



BUDGET POLICY

W.E.F: 01.04.2015

BUDGET POLICY

I- Brief About Budget

Budget represents the Annual Financial Statement showing the estimates of receipts and expenditure in respect of a Financial year. Financial year commences on 1st day of April every year and ends on 31st March of following every year.

The Budget specifies the objects for and the limits up to which expenditure may be legally incurred during the course of a Financial year. Its object is to exercise financial control over approved items of income and expenditure. In other words, it is an instrument of financial control.

The Budget shall contain the following:

- a) Estimations of all Revenue/Income expected to be raised during the financial year to which the budget relates.
- b) Estimations of all expenditures for each head-wise expenditure.

II- Budget Estimate

A budget is a financial plan for defined period of time, usually a year. It is an instrument of financial control. Budget is defined as "A comprehensive plan expressed in financial terms by which an operating programme is effective for a period of time." An institute considered estimates for expenditure under these broad categories:

Revenue Receipts / Income relates to:

1. Tuition Fee (UG/PG)
2. Other Fee (UG/PG)
3. Transportation Fee
4. Facility Charges
5. Electricity Re-imburement &
6. Miscellaneous Receipts

Revenue Expenditure / Payments relates to recurring and non-recurring expenses / payments.

1. Recurring Expenditure:

- a) Library Expenses including books, periodicals, e-resource, print journals, VTU Consortium membership
- b) Laboratory Consumables of all the departments.
- c) Teaching & Non-Teaching Salary consists of Salary, EPF & ESIC employer contribution & Gratuity Payments
- d) Maintenance & Spares includes, Building & Campus maintenance, Vehicle maintenance, Departmental maintenance, equipment maintenance like AC, CCTV, Computers, DG-Set, Furniture, Lifts, Office equipment, UPS, Software & Water purifiers etc.
- e) Research & Development expenses of all the departments.
- f) Training & Travelling expenses includes of all the departments and administration, placement, student expenses
- g) Miscellaneous expenses consist's of Advertisements, Affiliation, Audit Fee, Bank Charges, Dispensary Expenses, Licenses, Insurance, Flight Charges, Fuel Charges, Office expenses, Printing & stationery etc.
- h) Principal & HOD contingency (Hospitality Charges).
- i) Workshop, Seminars & Conferences

2. Non-Recurring expenditure:

- a) Infrastructure Builtup
- b) Laboratory equipments of all departments
- c) Software for all the departments
- d) Any other capital expenditure of non-recurring nature

Budget Calendar:

Budget calendar indicating the dates by which the various steps leaning to the finalization of the budget estimates of the institute are to be completed. Budget is prepared in the month of April every year.

The following are the stages to be followed before the budget estimates are approved by the Governing Body.

Flow chart for Approval of Budget

Budget Circular is sent to the HOD's requesting them to forward their budget proposals of the subsequent year by the set date.



Principal receives Budget proposals from different departments as submitted by HOD's.



Principal forwards the Budget proposal which has received from the departmental heads and forwards the same to Budget Committee for discussion and forwards to finance committee



The Finance Committee approves the Budget Proposals received from the Budget Committee to be placed before the Governing Body for Final Approval



Governing Body approves the Budget as received from the Finance Committee and communicate the approval to the Principal for further action.



Principal re-communicates departmental budget allocations as approved in the Governing Body to the respective Departments / HOD's.

Guidelines for preparation of Next Year.

1. Fees:

- a) Fee income is estimated based on the actual number of the students of the higher semester based on the fee structures.
- b) For the 1st year students fee estimated based on previous year data taking admission percentage in consideration
- c) Other receipts are estimated based on the previous balance sheet

2. Salary:

- a) Salary expenditure is estimated on the average salary of the previous balance sheet with an 10% increase is projected.
- b) Capital expenditures are reflected as per the budget proposals send to the all departments including capital cost.

3. Inevitable expenses:

No expenditure outside or in excess of the sanctioned budget allocation for the year shall be incurred without the prior sanction of the authority competent of Chairman to give such sanction.

BUDGET COMMITTEE (RECOMMENDARY BODY)

Functions:

- To forecast the revenue and expenditure based on the previous years' budget utilization and audit balance sheet
- To help in preparation of budgets as per the requisition from the HOD's
- To scrutinize the budget
- To suggest any revision in the submitted budget
- To approve the final budget
- To communicate the budget allocations to the respective departments
- To submit the final budget to the finance committee for the approval
- To evaluate the budget utilization after the financial year.

Responsibilities:

- ✓ Chairman – To approve the budget and recommend any changes based on income and expenditure
- ✓ Co-ordinator – To review the previous year budget and audited balance sheet and accordingly prepare the draft budget. Based on the income, the revised budget is drafted for approval. To prepare the budget v/s expenditure statement after the financial year to evaluate the utilization.
- ✓ Members – To submit the budget requisition of their departments
- ✓ Principal – To table the budget in the Governing Council for the final approval.

S.No	DESIGNATION	POSITION
1.	Dr. Yashvanth Bhupal, - Managing Trustee / Director	Chairman
2	Prof. Prithviraj .Y .J - Deputy Director / Trustee	Member
3	Principal	Member
4	Vice-Principal	Member
5	HOD-ME	Member
6	HOD – CSE	Member
7	HOD – ECE	Member
8	HOD – EEE	Member
9	HOD – CIVIL	Member
10	HOD – Chemistry	Member
11	HOD – Maths	Member
12	HOD – Physics	Member
13	Dean, BITM-DMS	Member
14	Administrative Officer	Co-ordinator

This Policy is implemented from 01.04.2015.


 Chairman & Director,
 Ballari Institute of Technology & Management,
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