



Documentation of Processes

Name of Macro Process: Budget Control

Process Name: Preparation and Approval of the Annual Budget (Revenue and Expenditures)

Vice-Rector's Office: Finance and Institutional Development

General Directorate: Finance

Department: Budgets

Area: Budgets

“Office of Planning and **Evaluation**”


May 2019

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1 Change Control

The following table provides the changes made to this document, with the reasons and responsible parties clearly identified.

Code- PD-138-003					
		Fundación Universidad de las Américas, Puebla.			
Identification	Preparation and Approval of Annual Budget (Revenue and Expenditures)	Version	2.	Page:	2 of 20
Date of preparation July	Date of last revision May		Approval date May		
Prepared		Reviewed		Approved	
Tatiana Roxana Alcazar Casarin Budget Director	Luis Gerardo Cinta Espinobarros Administrative Head of the Vice-Rector's Office for Finance and Institutional Development		Tatiana Roxana Alcazar Casarin Budget Director		
Signature		Signature		Signature	
In agreement		In agreement		In agreement	
Lothy Amaro Amaro Head of Processes	Monica Núñez Huerta Chief Financial Officer		Lorena Martínez Gómez General Director of Planning and Evaluation		
Signature		Signature		Signature	
Change Control					
No. Edition	Description of Change		Date		
1	Creation		May		

2 Purpose of the Document

To provide guidance for the operation of the Annual Budget Preparation and Authorization Process (Revenue and Expenditures), including its relationships with other complementary processes, as well as the mechanisms employed to minimize process time and increase service levels.

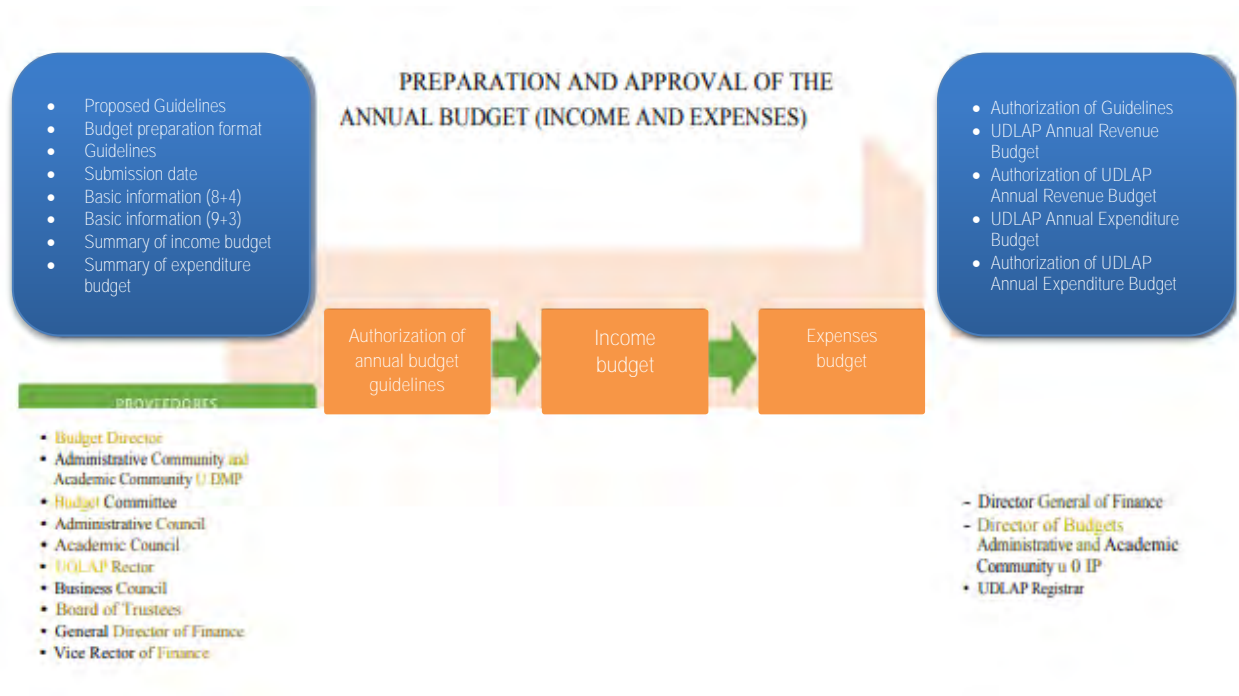
3 Process Reference Framework

Describe the As-Is model of the Annual Budget Preparation and Approval Process (Revenue and Expenditures) and the sequential order of activities or steps followed to manage the preparation of UDLAP's annual revenue and expenditure budget.

3.1 Process Map

Derived from the Institutional Macro Process, the following process is part of the Support Processes and contributes systematically to Financial Resource Management.





a) General

To manage the preparation of the UDLAP's annual income and expenditure budget by gathering information from the different areas of the university so that the relevant authorities can present it and request the corresponding authorization for its approval in the system.

b) Specific

- Send guidelines, base information from the previous year, and budget format to UDLAP departments to compile information.
- Generate the summary of income and expenditure information for the definition of the annual budget.
- Discussion, review, and approval of the annual budget
- Enable the authorized budget in the financial system so that the areas can access the allocated resources.

3.2 Scope of the Process

Send the guidelines, previous year's baseline information, and the format for preparing the income and expense budget to all UDLAP departments that generate income and/or expenses, monitoring the return of the information within the established dates to subsequently generate the baseline summary that is presented to the budget committee.

Attend scheduled budget committee meetings to define UDLAP's annual income and expense budget for the September to November period.

4 Description of Processes .

4.1 Subprocess "Authorization of Annual Budget Guidelines"

Objective of the Sub-Process

To prepare and present the guidelines to be used in the preparation of the annual income and expenditure budget for management by the Rector of UDLAP through the appropriate authorities.

Description of Roles in the "Authorization of Annual Budget Guidelines" Subprocess

The following table provides descriptions of the roles corresponding to this sub-process:

Role	Description
Chief Financial Officer	<ul style="list-style-type: none"> Prepare the proposed guidelines for the preparation of the annual income and expenditure budget. Submit the proposed guidelines for the preparation of the annual income and expenditure budget to the Vice President of Finance and Institutional Development. Make adjustments to the proposed guidelines for preparing the annual income and expenditure budget in accordance with the observations of the UDLAP authorities.
Vice President of Finance and Institutional Development	<ul style="list-style-type: none"> Approve the proposed guidelines for the preparation of the annual income and expenditure budget. Make observations on the proposed guidelines for the preparation of the annual income and expenditure budget.
Vice President of Finance and Institutional Development/Chief Financial Officer	<ul style="list-style-type: none"> Submit the proposed guidelines for the preparation of the annual income and expenditure budget to the Rector of UDLAP
Rector of UDLAP	<ul style="list-style-type: none"> Authorize the proposed guidelines for the preparation of the annual income and expenditure budget. Make observations and request changes to the proposed guidelines for the preparation of the annual income and expenditure budget.

Integration

The following table shows the inputs and outputs, suppliers, and customers corresponding to this sub-process:

Inputs and Outputs		Users	
Input	Output	Suppliers	Customers
<ul style="list-style-type: none"> Proposed guidelines 	<ul style="list-style-type: none"> Authorization of proposed guidelines 	<ul style="list-style-type: none"> Chief Financial Officer Vice President of Finance and Institutional Development 	<ul style="list-style-type: none"> Director of Budgets UDLAP Rector

Inputs and Outputs		Users	
Input	Output	Suppliers	Customers
		<ul style="list-style-type: none"> UDLAP Rector 	

Formats and tools

The following table details the formats and tools that have been referenced in the description of the revenue subprocess.

Document Type	Document Name	Responsible
Tool	<ul style="list-style-type: none"> Proposed Guidelines 	Chief Financial Officer

Sub-process Activities

The following table shows the sub-process activities according to the administration and operation within the Institution.

Sub-process: Authorization of Annual Budget Guidelines		
Activity	Description	Responsible
1.	Start	Chief Financial Officer
2.	Prepare the proposed guidelines for the preparation of the annual income and expenditure budget.	Chief Financial Officer
3.	Submit proposed guidelines for the preparation of the annual income and expenditure budget.	Chief Financial Officer
4.	Review proposed guidelines for the preparation of the annual income and expenditure budget.	Vice President of Finance and Institutional Development
5.	Are comments issued?	Vice President of Finance and Institutional Development
6.	No: Submit proposed guidelines for preparing the annual income and expenditure budget. Continue to step 9	Vice President of Finance and Institutional Development
7.	Yes: Notify comments on the proposed guidelines for preparing the annual income and expenditure budget.	Vice President of Finance and Institutional Development
8.	Modify proposed guidelines for preparing the annual income and expenditure budget. Continue to step 3	Director General of Finance
9.	Submit proposed guidelines for the preparation of the annual income and expenditure budget.	Vice President of Finance and Institutional Development/Chief Financial Officer

Sub-process: Authorization of Annual Budget Guidelines		
10.	Review proposed guidelines for preparing the annual income and expenditure budget.	UDLAP Rector
11.	Are the proposed guidelines approved?	UDLAP Rector
12.	No: Notify observations on the proposed guidelines for preparing the annual income and expenditure budget. Continue to step 7.	UDLAP Rector
13.	Yes: Authorize proposed guidelines. Continue to steps 14 and 15.	UDLAP Rector
14.	Sub-process: Income Budget.	UDLAP Rector
15.	Sub-process: Expenditure Budget.	UDLAP Rector

4.2 Subprocess: Income Budget

Sub-process objective

Manage the preparation of the annual income statement for authorization by the relevant authorities and activation in the financial system.

Description of Roles

The following table provides descriptions of the roles corresponding to this sub-process:

Role	Description
Budget Director	<ul style="list-style-type: none"> Send the format for preparing the UDLAP annual income budget to the UDLAP Community that receives income, attaching the guidelines and delivery date. Compile the information sent by the UDLAP Community for the annual income budget. Consult with users regarding the reason for any variations in income budget trends compared to previous years, if any. Send the summary of the UDLAP annual income budget to the Chief Financial Officer for review and presentation to the budget committee. Correct the budget summary according to the observations of the General Finance Department. Make budget allocations to the areas of the UDLAP Community once the UDLAP annual revenue budget has been approved.
UDLAP Administrative and Academic Community	<ul style="list-style-type: none"> Fill out the budget preparation form with information from the area. Send the completed budget preparation form to the Budget Department by the specified deadline.

Role	Description
Director General of Finance	<ul style="list-style-type: none"> Lead the Budget Committee and manage the authorization of the UDLAP annual income budget before the committee. Submit the UDLAP annual revenue budget to the Administrative Council for approval. Notify the authorized annual revenue budget to the Budget Director for implementation in the financial system.
Chief Financial Officer/Budget Director	<ul style="list-style-type: none"> Review the budget summary to detect any variations in trends compared to the previous year.
Budget Committee	<ul style="list-style-type: none"> Analyze the UDLAP annual revenue budget summary. Define the annual revenue budget for UDLAP.
Administrative Council	<ul style="list-style-type: none"> Authorize the annual income budget for UDLAP.
Rector	<ul style="list-style-type: none"> Submit the UDLAP annual revenue budget to the Business Council and subsequently to the Board of Trustees for approval.
Business Council/Board of Trustees	<ul style="list-style-type: none"> Authorize the annual income budget of the UDLAP.

Integration

The following table shows the inputs and outputs, suppliers, and customers corresponding to this sub-process:

Inputs and Products		Users	
Input	Output	Suppliers	Customers
<ul style="list-style-type: none"> Budget preparation format Guidelines Delivery date Basic information (8+4) and registered license plate number Summary of income budget 	<ul style="list-style-type: none"> UDLAP annual income budget Authorization of the UDLAP annual income budget 	<ul style="list-style-type: none"> Chief Financial Officer Budget Director UDLAP Administrative and Academic Community Budget Committee Administrative Council Rector Business Council Board of Trustees 	<ul style="list-style-type: none"> Chief Financial Officer Budget Director UDLAP Administrative and Academic Community

Formats and tools

The following table details the formats and tools that have been referenced in the description of the income sub-process.

Document Type	Document Name	Responsible
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Format	<ul style="list-style-type: none"> Budget preparation format 	Budget Director/UDLAP Administrative and Academic Community
Tool	<ul style="list-style-type: none"> Guidelines Basic information (8+4) and enrolled enrollment Budget preparation instructions Phone Financial system Summary of income budget 	President Chief Financial Officer Budget Director
	<ul style="list-style-type: none"> Email 	Budget Director/UDLAP Administrative and Academic Community
	<ul style="list-style-type: none"> Administrative Council Regulations Business Council Regulations 	Chief Financial Officer/Budget Director

Subprocess Activities

The following table shows the activities of the sub-process in accordance with the administration and operation within the Institution.

Sub-process: Revenue Budget		
Activity	Description	Responsible
1.	Start	Budget Director
2.	Send the budget preparation form with basic information (8+4) and registered enrollment number in accordance with the income budget preparation instructions, as well as the guidelines and delivery date by email.	Budget Director
3.	Receive the budget preparation form with the basic information (8+4) and registered enrollment number, as well as the guidelines and submission dates.	UDLAP Administrative and Academic Community
4.	Fill out the budget preparation form according to the guidelines.	UDLAP Administrative and Academic Community
5.	Send the budget preparation form by the established deadline via email.	UDLAP Administrative and Academic Community
6.	Receive the completed budget preparation form.	Budget Director
7.	Prepare the income budget summary sent by the departments in accordance with the income budget preparation instructions.	Budget Director

Sub-process: Revenue Budget		
8.	Review the income budget summary prepared with the information sent by the departments.	Budget Director
9.	Are there any variations in budget trends?	Budget Director
10.	Yes: Consult with the user regarding the reason for the variations in the income budget sent by telephone or email. Follow step 11.	Budget Director
11.	No: Send the income budget summary via email.	Budget Director
12.	Receive the income budget summary.	Chief Financial Officer
13.	Review income budget summary.	Chief Financial Officer/Budget Director
14.	Are there any variations in the budget summary?	Chief Financial Officer/Budget Director
15.	Yes: Correct budget summary. Follow step 10.	Budget Director
16.	No: Submit the revenue budget summary to the budget committee for discussion and definition of the final revenue budget.	Chief Financial Officer
17.	Analyze the revenue budget summary submitted.	Budget Committee
18.	Is the final budget defined?	Budget Committee
19.	No: Schedule a new meeting to review the annual revenue budget. Follow step 16.	Budget Committee
20.	Yes: Define the annual income budget for UDLAP.	Budget Committee
21.	Submit the UDLAP annual revenue budget to the Administrative Council in accordance with the administrative council regulations.	Chief Financial Officer
22.	Authorize the annual income budget of UDLAP.	Administrative Council
23.	Submit the UDLAP's annual income budget to the Business Council and Board of Trustees for approval in accordance with the provisions of the Business Council regulations.	Rector
24.	Authorize the annual income budget of UDLAP.	Business Council/Board of Trustees
25.	Make the corresponding budget allocations to the areas in the GP financial system.	Budget Director
26.	Fin .	Budget Director

4.3 Subprocess "Expenditure Budget"

Sub-process objective

Manage the preparation of the annual expenditure budget for authorization by the relevant authorities and entry into the financial system.

Role Descriptions

The following table provides descriptions of the roles corresponding to this sub-process:

Role	Description
Budget Director	<ul style="list-style-type: none"> Send the UDLAP Community that generates expenses the format for preparing the UDLAP annual expenditure budget, attaching the guidelines and delivery date. Compile the information sent by the UDLAP Community for the annual expenditure budget. Consult with users regarding the reasons for any variations in expenditure budget trends compared to previous years, if any. Send the summary of the UDLAP annual expenditure budget to the Chief Financial Officer for presentation to the budget committee. Correct the budget summary according to the observations of the General Finance Department. Make budget allocations to the areas of the UDLAP Community once the UDLAP annual expenditure budget has been authorized.
UDLAP Administrative and Academic Community	<ul style="list-style-type: none"> Fill out the budget form with the information for the area. Send the completed budget form to the Budget Department by the specified deadline.
Chief Financial Officer	<ul style="list-style-type: none"> Lead the Budget Committee and manage the authorization of the UDLAP's annual revenue budget before the committee. Submit the annual summary of UDLAP expenditures to the Administrative Council for approval. Notify the Director of Budgets of the authorized annual expenditure budget for implementation in the financial system.
Chief Financial Officer/Budget Director	<ul style="list-style-type: none"> Review the budget summary to detect any variations in trends compared to the previous year.
Budget Committee	<ul style="list-style-type: none"> Analyze the UDLAP's annual expenditure budget summary. Define the annual expenditure budget for UDLAP.

Role	Description
Administrative Council	<ul style="list-style-type: none"> Authorize the annual expenditure budget of UDLAP.
Rector	<ul style="list-style-type: none"> Submit the UDLAP annual expenditure budget to the Business Council and subsequently to the Board of Trustees for approval.
Business Council/Board of Trustees	<ul style="list-style-type: none"> Authorize the annual expenditure budget of UDLAP.

Integration

The following table shows the inputs and outputs, suppliers, and customers corresponding to this sub-process:

Inputs and Products		Users	
Input	Output	Suppliers	Customers
<ul style="list-style-type: none"> Budget preparation format Guidelines Delivery date Basic information (9+3) Expenditure budget summary 	<ul style="list-style-type: none"> UDLAP annual expenditure budget Authorization of the UDLAP annual expenditure budget 	<ul style="list-style-type: none"> Budget Director Chief Financial Officer UDLAP Administrative and Academic Community Budget Committee Administrative Council Rector Business Council Board of Trustees 	<ul style="list-style-type: none"> Chief Financial Officer Budget Director UDLAP Administrative and Academic Community

Formats and tools

The following table details the formats and tools that have been referenced in the description of each of the aforementioned sub-processes.

Document Type	Document Name	Responsible
Format	<ul style="list-style-type: none"> Budget preparation format 	Budget Director/UDLAP Administrative and Academic Community
Tool	<ul style="list-style-type: none"> Guidelines Basic information (9+3) Budget preparation instructions Financial system Summary of expenditure budget 	Rector Chief Financial Officer Budget Director
	<ul style="list-style-type: none"> Email 	Director of Budgets/Administrative and Academic Community UDLAP

	<ul style="list-style-type: none"> Administrative Council Regulations Business Council Regulations 	Chief Financial Officer/Budget Director
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Sub-process Activities

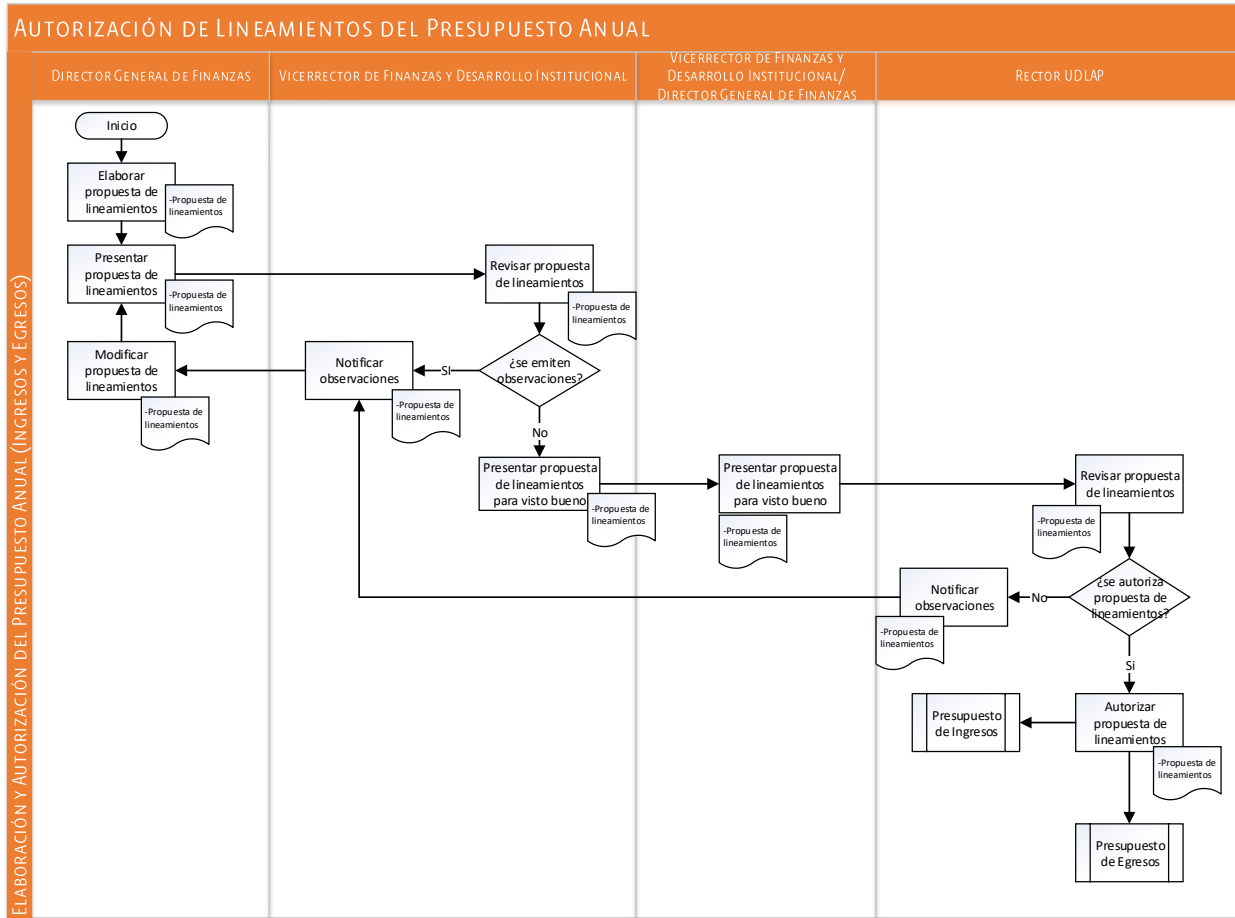
The following table shows the activities of the sub-process in accordance with the administration and operation within the Institution.

Sub-process: Expenditure Budget		
Activity	Description	Responsible
1.	Start	Budget Director
2.	Send the budget preparation form with basic information (9+3) in accordance with the budget preparation instructions, as well as the guidelines and delivery date by email.	Budget Director
3.	Receive the budget preparation form with the basic information (9+3), as well as the guidelines and submission dates.	UDLAP Administrative and Academic Community
4.	Fill out the budget preparation form according to the guidelines.	UDLAP Administrative and Academic Community
5.	Send the budget preparation form by the established deadline via email.	UDLAP Administrative and Academic Community
6.	Receive the completed budget preparation form.	Budget Director
7.	Compile the expenditure budget sent by the departments in accordance with the expenditure budget preparation instructions.	Budget Director
8.	Review the summary of the expenditure budget prepared with the information sent by the departments.	Budget Director
9.	Are there any variations in budget trends?	Budget Director
10.	Yes: Consult with the user regarding the reason for the variations in the expenditure budget sent by telephone or email. Follow step 11.	Budget Director
11.	No: Send the expenditure budget summary via email.	Budget Director
12.	Receive the expenditure budget summary.	Chief Financial Officer
13.	Review the expenditure budget summary.	Chief Financial Officer/Budget Director

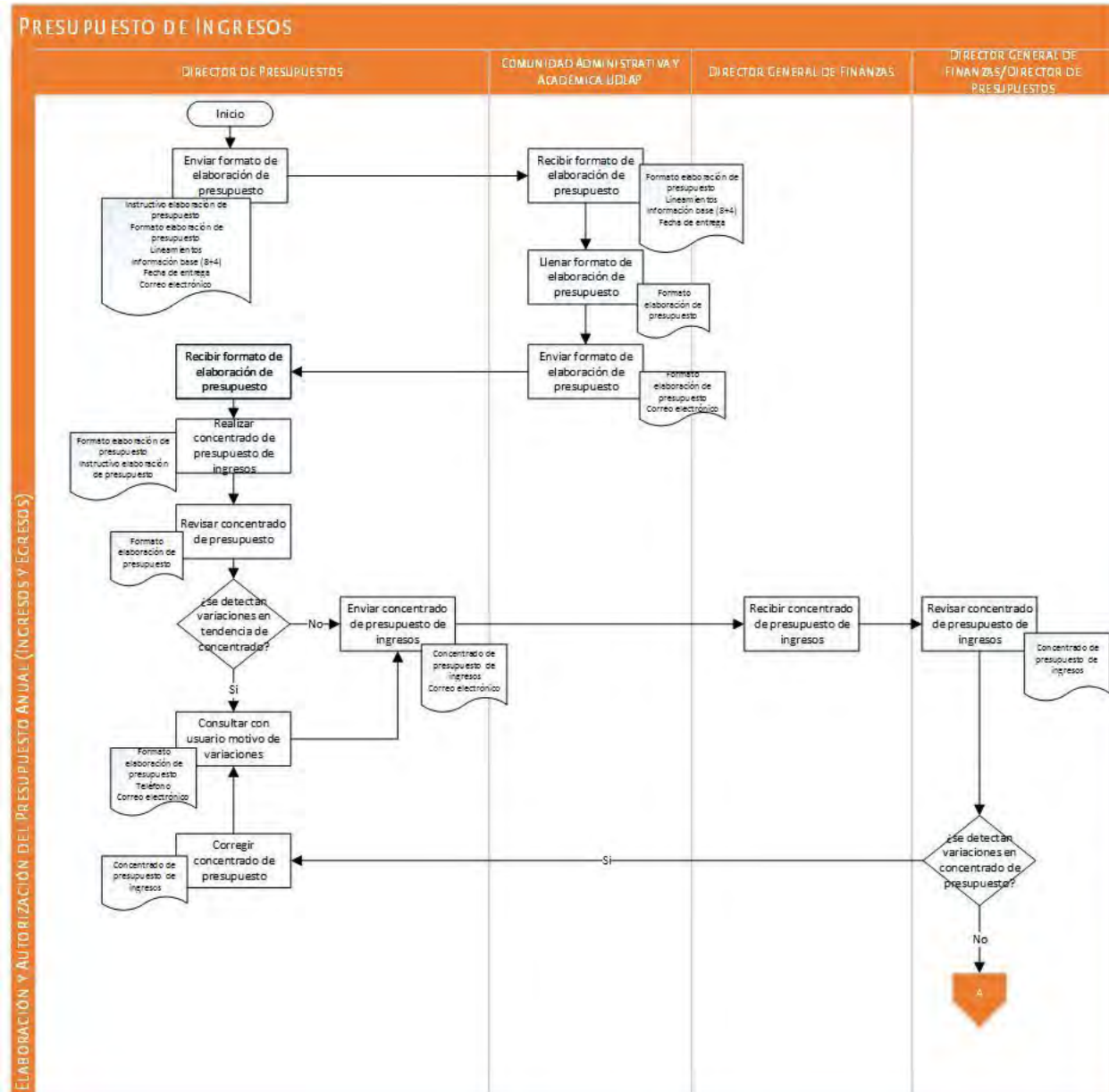
Sub-process: Expenditure Budget		
14.	Are there any variations in the budget summary?	Chief Financial Officer/Budget Director
15.	Yes: Correct budget summary. Follow step 10.	Budget Director
16.	No: Submit the expenditure budget summary to the budget committee for discussion and definition of the final expenditure budget.	Chief Financial Officer
17.	Analyze the expenditure budget summary submitted.	Budget Committee
18.	Is the final budget defined?	Budget Committee
19.	No: Schedule a new meeting to review the annual expenditure budget. Follow step 16.	Budget Committee
20.	Define the annual expenditure budget for UDLAP.	Budget Committee
21.	Submit the UDLAP annual expenditure budget to the Administrative Council in accordance with the provisions of the Administrative Council regulations.	Chief Financial Officer
22.	Authorize the annual expenditure budget of the UDLAP.	Administrative Council
23.	Submit the UDLAP annual expenditure budget to the Business Council and Board of Trustees for approval in accordance with the provisions of the Business Council regulations.	Rector
24.	Authorize the annual expenditure budget of UDLAP.	Business Council/Board of Trustees
25.	Make the corresponding budget allocations to the areas in the financial system.	Budget Director
26.	Fin.	Budget Director

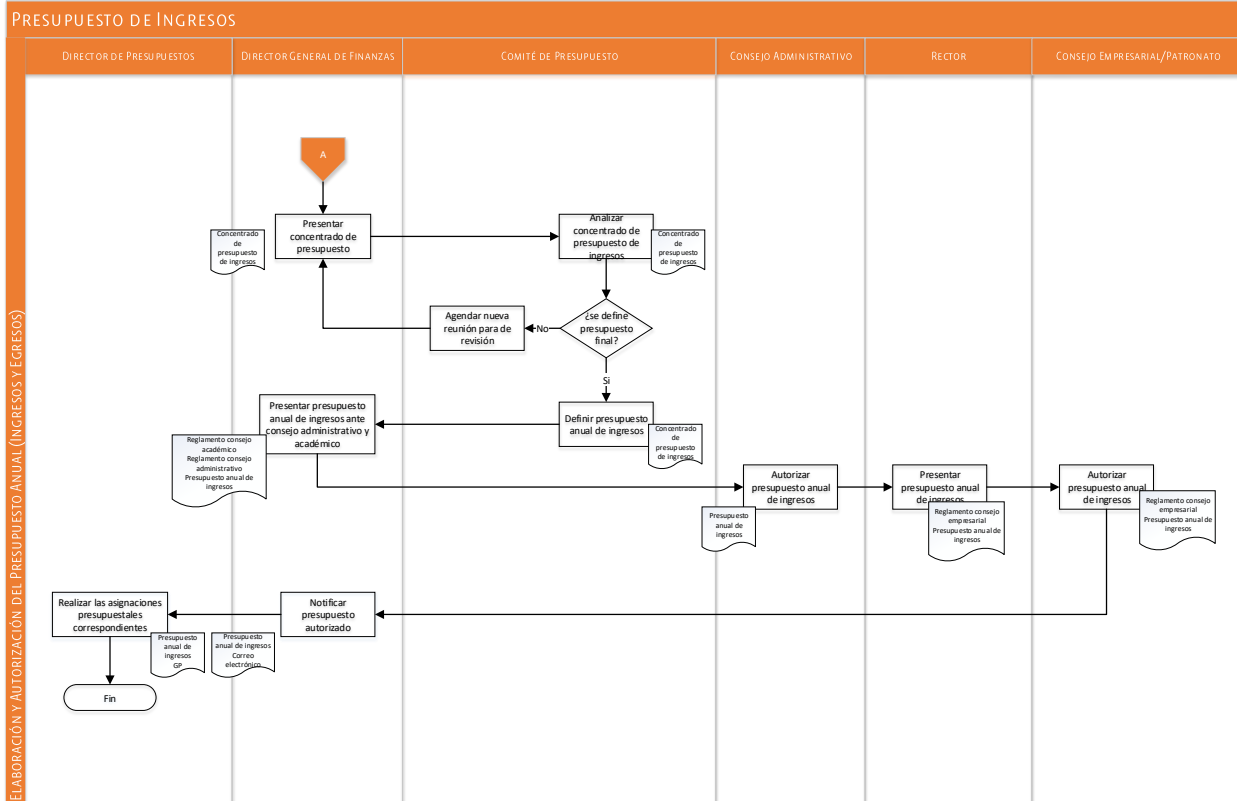
5 Process and Sub-Process Flowcharts

Authorization of Annual Budget Guidelines

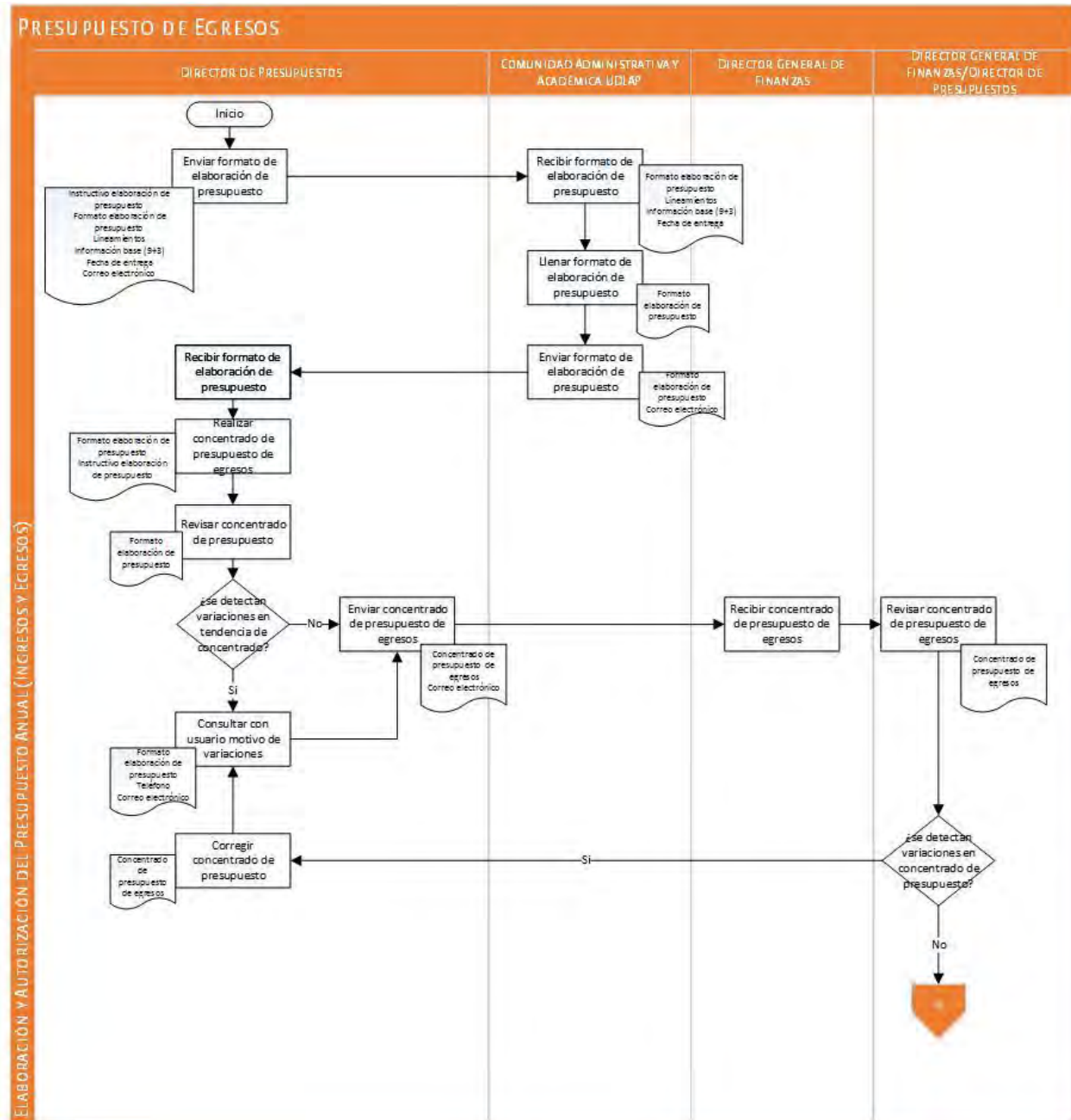


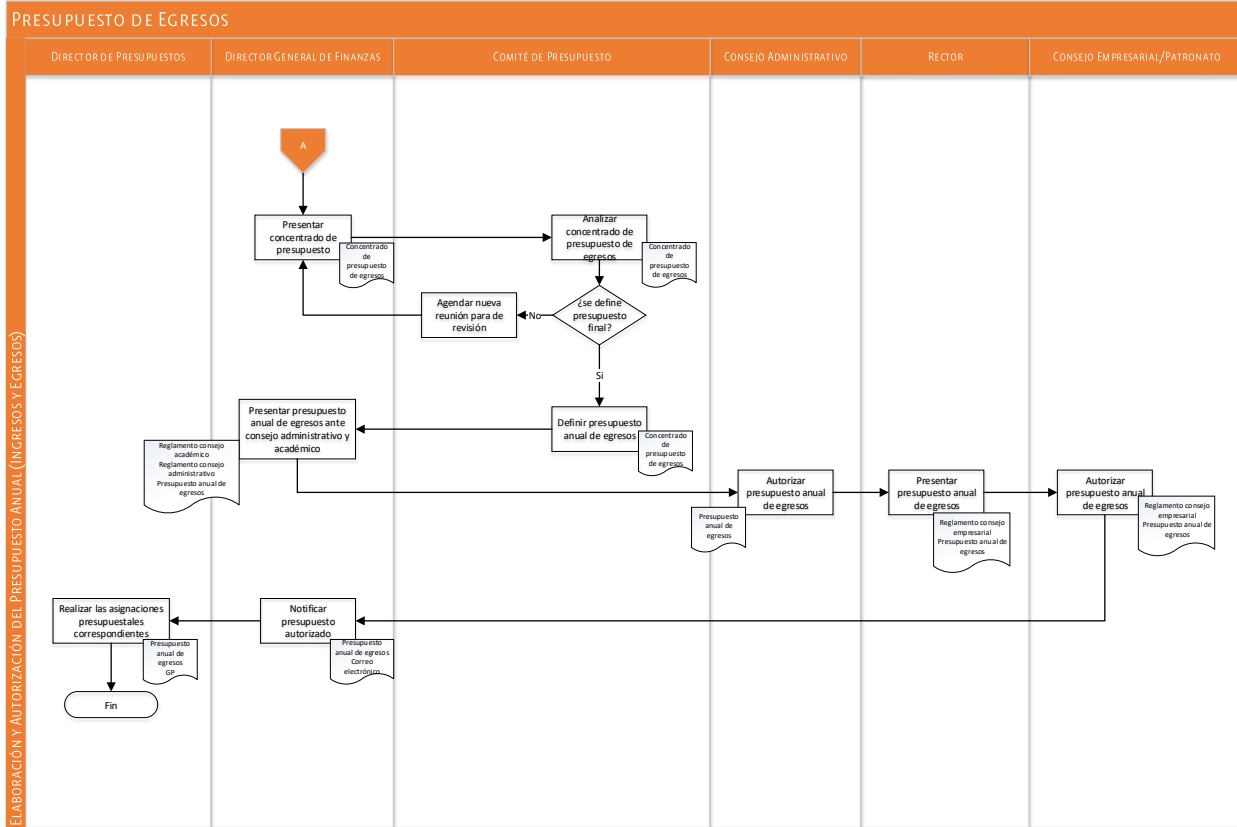
Revenue Budget





Expenditure Budget





6 Risks Identified in the Process

Risk	Impact	Probability	Mitigation Actions	Corrective Actions
N/A	N/A	N/A	N/A	N/A

7 Process Indicators

General Process	Indicator	Formula	Indicator Type
Preparation and Approval of the Annual Budget (Revenue and Expenditure).	1. Validation of information received.	1. Percentage difference between areas with information provided and areas with information not provided.	Volume
			Measurement Frequency
			Annual
			Indicator frequency
			Annual
Guidelines	Objective	Action	
Administrative Efficiency.	Efficient and transparent use of resources used in academic, administrative, or any other activities, under institutional regulatory guidelines and within the corresponding legal framework.	Creation of budgets based on a work plan that prioritizes activities.	

8 Glossary

Concept	Description
Budget	Set of expected expenses and income for a specific period of time.
Revenue	Amount of money earned or collected.
Expenses	Debit entry in an account.
Budget summary	Information gathered from budgeted income and expenditure data.
Variations	Change or alteration in the trend of the income or expenditure budget.
Budget allocation	Distribution of amounts to each of the accounting accounts in which the budget is exercised.