

Financial Planning and Budgeting Policy

Section 1 - Purpose and Scope

(1) The University of Queensland (UQ) adopts sound financial planning and budgeting practices that enable it to achieve its strategic and operational objectives. This Policy provides the framework for financial planning, including capital planning, and budgeting at UQ, which enables Senate to fulfil its financial management and control responsibilities under the [University of Queensland Act 1998](#).

(2) This Policy applies to all UQ staff, Senate Members and Senate committees, and UQ's controlled entities.

Legislative Context

(3) UQ's financial planning and budgeting activities are undertaken with regard to legislative requirements of the:

- a. [University of Queensland Act 1998](#);
- b. [Higher Education Support Act 2003](#);
- c. [Financial Accountability Act 2009](#);
- d. [Financial Accountability Regulation 2019](#); and
- e. [Financial and Performance Management Standard 2009](#).

Section 2 - Principles and Key Requirements

(4) Financial planning and budgeting at UQ is underpinned by the financial governance principles set out in UQ's [Financial Governance Policy](#) and will incorporate the following financial management objectives.

Strategic Alignment

(5) UQ's annual budget is consistent and aligned with:

- a. its legislated functions under the [University of Queensland Act 1998](#); and
- b. the long-term objectives and medium-term strategic focus areas of UQ's [Strategic Plan](#).

Due Diligence

(6) UQ's expenditure and investment proposals are supported by analysis of costs, benefits and risks to UQ to ensure the quality and accuracy of advice to financial decision makers.

(7) UQ's budget planning process is integrated with robust risk management controls and informed by UQ's Risk Appetite Statement and [Enterprise Risk Management Framework Policy](#).

Timeliness

(8) UQ will prepare and manage its budget annually on a calendar year basis.

Section 3 - Roles, Responsibilities and Accountabilities

Senate

(9) Senate is UQ's governing body and must each year review and adopt UQ's annual budget in accordance with its responsibilities under the [University of Queensland Act 1998](#).

(10) Senate must ensure responsible financial and risk management of UQ, including:

- a. approving the annual budget and business plan;
- b. approving and monitoring systems of control and accountability;
- c. approving strategies for the development of UQ's campuses and overseeing their implementation;
- d. overseeing the raising and investment of philanthropic funds held by UQ; and
- e. reviewing and approving significant capital expenditure and commercial activities of UQ, including strategic investment decisions, debt restructuring and material variations.

Senate Finance Committee

(11) Senate Finance Committee:

- a. advises Senate in relation to its financial responsibilities under the [University of Queensland Act 1998](#) and the Senate Charter;
- b. reviews and endorses UQ's annual budget for Senate's final review and adoption; and
- c. provides oversight of UQ's financial performance against the annual budget and advises Senate of any material variations to the approved budget.

Vice-Chancellor and President

(12) The Vice-Chancellor and President is accountable to Senate for the financial functions and powers it has delegated.

(13) The Vice-Chancellor and President is responsible for:

- a. recommending UQ's annual budget to Senate for adoption; and
- b. achieving UQ's annual budget.

Vice-Chancellor's Committee

(14) The Vice-Chancellor's Committee considers and reviews UQ's strategic financial planning and annual budget, and advises the Vice-Chancellor on these matters.

Provost and Senior Vice-President

(15) The Provost and Senior Vice-President provides oversight of the processes for the development and preparation of UQ's budget and financial strategic planning.

Chief Financial Officer

(16) The Chief Financial Officer is responsible for:

- a. leading and coordinating processes for the development and preparation of UQ's budget;
- b. resourcing processes and systems to enable sound financial planning across UQ, including to support preparation of UQ's annual budget;
- c. managing UQ's annual budget in consultation with members of the University Senior Management Group;
- d. advising the Vice-Chancellor's Committee and Provost in their review of strategic financial planning matters and UQ's annual budget;
- e. monitoring and reviewing UQ's financial planning and expenditure to ensure it aligns with UQ's approved annual budget, and providing appropriate assurance to the Vice-Chancellor's Committee and Provost; and
- f. ensuring any unfavourable material variations to UQ's annual budget are promptly reported to the Vice-Chancellor and the Provost and assists management in trying to mitigate the shortfall.

University Senior Management Group

(17) Members of the University Senior Management Group (USMG) are individually accountable for:

- a. ensuring their portfolio's financial planning aligns with the principles and management objectives of this Policy;
- b. preparing their portfolio's budget; and
- c. ensuring their portfolio's finances are managed to meet their approved budget and any unfavourable variances are promptly remedied.

Budget Holders

(18) Budget Holders are responsible for:

- a. ensuring their area's financial planning aligns with the principles and management objectives of this Policy;
- b. preparing their area's budget for approval within their portfolio; and
- c. ensuring their area's finances are managed within the approved budget and any unfavourable variances are promptly remedied.

Section 4 - Monitoring, Review and Assurance

(19) The Chief Financial Officer will monitor, review and provide assurance on the effectiveness of this Policy through:

- a. monthly reporting against budget and forecast at enterprise and USMG portfolio level;
- b. providing a forecast of the financial performance and position of UQ to the Vice-Chancellor's Committee and Senate Finance Committee; and
- c. providing advice and recommendations to USMG members regarding their portfolio's financial performance and/or changes to the approved budget.

Section 5 - Recording and Reporting

(20) The Chief Financial Officer will demonstrate the effectiveness of this Policy by:

- a. ensuring UQ's annual budget is centrally recorded and managed through UQ's financial systems; and
- b. ensuring authorised managers are issued with regular financial statements and reports documenting the financial performance of their portfolio.

Section 6 - Appendix

Definitions

Term	Definition
Annual Budget	The total operating budget for The University of Queensland and its controlled entities.
Budget Holder	The leader of a business unit, for example Executive Dean for a Faculty, Director for an Institute, Head of School for a school.

Relevant UQ Policies and Controls

- a. [Financial Governance Policy](#);
- b. [UQ Governance and Management Framework](#); and
- c. Delegation to the Vice-Chancellor of Senate's Powers under the [University of Queensland Act 1998](#).

Status and Details

Status	Current
Effective Date	18th June 2020
Review Date	18th June 2023
Approval Authority	Provost and Senior Vice-President
Approval Date	18th June 2020
Expiry Date	Not Applicable
Policy Owner	Gail Jukes Chief Financial Officer
Enquiries Contact	Finance and Business Services