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1 PURPOSE

- 1.1 This policy provides information and direction on the CQUniversity's budget philosophy and ensures the existence of a robust system for preparing and monitoring the annual budget.

2 SCOPE

- 2.1 This policy applies to all CQUniversity employees.

3 POLICY STATEMENT

- 3.1 The [Financial Management Practice Manual](#) (FMPM) is the University's financial management framework. As such, this policy forms part of, and must be read in conjunction, with the FMPM.

Preparation of the annual budget

- 3.2 The Deputy Director Corporate Budget will prepare an annual budget in conjunction with the University Divisions. The budget will encompass all funding sources of the University and be consistent with the University's planning requirements detailed in the [Planning and Reporting Policy \(FMPM\)](#).
- 3.3 The budget will be submitted to the University Management Committee, then the Audit, Risk and Finance Committee for consideration and recommendation to the University Council for approval prior to the commencement of the financial year.

Budget philosophy

- 3.4 The budget will be prepared on the basis of two general principles:
- the budget will, as near as practicable within the financial environment of the time, aim to be in balance over the economic cycle, and
 - borrowing will be included in the budget only when it is serviceable and is needed to enable the University to grow and/or develop.

Budget revision

- 3.5 Where a revision of the approved budget is required, this will be prepared by the Deputy Director Corporate Budget and submitted to the University Management Committee then the Audit, Risk and Finance Committee for consideration and recommendation to the University Council for final approval.

Monitoring performance

- 3.6 The Deputy Director Corporate Budget will prepare regular forecasts, and review and monitor the University's performance against the budget on a monthly basis. The forecasts and monthly reports will be submitted to the University Management Committee then the Audit, Risk and Finance Committee for consideration and recommendation to the University Council for noting at relevant intervals throughout the financial year.
- 3.7 The Audit, Risk and Finance Committee and University Council may be required to approve the University forecast in the following instances:
- the forecasted Operating Result has deteriorated within an unacceptable tolerance range and the University Council and Audit, Risk and Finance Committee request financial risk mitigation strategies, or
 - the forecast will replace the Council Approved Budget – i.e. significant changes from the approved budget require a 'Revised Budget' and new financial performance reporting measure.

4 RESPONSIBILITIES

Compliance, monitoring and review

- 4.1 The Vice-President (Student and Corporate Services) and the Deputy Director Corporate Budget are responsible for implementing, monitoring, reviewing and ensuring compliance with this policy and procedure.
- 4.2 Compliance with this policy is monitored through the forecasts and monthly reports as well as periodic internal or external audits.

Reporting

- 4.3 The University undertakes a review of its financial performance against the approved budget on a monthly basis. Reports are provided to each meeting of the University Management Committee, the Audit, Risk and Finance Committee and University Council.

Records management

- 4.4 Employees must manage records in accordance with the [Records Management Policy and Procedure](#). This includes retaining these records in a recognised University recordkeeping information system.
- 4.5 University records must be retained for the minimum periods specified in the University Sector Retention and Disposal Schedule on the [Queensland State Archives website](#). Before disposing of any records, approval must be sought through the Records Management Office (email records@cqu.edu.au).

5 DEFINITIONS

- 5.1 Terms not defined in this document may be in the University's [glossary](#).

6 RELATED LEGISLATION AND DOCUMENTS

[Central Queensland University Act 1998](#) (Qld)

[Delegation of Authority Policy](#)

[Financial Accountability Act 2009](#) (Qld)

[Financial and Performance Management Standard 2019](#) (Qld)

7 FEEDBACK

7.1 Feedback about this document can be emailed to policy@cqu.edu.au.

8 APPROVAL AND REVIEW DETAILS

Approval and Review	Details
Approval Authority	Audit, Risk and Finance Committee
Advisory Committee	N/A
Administrator	Vice-President (Student and Corporate Services)
Next Review Date	04/08/2023

Approval and Amendment History	Details
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Notes	This document was formerly known as the Budget Policy (FMPM) (29/06/2017).