

Document Information

1. Document Details

Title:	Budget Policy
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Version No:	1
Status:	Approved

Important Note: If the 'Status' of this document reads 'Draft', it has not been finalised and should not be relied upon.

2. Revision History

Version	Revision Date	Summary of Changes	Changes tracked?
1	Dec 2020	Creation of a Budget Policy for MTU	-

3. Relevant Existing/Related Documents

Technological Universities Act 2018
Existing Budget Process, Resource Cases Process, ECF Process

4. Consultation History

This document has been prepared in consultation with the following bodies:

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5. Approvals

This document requires following approvals (in order where applicable):

Name	Date	Details of Approval Required
Governing Body	22/01/2021	Approval of the Policy

Budget Policy

1. Purpose

The propose of the budget policy is to facilitate the business planning process of the University to achieved it mission and goals, within its financial strategy.

2. Basis for Policy

The University is required to prepare and submit a budget comprising of its expected income and expenditure for the financial year to the Higher Education Authority (“HEA”) by a 1st April or other prescribed date on an annual basis under section 20 (2) of the Technological Universities Act 2018.

The Act (section 20) sets out the role of the Governing Body and President in approving the budget and where a course of action will result in expenditure exceeding income (deficit).

3. Scope

This policy applies to all income and expenditure of the Institute, irrespective of source. It includes:

- (a) Academic & Non-Academic Recurrent Budgets
- (b) Research Grants & Contracts Budgets
- (c) Student Services Budget
- (d) Capital Budgets

4. Financial Strategy

The University shall have a balanced budget i.e. expenditure should not exceed income in any financial year. The University may, however, adopt such financial strategies to ensure there are sufficient revenue reserves to cope with unexpected events, reinvest in its activities or build capital reserves for projects approved by the Governing Body.

5. Approval and Modification of the Budget Policy

Any modification to the Budget Policy shall require the approval of the Governing Body.

Annual Budget

6. Annual Budget

The University shall prepare an annual high-level budget, known as the “Programmes & Budgets” which shall include all expected income and expenditure. The budget shall incorporate the HEA budget template and may include additional information to facilitate the University’s financial planning. The Programmes & Budget is prepared by the Finance Office in consultation with the University’s Executive and Heads of School.

7. Annual Budget Timeline

The Programmes & Budgets will be prepared in advance of the financial year (commencing 1st September). It should be approved by the Governing Body by 1st April or other date as prescribed by the HEA per the Technological Universities Act 2018.

8. Annual Budget Approval

The Draft Programmes & Budgets is presented to the appropriate Committee of the Governing Body for review and that Committee will present their recommendation to the next meeting of the Governing Body for approval. Following Governing Body approval, the Programmes & Budgets are provided to the HEA.

9. Implementing the Budget

The President is responsible for implementing the approved Programmes & Budgets. It is implemented by the allocation of funds to various units within the University. There are four distinct budget areas as set out in the scope of the policy.

9.1 *Academic Areas and functions funded from Recurrent Grant and Tuition Fees.*

The budget is allocated by the President to the Heads of the various Faculties/Schools and functions.

9.2 *Certain Student Services*

A capitation amount per student is agreed on an annual basis and authority to allocate this budget is devolved to the Student Services Finance Committee by the President.

9.3 *Research Grants and Contracts*

Budgets for individual grants and contracts are usually set by the funder. Authority to raise these budgets is devolved by the President to the Finance Office provided the budget is in line with the funding provided and does not require a budget contribution from the recurrent grant.

9.4 *Capital Projects*

Capital projects may be funded from external source, specific state grants or from within the Institutes own resources. Irrespective of the funding source, budgets for capital projects must be approved by the President.

Budget Preparation, Monitoring & Control

10. Budget Preparation

The Finance Office will prepare a Budget Process document for each annual Programmes & Budgets cycle which will set out how the budget is to be prepared. It shall include information on budget planning and preparation in the areas of Income and Pay, Non-Pay and Capital expenditure. It should also include a timeline and any other information relevant to the process.

11. Additional Budget Request

Where there is a proposal to employ additional staff, restructure a function, commence a capital project or request additional budget that was not included in the approved Programme and Budgets then these proposals are dealt with via a Resource Case. A materiality limit of €25k applies to this process.

A Resource Case should be completed by the proposer using the template provided and should have relevant Executive member support. It is submitted to the Finance Office for review and the proposer provided to an opportunity to comment on the review, respond and provided additional information or clarifications. Resource Cases are brought to the University's Executive by the VP for Finance and Administration / Corporate Affairs for consideration or noting. Where successful budget is allocated by the President.

12. Staffing Requests

All new recruitment and contract renewals, irrespective of funding source are subject to budget approval, via the Employment Control Framework (ECF) process. All staffing applications are made via the HR Office. Where additional posts are requested from Core funding, an approved Resource Case should accompany the application. Post funded from external sources do not require a Resource Case.

13. Budget Monitoring

Whilst budget holders are responsible for the management of their budget, the Finance office will monitor expenditure and commitments against the budget and may employ systematic and other controls to prevent budget overruns.

14. Reporting

The Finance Office will provide periodic reports to budget holders on their actual expenditure and commitments against their budget. It shall also provide periodic reports to the University's Executive and appropriate Governing Body Committee on overall financial performance against the approved budget.

15. Material Departure & Deficits

Where there is a material departure from the budget in a financial year which will result in a deficit or where a course of action will result in a deficit the President will inform the Governing Body. This is required under section 20 of the Technological Universities Act 2018

Policy Approved by the Governing Body on 22nd January 2021