

# *The Optimization of Overall Budget Management and Internal Control in Colleges and Universities*

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**Abstract:** Colleges and universities are the bases for cultivating high-quality talents, the basic activity units of the higher education system, and the basic budget units of financial allocations. At present, the enrollment scale of colleges and universities continues to expand, teaching projects continue to increase, the number of teachers and students and the number of facilities and equipment have also been changing, and the corresponding financial expenditure and projects tend to be frequent. It is extremely important to reasonably allocate human and material resources, organize, coordinate and coordinate various financial activities and effectively control costs, and carry out scientific research, teaching aids, administrative logistics and other work in a standardized and orderly manner. Based on this, this paper makes an in-depth analysis of the optimization countermeasures of comprehensive budget management and internal control in colleges and universities, aiming to provide reference for relevant staff.

## **1. Preface**

Comprehensive budget refers to that colleges and universities take the development strategy as the guidance, combine the general trend of the times and social development, prepare annual goals and revenue and expenditure plans according to their career development plans and tasks, scientifically arrange activities such as education, research, management, operation and finance, and plan each development stage in a quantitative form. The human, financial, material and all economic activities of the school must be included in the budget, and the teaching Scientific research indicators are assigned to relevant teaching and research departments and functional departments, and reflect the teaching and research situation and financial activities in the form of value, so as to form a comprehensive management system consisting of a series of budget items such as business, investment, financing and finance.

## **2. Comprehensive Budget Management and Internal Control**

### **2.1 Comprehensive Budget Management**

Comprehensive budget management is to achieve the goal of "reasonable allocation of resources, effective implementation of strategies, continuous improvement of operations, and steady increase

of value" through clear decentralization, authorization, performance evaluation and other measures after the comprehensive integration of university business, information and funds. It is a modern management mode that integrates strategic, systematic and humanistic ideas. It is the premise and basis for various financial activities and an important basis for colleges and universities to control daily expenditure and organizational income. Through comprehensive budget, we can not only use funds in a planned way, but also rationally allocate funds through investment and financing activities to give full play to its benefits and maximize the economic value of colleges and universities. In addition, it can also grasp the income and expenditure expectation of various operation and management activities in the next year, predict the possible financial risks and prepare relevant plans and measures in advance, so as to provide a quantitative basis for the scientific management of the school <sup>[1]</sup>.

## **2.2 Internal Control**

Internal control is an important part of the financial management system <sup>[2]</sup>. It is a powerful means to ensure the orderly operation of colleges and universities, implement business expansion, resource allocation, manpower arrangement, teacher salary planning and financial audit, and is also a supervision mechanism to prevent and control financial risks, ensure asset safety, and achieve various goals <sup>[3]</sup>. In recent years, the Ministry of Finance has issued a series of policies and regulations to urge administrative institutions to strengthen the construction of internal control, which plays a very important role in improving their own management level, preventing economic activity risks and promoting the construction of a clean government.

## **2.3 Correlation between the Two**

Comprehensive budget management and internal control are mutually balanced and interdependent, and both have common goals. Comprehensive budget management is adopted to supervise the overall business activities in an all-round way before, during and after the event, so as to ensure sufficient funds for key projects in colleges and universities. Scientific and reasonable comprehensive budget can strengthen internal control and is the basis for implementing internal control; Effective internal control can improve the management level of colleges and universities, coordinate and unify the responsibilities, rights and interests of the comprehensive budget, control the cost of various economic activities, and promote the internal control system of colleges and universities to be more perfect under the comprehensive budget management. Under the guidance of budget objectives, all departments should clearly define responsibilities, reasonably divide powers, cooperate with each other and effectively evaluate performance, which will certainly help to achieve the overall development goals <sup>[4]</sup>.

## **3. Optimize the Overall Budget Management and Internal Control Measures of Colleges and Universities**

The comprehensive budget completely reflects the whole process of economic activities in colleges and universities. The comprehensive budget management model is more inclined to resource planning and performance evaluation. It combines process control and budget implementation results, dynamically monitors each implementation link, and constantly improves the budget early warning mechanism with the help of process supervision and evaluation results. This paper focuses on the strategies and measures for colleges and universities to effectively prevent and control the risks of economic activities under the new situation <sup>[5]</sup>. The specific summary is as follows:

### **3.1 Change the Budget Concept, Optimize the Work Process and Improve the Management System**

The leaders and managers of colleges and universities should first change the concept of formal budget reporting consciously, truly realize the practical value of budget management on business development and their own management, focus on the overall goal of the school, and formulate long-term development strategies. Only by correctly recognizing the importance of internal control construction from the leadership level can we clarify responsibilities from top to bottom and improve the management and control awareness of all functional department personnel. The "comprehensive budget" is included in the important work of the financial department, and the establishment and improvement of "internal control" is included in the long-term plan of the school as an important measure to improve the governance system and improve the level of comprehensive management, so as to promote the improvement of the implementation of internal control <sup>[6]</sup>. Secondly, the primary principle of budget preparation is "balance of income and expenditure, no deficit". It is necessary to innovate the concept of higher education, deeply understand the basic content of internal control, constantly improve and optimize the internal control process, and promote the improvement of school running quality and management efficiency. Finally, we should integrate the comprehensive budget system with the concept of internal control. In accordance with the provisions of relevant laws, regulations and budget regulations, build a "comprehensive budget management system", quantify the budget management and internal control projects of colleges and universities throughout the year, further define the main responsibility of budget management and implement it to the post and person, give full play to the cooperative supervision role of budget management and internal control, use information management and other means to ensure the accuracy and authenticity of financial data and management information, and make overall arrangements for funds, Promote the effective implementation of all work <sup>[7]</sup>.

### **3.2 Design Organizational Structure, Reasonably Set Posts and Strengthen Team Building**

#### **3.2.1 Clarify Management Responsibilities and Optimize Staffing**

Starting from the mutual restriction between comprehensive budget and internal control, a "comprehensive budget leading group" directly managed by the president is established to be responsible for organization and coordination, whole process control and assessment, and unified leadership of financial work. The leading group has a budget management office, an audit team and a performance evaluation team to implement comprehensive budget management (budget formulation, implementation control and performance evaluation). Improve the comprehensive ability of members through "introducing from outside and training from inside".

#### **3.2.2 Cultivate Professional Quality and Work Skills**

The first is to constantly improve the ideological quality of personnel through the role of model and learning from the leading role of pacesetters. Secondly, in the face of various pressures and cumbersome work processes, in order to make the budget prepared more efficient, the plan more intuitive, and the implementation process more streamlined, financial budget personnel should not only actively learn new budget management concepts and methods, and master the basic knowledge of budget estimation, but also have a comprehensive professional level of cost control, process control, financial decision-making, and certain communication and collaboration capabilities, What is more important is to be familiar with the operation and management process of colleges and universities, and be able to make full use of the latest information technology means.

### 3.2.3 Establish Risk Prevention Awareness

The budget management personnel should have the sensitivity to the internal control link, predict and analyze the possible risks, be able to timely detect the upcoming deviation, find the problem and propose solutions, take appropriate response measures, and minimize the loss to the unit and society caused by personal or collective negligence and fault.

### 3.3 Integrate Funds and Resources

Effectively combine the comprehensive budget with the use of funds, and mobilize the financial, budgetary, business, management and other functional departments to participate in the formulation of plans to avoid future wrangling. In addition, it is also necessary to reasonably plan the service life of fixed assets, and timely eliminate equipment with backward performance that cannot meet the needs of teaching and scientific research. At the same time, appropriate measures should be taken to convert idle resources into usable resources.

### 3.4 Optimize Internal Control Mechanism, Improve Control Process and Design Control Methods

In the process of building and implementing comprehensive budget internal control, colleges and universities need to take effective measures to strengthen the risk control of budget control points and key points. First, we should organize and coordinate the work according to the requirements of the Comprehensive Budget Guidelines; Second, we should clarify the scope of responsibilities and powers of the budget, management and implementation departments, and promote the coordinated operation of various departments; Third, we should adopt appropriate budget management regulations, formulate specific methods and organize the preparation of budget drafts, and coordinate and handle the potential risks and related problems in the process of budget preparation and implementation; The fourth is to ensure the full implementation of budget objectives through audit, assessment and other regulatory means <sup>[8]</sup>.

(1) Clarify the supervision role of the internal control mechanism: through internal control and supervision, the budget management and the application of funds, assets and resources of colleges and universities can be controlled. Effectively control the accidental factors and uncertainties in budget management to ensure that there is no major management deviation. Colleges and universities can draw internal control flow charts according to actual teaching and operation conditions, focusing on standardizing and improving budget preparation, budget implementation and budget assessment, so as to implement control measures for risk points at each stage of budget objectives. (2) Clarify the guiding role of the internal control mechanism: measure and evaluate work performance through a strict and standardized internal control process, timely find and solve problems in the implementation process, and avoid affecting the overall budget management effect. (3) Further optimize the internal control process: business process control refers to that each department of the university designs control procedures according to its own business characteristics and internal control requirements, and cooperates with the relevant accounting control system of the university. The design of business process control should take into account both internal control objectives and cost-effectiveness. For example, the university's decision-making control procedures, bidding and procurement procedures, investment business demonstration procedures, and scientific research contract approval and signing procedures are all weak links in the internal control of colleges and universities, and are also an indispensable part of the internal control construction of colleges and universities <sup>[9]</sup>.

It is necessary to strengthen the control over the budget implementation process of each

department, and grant budget control authority and responsibility to relevant departments in accordance with the principle of clear authority and responsibility and mutual supervision. The budget leading group is responsible for collecting, sorting out and transmitting relevant information in the process of budget implementation and internal control management, and timely feeding it back to functional departments and budget departments to create conditions for information communication at all levels and departments. Establish a budget analysis system to urge all functional departments and budget departments to check and track budget implementation, and take timely measures to adjust the differences in budget implementation.

### **3.5 Establish Reward and Punishment System and Strengthen Assessment**

#### **3.5.1 Implement the Assessment System and Give Play to the Role of Rewards and Punishments**

Colleges and universities can implement performance target accountability system, improve reward and punishment measures, increase the assessment of responsible persons at all levels, incorporate budget implementation into personnel assessment, regularly or irregularly carry out budget implementation assessment, establish performance reward and punishment system, further implement budget management objectives, and ensure that education funds are sufficient to support the development of teaching and scientific research. The first purpose of this action is to promote the actual effectiveness of teaching and research funds and create corresponding benefits through objective performance evaluation results; Second, we should link the performance evaluation results with the personal interests of teaching and research personnel, regularly evaluate the best and the first, improve the promotion mechanism, fully mobilize everyone's enthusiasm, and strengthen the control of budget implementation as a whole.

#### **3.5.2 Establish and Improve the Budget Assessment System**

Budget assessment usually includes implementation assessment and management assessment. The former mainly assesses the indicator completion of each budget item, while the latter focuses on the timeliness and standardization of budget preparation, control, analysis and adjustment. Colleges and universities should start from their own budget objectives, combine development needs, scientifically determine the proportion of executive assessment and management assessment, establish an assessment system, and improve and perfect the assessment system.

### **3.6 Establish Internal Information System and Improve Budget Management Quality**

Colleges and universities can make use of advanced information technology, follow the principles of openness, fairness and transparency in the budget, build an internal information management and resource sharing platform, formulate unified and standard management objectives, implement the internal control mechanism to specific departments and specific responsible persons in an information-based way, and accept the supervision of the public. Through modern and diversified management methods, we will establish an internal control evaluation system more in line with our own school running characteristics, and refine asset management and accounting <sup>[10]</sup>.

With the help of big data, cloud technology and information management platform, personnel at all levels of colleges and universities can query the implementation of matters within their scope of responsibility in real time, so as to timely find and correct problems, prevent financial risks from the source, and prevent corruption and fraud. Realize information exchange and sharing within the school to facilitate the efficient development of various economic business activities. In addition, the internal control information system can also promote cooperation among colleges and

universities, and help them control risk points in the budget implementation process in a timely manner through the sharing and exchange of data information <sup>[11]</sup>.

#### 4. Conclusion

To sum up, the comprehensive improvement of the budget management level of colleges and universities is not only an important guarantee for the connotation development of higher education, but also an internal requirement for deepening the reform of the fiscal and taxation system and improving the budget management system, and is also a due move and a key starting point for the capacity-building of the governance system of higher education. The application of comprehensive budget management can promote the internal control system of colleges and universities to be more mature and perfect, effectively play the role of consistency and collaborative management of comprehensive budget and internal control objectives, provide quantitative basis for scientific management of colleges and universities, and maximize capital efficiency. Therefore, relevant personnel need to constantly improve the system, deepen team building, and increase management efforts, Combine the three forces to form a good budget management atmosphere, fundamentally improve the overall management level of colleges and universities, and promote the sustainable development of colleges and universities.

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