


Financial Affairs Process

Process Definition



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	Financial Affairs Process		Document No	IU.QM.PR.084E
			Issue Date	01/11/2017
			Revision No	01
	Unit	QMS Office	Page No	Page 2 of 6

1. SUMMARY

- 1.1. This document defines the process of Financial Affairs at Ishik University.
- 1.2. The relationship between this process and the other processes within the Ishik University management system is illustrated in the process flow map included in the [Quality Manual Doc IU.QM.IN.001E].

2. REVISION AND APPROVAL

This procedure is prepared, reviewed and approved as follows.

Prepared by	Reviewed by	Approved by
Rasha Alkabbanie	Cihan Ozer	Cihan Ozer


#	Date of Issuance	Ver.	Validity	Description of Change	Prepared by	Reviewed by	Approved by
1	15/05/2015	0	3 years	Original Release	Rasha Alkabbanie	Cemil Top	Dr. Mehmet Ozdemir
2	01/11/2017	1	3 years	The format has been changed, other items has been added to the content	Rasha Alkabbanie	Cihan Ozer	Cihan Ozer

3. PROCESS DEFINITION

- 3.1. The purpose of this process is to ensure that financial resources are being managed in a good way.

4. PROCESS OBJECTIVES AND METRICS

- 4.1. Process objectives for this process are defined in the "Quality Objectives of Ishik University" document.

	Financial Affairs Process		Document No	IU.QM.PR.084E
			Issue Date	01/11/2017
			Revision No	01
	Unit	QMS Office	Page No	Page 3 of 6

4.2. In addition, each objective has at least one metric (or KPI) with which management can measure the effectiveness of the process. These are also defined in the “Quality Objectives of Ishik University” document.

4.3. The targets of each objective are determined in October of every academic year.

4.4. The achievement of the quality objectives are discussed in the Management Review Meeting.

Quality Objective	Key Performance Criteria (KPI)	Other process contributes to the final target
High level of Satisfaction about the Financial Affairs Unit performance	number of complaints about financial affairs	-
Preparing good budget plan of the university	The feasibility of the budget at the end of the academic year	

5. PROCESS OWNERS AND RESPONSIBLE PARTIES

5.1. The owner of this process is the **Director of Financial Affairs Unit**.

5.2. **The staff of Financial Affairs Unit will** ensure proper fulfillment of the requirements of this process.

5.3. The **Board of Trustees** will ensure proper resources are provided for this process.

6. TYPICAL PROCESS INPUTS AND RESOURCES

6.1. Technical Information Needed.

- None

6.2. Resources/Facilities and Techniques needed:

- Accounting Software.

6.3. Resources/Personnel needed:

- The staff of Financial Affairs Unit

6.4. Special training needed

- None

7. SUP-PROCESSES WITHIN THIS PROCESS:

- Methods of management of students finance
- Budget Preparation and Controlling
- Method for Banking Process
- Method for Creditors Management
- Salaries

8. TYPICAL PROCESS OUTPUTS

8.1. Service produced:

- University Budget is Prepared.
- Salaries are delivered

	Financial Affairs Process		Document No	IU.QM.PR.084E
			Issue Date	01/11/2017
			Revision No	01
	Unit	QMS Office	Page No	Page 4 of 6

- Money is transferred

8.2. Documents produced :

- None

8.3. Records produced:

receipt	
withdrawal notification	
Department budget	
Department budget form	
Total budget form	
final budget of Ishik university	
deposition notification	
Ishik university ID Card	
days status list	
salaries receipt log	

9. RELATED RISKS AND OPPORTUNITIES

Risk	Likelihood	Severity	Assessment Method	Mitigation
Risks of financial losses	Somewhat likely to Occur	High	Annual budget review	Hiring consultants for preparing the annual budget

10. STEPS

10.1- Methods of management of students finance

- 1- At the beginning of each academic year , the ministry of higher education and scientific research sends a list of tuition fees of ishik university for each semester .
- 2- The student contacts the financial affairs to be informed about the new tuition fees values .
- 3- The student pays the coming semester tuition fees .
- 4- The head of FA receives the fees from the student and checks the financial status of the student , if the student was not free of residual financial expenses , the head of fa informs him/her to pay them . if the student was free of financial fees , the head of fa issue a receipt () for him/her and enables the student to start course registration process () electronically by using PBS system .

	Financial Affairs Process		Document No	IU.QM.PR.084E
			Issue Date	01/11/2017
			Revision No	01
	Unit	QMS Office	Page No	Page 5 of 6

10.2-Budget Preparation and Controlling

- 1- The financial committee assigns the financial affairs to prepare a draft of the new academic year budget .
- 2- The Head of FA informs via internal correspondence the university departments to send proposals of their departments budgets of the new academic year.
- 3- The departments prepares a proposal of their department budget () using department budget form ().
- 4- The Head of FA receives the departmental budget drafts and checks them, then he/she enters the values into the financial system to prepare the total budge draft using total budget form () .
- 5- When the total budget draft is ready , the Head of FA presents it in the fc meeting for discussion and recommendations .
- 6- The fc discusses the budget draft , if it isn't accepted , it will be returned to fa for rechecking . if it is accepted , the members of fc confirm and approve it as the final budget of Ishik university () .
- 7- The Head of FA circulate the final budget document to the respective departments using internal correspondence .
- 8- The Head of FA ensures that the departments financial requests do not exceed the quartly allocation of the budget .
- 9- In the case of a financial request exceeds the allowed approved budget or the quarterly allocation , the request is discussed in the fc meeting , in the case of approving , the extra amount will be supplied from the reserve-budget or it will be rejected .

10.3 -Method for Banking Process

1. The university incomes are kept in the FA department .
2. The head of fa deposits the money to the bank periodically after the approval of the financial committee .
3. the head of fa brings a deposition notification () from the bank about the amount of money deposited in the bank .
4. the head of fa shows a deposition notification () to the financial committee then he/she keeps it in the fa records .
5. the head of fa prepares a list of required expenses for the coming month (including regular and requested expenses) , then he/she shows it to the financial committee.
6. After the financial committee approves the list of required expenses , The head of fa withdraws the approved amount of money from the bank.

	Financial Affairs Process		Document No	IU.QM.PR.084E
			Issue Date	01/11/2017
			Revision No	01
	Unit	QMS Office	Page No	Page 6 of 6

7. the head of fa brings a withdrawal notification () from the bank about the amount of money taken from the bank account .
8. the head of fa shows a withdrawal notification () to the financial committee then he/she keeps it in the fa records .

10.4 -Method for Creditors Management

- 1- The student at ishik university are allowed to pay their tuition fees in 2partial payments .
- 2- The partial payments are approved by the head of fa in the name of financial committee .
- 3- If the student asks for more payments , he/she writes a petition letter to the financial committee for approval then it will be forwarded to fa to act accordingly .

10.5 -Salaries :

- 1- The human resources department informs the FA about the status of the employees monthly days (full duty days , unpaid days off , days of because of medical situation , partly duty days ...) by sending days status list () .
- 2- The FA prepares the amount of salaries in accordance to the received days status list () .
- 3- The FA delivers the salaries to the employees after showing their Ishik university ID Card .
- 4- When the employee receives his/her salary , he/she signs on the salaries receipt log().
- 5- Salaries payment will be given starting from the end of the month till the fifth of the next month and that in return to the working days of the previous month .