

# Standardized Budget Development Process



**RAHBAR COLLEGE**  
OF DENTISTRY

**PRINCIPAL**  
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To: Director Admin

Info: Medical Branch

# Standardized Budget Development Process

## 1. Purpose

The purpose of this policy is to establish a standardized process for the development, approval, and management of the budget within Rahbar College of Dentistry. This ensures transparency, consistency, and accountability in financial planning and resource allocation to support the educational, clinical, and research missions of the dental college.

## 2. Scope

This policy applies to all departments, units, and employees involved in budget preparation, submission, and approval processes within RCoD.

## 3. Definitions

- **Budget:** A financial plan that outlines expected revenues and expenditures for a specific period.
- **Fiscal Year:** The 12-month period is used for budgeting and financial reporting.
- **Budget Holder:** An individual responsible for managing a specific budget within a department or unit.
- **Operating Budget:** The budget for day-to-day expenses of the dental college.
- **Capital Budget:** The budget for major investments and long-term projects, including clinical and research facilities.

## 4. Policy Statement

Rahbar College of Dentistry is committed to a structured and uniform budget development process that ensures all financial plans align with the college's strategic objectives, educational goals, and operational needs.

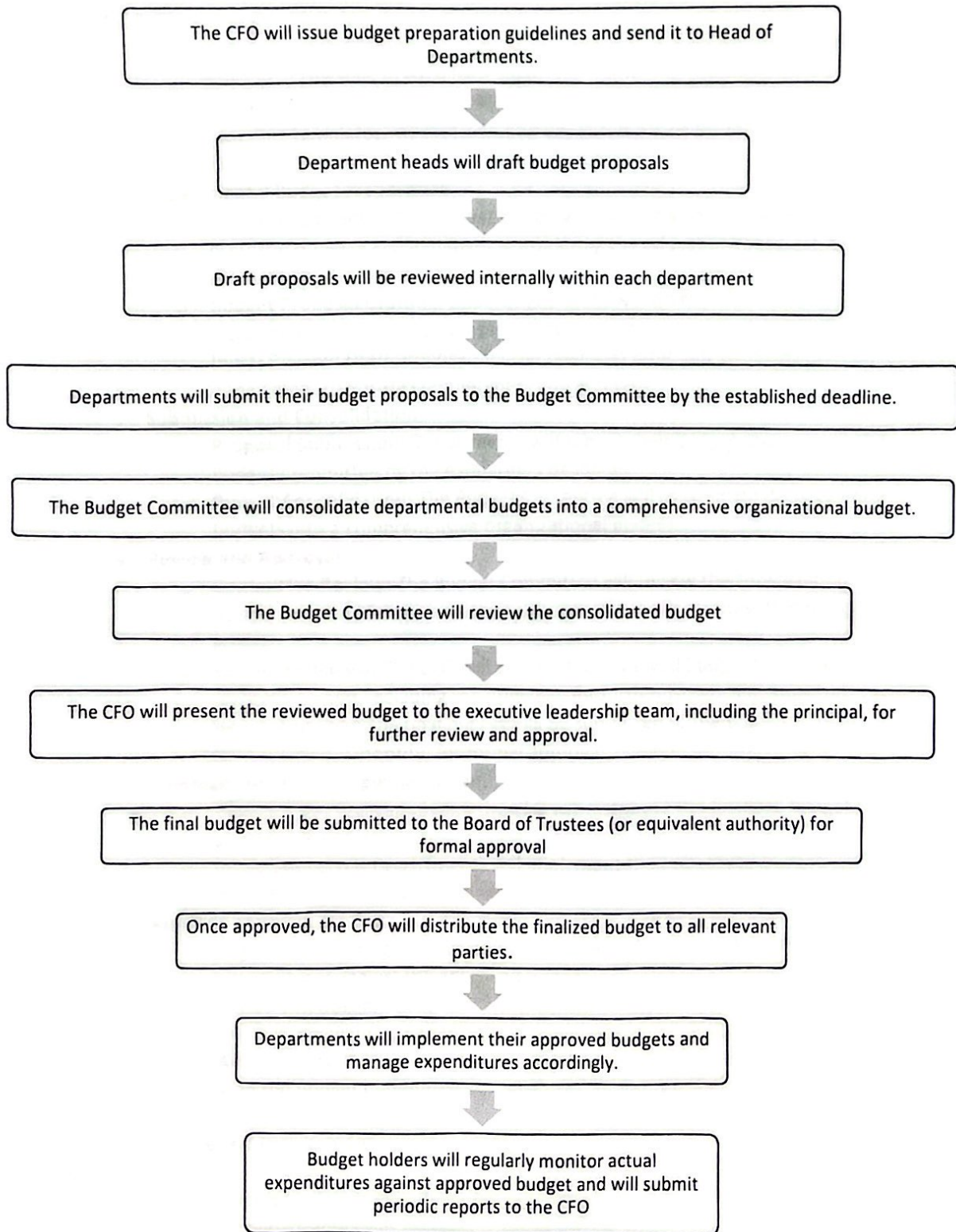
## 5. Responsibilities

- **Principal:** Provides overall guidance and approves the final budget before submission to the higher authority.
- **Chief Financial Officer (CFO):** Oversees the entire budget development process, ensures compliance with this policy, and presents the final budget for approval.
- **Budget Committee:** Reviews and evaluates budget proposals from various departments and units, ensuring alignment with the college's goals.
- **Department Heads:** Prepare and submit budget proposals based on departmental needs and priorities.
- **Budget Holders:** Monitor and manage approved budgets, ensuring expenditures are within the allocated funds.

## 6. Committee Members

- Principal RCoD
- HODs of all Departments
- Deputy Director Admin

## 7. Flow Chart of the Process





## 8. Budget Development Process

### 1. Preparation and Planning

- **Timeline Establishment:** The CFO will establish a timeline for the budget process at the start of each fiscal year.
- **Guidelines Issuance:** The CFO will issue budget preparation guidelines, including templates, instructions, and key assumptions for the upcoming fiscal year.

### 2. Departmental Budget Preparation

- **Needs Assessment:** Department heads will conduct a needs assessment and prioritize projects and initiatives, considering the educational, clinical, and research requirements.
- **Budget Proposal Drafting:** Department heads will draft budget proposals, including detailed justifications for each line item.
- **Initial Review:** Draft proposals will be reviewed internally within each department to ensure completeness and accuracy.

### 3. Submission and Consolidation

- **Proposal Submission:** Departments will submit their budget proposals to the Budget Committee by the established deadline.
- **Budget Consolidation:** The Budget Committee will consolidate departmental budgets into a comprehensive organizational budget.

### 4. Review and Approval

- **Committee Review:** The Budget Committee will review the consolidated budget, make necessary adjustments, and ensure alignment with strategic goals.
- **Executive Review:** The CFO will present the reviewed budget to the executive leadership team, including the principal, for further review and approval.
- **Board Approval:** The final budget will be submitted to the Board of Trustees (or equivalent authority) for formal approval.

### 5. Communication and Implementation

- **Distribution:** Once approved, the CFO will distribute the finalized budget to all relevant parties.
- **Implementation:** Departments will implement their approved budgets and manage expenditures accordingly.

### 6. Monitoring and Reporting

- **Regular Monitoring:** Budget holders will regularly monitor actual expenditures against the approved budget.
- **Periodic Reporting:** Budget holders will submit periodic financial reports to the CFO, highlighting variances and providing explanations.
- **Adjustments:** If necessary, budget adjustments will be made in consultation with the Budget Committee and approved by the appropriate authority.

## 9. Compliance and Enforcement

All employees involved in the budget process must comply with this policy. Non-compliance may result in disciplinary actions as outlined in the Rahbar College of Dentistry employee handbook.

## 10. Review and Amendments

This policy will be reviewed annually by the CFO and the Budget Committee. Any amendments must be approved by the Board of Trustees (or equivalent authority).

## 11. References

- [Relevant Financial Policies]
- [Employee Handbook]
- [Other Related Documents]

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Rahbar College of Dentistry encourages all employees to understand and adhere to this policy to ensure effective and efficient budget management.

## Income Vs Expenditure

Project Financing	Project Cost	Working Capital Requirements
Rs. 400,000,000	Rs. 217,825,000	Rs. 182,175,000

## Reconciliation of proposed student capacity

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
1 <sup>st</sup> Year students	50	50	75	75	-
2 <sup>nd</sup> Year students	-	50	50	75	75
3 <sup>rd</sup> Year students	-	-	50	50	75
4 <sup>th</sup> Year students	-	-	-	50	50
5 <sup>th</sup> Year students	-	-	-	-	50
<b>Total</b>	<b>50</b>	<b>100</b>	<b>175</b>	<b>250</b>	<b>250</b>

## Revenue Generation

Revenue Generation (Rs.)			
Year 1	Tuition fee	18,00,000 x 50	92,500,000
	Admission fee	50,000 x 50	
Year 2	Tuition fee	19,00,000 x 100	192,500,000
	Admission fee	50,000 x 50	
Year 3	Tuition fee	20,00,000 x 175	353,750,000
	Admission fee	50,000 x 75	
Year 4	Tuition fee	21,00,000 x 250	528,750,000
	Admission fee	50,000 x 75	
Year 5	Tuition fee	22,00,000 x 250	550,000,000



PROJ INCOME & EXP FOR THE YR 2025			
Income		Expenses	
Detail	Amount	Detail	Amount in (Mn)
Academic Dues 1 <sup>st</sup> Yr	Rs. 92,500,000	Annual Salary of RCoD	
<ul style="list-style-type: none"> <li>Local Students</li> <li>Foreign Students</li> </ul>			
Prospectus Income		Clinical Training Expense	
		Internees Salaries	
Hostels Fee		Annual Salary of RGSS Staff	-
AC Charges		Annual RMDC / Hostels (Misc Exp)	
Rent Cafe		Regn fee of 1st yr students to UHS	
ISE Tower Rent		Regn fee of 1st yr students to PMDC	
Bank Profit (All Accts)		Docu verification fee of 1st yr students	
Medical fee		Advertisement and Articles	
Sports fee		Running Expenses	
Transport Fee		Adm and Academic svc charges 5.5% to UHS	
Workshop Fund		UHS annual exam fee of 1st yr to 5th yr students	
		Income tax 1.5% (Qtly Tax to FBR)	
		PMDC annual college regn fee	
		ISO Insp (Yr)	
		Tax on Bank Profit & Professional Tax	
		Lib Books / e-resources	
		Fee of Chartered Accountant	
		Sports Gala	
		Convocation	
		Annual Dinner	
		Field Trips Community Dentistry	
		PMDC Insp of RCoD	
		Misc Exp	
<b>Total</b>		<b>Total</b>	

Summary

Income	0
Expenses	0
Saving	0