

# FINANCE: OPERATING BUDGET

## WHAT IS IT AND WHY IS IT VALUABLE?

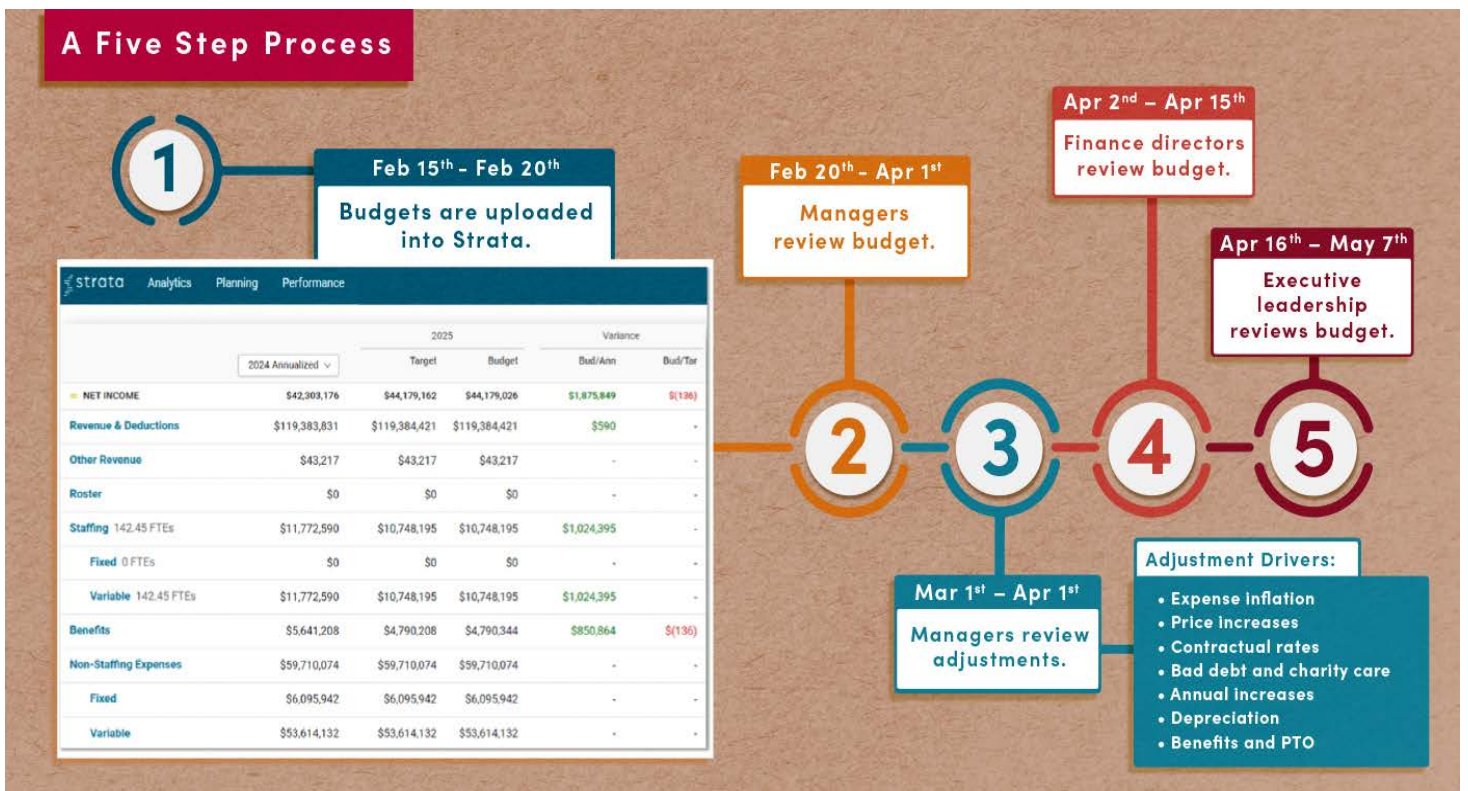
The **Operating Budget**, conducted each spring, forecasts revenue and expenses for the upcoming fiscal year. This structured process is critical in addressing long-term financial needs, aligning with organization priorities like the Financial Action Plan, and managing unforeseen expenses.

## WHO IS INVOLVED?

At U of U Health, **department managers** and financial leaders play a key role in the budgeting process. The Central Finance Team depends on department managers' expertise to identify and address any discrepancies in the data as they are closest to the work. Early detection of variations is invaluable in this five-step process.

## WHAT'S IMPORTANT TO KNOW:

The Operating Budget entails **five main steps** through Strata for overall system completion. Become familiar with the key dates and utilize the Central Finance Team's step-by-step resources on [Pulse](#) for support.



## FINANCE: OPERATING BUDGET: PART OF A LARGER PROCESS

- Operating Budget: Forecasts revenue and expenses for the next fiscal year
- Long Range Forecast: Looking at current year + 5 years
- Rolling Forecast: Setting budgeting targets
- Rolling Capital Budget: Capital requests, planning, review, and approval
- Fiscal Year Begins/Ends: Closing of current year's budget and opening of the next

