

# Problems and Management Strategies of University Fund Management

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**Abstract:** With the development of economy, the scale of university funds has grown rapidly, which has a strong practical significance for the research of university fund management. University fund management faces many problems, in order to improve the level of university capital management, reduce the risk of capital management, from the university capital internal control system, strengthen the optimization management of capital account, improve capital budget performance management, strengthen the financial information construction strategy analysis, hope to provide reference for capital management in colleges and universities.

**Keywords:** University Funds; Capital Security; Management Strategy; Budget Performance

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## Introduction

Since the 21st century, the domestic economy has been developed rapidly. China is a populous country in the world, and science and technology is the primary productive force. The state and society have increased their investment in education, and the scale of domestic universities has showed an explosive growth during this period. With the continuous expansion of the scale of colleges and universities, the scale of university funds is increasing day by day, which puts forward higher requirements for the financial management of university funds. The effective and reasonable management of university funds is the premise for the long-term and high-quality development of university universities.

## 1. University capital composition structure

University funds mainly include cash on hand, bank deposits, amount of zero balance, amount of financial return, accounts receivable, etc. According to the different sources of funds, universities can be divided into three categories: 1) financial appropriation; 2) business income; 3) other income, such as government subsidy funds, school-run industry income, scientific research income, donation income, etc. Capital is the blood of the smooth teaching and scientific research activities in colleges and universities. To ensure the safety of university state-owned assets and the reasonable, safe and effective use of funds is the top priority of university financial management.

## 2. Problems facing university fund management

### 2.1 The capital internal control system is not perfect

The internal control system of university funds is not perfect, and the consciousness is weak. Most colleges and universities are not in place, in fact most of them are formalism. The management does not realize the importance of internal control management, ignores the internal control management, and affects the safety management of universities. Although some colleges and universities have formulated the internal control system of funds according to the relevant national documents, they have not formulated the effective internal control system of fund management according to the characteristics of the university. The rights and responsibilities of the internal control system of university funds are not clear, and the execution is not enough. Most of the time, we pay attention to post-audit and post-supervision, and problems shirk

each other. The economic responsibility of departments and individuals is not in place, and the internal control system is not strictly implemented, resulting in the audit and signature becoming a mere formality, leaving hidden dangers for the safety management of university funds.

## **2.2 Capital income and expenditure, There are too many accounts**

Most colleges and universities open bank accounts in different banks and multiple bank accounts in the same bank, resulting in many bank accounts, decentralized fund management and insufficient supervision. Some of the bank accounts in some universities are not used for a long time, resulting in some idle funds, affecting the use efficiency of funds. The income and expenditure of bank accounts and zero balance accounts are large, diverse, with high work intensity and greater difficulty in management.

## **2.3 Financial information construction is not enough**

At present, colleges and universities lack of overall deployment and planning in the process of financial information construction, and have not established a data sharing platform. The subsystems are independent of each other, data cannot be shared and inefficient. The security of financial data and information is not guaranteed. With the development of colleges and universities and the expansion of the scale of students, the data of student payment, daily reimbursement, staff salary, bank data and other aspects is larger and larger, and the work pressure of financial personnel is increasing, which puts forward new requirements for the construction of financial informatization. Financial personnel put a lot of energy and time in the front line, and not enough time for data analysis and processing. The progress of high technology has driven the construction of financial informatization. At the present stage, the construction of hardware and software of financial informatization needs to be strengthened. It is urgent to establish a financial intelligent system, improve the work efficiency of financial personnel, strengthen the security of financial data and information, and improve the intelligent security management of financial funds in colleges and universities.

# **3. Management strategy of university Funds**

## **3.1 Improve the internal control system for university funds**

According to the existing national policies and regulations, according to the actual situation of colleges and universities, with the strategic goals of colleges and universities as the guidance, establish and perfect practical internal control system. The internal control system of funds is an advance measure to prevent the risk of fund income and expenditure management in colleges and universities, and the system is the standard to regulate the income and expenditure of colleges and universities. A sound internal control system can regulate income and expenditure and avoid income and expenditure risks. University fund management, the implementation of the income and expenditure two-line system.<sup>[1]</sup> improves the post responsibility system of funds in colleges and universities, clarifies the division of labor among financial personnel and auditors, regularly rotates posts, clarifies the fund safety risk punishment system, and ensures the safe and effective management of funds. Cashier and accountant, payment and account reconciliation work cannot be held by one person, to ensure that incompatible posts are separated, restrict and supervise each other.

### **3.1.1 Capital revenue**

Capital revenue is not the more income the better. Strengthen the collection of non-tax income of colleges and universities, strictly comply with the provisions of the state not to collect arbitrary fees, and ensure that all receivable are collected. For the case of intentional arrears of fees, find out the reasons in time, take corresponding measures to improve the payment rate of colleges and universities. The tuition fees and disposal of state-owned assets income expenses to be paid to the government shall be fully paid to the finance on time, and shall not be concealed, retained, withheld, unauthorized outlay out of receipt.

### **3.1.2 Spending**

Reimbursement audit shall strictly implement the reimbursement approval system, and implement the government credit card settlement system. Especially for the important and large capital expenditure projects, such as the large payment of special bond funds, must be collectively decided or joint signed. Funds of special bonds shall not be used for other purposes in violation of regulations. At each risk point of university capital expenditure, the examination and approval system is set up, and posts have incompatible checks and balances: checks and seals can not be kept by one person, online banking, bank-enterprise Internet and zero balance account payment implement the cashier payment and audit (the multi-level audit can be set up according to the size of the payment amount) system. All fund accounts of colleges and universities should be checked and checked regularly, and paid at the end of the month as far as possible. Minimize the amount that has not been recorded without a settlement voucher

### **3.1.3 Gold supervision**

Conduct internal audit and external supervision regularly or irregularly. Internal audit and external supervision are combined to clarify the independence of internal audit and external supervision, and ensure that the risk management of university funds is within a controllable scope.

## **3.2 Strengthen the optimal management of capital accounts**

In accordance with the Interim Measures of the Management of the Bank Accounts of the Central Budget Units of the Ministry of Finance, colleges and universities have formulated the fund account management measures suitable for the university to optimize the effective and safe management of the fund accounts.<sup>[4]</sup> Colleges and universities should timely and regularly check, calculate and clean up the revenue and expenditure data of different capital accounts, timely check accounts, assign special accounts, and clarify the rights and responsibilities in place to prevent financial capital risks.

### **3.2.1 Bank account clearing**

Clean up bank accounts and cancel idle and non-conforming bank accounts.

### **3.2.2 Fund account classification**

Colleges and universities shall monitor and manage the existing fund accounts by classification. Generally, colleges and universities have the following accounts: basic deposit account, financial authorized payment zero balance account, campus one-card student settlement account, time deposit account, bond fund special account, etc.

## **3.3 Improve performance-based management of funding budgets**

Formulate a reasonable, scientific and executable fund budget performance management system to ensure the smooth and effective development of teaching and research activities in universities. budget performance management, based on performance objectives as management, integrates performance management into the whole process of fund budget management preparation, implementation, control and evaluation, so that budget management and performance management combine with each other, and improve the use efficiency and management level of funds. The management strengthens the importance of the performance management of the fund budget, extensively learns and trains all the participants from the top down, establishes the awareness of the university fund budget performance management, and fully implements the fund budget performance management plan. Make clear the responsible subject of fund budget performance management, which requires the joint participation and close cooperation of all the staff. Colleges and universities shall set up a working group for performance management of fund budget, with members including functional departments and heads of colleges, responsible for organizing and coordinating the work. Functional departments and colleges are responsible for the specific implementation and implementation of fund budget performance management. Establish budget execution performance appraisal system,

strengthen internal audit and external supervision, the evaluation of university budget progress, efficiency, ensure the effective and safe use of colleges and universities funds, and the budget performance evaluation results should be combined with target management of colleges and universities, to carry out the performance reward and punishment mechanism, improve the management level of university capital budget performance.

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