

Financial Needs Policy

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Policy Owner:	<i>General Department of Finance and Accounting</i>

1. Purpose

The Financial Needs Policy of UBT is established to ensure effective management and allocation of financial resources to meet the operational requirements of all academic and administrative units. This policy outlines mechanisms for addressing financial needs within approved budgets and those arising outside the approved budget, promoting a seamless and transparent process that aligns with the university's strategic goals and fosters responsible financial stewardship.

2. Scope

This policy applies to all academic and administrative units of UBT, encompassing both operational expenditure (OPEX) and capital expenditures (CAPEX) needs. The policy differentiates between financial needs that fall within the approved budget and those that emerge outside the approved budget. The policy applies to all UBT branches and campuses.

3. Definitions & Acronyms

• Definitions

Term	Definition
Financial Needs:	Specific resource requirements, including funds, necessary for academic and administrative units to fulfill their operational and strategic objectives
OPEX	Operational Expenditures, ongoing expenses required for the day-to-day functioning of the university.
CAPEX	Capital Expenditures, investments in long-term assets such as infrastructure, equipment, and facilities.
Force Majeure	Unforeseeable circumstances beyond human control that may impact the university's operations and finances
Central Annual Budget Committee:/ Finance and Budgeting committee	A committee responsible for preparing, reviewing, and recommending the annual budget of the university. The committee includes various sub-committees covering all colleges, administrative unit, centers and support services.
University Council:	A governing body responsible for reviewing and endorsing the annual budget.
Board of Trustees (BoT):	The highest governing authority responsible for approving the annual budget and overseeing financial matters.

4. Responsibilities

- Central Annual Budget Committee: Comprising representatives from academic colleges, administrative units, and general department of finance and accounting This committee is tasked with preparing the annual budget and evaluating financial needs.
- University Council: Responsible for reviewing and endorsing the annual budget, ensuring its alignment with the university's strategic priorities.
- Board of Trustees (BoT): Holds the authority to approve the annual budget, overseeing the allocation of financial resources.
- Deans and Department Heads: Responsible for identifying, communicating, and justifying financial needs within and outside the approved budget for their

respective units. Deans and Department heads approve budget utilization request as per UBT finance bylaws and defined limits (please clarify the document including the same as per our meetings and discussion)

- General Department of Finance and Accounting: Coordinates the evaluation of financial needs, ensures compliance with financial regulations, and supports the iterative budget revision process. The finance department is responsible of developing any forms and or procedure as part of the implementation of the policy statements and regulation.
- UBT executive and managers: Revise and approve utilization request of their relative depending units with compliance to UBT financial bylaws and approval limits.

5. Policy Principles

- Strategic Alignment: Financial needs and budget allocation shall be aligned with the university's strategic goals and mission, fostering optimal resource utilization.
- Transparent Process: The policy advocates for a transparent and accountable process for identifying, evaluating, and addressing financial needs.
- Effective Resource Allocation: Financial resources shall be allocated efficiently to support the growth, development, and success of academic and administrative units.
- Flexibility: The policy accommodates financial needs both within and outside the approved budget, enabling responsiveness to emerging opportunities and challenges.

6. Policy Statement

6.1 Budget Preparation and Allocation: The Central Annual Budget Committee, comprising representatives from academic and administrative units, general department of finance and accounting, and vice presidency and deanship representative, shall prepare the annual budget. The budget preparation process includes assessing projected revenue, estimating expenses, and identifying financial needs for academic and administrative units. The budget shall be developed in alignment with the university's strategic priorities and approved through a collaborative and iterative process with UBT managers (VP, Deans, Department Heads). The University Council shall review the prioritized budget, and upon endorsement, the budget will be submitted to the Board of Trustees for final approval.

6.2 Financial Needs Within Approved Budget: Academic and administrative units shall prepare and submit their financial usage requests related to needs within the approved budget and submit it to the appropriate line manger, The approval of utilization request related to budgeted financial needs follow UBT approval

matrix (please refer to XXXX we need the document where such is summarized please, this was promised with a summary of financials elements instead we got all the old ppms to finance which are not practical for us to go through all these documents. They still do not answer our requested info). Up on approval, the general department of finance and accounting is responsible of assuring appropriate implementation and execution of the usage request.

6.3 Financial Needs Outside Approved Budget: Vice Presidents, Deans and Department Heads may submit requests for financial needs outside the approved budget. In such case requests are first evaluated by the immediate superior and may be either rejected or endorsed for higher level approval. Once reaching a deanship or vice presidency level, and if endorsed, requested will be analyzed by the finance department for recommendation on suggested paths and alternative to cover the requested needs. This includes (but not limited to) moving funds between budget rubrics and items, using reserve provision, requesting for additional exceptional budget etc. The financial need requests along with the general department of finance and accounting's recommendation are submitted to the university president for final decision. The president has the delegation of authority to move items between budget and to submit a request to the BoT for additional budget accordingly.

6.5 CAPEX Needs and Strategic Investments: Capital expenditure needs, including those for infrastructure, equipment, and facilities, shall be identified and communicated by academic and administrative units. The Central Annual Budget Committee shall assess CAPEX needs based on strategic importance, potential impact, and available resources, and incorporate them into the annual budget.

6.6 Force Majeure Needs: In the event of unforeseen circumstances classified as force majeure, academic and administrative units may submit urgent financial needs requests outside the approved budget following the same previously described approval chain. The general department of finance and accounting reviews the force majeure financial needs, assessing their validity, urgency, and impact on the university's operations. Approved force majeure financial needs shall follow the established approval chain with an accelerated timeline to ensure timely response and support.

6.7 Resources Allocation and Stewardship: The university's annual budget shall be prepared with a focus on equitable resource allocation, efficient use of funds, and advancement of strategic initiatives. The Central Annual Budget Committee shall collaborate with academic and administrative units to ensure that resources are directed towards priority areas while maintaining fiscal responsibility.

By implementing this comprehensive Financial Needs Policy, UBT seeks to establish a transparent, accountable, and efficient mechanism for addressing financial needs that support academic and administrative excellence, strategic growth, and the successful achievement of the university's mission and objectives. Through responsible financial management and collaborative decision-making, the university aims to optimize its resources and ensure the continued advancement of its educational and research endeavors.

7. Related Documents

This includes the following: (in hierarchical order), legislation, policies, other procedures and standards, guidelines, and other useful resources

Document No.	Document Name	Document Type	Location
	UBT Financial Approval Matrix ??		
	UBT Finance bylaws??		

8. Version Control & Revision History

Version control	Date released	Approved by	Summary of changes
Version 1.0	03/08/2023		
Version 2.0	15/08/2023		

9. Approvals

[Council/Board] [Chair Name] [Signature] [Date]

[Council/Board] [Chair Name] [Signature] [Date]