



ANSAR ENGLISH SCHOOL PERUMPILAVU

SOP- BUDGETING

Reference No: AES/BUD/SOP/01

Process Name: Budgeting Process for Ansar English School Perumpilavu.

Process Objectives:

The Budgeting Process for School is documented to establish a systematic approach to financial planning and allocation within the school.

It aims to ensure effective of resources, alignment with strategic objectives, and financial sustainability.

Scope of Process:

The Budgeting Process pertains to all financial planning and allocation activities within the school, involving both administrative and academic departments.

Process Owner: Mr. Muhammed Shafeek. P

Process Members:

A. Principal/Head of the School

- Overall responsibility for the budgeting process.
- Approval of the final budget before implementation.

B. Vice Principal

- Assists principal in the budgeting process.
- Co-ordinates and collaborates with various department heads in preparing budget.
- Delegates responsibilities to various people involved.

C. Finance Department/Finance Manager:

- Coordination of budget preparation activities.
- Compilation and analysis of financial data.
- Fund allocation for the budgeted activities.

D. Junior Principals

- Implementation of budgeted activities

E. Department Heads/Managers

- Identification of departmental budgetary needs.
- Collaboration in the development of departmental budgets.

Procedure:

Needs Assessment: School administrators and department heads assess the financial requirements for the upcoming period based on departmental goals and priorities.

Budget Formulation: The finance team collaborates with department heads to formulate departmental budgets, considering anticipated revenue, expenses and resources needed.

Budget Review: The proposed budgets are reviewed by budget committee- senior managements, Principal, Vice Principal, Section Heads to ensure alignment with overall school objectives and financial constraints.

Budget Approval: The finalized budgets are approved by the school management or relevant authority.

Implementation: Departments implement their respective budgets, monitoring expenditures and prioritizing the plans as necessary to stay within budgetary limits.

Monitoring and Control: The finance team monitors budget performance regularly, identifying variances and taking corrective actions as needed to ensure financial stability.

Reporting: Financial reports are prepared periodically to provide stakeholders with updates on budget performance, highlighting key variances and trends.

Review and Adjustment: The budgeting process undergoes periodic reviews to assess its effectiveness and relevance, with adjustments made as needed to improve future planning cycles.

Review and Evaluation:

- Conduct periodic reviews of the budgeting process to identify areas for improvement.
- Solicit feedback from stakeholders and incorporate lessons learned into future budgeting cycles.

Measurable Indicators for Process Effectiveness:

Achievement of financial goals: Evaluation of whether budget allocations align with strategic objectives and are effectively utilized.

Timeliness of budget preparation: Duration taken from needs assessment to budget approval.

Stakeholder satisfaction: Feedback from department heads, administrators, and the school management regarding the budgeting process.

Associated Documents and Records:

- Budget request forms
- Budget proposals
- Budget approval documentation
- Financial reports
- Budget variance analysis reports
- Meeting minutes from budget review sessions

Budget Documentation:

- Maintain accurate records of budget documents, including budget proposals, revisions, and approvals.
- Ensure documentation is organized and easily accessible for reference and auditing purposes.

Budget Reporting:

- Provide regular updates on budget performance to relevant stakeholders, such as department heads, the Principal/Head of School, and the School Management Committee.
- Prepare financial reports and presentations as needed for internal and external stakeholders.

Prepared by

Approved by


Ms. Nimmi M K

NABET Co-ordinator




Mr. Shihabudeen Pulath
Principal

E. Department Heads/Managers

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