

Research on Financial Performance Management of Colleges and Universities based on COSO Internal Control Method

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Abstract: With the development of the times, the university has gradually carried out research topics on performance management of financial management, and analyzed the budget accordingly. The purpose of the course is to analyze the characteristics and practical application of finance, from the perspective of internal control. With reference to the five-element theory of COSO internal control in the United States, the strategies and methods for strengthening the management of budget performance in colleges and universities are discussed.

1. Introduction

Budget performance originated in the United States, and then quickly developed and improved in the Western developed countries such as the United Kingdom, has become an important tool for public finance management in modern Western countries. Compared with the traditional budget, the performance budget pays more attention to the effect and effectiveness of expenditures. It is results-oriented, arranges budget funds according to the nature and performance of the department, and integrates performance information into the whole process of budgeting, decision-making, execution and supervision. The goal and means are organically integrated and thus more scientific and effective [1].

Through the control to improve the performance evaluation index system, establish a scientific budgeting process, improve the effectiveness of budget management, enhance budget management awareness, and improve the subjective initiative of budget management. The main objectives of budget management in colleges and universities are: to establish prevention and management mechanisms for mutual restraint and mutual supervision, to achieve clear budget management duties; to make the budget preparation scientific and reasonable; to implement budget strict and strict; to demonstrate budget performance, to achieve the balance and constraint of budgetary business, and to ensure The scientific, rational, compliance and efficiency of budget management will continuously improve the modernization of budget management capabilities.

2. COSO Financial Performance System Construction Ideas

For colleges and universities, its composition is complex, and in its operation, in addition to ensuring normal operation, but also to meet the expansion needs of school scale, budget management is particularly important, the effective degree of budget management determines whether the university can be stable the extent of development. In the implementation of budget performance management, colleges and universities need to start from the management level, formulate clear strategic content, plan budget performance targets, and decompose and release business content according to the overall budget goal. This is the general goal of university budget performance. COSO mechanism; drive finance through business, implement regular inspection and supervision of the specific implementation of the budget, systematically understand the output benefits and effects of budgetary expenditures of the university through qualitative and quantitative evaluation, and evaluate the specific implementation results through budget performance. This will provide scientific

and feasible recommendations for the budget management assessment criteria and subsequent annual budget allocations, which is the result of budget evaluation [2].



Fig.1 Internal control five elements

The key factors affecting financial performance include financial documents, cash flow statements, financial statements, etc., which can clearly indicate the university's operational capability, solvency, profitability and development capability; comprehensively reveal the university's operating status and financial status. Disclosure, so as to make an accurate evaluation and judgment on the merits and demerits of the economic benefits of colleges and universities [3]. COSO combines financial performance with the establishment of a university internal control system, which can timely adjust the financial plan of colleges and universities and improve financial performance. Therefore, this topic combines COSO and financial performance to conduct a comprehensive evaluation and supervision of the financial audit of colleges and universities to prevent operational risks and improve the operational efficiency of colleges and universities.

2.1 Establish an Advanced Control System

Universities need to establish advanced ideas and control concepts. Thoughts and ideas have a certain guiding effect on human behavior. Therefore, relevant management personnel of colleges and universities should actively change their ideas and concepts, fully recognize the relationship between internal control and budget performance management, and achieve organic integration of the two. In the development of university budget performance management, the requirements of internal control should be followed. First, universities have increased their propaganda on internal control. Colleges and universities can adopt propaganda columns, documents, etc., and implement publicity in internal control and budget performance management, so that relevant personnel can recognize the internal relationship between the two and improve their ideological understanding. Second, strengthen training. Colleges and universities can strengthen the training of relevant personnel on budget performance management and internal control knowledge through special knowledge lectures and conference discussions, and further improve their relevant theoretical knowledge. In actual work, the concept of internal control can be scientifically integrated into the model of budget performance management [4].

2.2 Risk Assessment

In the process of university budget management, the relationship between budget review and budget approval, budget approval and budget execution rules, adhere to the general principle of

"measuring the amount of input, making overall plans, ensuring the focus, balance of income and expenditure", adopting the management system of target responsibility system, systematic analysis Potential risk points in the whole process of budget management, and comprehensive, systematic and objective assessment of existing risks, and develop a sound risk prevention mechanism [5]. In the process of budget management, when the situation is deviated from the expected target, the corresponding corrective measures are taken in time to reduce the potential risks in the budget management process, eliminate the unstable factors, and effectively improve the effectiveness and efficiency of the budget performance.

2.3 Control Activities

The state and society and better fulfill the tasks of cultivating talents, scientific research and serving the society, colleges and universities must solve the inherent requirements of their own development and the contradiction between the relative supply of resources, and must pay attention to the overall arrangement and rational use of school funds. Establishing the budget performance goal is the basis for constructing a good budget management mechanism, and is also an important basis for ex ante performance prediction, event performance monitoring, and post-performance evaluation. First of all, in the preparation of the next year's budget, the long-term planning and annual work tasks of the school's strategic development, combined with departmental functions, clear budgetary funds, use of funds, refine and quantify expenditure items, and integrate performance targets with budget preparation. Secondly, it is necessary to decompose the overall performance target into departmental goals, and the objectives of each department should be coordinated and unified, and the performance targets should be tracked and managed to maximize the efficiency of funds.

2.4 Strengthening Information and Communication

Colleges and universities need to start from the following points: First, improve the financial information system of colleges and universities and network resources of colleges and universities. The symmetry and openness of information can facilitate the development of various finances, improve work efficiency, and reduce the turnaround time of business processing [6]. For example, the establishment of a financial data network inspection system allows faculty and staff to grasp the financial information of departments and individuals in a timely manner, which is convenient for work; establishing a financial account number system can save time for reporting and improve the efficiency of financial accounting personnel. Second, strengthen the horizontal communication and external vertical communication between the financial department of the university and the internal. The finance department should strengthen communication with the teaching, administration, logistics and other departments of the university. In particular, it should collect internal control data of various departments, do a good job in information exchange and resource sharing, and improve the effectiveness of financial internal control. In addition, it is necessary to strengthen communication and communication with the higher education authorities, the financial department, the taxation department, and the institutions of the same level, timely access to the latest education and financial information resources, seize development opportunities and avoid possible financial risks in advance.

2.5 Internal Supervision

The internal environment construction should start from organizational structure, decision-making mechanism, management and control mode, talent resource policy and organizational culture. The organizational structure is the top priority. Colleges and universities should improve the budget performance management organization system, provide organizational guarantee for the implementation of all-round, whole-process budget management, further clarify the institutional setup, staffing, division of responsibilities and rules of procedure in budget management, establish a budget committee and budget office, and implement School strategy, setting budget goals, decomposing budget indicators, preparing budgets, and establishing accounting and reporting systems, budget monitoring systems, and budget performance evaluation systems in budget

execution .

2.6 Financial Performance

Strengthening the standardized management of asset allocation, use and disposal Local undergraduate colleges should establish and improve the asset management system, strengthen the standardized management of asset allocation, use and disposal, and maintain the safety and integrity of assets. Regularly or irregularly check the assets of the unit to ensure that the asset account, financial account, and asset practice account are consistent and the accounts are consistent. Rationally prepare the annual asset allocation budget, and report it to the government finance department at the same level for approval with the departmental budget. Strengthen the management of rental and lending assets.



Fig.2 Financial performance management model structure

The leased or lending assets must be submitted to the government finance department at the same level for approval. The grassroots units must first report to the competent authorities for review. The assets are leased and loaned in accordance with the principles of openness, fairness and fairness. They are not allowed to sit, intercept or misappropriate. Income from state assets. Disposal of assets shall be handled in accordance with the administrative authority and reported to the government financial department at the same level for examination and approval or filing. The grassroots units shall first report to the competent department for review, and the disposal of assets shall be conducted in an open manner through auction, bidding, etc. in accordance with the prescribed procedures. Handle property rights changes and conduct financial disposal in a timely manner. Disposal income should be included in general public budget management, and turned over to the same state treasury according to the relevant provisions of non-tax revenue management.



Fig.3 COSO and financial quality internal control construction system construction and control methods

3. Problems and Measures

3.1 Timely Feedback on Performance Evaluation Results

The results of university performance evaluation should be promptly fed back to the budget execution department, so that the budget execution department can find the gap between budget execution and performance goals through performance evaluation results, timely adjust corresponding budget management measures, ensure the timeliness of performance evaluation, and promote evaluation.

3.2 Establish a Budget Information Disclosure System

Colleges and universities can use the school journals or school websites to make the results of budget assessments publicly open, and improve the transparency of budget performance evaluation. Establishing a budget information disclosure system can not only improve the attention of relevant personnel on the results of budget performance evaluation, but also help the university's budget performance management to accept supervision and advice from schools, governments, and society.

3.3 Establish Incentives and Rewards and Punishments for Performance Evaluation Results

Institutions establish incentives, rewards and punishments for performance evaluation results, not only pay attention to the development of budget performance evaluation, but also pay attention to the use of evaluation results. The evaluation criteria are rated based on the quantified budget performance evaluation results. The award recognizes the department with excellent assessment results. The next budget year will give priority to ensuring the funding needs, thereby stimulating the enthusiasm of the relevant personnel, and punishing the unqualified departments and individuals in the budget performance appraisal results, and requesting their budget expenditure items. Detailed written instructions are given. Therefore, to ensure the feedback and application of performance evaluation results, improve the level of budget performance management in colleges and universities.

4. Conclusion

In summary, institutions of higher learning establish a model of budget performance management in accordance with the requirements of the internal control system, effectively integrating the budget performance management system with the internal control system, which is more conducive to the implementation of budget performance management. To establish a budget performance management model from the perspective of internal control, it is necessary to do a good job in strengthening institutional construction, intensifying training, refining performance targets and indicator systems, and promoting information construction. Higher education institutions can better implement budget performance management.

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