

# Research on Budget Performance Management of University Special Funds

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**Abstract:** Special funds of colleges and universities are funds independently arranged by financial departments and colleges and universities for specific projects and specific purposes in addition to basic expenditures. It is mainly used for student subsidy and reward, construction of university teaching staff, introduction of talents, construction of disciplines and scientific research platforms, quality engineering projects in universities, infrastructure construction, etc. In order to strengthen the effective use of special funds, the use of performance evaluation is added to the special fund budget implementation. This paper sorts out the contents and methods of performance management of special fund budget in colleges and universities and analyzes the problems and improvement measures in the implementation process.

**Keywords:** A Pecial Fund; The Performance Evaluation; Performance Goals; Benefits

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## 1. The research background

The establishment of special funds for colleges and universities is aimed at focusing on talent cultivation and running schools with characteristics, building high-quality teachers, deepening education and teaching reform, strengthening research capacity construction, and improving the ability to serve economic and social development. Taking F Province as an example, the project funds in the budget of colleges and universities include: funds to support the reform and development of local colleges and universities, funds for comprehensive awards and subsidies for higher education, special funds for the development of higher education, and special funds for student aid and awards. The management of special funds follows the principle of "scientific planning, reasonable arrangement, clear rights and responsibilities, standardized management, and emphasis on performance". According to the provisions of the state document, colleges and universities need to establish a sound performance management mechanism for the whole process of budget, strengthen the management of performance objectives, monitor performance against performance objectives, carry out performance evaluation, strengthen the use of performance evaluation results, make information public, and improve the efficiency of the allocation and use of special funds.

## 2. Content and evaluation method of performance management of special Fund budget in colleges and universities

The goal of performance management of special fund budget in colleges and universities is to establish a system that is guided by the realization of performance objectives, with performance evaluation as the means and result application as the guarantee. encourage colleges and universities to formulate internal management systems and implementation rules. As an important part of college budget, special funds provide strong financial support for teaching and scientific research, so the performance management system is particularly important.

The content of budget performance management includes: performance evaluation management in advance, performance objective management, performance operation monitoring management, performance evaluation management and result application management.

The object of the advance performance evaluation is the major policies and projects of more than 10 million yuan. The advance evaluation mainly evaluates whether the project is approved from the aspects of necessity of project approval,

investment economy, rationality of performance objectives, feasibility of implementation plan, etc. After passing the evaluation, the project will be included in the management of the financial project database.

Performance objective management according to the principle of "who applies for the fund, who sets the target", The capital user shall clearly reflect the expected output and effect in accordance with the actual situation of the unit while making the budget, and give detailed and quantitative description to the long-term planning and annual plan of performance indicators.

Performance operation monitoring is to verify the implementation of special funds and the completion of performance objectives, and make in-depth analysis of the reasons for slow budget implementation, low performance level and deviation of performance objectives. Deviations from the implementation of performance objectives and loopholes in management discovered during performance monitoring shall be corrected in a timely manner to ensure the achievement of performance objectives as scheduled.

The evaluation results shall be timely collated, summarized and analyzed in accordance with the principle of "who evaluates and makes public", submitted to the Standing Committee of the National People's Congress for examination and made public along with the final accounts, and shall be used as an important reference basis for project units to declare their funds in future years.

### **3. Problems existing in performance evaluation of special funds in colleges and universities**

#### **3.1 Emphasis on investment over management, lack of awareness of performance management**

Special funds for colleges and universities entrusts colleges and universities with the right of independent planning and distribution. The special funds of colleges and universities are mostly allocated to teaching and scientific research departments. These departments only pay attention to the demand of the amount of funds and the actual expenditure of funds, but do not pay attention to the economic and social benefits brought by the investment of funds. They think that performance management is the work of the financial department, and all departments of colleges and universities lack the sense of responsibility and coordination in the process of using funds. It may lead to deviations from the performance goals set by the budget, and the disconnection of fund management is serious. In addition, some special funds use the declaration system, such as "government special bonds" and other funds. In order to strive for more special funds, colleges and universities lack project planning and research work in the early stage, and there is a problem of emphasizing investment over management. As a result, after the funds are in place, normal expenditures cannot be made according to the application plan.

#### **3.2 The performance evaluation system is not perfect, and the setting of performance goals is unreasonable**

In the declaration of special funds, the evaluation index is set by the overall performance goal of the university, and the funds are often used by several units in the university, which leads to the unreasonable setting of performance goals. When doing performance evaluation, the output of performance may not be related to the goal setting of performance; And the university budget performance evaluation is in the development stage, has not formed a perfect performance evaluation system; Sometimes copying units at the same level can not form their own characteristics; The management process of project establishment, supervision and operation is not clear, the setting of performance objectives is single and one-sided, and the lack of unified guidance and understanding at the school level leads to poor performance evaluation management effect.

#### **3.3 Rely on financial capital input, not fully reflect the performance concept**

According to the performance evaluation in 2021, the main points deducted are the insufficient social donation funds raised by colleges and universities, the few high-level scientific research achievements of colleges and universities, the large

flow of talents in colleges and universities, the poor employment quality of college graduates, and the low satisfaction of teachers and students for the "double First-class" construction.

Most colleges and universities rely too much on financial capital input and the measures to collect social donations are single. The construction of colleges and universities needs continuous investment of funds, but how to improve the performance of the invested funds is also a practical problem that needs to be solved. Comparing the goals of first-class universities and disciplines submitted by universities in 2021, 38 percent of universities and 61 percent of disciplines failed to achieve their budget targets.

From the perspective of performance evaluation, the contribution of university special funds to economic and social development is not enough, and the employment rate is low. The talents trained by colleges and universities are not enough to serve local economic and social development. On the other hand, the role of "science education to enhance national strength" has not been fully played. Most of the cooperation projects are at the level of signing strategic cooperation agreements, and there are few "common type" substantive cooperation. The scale and level of industry-university-research cooperation need to be improved, and the contract amount of scientific and technological achievements transformation in colleges and universities is insufficient.

## **4. Measures to improve performance management of special fund budget of colleges and universities**

### **4.1 Improve performance management awareness and strengthen internal management**

Colleges and universities should establish perfect budget performance management system, in the teaching, scientific research, assets department training a batch of important indicators such as output has the financial professional knowledge staff, establish a scientific and reasonable performance targets within the budget, strengthen the internal audit in the operation of the performance management and supervision and improve the budget performance management evaluation system, performance of the true running situation, When the performance target deviates, the deviation can be timely presented and corrected to ensure the smooth realization of the performance target.

### **4.2 Strengthen the construction of special fund information platforms in colleges and universities and standardize performance management**

Colleges and universities should build the internal management system, the application of special funds, examination and approval, budgeting, performance, operation, money to pay to the application of the performance evaluation results reflect all together to each department, strengthen the contact and communication between departments, to build early warning mechanism, dynamic real-time control performance, when necessary to hire expert comment or third party supervision, Let performance management be really used in practice, not just a formality.

### **4.3 Adhere to performance-oriented, improve the management process, and continuously optimize the performance management concept of university special funds**

Clarifying the main responsibility of performance management. All users of funds shall uniformly prepare budget performance target statements in accordance with budget management requirements and accurately prepare indicators of budget performance target values. Reflect its scientific nature, rationality and realizability. Form a performance management coordination mechanism to achieve the organic integration of performance target compilation and project plan compilation.

Further adjust and optimize the structure of expenditures, use funds more efficiently, and improve performance management. Fully grasp the progress of the project, and consider increasing or reducing support according to the acceptance results, increase the output of social, economic and sustainable development indicators, drive industrial development,

increase students' entrepreneurship and employment opportunities, and make contributions to social and economic development.

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