



REGULATORY AND LEGAL BASIS OF ORGANIZING THE ACCOUNTING OF EXTRA-BUDGET FUNDS (IN THE EXAMPLE OF HIGHER EDUCATION INSTITUTIONS)

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Abstract

This article is aimed at researching the regulatory and legal basis of the organization of accounting of extra-budgetary funds of higher education institutions. In the organizational and legal form of the state higher education institution, a number of its features that are not similar to other entities are described. The composition of extra-budgetary funds in higher education institutions and the classification of entrepreneurship and non-entrepreneurship activities are given. Issues of improving existing principles in the system of extra-budgetary funding in educational institutions, revising and supplementing the charter of the higher education institution, and clearly defining the areas of activity that can bring additional extra-budgetary funds are described. Statistical research methods such as systematic approach, comparative analysis, grouping, and comparison are widely used in the work. As extra-budgetary activities of the higher education institution, the classification of its activities related to business activity and not related to business activity was determined. The proposed classification serves as a basis for determining the direction of effective cash flow management of the higher education institution in the future.

Keywords: higher education institution, extra-budgetary funds, organizational and legal form, entrepreneurial and non-entrepreneurial activities, areas of activity.

БЮДЖЕТДАН ТАШҚАРИ МАБЛАҒЛАР БУХГАЛТЕРИЯ ҲИСОБИНИ ТАШКИЛ ҚИЛИШНИНГ МЕЪЁРИЙ-ҲУҚУҚИЙ АСОСЛАРИ (ОЛИЙ ТАЪЛИМ МУАССАСАЛАРИ МИСОЛИДА)

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Аннотация

Ушбу мақола олий таълим муассасаларининг бюджетдан ташқари маблағлари ҳисобини ташкил этишнинг меъёрий-ҳуқуқий асосларини ўрганишга қаратилган. Давлат олий таълим муассасасининг ташкилий-ҳуқуқий шаклида унинг бошқа субъектларга ўхшамайдиган қатор хусусиятлари баён этилган. Олий таълим муассасаларида бюджетдан ташқари маблағларнинг таркиби ҳамда тадбиркорлик ва тадбиркорлик фаолияти билан боғлиқ бўлмаган фаолият турларининг таснифи келтирилган. Таълим муассасаларида бюджетдан ташқари молиялаштириш тизимидаги мавжуд тамойилларни такомиллаштириш, олий таълим муассасаси уставини қайта кўриб чиқиш ва тўлдириш, қўшимча бюджетдан ташқари маблағлар олиб келиши мумкин бўлган фаолият йўналишларини аниқ белгилаш масалалари баён этилган. Ишда тизимли ёндашув, қиёсий таҳлил, гуруҳлаш, таққослаш каби статистик

тадқиқот усулларида кенг фойдаланилади. Олий таълим муассасасининг бюджетдан ташқари фаолияти сифатида унинг тадбиркорлик фаолияти билан боғлиқ ва тадбиркорлик фаолияти билан боғлиқ бўлмаган фаолияти таснифи белгиланди. Таклиф этилаётган тасниф келажакда олий таълим муассасасининг пул маблағларини самарали бошқариш йўналишларини белгилаш учун асос бўлиб хизмат қилади.

Калит сўзлар: олий таълим муассасаси, бюджетдан ташқари маблағлари, ташкилий-ҳуқуқий шакли, принциплари, тадбиркорлик ва тадбиркорлик билан боғлиқ бўлмаган фаолиятлари, устави, фаолият йўналишлари

Introduction

Today, higher education is important not only for ensuring the socio-economic development of society but also for the fact that it closely supports the formation of an innovative economy. In the concept of development of higher education in the country until 2030, several tasks have been defined as increasing the coverage of higher education, ensuring a healthy competitive environment, ensuring academic and financial independence of higher education institutions, gradually transitioning to a self-financing system, and ensuring financial stability. In recent years, the main attention has been focused on creating ample opportunities and conditions for our youth to receive higher education. As a result, in the last 5 years, 22 foreign and 21 non-state higher education institutions were established, the number of universities increased from 65 to 156, and admission to universities increased 3 times [1].

Higher education institutions operating in the form of state, private and foreign branches are considered active members of the implementation of these processes and ensure the development of higher schools in the country. Organization of effective management of higher education institutions, in turn, while ensuring the quality of education, is required to implement the chosen strategy and tactics of the higher education institution, as well as all the defined tasks. As we know, the expenses of higher education institutions are financed from the state budget funds as well as extra-budgetary funds that are found as a result of their various activities.

This, in turn, requires the study of accounting principles as one of the urgent issues, taking into account the regulatory and legal aspects of accounting for extra-budgetary funds, and the organizational and legal form of a higher education institution, taking into account its specific aspects. Statistical research methods such as systematic approach, comparative analysis, grouping, and comparison are widely used in the research process.

Literature review

The work highlights the issues of formation of the income of the development fund of the budgetary organization as part of the income of extra-budgetary funds of the budgetary organizations, formation of incomes of the fund for material promotion and development of medical organizations, formation of revenues of extra-budgetary funds of ministries, state committees and agencies, formation of extra-budgetary funds of budgetary organizations at the expense of collected fees [2].

Approved Guidelines on the organization of accounting in budgetary organizations, including theoretical and practical issues of organization of accounting [3].

The study by A.K. Ibragimov and B.B. Sugirbaev studied the theoretical and practical issues of organizing budgetary control and audit [4].

M. Ostanakulov explores the issues of organizing accounting in budgetary organizations [5].

The study by S. Yu. Mekhmonov studied the issues of improving the methodology of accounting and internal audit in budgetary organizations [6].

Sh. V. Ganiev explores the issues of improving accounting and financial control of budgetary organizations in the example of the education system [7].

The above research papers highlight the legal framework for organizing the accounting of extrabudgetary funds in budgetary organizations. But in these studies, it turned out that at the expense of the budget of the university

Research Methodology

In this research, statistical research methods such as systematic approach, comparative analysis, grouping, and comparison, dedicated to the study of the theoretical and methodological aspects of the organization of the regulatory and legal bases of the accounting of extra-budgetary funds of the selected higher education institutions were widely used. At the same time, there are recommendations for improving the regulatory and legal documents on the organization of extra-budgetary activities of higher education institutions. In the research process, statistical grouping and comparative analysis methods were widely used to compare the results.

Analysis and results

Today, the financing of the expenses of higher education institutions at the expense of the state budget is on average 25-30 per cent, and the remaining funds are realized at the expense of extra-budget funds found by higher education institutions. Higher education institutions in recent years:

- an average of 25-30 per cent is financed from the state budget funds;
- it can be seen that the existing material and technical base of most higher education institutions is outdated due to insufficient funds allocated from the state budget. This, in turn, shows the need to further increase the number of funds attracted to state higher education institutions based on high efficiency, to further develop the material and technical base, and to pay special attention to the purchase of modern educational and laboratory equipment¹.

In the implementation of these works, higher education institutions require the implementation of funds from the state budget as well as extra-budgetary funds. When disposing of the funds involved here, first of all, it is necessary to research the regulatory and legal aspects related to the organizational and legal form of the "state higher education institution", its specific features, and aspects different from other organizations.

Currently, the procedures for the organization, registration, and re-registration of higher education institutions can operate based on the procedure established by the Cabinet of Ministers of the Republic of Uzbekistan and based on the approved Charter. Also, in addition to state higher education institutions, a non-state higher education institution can be established based on the funds of private founders. In this case, the Charter developed by the relevant educational supervisory body is approved and registered by the local executive authorities in the prescribed manner [8].

Based on the above and the current regulatory and legal documents, we cite several features of the "state higher education institution" that are not similar to other entities:

1. It is significant that the main goal of the higher education institution is not to make a profit, but first of all, it is aimed at meeting the social needs of society and the population, and it carries out its activities based on the approved Charter. That is, the higher education institution provides education to applicants in one or another educational direction and speciality;

2. Institutions of higher education are organized in state and non-state forms, in which the state and local governing bodies can submit proposals for the establishment of educational institutions following the established procedure based on the real needs of society, the existing potential and opportunities of the regions;

3. The state higher education institution can be financed from the state budget and extra-budgetary funds based on income and expenditure estimates, and non-state higher education institutions can be financed from the funds of private founders.

According to economist I.N. Tokareva, budget organizations are financed from 3 sources:

- Funds financed from the budget - state budget funds allocated based on the main function of the organization;
- Targeted funds are the funds received based on the organization's main activities, which are implemented not from the budget, but extrabudgetary funds;
- Funds from entrepreneurial activities are non-core funds of the organization (not specified as core in the charter) and are based on the results of its initiative activities [9].

Based on the above, a higher education institution is a legal organization that operates as a legal organization based on the current regulatory and legal documents, implements the state's higher education and post-higher education policy, is licensed, has passed state accreditation, implements educational programs, and issues an approved document in the state model style. is an organization (Fig. 1).

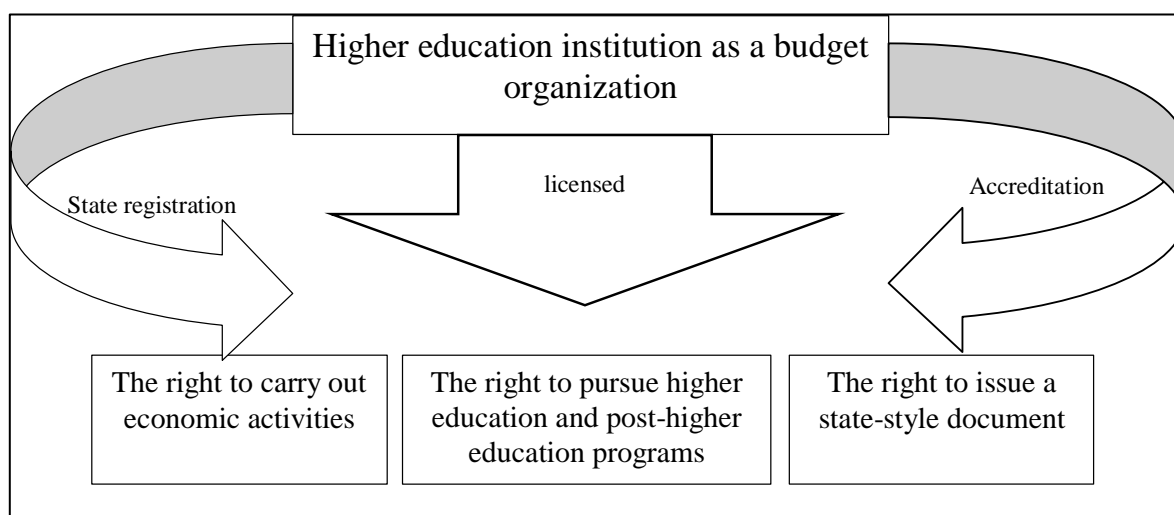


Figure 1. Basic rights of the higher education institution as a budgetary organization

Today, there are 187 higher education institutions in the country, including 34 universities, 48 institutes, 3 academies, 27 branches, 1 conservatory, 31 branches of foreign higher education institutions, and 43 non-state higher education institutions ². As

² Based on the information of the Ministry of Higher and Secondary Special Education of the Republic of Uzbekistan <https://edu.uz/uz/otm/index>

can be seen from the above, there are state, self-financing, branches of foreign higher education institutions, and non-state (private) higher education institutions that have achieved financial independence (Fig. 1).

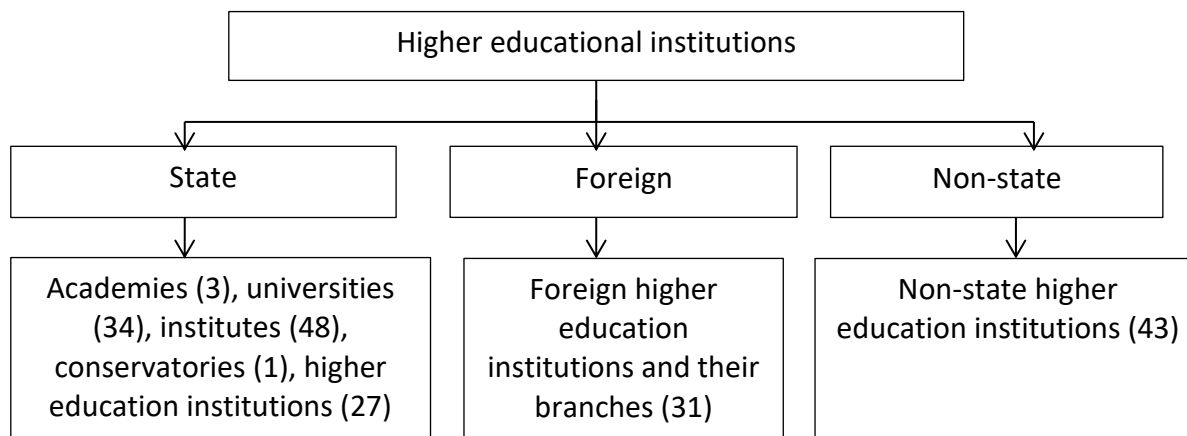


Figure 2. Composition of higher education institutions according to the form of ownership³

Based on the current legal documents in Uzbekistan, we will consider the unique aspects of the above state, foreign and non-state higher education institutions (Table 1).

Table 1. Different aspects of property, accounting, financing of state, foreign and non-state higher education institutions

Different aspects	Higher educational institutions		
	State	Foreign	Non-state
Property Status	State higher education institutions are established based on the state budget and are considered state subjects as budget organizations	Foreign higher education institutions and branches are established based on foreign capital and operate through a self-financing system.	It is organized at the expense of the founder and often operates in the form of a limited liability company.
Accounting	It is organized based on the instruction on accounting in budget organizations. The budget is maintained based on the chart of accounts for the organization.	Economic accounting is organized based on national and international standards.	It is organized based on national standards based on economic accounting.
Ways of financing	It is financed based on the state budget and non-budget funds.	The funds of the top foreign higher education institution are financed from its additional funds.	It is financed based on the personal funds of the founder, found based on entrepreneurial activity (providing educational services, etc.).

³ Prepared by the author based on the information of the Ministry of Higher and Secondary Special Education of the Republic of Uzbekistan.

Funding works are carried out based on the approved cost and income estimates in the higher education institution. Currently, it is desirable to modernize and develop the higher education institution, to improve the existing principles of the financing system, based on the following directions:

- development of differential financing norms from the budget for educational programs of higher education institutions;
- clearly defining the directions aimed at the priority development of all stages of higher education, paying special attention to the issues of teaching-methodical, educational and scientific laboratories, modern information technologies, advanced educational literature, professional development and retraining of professors and teachers;
- ensuring the targeted use of budget and extra-budgetary funds;
- preparation of organizational documents to ensure financial and economic independence;
- creating opportunities to attract additional financial resources;
- to ensure targeted use of necessary funds for higher education;
- encouraging the use of innovative educational technologies;
- effective organization of internal control of financial resources and material values, etc.

In researching the regulatory and legal bases of accounting for extra-budgetary funds of higher educational institutions, we cite the principle of entrepreneurial activity to achieve educational goals as the main principle of entrepreneurial activity by educational institutions. As we know, higher education institutions have opportunities to carry out business activities in contrast to their main activity, and on their basis of them, it is possible to provide the institution with additional funds.

Currently, based on the above rule, we believe that it is correct to call the funds received through business activities as extra-budgetary funds. Here, the principle of including income from business and other income-generating activities as part of budget income applies. Today, the following can be included as additional areas of activity of higher education institutions:

1. Entrepreneurial activity:
 - Trading with purchased goods, material assets and equipment;
 - renting or selling the main equipment of the educational institution;
 - Provision of various mediation services;
 - Investment and financial activity, including purchase and sale of shares, bonds and other securities;
 - Receiving income in the form of interest by depositing funds;
 - To contribute to the charter of other educational institutions or organizations;
 - Publishing and printing activities;
 - Participating in other revenue-generating sales operations not directly related to one's production activities, etc.
2. Engage in other income-generating activities;
3. Provision of paid additional education services:
 - organization of education (studies) based on additional programs;

- preparation of entrants to higher education institution entrance exams (tutoring service);

- implementation of special courses and cycle additional education services.

Thus, extra-budgetary activities of a higher education institution can be divided into business-related and non-business-related activities. Therefore, educational activities paid with the condition of reinvestment of income can be recognized as non-business-related activities. In accounting, all transactions that generate income should be reflected as business activities. But the equality of income and expenses, that is, the activity related to the full reinvestment of the excess income from the expenses spent on the development of the educational process in a higher education institution can be recognized as an activity not related to entrepreneurial activity.

In our opinion, among the non-business activities of a higher education institution:

- activities related to the condition of reinvestment of income (paid educational services);

- targeted activity is introduced.

Based on the conducted research, when analyzing the Charters, which are one of the main regulatory and legal documents of the higher education institution, it was found that they contain a number of the following shortcomings:

- the tasks of the higher education institution are not fully specified;

- the management procedure of the educational institution is not sufficiently defined;

- the rights and obligations of the participants of the educational process are not fully specified;

- it can be seen that for all types of business activities that can be carried out by a higher educational institution, paid educational services are not provided enough.

The Decree adopted by the President of the Republic of Uzbekistan on December 24, 2021, "On measures to provide financial independence to state higher education institutions" and "On additional measures to ensure academic and organizational-management independence of state higher education institutions", describes the issues of financial and academic independence in 35 higher education institutions (Decree and Decision, 2021).

In the above documents, tasks such as organizing educational processes based on their financial capabilities, attracting additional funds, determining the cost of training based on a fee contract, and taking into account the demand in the educational services market, are defined for higher education institutions.

This, in turn, requires the improvement of the regulatory and legal framework for accounting for extra-budgetary funds, revision of the charter of the higher education institution, and a clear definition of the activities of the higher education institutions that can bring additional funds. We believe that it is appropriate to take into account the above-mentioned in the implementation of these works.

Conclusion/Recommendations

Thus, extra-budgetary activities of a higher education institution can be divided into business-related and non-business-related activities. Therefore, educational activities paid with the condition of reinvestment of income can be recognized as non-business-related activities.

In accounting, all transactions that generate income should be reflected as business activities. But the equality of income and expenses, that is, the activity related to the full reinvestment of the excess income from the expenses spent on the development of the educational process in a higher education institution can be recognized as an activity not related to entrepreneurial activity.

In researching the regulatory and legal bases of accounting for extra-budgetary funds of higher educational institutions, we cite the principle of entrepreneurial activity to achieve educational goals as the main principle of entrepreneurial activity by educational institutions. As we know, higher education institutions have opportunities to carry out business activities in contrast to their main activity, and on their basis of them, it is possible to provide the institution with additional funds. Today, to further expand these opportunities, financial and academic independence has been granted to state higher education institutions. The effective implementation of these works implies further improvement of the regulatory and legal basis of accounting for extra-budgetary funds of the higher education institution.

Higher education institutions are assigned tasks such as organizing educational processes based on their financial capabilities, attracting additional funds, and determining the cost of training on a fee-contract basis, taking into account the demand in the educational services market. This, in turn, requires improvement of the regulatory and legal framework for accounting for extra-budgetary funds in higher education institutions, revision of the charter of the higher education institution, and a clear definition of the directions of activity of the higher education institutions that can bring additional funds.

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