VirementsGuidanceDecember2024

OVERVIEW AND PURPOSE

1.1 ThisGuidance supports the Financial Regulations. It sets out the approach of the University in meeting the requirement of the Regulations with regards/treements and describes the means by which the principles of the Regulations should be applied in the day operations of the University.

2. SCOPE

2.1 ThisGuidanceapplies to all virements

3. RESPONSIBILITIES

3.1 In accordance with Francial Regulation 3.3 Heads of School and Directors of Professional Services are responsible for the financial nagement of the areas or activities they control and the proper and effective use of University funds in accordance with their approved budget There are occasions where in order to optimise the use of resourcesarndout effective financial management, it is necessary to action ments/budget transfers during the financial yearHeads of Schools and Directors are responsible for agreein virements but must not take decisions or transfer resources contrary to current University Guidances represented by the approved budget

4. GUIDANCE

4.1 The term 'virement' means to transfer a budget from one expenditure code to another order to reflect a change in expenditure or incomptanssince the budget was approved is useful for budgetary control and financial monitoring. It is important to have stringent controls and authorisations over virements as it is effectively giving 'permission to spend' to the Budget Holder within their authorisation limits. It is essentiablentify virements as temporary or permanent in order to maintain the wider understanding of budgetary requirements and to help with the long-term planning and IPBP process. It is not intended to hide overspends and should not be used to create-outrievable income budget he deminimus for a virement is \$5,000, unless required for operational or technical purposes. Overspends below this this sum should be offset by underspends elsewhere.

4.2 There are 2 types of virements:

- x within Schools/Departments these are typically to realign budgets to reflect updated spending plans or to fund oreff expenditure
- x between Schools/Departments or Centrathese are typically in year allocations such as HEIF funding and additional grants or to reflect a change in responsibility

The University currently restricts virements between Schools and Departments unless specifically agreed in order to maintain the approved budget envelope.

4.3 Virements should only be actioned when available funding is identified and should not result in an overspend elsewhere. Please see Appendix 1 for the procedure guidance.

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