

7. Budget Management Regulation

Department in charge: Strategic Planning & Budget Team 1041, 3 ©

Established on Jun. 1, 1995 Regulation No.1

Amended on Nov. 30, 2012, regulation No.169

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Chapter 1 General Provisions

Article 1 (Purpose)

This regulation seeks to establish a sound, rational financial program by prescribing matters related to the budget control of Handong Global University (hereinafter referred to as "University").

Article 2 (Scope)

All matters related to the budgets of the university shall be governed by this regulation. However, matters other than those stipulated in this regulation shall be governed by related laws or regulations.

Article 3 (Types of Budgets)

Budgets shall be classified as follows:

1. General budgets: Budgets that comprehensively apply to the school expenses activities. (Amended on Nov. 30, 2012)
2. Divisional budgets: Budgets that apply to each unit of organization or each unit of responsibility

Article 4 (Budget Manager)

To ensure the effective management of budgets, the school shall have the following budget managers:

1. General budget manager: Dean of Policy and Planning
 - (1) Manage businesses related to the establishment and operation of the budget system and budget control.
 - (2) Compile and execute general budgets and oversee the establishment and control of the divisional budgets.
 - (3) Consolidate the results of budget planning and execution and submit a report on the analysis.

2. Divisional budget manager: Heads of departments such as deans, directors of affiliated institutions, and directors of affiliated research institutes
 - (1) Assume responsibility for compiling and executing divisional budgets.
 - (2) Maintain records related to the preparation and execution of budgets; analyze the results of budget execution and submit reports to the general budget manager.

Article 5 (Budget Period)

The budget year shall be equivalent to 1 fiscal year; however, the period may be classified into quarters or months if necessary for purposes of internal control.

Article 6 (Budget Item System)

The budget item system shall be governed by the financial accounting regulation for private institutions and exemption regulation thereof.

Article 7 (Principle of Total Budget)

In principle, all revenues and expenditures shall be included in the budget; they shall not be directly offset.

Chapter 2 Compilation and Execution of Budgets

Article 8 (Compiling Budgets)

1. The general budget manager shall establish budget preparation guidelines and inform the divisional budget manager accordingly at least 2 months before the start of each fiscal year.
2. The divisional budget manager shall prepare a draft budget for the following year based on the budget preparation guidelines specified in Clause 1 for submission to the general budget manager by the designated deadline.
3. The general budget manager shall deliberate on and adjust the received divisional draft budget and draw up and submit a general budget draft to the board of directors for approval.

Article 9 (Budget Control)

The general budget manager shall ensure effective budget operation by reasonably controlling overall budgets including budget allocation and submission of reports on the adjustment and execution of budgets.

Article 10 (Budget Execution)

1. No budget shall be executed unless compiled according to the procedure stipulated in this regulation.
2. In case of changes in the budget execution plan, or when budgets are diverted or exceeded, the divisional budget manager shall perform prior adjustment with the general budget manager.

Article 11 (Correction of Budgets)

Once finalized, budgets shall not be corrected. However, this provision shall not apply in case of unavoidable reasons such as changes in major project plans, changes in the economic situation, natural disasters, or terrestrial upheaval.

Article 12 (Carrying Forward of Budgets)

Budgets that cannot be executed for unavoidable reasons after drawing them up may be carried forward and executed based on the established procedure.

Article 13 (Quasi-Budgets)

1. If budgets are not finalized by the start of the fiscal year, the following expenses may be executed based on the previous year's budget pending the finalization of the budgets:
 - (1) School staff members remuneration
 - (2) Essential expenses directly incurred for education
 - (3) Facilities maintenance expenses
 - (4) Legally payable expenses
2. Once the budgets for the year are finalized, those executed pursuant to Clause 1 shall be considered to have been executed based on the finalized budgets.

Article 14 (Supplementary Budgets)

The general budget manager may draw up supplementary budgets in case changes are required in relation to execution after budgets are compiled.

Article 15 (Reserve Fund)

1. For the appropriation for the excessive disbursement of the budget, reserve funds equivalent to 1% or more of the annual budget shall be separately allocated.
2. If using the reserve funds is necessary, the reasons and the amount shall be reported to the president for approval.

ADDENDUM

This regulation shall enter into force as of June 1, 1995.

ADDENDUM

This amended regulation shall enter into force as of December 1, 2012.(Amended on Nov. 30, 2012, regulation No.169)