

IMPROVEMENT OF THE COSTS AND CONTROL OVER FINANCIAL RESOURCES OF HIGHER EDUCATIONAL INSTITUTIONS

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Abstract

This article covers the issues of planning and improving the mechanisms of control over the financial resources and costs of higher education institutions. State and non-state sources of financing of the educational system, methods of budgeting based on productivity and their impact on the activities of educational institutions have been analyzed. Also, important aspects of improving the efficiency of expenses, rational use of financial resources and ensuring the financial independence of higher education institutions are revealed. The article developed recommendations for qualitative changes in funding in education based on an analysis of national and international experiences.

Keywords: Higher education, financing, budgeting, cost accounting, control, financing according to productivity, state budget, non-governmental resources, financial independence, educational institutions, financial efficiency.

Introduction

In the current global economic context, the education system is considered as one of the most important factors in the development of the country. Higher education institutions in particular play a central role in shaping the intellectual potential of the national economy. Therefore, it is necessary to constantly improve the accounting and control systems of their financial resources and expenses. In financial management, the introduction of methods of consequential budgeting, optimization of costs and increasing the effectiveness of financing are some of the important tasks.

Importance and trends in education system funding

The field of education is a strategic resource for the state and society. The costs directed towards education develop not only physical capital, but also intellectual potential. Financing of the educational system in Uzbekistan is carried out mainly through the state budget and non-budgetary resources. In our country, the share in the total budget remains around 14-15%, although in 2019-2022 educational costs increased by about twice. This makes it very important to ensure that educational resources are spent wisely and efficiently [1].

Consequential budgeting plays an important role in optimizing the financing of educational institutions. This method mainly provides for the allocation of funds to educational institutions, along with the number of students, depending on the results of their educational and scientific activities. This approach serves to effectively use resources, control costs and strengthen financial discipline in institutions [2].

Financial resources and cost accounting

In ensuring the financial stability of higher education institutions, it is important to deeply analyze the composition of their financial resources and improve the cost accounting system. The effectiveness of the activities of such institutions is largely closely related to where and in what form it attracts financial resources, as well as in what order it manages them.

Financial sources of higher education institutions include:

* Deductions from the state budget and the local budget are the main financial resources and are directed to ensure the quality of education, infrastructure development and teacher salaries. The amount of funds for each higher education institution is formed on the basis of decisions of the Republican and territorial budget commissions [3].

- Non-budgetary state target funds-including resources allocated through the fund for the development of educational institutions. These funds will be directed to research projects, laboratory equipment, procurement of modern technologies.

* Income from entrepreneurial activity-some higher education institutions earn independent income through research work, consulting services, training courses, production of educational and methodological products. This activity serves to strengthen financial independence [4].

- Foreign grants, loans and donations – allocated by international donor organizations, foreign universities and foundations. These funds are mainly aimed at academic exchange, scientific research and training of personnel.

* Fee-contract based education fees are one of the main extra-budgetary financial resources of most higher education institutions nowadays. With the increase in the number of students, the volume of these receipts is also increasing proportionally [5].

In order to effectively manage these resources, higher education institutions are gradually moving towards a self-financing system. Such a system gives them the following advantages:

- independent planning of expenses in accordance with the needs of the institution;

- * less dependence on external financial resources;

- * strengthening financial discipline through the introduction of advanced management practices;

- * to generate additional revenue by introducing competitive services and implementing commercial-oriented projects [6].

The cost accounting system, on the other hand, is an important tool in planning the economic activities of higher education institutions, establishing financial control and maintaining effective monitoring. Costs are mainly formed in the following main directions:

- salaries and equivalent payments to employees (basic teachers ' state, hourly classes, rewards);
- maintenance and development of the material and technical base (building repair, equipment procurement, internet and infrastructure services);
- R & D activities (laboratory costs, grant projects, publication costs);
- administrative and managerial expenses (utility bills, transport, business trips);
- * costs for the introduction of Information Technology (digitization of educational systems, platform costs, IT specialists service fees) [7].

Transparency, accuracy and readiness for audit should be the main principles when calculating costs. This, in turn, necessitates the introduction of modern automated accounting and financial management systems. In particular, through the use of ERP (Enterprise Resource Planning) systems, real-time monitoring can be conducted on each type of cost.

A functional approach to cost accounting is also important. That is, the costs lie in separate directions (education, research, management, etc.k.) are analyzed and on this basis the consequentiality of costs is evaluated.

Problems of cost planning and control

There are a number of problems with the cost planning and control system in educational institutions. The main ones are:

- * Inefficient distribution of budget funds;
- Lack of adequate forecasting methods when drawing up cost estimates;
- Inadequate control system development and risk of corruption;
- Limited effective use of extra-budgetary funds.

At the same time, the world experience recommends switching the costs of educational institutions to financing, depending not only on the number of students, but also on the outcome of the educational institution. To do this, it is necessary to take into account the system of indicators – the potential of scientists, academic and sports achievements of students, the results of scientific research [8].

Ways and methods for introducing consequential budgeting

Consequential budgeting is the assessment of the results of the activities of educational institutions and the organization of a system of allocation of funds on this basis. The main advantages of this method are as follows:

- * Increased responsibility in educational institutions;
- * Ensure targeted and efficient expenditure of financial resources;

* Encourage innovation and scientific activity;

* Strengthening financial control and accountability.

Work in this direction is developing in Uzbekistan, especially since more than 10 higher education institutions have switched to an independent financing system. This allows them to expand sources of income in addition to budget funds and optimize their expenses [9].

Based on the above analyzes, the following proposals and conclusions can be put forward to ensure the financial independence of higher education institutions and the formation of an effective financial management system:

1. Diversification of financial resources is necessary. Higher education institutions should establish mechanisms for attracting additional resources through grants, entrepreneurial activity, charitable and investment projects, without relying solely on budgetary funds. This serves to improve the quality of education and the development of infrastructure.

2. It is necessary to digitize the cost accounting system. By implementing automated financial management systems (e.g. ERP), it allows real-time monitoring in each direction of funds, enhancing financial transparency and control [10].

3. It is necessary to increase the potential of financial management in higher educational institutions. For the management and responsible staff, it is necessary to organize continuous training courses in financial literacy, strategic financial planning and reporting. This sets the stage for the introduction of modern approaches to personnel training.

4. In financial activities, an approach based on productivity should be introduced. For each amount spent, a system for assessing the final result and impact factors should be created. In this case, it is advisable to prioritize expenses that directly affect the quality of education, the growth of the number of students, indicators of scientific activity.

The competitiveness, innovative development and reputation of the higher education system in the international arena directly depend on its financial independence. Through effective financial management and accurate cost accounting, higher education institutions use their resources wisely, creating a solid foundation for quality education and modern scientific research. Therefore, modernization of the financial system, ensuring openness and increasing efficiency are an important guarantee of promising development.

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