

BUDGETING

According to the Constitution Of Universiti Malaya, under Part V: Financial Provisions (Preparation of Estimates) "It shall be the duty of such officer or officers of the University as may be prescribed by statute to prepare for the consideration of the Vice-Chancellor the estimates of income and expenditure of the University for each financial year".

Budgeting is the financial planning of the institution's activities for a given year. It represents the summation Responsibility Center (RC's) plans to achieve financial objectives of the University. It normally classified according to categories such as emoluments, services & supplies, assets, fixed charges and other expenditures.



SOURCES OF ALLOCATION

GOVERNMENT GRANT

Distribution of grants from the Ministry to finance the university activities such as:

- Emoluments
- Development Projects
- Research
- Other Expenses approved by the Ministry

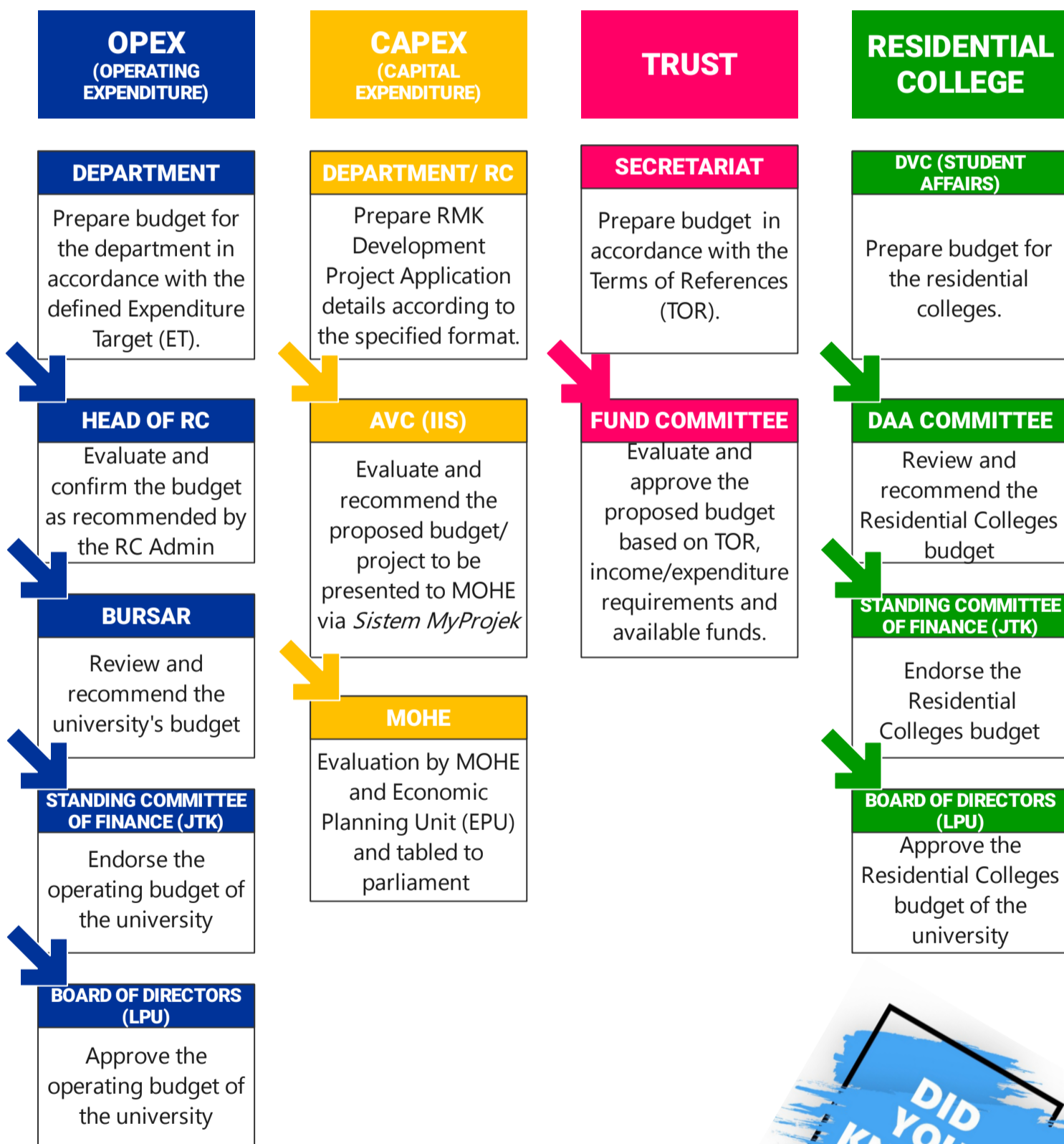
SELF-GENERATED INCOME

Internally generated income such as

- Tuition Fees
- Seminar/Conference fee
- Rental of Facilities
- Other Income

BUDGET PROCESS

All budget applications must be entered into the Financial Information Support System (FIRST) via the link <https://first.um.edu.my>. Failure to do so will cause delays in financial processing.



OPEX

- An on-going cost for running University's
- Consist of "Belanja Mengurus" and Other Chargeable Annually Recurring Expenditure (OCAR)
- **Belanja Mengurus** - cost incurred to run an activity. It is normally identified as Direct Costs which are directly attributable to the activity/processes.
- **Other Chargeable Annually Recurring (OCAR)** - recurring overhead expenditures that were controlled centrally under few central PTj. For example electricity, central maintenance, ICT Facilities etc.

CAPEX

- In general, it refers to funds used to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment.
- Capital outlay and non-recurring expenditure under **Malaysia Plan (RMK)**

