



Budget and Expenditure Policy

Effective Date: 2022.12.20

Last Reviewed: 2022.12.20

Version: v1.1 2026.02.26

1. Purpose

The purpose of this policy is to outline the annual budget and expenditure processes of Alphacrucis University College (AC).

2. Scope

All Department Heads.

3. Definitions

- 3.1. **Budget Committee:** a committee convened annually in September, responsible for preparing the annual budget paper for recommendation to Council for approval.
- 3.2. **Capital Asset:** an item that is not of a consumable nature, has a useful life of two years or more, and whose cost exceeds the capitalisation threshold set for the particular asset class.
- 3.3. **Chief Financial Officer (CFO):** the officer responsible for the implementation of this policy and for overseeing AC's financial management.

4. Policy Statement

4.1. Budget Committee

4.1.1. Every year in September a Budget Committee is convened. This committee includes, but is not limited to:

- a. Chief Financial Officer — Chair;
- b. President;
- c. Vice President Academic (VP Academic);
- d. Vice President Advancement (VP Advancement);
- e. Chief Information Officer (CIO);
- f. Senior Accounts Manager; and
- g. Accountant.

4.1.2. A budget process is undertaken in order to achieve AC's Financial Controls. This budget process results in a budget paper which is recommended to Council for approval.

4.1.3. In November every year Council approves the yearly budget which needs to have in place a 5% net surplus. Once this budget is approved it becomes the sole financial document for AC.

However, whilst the expenses can always be contained and spent according to budget, the income remains an unknown factor, so adjustments may be required.

4.1.4. Reviews are undertaken twice per annum.

4.2. Approval for Capital Items

4.2.1. All capital items shall be placed in one of the following categories:

- a. Land, Building and Infrastructure purchases;
- b. Furniture and Fittings;

- c. Computer Hardware and Software purchases;
 - d. Plant and Equipment purchases; and
 - e. Library purchases.
- 4.2.2. An item is regarded as a capital asset if:
- a. it is not of a consumable nature;
 - b. it has a useful life of two years or more; and
 - c. its cost exceeds the capitalisation threshold set for the particular asset class.
- 4.2.3. The capitalisation threshold for each category is as follows:
- a. Land, Building and Infrastructure purchases — no minimum threshold; all Land, Building and Infrastructure regardless of cost;
 - b. Furniture and Fittings — minimum threshold: \$500 AUD;
 - c. Computer Hardware and Software purchases — minimum threshold: \$1,000 AUD;
 - d. Plant and Equipment purchases — minimum threshold: \$1,000 AUD; and
 - e. Library purchases — no minimum; all library books regardless of cost.
- 4.2.4. Requests to purchase capital items by Department Heads or Heads of Schools must be submitted through the budget process for evaluation and allocation of funding. The allocation of funding does not mean approval and staff are required to follow the approval procedure before purchasing the capital item.
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5. Roles and Responsibilities

- 5.1. **Chief Financial Officer:** The Chief Financial Officer is responsible for implementation of this policy, chairing the Budget Committee, and overseeing all budget and expenditure processes.
- 5.2. **Department Heads and Heads of Schools:** Department Heads and Heads of Schools are responsible for preparing budget requests, submitting capital expenditure proposals, and managing expenditure within approved budgets.
- 5.3. **Council:** Council is responsible for approving the annual budget and any revised budgets presented during the year.
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6. Procedures

6.1. Budget Process

- 6.1.1. The budget process begins during the first week in September every year. The Chief Financial Officer informs all Department Heads and Heads of Schools to complete the AC Budget Request Form for consideration and approval.
- 6.1.2. When preparing budgets, Department Heads and Heads of Schools must consider any capital expenditure purchases that will be required within the following 12 months. Costing is required for each item and if appropriate, quotations should be obtained to verify estimates. Major items, such as capital expenditure or new staffing require a rationale behind such an expense. All requests for capital expenditure in excess of \$1,000 AUD must be submitted in the budget approval process or made directly to the Chief Financial Officer. Wherever possible, at least two alternative quotes should be obtained.
- 6.1.3. Once these requests are received by the Chief Financial Officer they are examined by the Budget Committee. This committee analyses all the expenses requested together with the rationale against prior years' expenses and then either approves the budget item or requests the Department Head to attend a meeting with the committee to justify why the budget item should not be rejected.
- 6.1.4. Once a budget paper is agreed on by the Budget Committee it is then formatted into a document that is tabled at an Executive meeting where it is given to the Finance and Audit Committee of Council for their recommendation to Council for their approval. In November

every year Council approves the yearly budget which needs to have in place a 5% net surplus. Once this budget is approved it becomes AC's sole financial document adhered to.

6.1.5. Following approval by Council, Department Heads and Heads of Schools are given a final copy of their approved budget.

6.1.6. Further, twice a year on census date, budget is reviewed by the Chief Financial Officer based on actual student numbers. This may result in a budget review and an amended budget presented at the next Council meeting for approval.

6.2. Capital Items

6.2.1. Once acquired, capital items are to be listed in the asset register. All items purchased as works of art and all items purchased as part of the library collection are to be listed in the asset register.

7. Responsible for Implementation

7.1. Chief Financial Officer.

8. Related AC Policies or Documents, Standards and Legislation

8.1. AC Policies or Documents

8.1.1. Financial Controls Policy.

8.2. Relevant Standards and Legislation

8.2.1. N/A.

9. Review and Revision

This policy will be reviewed by the Chief Financial Officer on a regular basis in accordance with the Policy Development and Review Policy. Any proposed changes will be tabled at the Executive for endorsement and Council for approval. Revisions will be communicated to all relevant stakeholders upon approval.

10. History of Approval and Amendments

Policy owner	Chief Financial Officer
Policy category	Management: Finance
Policy status	Approved
Approval Body	Council
Endorsement Body	Executive
Approval Date	2022.12.20
Last Review Date	2022.12.20
History of Policy Amendments	
V1 2022.12.20	Original policy approved.
V1.1 2026.02.26	Change of policy owner title from VPO to CFO, reformatting to new template.

Add a new row for each version of the policy. Do not remove previous changes.

Appendices

N/A.