January, based on compilation of draft budgets received from all academic and non-academic units at the University and shall present it to COO for review.
- 5.2.2 Simultaneously, the COO shall meet with Vice President for Academic Affairs, Deans of Colleges, Heads of Units and Centers, and Managers of Administrative Departments to gather input on enrollment projections, attrition statistics, fundraising goals, and general needs of the University.
- 5.2.3 The COO shall review the initial budget and shall provide the Manager of the Finance Department/Senior Accountant with suggested modifications as necessary.
- 5.2.4 Manager of Finance Department/Senior Accountant shall consider the suggestions made by COO and shall prepare the "Preliminary University budget" before end of February, followed by sending it to University Council.

5.3 Budget Approval

- 5.3.1 The University Council shall review the preliminary budget and shall either recommend it for final approval by BOT or resend it back to the Finance Department for further modifications.
- 5.3.2 In case of further modifications are asked for by University Council, Manager of Finance Department/Senior Accountant shall finalize the preliminary budget in collaboration with COO, followed by sending the final budget to University Council for consideration and processing for final approval.
- 5.3.3 In all cases, the University Council shall send the finalized “University Budget” to BOT before end of April.
- 5.3.4 President of University shall present the “University Budget” to Board of Trustees at the Board meeting (in May/June) for final approval.
- 5.3.5 The President of University shall forward the approved budget to Finance Department, who shall inform all academic and non-academic units at the University about the approved budget.
- 5.3.6 In case of any modifications/suggestions are asked for by BOT, the President of the University, in collaboration with COO and Finance Department, shall immediately finalize the budget and present it to the BOT for final approval.

5.4 Implementing and Monitoring of Budget

- 5.4.1 Based on DFA, the University Authority Matrix has been set up and shall provide a framework of financial authority of the different budget holding bands.
- 5.4.2 Budget holders must ensure that all expenditures are incurred in accordance with GU procurement policy and Financial Regulations.
- 5.4.3 Budget holders shall seek to use resources economically, efficiently, and effectively, such that maximum benefit can be gained from the available funds and to ensure that funds are used for the intended purposes.
- 5.4.4 Budget holders shall ensure regular monitoring of the progress of their budgets, the actual and future expenditure, and the balance of budget remaining.
- 5.4.5 Budget holders shall conduct regular meetings with the Manager of the Finance Department/Senior Accountant to identify and agree on any actions needed.

GULF UNIVERSITY FINANCIAL AUTHORITY MATRIX
For Financial Commitments ³

Authority	Position Applicable	Contracts ¹	General Expenditures	Request for proposal (RFP) (Quote, Tender, Tender Waiver) ²	Expression of Interest (EOI) (Quote, Tender, Tender Waiver)	Travel	Hospitality
Band 1	Board of Trustees	Up to approved Budget					
Band 2	President	Up to 15K BD	10- 15K BD (Contract required)	Approve tender waiver per expenditure level	Approve tender waiver per expenditure level	Approval across full process	Per delegation Band 5
Band 3a	Vice President	Up to 10K BD	5- 10K BD (Contract required)	Approve tender waiver per expenditure level	Approve tender waiver per expenditure level	Approval across full process	Per delegation Band 5
Band 3b	Research Directorate		Up to 3% of the Revenues.			Primary approver	
Band 4	Chief Operation Officer	Up to 10K BD	5- 10K BD (Contract required)	Approve tender waiver per expenditure level	Approve tender waiver per expenditure level		In excess of GU Guidelines.
Band 5	Deans		3K - 5K BD (Contract required)				Managed in conjunction with delegation Band 6
Band 6	Head of Departments, Head of student services, Librarian, Registrar, Human resources,		Less than 3K BD (Contract required)				Within GU Guidelines (20 BD per head)

¹ Delegation of signing authority document is required.

² Tenders and waiver process must be followed as per GU procurement policy.

³ Delegation of Financial Authority Policy is required.

6. Responsibilities

Academic and non-academic units are responsible for:

- following this document appropriately.

Heads of Departments and Deans are responsible for:

- following this document appropriately.

Heads of Units and Centers, Managers and Directors are responsible for:

- following this document appropriately.

Finance Department is responsible for:

- appropriate implementation of this document.

Chief Operating Officer is responsible for:

- appropriate implementation of this document.

Vice President for Academic Affairs is responsible for:

- appropriate implementation of this document.

University Policy Development and Review Committee is responsible for:

- systematic review of the effectiveness of this document.

7. Related Policies

- Budget Policy
- Financial Authority Policy
- Procurement Policy

8. Related Procedures

- Procurement Procedures

9. Related References

BQA	Institutional Review Handbook
HEC	Academic and Financial Regulations