



# Budget development and management procedure

Version: 1.1 | Version effective: 03/01/2020

## Audience

Department-wide

## Purpose

This procedure explains how the Department of Education (the department) establishes and maintains its annual operating and capital budgets.

## Overview

The department's funding is largely sourced from the state and commonwealth governments. The department reports annually on its budget to Parliament through the [state budget process](#) managed by [Queensland Treasury](#). The [state budget papers](#) are published annually on state budget day and include the department's estimated operating and capital position, activities undertaken and departmental priorities for the coming budget year. These budgets are reviewed through a series of [parliamentary estimates hearings](#) attended by both government and non-government members. During the financial year the government also publishes [Mid-Year Fiscal and Economic Review](#) information to ensure accountability and transparency for planned and actual government spending.

The department's internal timelines align with the state budget process to ensure timely and accurate budget information is communicated to government. The department's Executive Management Board (EMB) are responsible for allocating and monitoring the budget internally to align with the [Strategic Plan](#), [Long Term Financial Plan](#) and government priorities. Throughout the year budget changes will occur in consultation with Queensland Treasury on behalf of the government.

Schools receive departmental funding to operate, maximise student outcomes and realise their individual improvement agendas. Principals are responsible for ensuring all funding is used in full to deliver the highest quality educational experiences possible for all students enrolled at their schools.

## Responsibilities

### Executive Management Board (EMB):

- develop, review, monitor and approve budgets to ensure divisional allocations are in line with government priorities
- develop and implement strategies to allocate available resources
- consider and endorse workforce priorities
- consider initiatives recommended for funding to ensure efficient and effective allocation of resources
- make decisions around measures to be applied to the budget as required.

### Executive Management Board members and their divisions/regions:

- ensure the allocated budget is used for the purpose specified in the approved budget
- profile/cash flow the annual budget according to how and when the budget is to be spent
- ensure public funds are spent in accordance with relevant legislation and policy
- advise the Chief Finance Officer of any change to budget priorities or savings which could be reallocated.

### Assistant Director-General Finance and Chief Finance Officer (CFO):

- is an EMB member and provides advice to the board in the capacity of CFO.

### School principals:

- develop, review, monitor and approve current and future operating budgets to ensure efficient and effective allocation of resources to achieve departmental and government priorities
- ensure public funds are spent in accordance with relevant legislation and policy.

## Process

### 1. Approve the budget

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- The department's budget is:
  - reviewed and refined by EMB in the lead up to the upcoming financial year
  - finalised with Queensland Treasury as part of the state budget process
  - confirmed and published on state budget day in June
  - approved and allocated to the divisions/regions.
- Principals review and approve school budgets (within fiscal limits).

### 2. Monitor and adjust the budget

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- As part of EMB's monthly reporting process, expenditure is reviewed against approved budgets with divisions identifying budget pressures and forecasting the end of year position.
- EMB meet throughout the year to review and adjust the budget to ensure emerging challenges are appropriately managed and the budget position is sustainable.

- Principals review and adjust school budgets periodically to meet emerging priorities.

## Definitions

Term	Definition
<b>Executive Management Board (EMB)</b>	The department's EMB supports the Director-General to set the strategic direction, identify priorities, make financial budgetary decisions and monitor the performance of the department to deliver efficient and effective outcomes for Queensland.
<b>Long-Term Financial Plan</b>	The <a href="#">Long-Term Financial Plan</a> describes the department's framework for delivering cost effective services, maximising value and planning for future resource allocation.
<b>Mid-Year Fiscal and Economic Review</b>	The <a href="#">mid-year fiscal and economic review</a> provides an update of the State's economic and fiscal position since the release of the state budget. It allows the government to review the progress of outcomes for the state.
<b>Parents and Citizens' Association</b>	A <a href="#">Parents and Citizens' Association (Association)</a> may be formed for a state school to promote the interests of, and facilitate the development and further improvement of, the school.
<b>Parliamentary estimates hearings</b>	Comprised of government and non-government members <a href="#">parliamentary estimates hearings</a> inform the general parliamentary debate on budgets. These hearings ensure accountability and transparency of the overall budget process.
<b>State budget papers</b>	<p>The <a href="#">State Budget Papers</a> provide published budgeted financial and non-financial information for the Budget year.</p> <ul style="list-style-type: none"> <li>Departmental budgets are published in Budget Paper 5 – Service Delivery Statements.</li> <li>Departmental capital expenditure is outlined in Budget Paper 3 – Capital Statement.</li> </ul> <p>Departmental expense, capital and revenue measures reflecting decisions since the previous budget are outlined in Budget Paper 4 – Budget Measures.</p>
<b>State budget day</b>	The day Parliament passes legislation to allocate state funding to government departments. State budget day is a key date during the state budget process.
<b>State budget process</b>	The <a href="#">state budget process</a> facilitates the provision of state funding to government departments.
<b>Strategic Plan</b>	The <a href="#">Strategic Plan</a> outlines the department's vision for Queensland children and students, workplaces and communities and its people.

## Legislation

- [Financial Accountability Act 2009 \(Qld\)](#), Part 5, Division 2

**Uncontrolled copy.** Refer to the Department of Education Policy and Procedure Register at <https://ppr.qed.qld.gov.au/pp/budget-development-and-management-procedure> to ensure you have the most current version of this document.

- [Financial and Performance Management Standard 2019 \(Qld\)](#)

## Delegations/Authorisations

- The EMB is responsible for approving and allocating the department's annual corporate operating and capital budget. Changes to the approved annual budget throughout the year require EMB approval, with the exception of low risk adjustments which are delegated to the relevant Deputy Director-General and Assistant Director-General Finance and Chief Finance Officer.
- EMB members are responsible for the budgets allocated to them.
- School principals are responsible for approving and allocating school budgets.
- EMB may at any point approve changes to a division's budget allocation.

## Policies and procedures in this group

- [Budget development and management policy](#)

## Supporting information for this procedure

- Nil

## Other resources

- [Parents and Citizens' Associations procedure](#)
- [Corporate budgeting](#) (DoE employees only)
- [School budgeting](#) (DoE employees only)
- [School budget solution](#) (DoE employees only)

## Contact

For further information, please contact:

Finance Branch through the [Services Catalogue Online](#) (DoE employees only).

Customers and users external to the department should email [InternalBudget.finance@qed.qld.gov.au](mailto:InternalBudget.finance@qed.qld.gov.au).

## Review date

26/07/2022

## Superseded versions

*Previous seven years shown. Minor version updates not included.*

1.0 Budget development and management

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