

Analysis on the Establishment of Financial Management System in Colleges and Universities Based on Risk Control

Li Yuanli

Xi 'an Siyuan University, Xi 'an, Shannxi, China

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Abstract: With China's economic development and social progress, the improvement of the market economic system, China's education system is constantly reforming and innovating. Now the reform of colleges and universities is also ongoing, and gradually improved. The management type of colleges and universities is different from that of other schools. Colleges and universities have great initiative and freedom in campus management. With the reform of colleges and universities, the control of autonomy is gradually increasing. The financial management of colleges and universities has always been a problem of great concern in Colleges and universities, and there are many problems accompanying the management, which need to be effectively solved.

1. Introduction

Financial risk refers to the risk that colleges and universities have a large difference between the financial expectation and the actual financial use under the restriction of the preset or expected financial value within a certain period of time, exceeding the preset financial value, resulting in serious shortage of funds or finance. The financial risk of colleges and universities mainly lies in the financial excess or deficiency caused by the current system reform of colleges and universities. The financial risk of colleges and universities mainly includes: the risk of financing, the risk of investment and the overall financial risk of colleges and universities while carrying out the reform. The so-called financing risk refers to the financing problem in the expansion of colleges and universities or investment in students. In many cases, the financial affairs of colleges and universities are paid first. However, the generation of long-term debt will lead to problems in capital turnover. In many cases, the huge debt problem will lead to problems in colleges and universities, No normal repayment ability leads to financial risks. This will not only affect the development of China's colleges and universities and the normal operation of finance, but also may be sued by creditors, resulting in the risk of bankruptcy of colleges and universities, which is also the biggest risk when colleges and universities are facing the problem of financing. At present, colleges and universities are in the stage of reform, so the number of enrollment will be expanded during enrollment. In order to promote the development of colleges and universities, expanding the enrollment of colleges and universities will increase the economic burden of colleges and universities, and the use of funds will gradually increase, but the financing will not be improved, which can not ensure the normal operation of college finance. For the financial operation of colleges and universities, colleges and universities will raise funds through different channels, but because the way of raising funds is not fixed, it will have an impact on their own development and innovation. The investment forms of colleges and universities mainly include the investment of colleges and universities in school industries, and there are many investment forms. Colleges and universities often produce some unnecessary losses in the operation and development of the school, and when investing, many investment projects have high technical content, but the risk is also relatively large. For such investment risk, the school needs to pay attention to it. Reasonably avoid risks and ensure the balance of financial revenue and expenditure. Reduce unnecessary risks and a lot of financial expenses. Colleges and universities are non-profit educational institutions, which are different from the financial management of enterprises in their daily financial operation. The financial risk of colleges and universities will be lower than that of enterprises, and they will not often face the risk of bankruptcy. The state of financial imbalance and imbalance is generally manifested in the arrears of wages of teachers and other staff or the expenditure on equipment. The causes of

financial risks in Colleges and universities are mostly because colleges and universities do not carry out practical investigation and reasonable risk avoidance while carrying out innovation and reform, and lack of professionalism and reasonable accounting system.

Table 1 Proportion of financial income of colleges and Universities

mode	Proportion
Counseling and donation income	17%
Income from industry university cooperation	19%
Income from promotion education	2%
Financial income	1%
Income from tuition and miscellaneous expenses	57%
Other income	4%

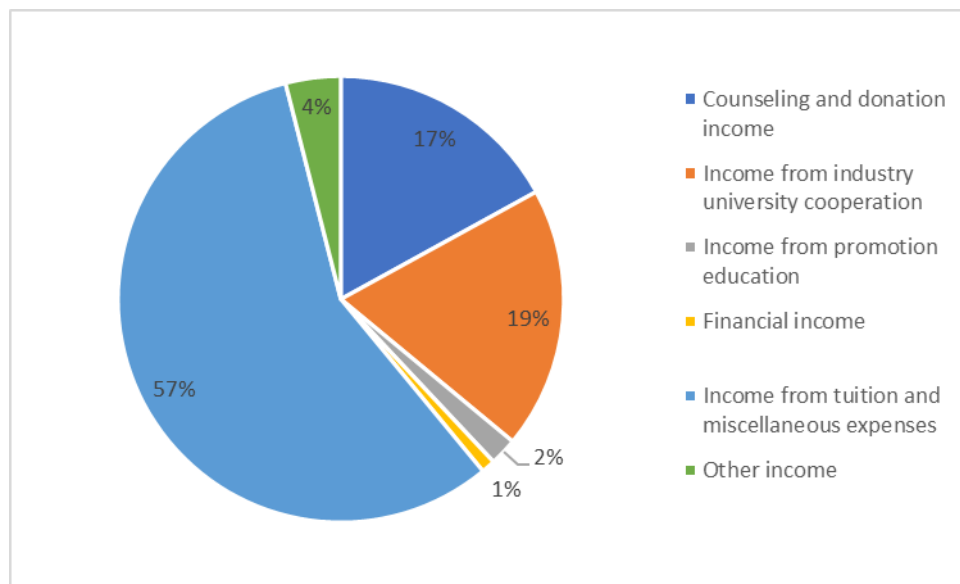


Figure1 Proportion of financial income of colleges and Universities

2. Problems in the operation of financial risk management in Colleges and Universities

2.1 Risks associated with financial management in Colleges and Universities

At present, China has entered the network era, and the network financial management method has been widely used in Colleges and universities. The use of network management method can improve the level and effect of financial risk management, and has high accuracy. However, this method also has certain risks, which are mainly reflected in three aspects. First, due to the limited technical level of operators and insufficient understanding of network management methods and related operating systems, there will be different degrees of problems in the use process, sometimes leading to errors in some financial data or loss of data information. In addition, the operators downloaded some materials in the browser without considering whether they had virus, so that the operating system had virus software and could not be used normally, which had an adverse impact on the financial risk management process. Second, in the process of daily management, some operators will leak or change financial data at will because of their own interests, resulting in low integrity of financial data. Third, hackers are relatively easy to invade the system, resulting in the leakage of financial information in Colleges and universities, which will bring greater economic losses in serious cases.

2.2 Investment risks

The investment of colleges and universities mainly includes teaching equipment and materials, logistics operation and securities investment. If the financial staff of colleges and universities do not

make a reasonable budget for the above work and the managers do not carry out strict management, there will be capital loss, and even lead to the shortage of capital chain of Colleges and universities.

2.3 The professional level of financial managers in Colleges and universities is low

The professional level and comprehensive quality of financial managers in Colleges and universities will have a great impact on financial risk management and internal control. However, at this stage, most financial managers in Colleges and universities have the problem of low professional level and quality. They do not have a deep understanding of the contents of financial risk management and internal control, and can not implement each content into the actual management work, so that human errors often occur in the actual management process. As a result, the financial risk management and internal control of colleges and universities can not meet the expected requirements. In addition, the number of financial management personnel in major universities is limited, and the financial management personnel have multiple duties, so they can not devote all their energy to financial risk management and internal control, resulting in a significant reduction in the effect of control.

3. Relevant countermeasures for the construction of financial risk management system in Colleges and Universities

3.1 Internal control of financial risk in Colleges and Universities

First, improve the internal control of colleges and universities. In order to control financial risks, colleges and universities must establish an internal control structure, standardize various activities of colleges and universities with perfect systems and standardized processes, and supervise the implementation process of internal control. The basis and key to the effective implementation of internal control in Colleges and universities is to have a good internal control environment, which includes perfect organization, sound rules and regulations, clear responsibilities of various departments and staff, reasonable and standardized personnel system, standardized work flow, good school culture and so on. Secondly, establish the early warning system of financial risk in Colleges and universities. The process of risk quantification is to measure the risk, mainly by introducing the idea of probability to judge whether it is necessary to control the financial risk of colleges and universities. Risk identification is the first step of financial risk management in Colleges and universities. It can identify the financial risk of colleges and universities through quantitative and qualitative aspects. Risk early warning is generally realized by setting a critical value. The financial risk early warning system is mainly based on informatization, establishes an appropriate financial early warning index system, and realizes the real-time monitoring of the potential risks of colleges and universities by observing and analyzing the changes of financial early warning indexes. If the set financial early warning indicator exceeds the critical value, the system will give an alarm in time. The establishment of financial risk early warning system is one of the effective means for colleges and universities to control financial risks and avoid financial crisis. Finally, the concept of comprehensive budget management is introduced to further improve budget management. What colleges and universities lack is not only the personnel and departments in charge of financial budget, but also the reasonable preparation methods and effective preparation procedures. The introduction of the concept of comprehensive budget management in Colleges and universities can solve the problems of budget management to a certain extent.

3.2 External control of financial risk in Colleges and Universities

First, we need to further improve the multi-channel financing system and reasonably increase government investment. Bank loans and tuition income have become two ways for colleges and universities to raise funds in addition to financial allocation, but their growth space is restricted by solvency and teaching scale. Therefore, colleges and universities should seek more perfect ways of financing, among which social donation is one of the most potential ways of financing. In terms of policy, on the one hand, the government can provide a certain degree of tax preference and tax relief

to social donors; On the other hand, local governments can formulate special incentive policies to encourage colleges and universities to mobilize social forces for public fund-raising. The support of government policies improves the multi-channel fund-raising system of colleges and universities.

In addition, we should further strengthen the examination and approval restrictions of financial institutions on college credit loans. The loan structure of colleges and universities should be closely followed by the financial approval procedures, otherwise the loan structure of colleges and universities will be subject to high credit risks at any time. One of the important factors to increase the financial risk of colleges and universities is the high amount of credit loans in the financial structure. The main reason why financial institutions lend huge amounts of money to colleges and universities is that the government is the ultimate owner of colleges and universities, the credit rating is very high, the government will not let them go bankrupt, and it is unlikely that financial institutions will bear bad debt losses. Up to now, the credit loan approval procedures and conditions of financial institutions for colleges and universities have been strengthened, reducing the opportunity for colleges and universities to repay old debts with new debts.

Subsequently, it is also necessary to change government functions and implement the autonomy of colleges and universities. The government should improve and formulate relevant legal provisions to guide the long-term development of colleges and universities from the macro level, and give full play to the functions of macro-control, assessment and supervision in the risk management of colleges and universities. Through the formulation of assessment standards and the establishment of supervision institutions to promote and standardize the normal operation of various teaching activities in Colleges and universities. The macro transformation of government functions makes colleges and universities reduce their dependence on the government, further clarify the due power and economic responsibility of colleges and universities, improve their management level to a certain extent, further improve the risk responsibility consciousness of all management levels of colleges and universities, and finally make the management of colleges and universities pay more attention to their own sustainable development.

3.3 Establish a high-level financial management team

In order to effectively solve the problem of low professional level and comprehensive quality of financial managers, colleges and universities need to establish high-quality and high-level financial management teams. When selecting financial management personnel, it is necessary to comprehensively evaluate their abilities in all aspects, and take the evaluation results as the main basis to clarify the personnel who join the financial management team, so as to improve the overall quality and level of the existing financial management team. In the process of work, major colleges and universities need to train financial managers, hire experts as training lecturers, and determine the training content according to the actual situation of current financial risk management and the professional level of financial managers. Through the training process, financial managers can find their own problems in time, learn more advanced management methods and ideas, and constantly innovate the original methods and ideas. In addition, colleges and universities need to strengthen communication and provide opportunities for financial managers to exchange experience. In the process of communication, financial managers can take the advantages of others to make up for their own defects, so as to lay a solid foundation for the actual management process.

3.4 Pay enough attention to budget work

Usually, the budget work needs to be done well before the use of funds. Through the budget work, the use of funds can be guaranteed to be reasonable to the greatest extent, and the use of funds can be minimized under the condition of ensuring the quality and effect. The same is true of financial internal control in Colleges and universities. When colleges and universities prepare to invest or purchase teaching equipment and materials, financial managers need to make a budget, accurately calculate the amount of funds used in the budget process, and then reasonably prepare the capital expenditure according to the budget results. The staff shall carry out actual work in strict accordance with the contents of budget preparation, and better control the actual expenditure within the budget while

ensuring the quality of investment projects or the purchase of materials and equipment, so as to improve the effect of internal financial control.

4. Conclusion

At present, there are still many problems in financial risk management in Colleges and universities. Build a complete financial risk management system, pay enough attention to the budget work, strengthen the financial internal audit management of colleges and universities, establish a high-quality and high-level financial management team, and create a good environment for financial internal control, It is hoped that colleges and universities can adjust according to the problems existing in the actual management process and learn from the measures in this paper. At the same time, in the management process, we need to make rational use of advanced technology, and actively introduce foreign advanced management and control methods and audit methods to improve the financial risk management level of colleges and universities and ensure sufficient funds, so as to promote the stable development of colleges and universities.

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