

# Research on the Financial Supervision and Management Mechanism of Local Higher Education Institutions

Chen Xuanyi<sup>1,a</sup>, Chen Xuantong<sup>2,b</sup>

<sup>1</sup>Beijing Jiaotong University, Beijing, 100044, China

<sup>2</sup>Wenzhou-Kean University, Wenzhou, 325060, China

<sup>a</sup>21726003@bjtu.edu.cn, <sup>b</sup>1194918@wku.edu.cn

**Keywords:** Financial supervision; Local universities; Management strategy

**Abstract:** The reform of higher education places higher demands on the quality of talent cultivation and management in universities. Economic activities also mean that local universities implement more effective financial and accounting supervision and management mechanisms in order to effectively resist risks and continuously improve their own management and education levels. However, from the actual situation, there are many problems in the financial and accounting supervision of universities. This article analyzes these problems from the perspectives of systems, technological applications, and other aspects. In combination with the requirements of education system reform and government accounting system reform, targeted strategies have been proposed to optimize the financial supervision and management mechanism of local higher education institutions.

## 1. Introduction

Financial supervision and management have always been emphasized at the national level as a management mechanism for public institutions, but the effectiveness of their implementation in some local universities needs to be improved. The role of financial personnel and other management personnel in carrying out supervision and management responsibilities is not obvious. The new system issued by the Ministry of Finance and other departments has put forward higher requirements for the financial and accounting supervision and management of higher education institutions. In the new era, university managers must recognize that the core role of financial and accounting supervision is to ensure the rationality and integrity of public assets, and is an important means to improve the management level and efficiency of schools. The financial supervision and management mechanism of local universities in the new era needs to be improved, abandoning outdated and conservative models, and continuously applying new methods and concepts to make the financial supervision and management work more in line with the requirements of the development of the new era[1].

## 2. Financial supervision and management issues in local higher education institutions

### 2.1 Lack of Financial Supervision and Management System

Intensive and high-quality development has become the goal of local higher education institutions in the new era, which also means that the management and internal governance of universities need to develop towards standardization, institutionalization, and refinement. The relevant national departments have successively introduced government accounting systems, budget management and internal control systems for universities and other public institutions, and also encouraged local universities to introduce supporting systems for implementation. However, from a practical perspective, due to the inadequate financial supervision and management work of some university management personnel, they have not actively organized professional personnel to improve the financial supervision and management system based on the actual situation of the school and the government's rules and regulations, resulting in the existing regulatory system

lagging behind the development of local university education and the speed of the new government accounting system reform. Although some universities have further refined the implementation rules and regulations for budget performance, due to the lack of corresponding management and supervision systems, management personnel at all levels are not clear enough about the development positioning, overall requirements, job responsibilities, and information technology development of budget performance supervision in the implementation of various work processes. The absence of systems makes it easy for management personnel to have a "spare heart but insufficient strength" in their work A situation where effort is not proportional to return[2-3].

## 2.2 Mismatch in the quality of financial and accounting supervision personnel

A sound and effective system is a prerequisite for the management personnel of local higher education institutions to implement their financial supervision and management responsibilities, and the quality of referee and supervisory personnel will also directly affect the effectiveness of referee and supervisory management work. However, from a practical perspective, the quality of many financial and accounting supervision personnel in local universities is difficult to meet the requirements of actual work. For example, the situation of financial personnel in a certain local university is shown in Table 1. From the table, it can be seen that the vast majority of the existing financial personnel in universities do not have any professional titles, and are mainly non staff members, which greatly affects the financial personnel's ability to fulfill their supervisory and management responsibilities. However, other management personnel responsible for fulfilling financial and accounting supervision work, as universities belong to administrative institutions and lack a competitive environment in their daily work, will greatly affect the perception and judgment ability of other financial and accounting supervision personnel on financial risks in universities. They are also unwilling to learn new knowledge and methods of financial and accounting supervision management, and traditional knowledge and skills will also be phased out with various institutional reforms, Therefore, although some financial and accounting supervisors in local universities have rich experience in accounting work or financial and accounting supervision, their knowledge reserves and skills lag behind the development of the times, making it easy for audit errors to occur in regulatory work, which directly affects the effectiveness of financial and accounting supervision[4-5].

Table 1 Basic Information of Financial Personnel in a Local University

Category	Permanent staff	Non staff	Accounting Vocational College	Accounting and economic secondary positions	Accounting Beginner
Number of people	15	10	2	9	14
proportion	60.00%	40.00%	8.00%	36.00%	56.00%

## 2.3 The utilization rate of information technology needs to be improved

The rapid development of modern information technology has made accounting informatization and financial supervision informatization a major trend. Combining information technology with the financial supervision work of local universities can effectively improve the efficiency of supervision, reduce the waste of capacity and other resources. However, due to factors such as the management environment and economic sources of local universities, some local universities still face the problem of inadequate information infrastructure construction, which also affects the application of big data and other information technologies in financial supervision. For example, some local universities mostly release financial supervision information through their official websites, and the feedback of financial supervision information is not timely; At the same time, the low level of application of advanced information technologies such as big data has greatly exacerbated the information asymmetry between supervisory departments and other administrative departments, and also affected the accuracy and timeliness of important financial information transmission, ultimately affecting the effectiveness of financial supervision[6].

### 3. Strategies for optimizing the financial supervision and management mechanism of local higher education institutions

#### 3.1 Establish and improve the financial and accounting supervision system

The system is a prerequisite for local higher education institutions to carry out financial and accounting supervision work in an orderly manner. Universities should continuously improve their financial and accounting supervision system based on the system and regulatory requirements issued by the government departments of the new government accounting system, as well as the actual situation of the school. The existing financial and accounting supervision system should ensure consistency with the school's reform and development goals, and establish a more comprehensive financial and accounting supervision system, as shown in Figure 1.

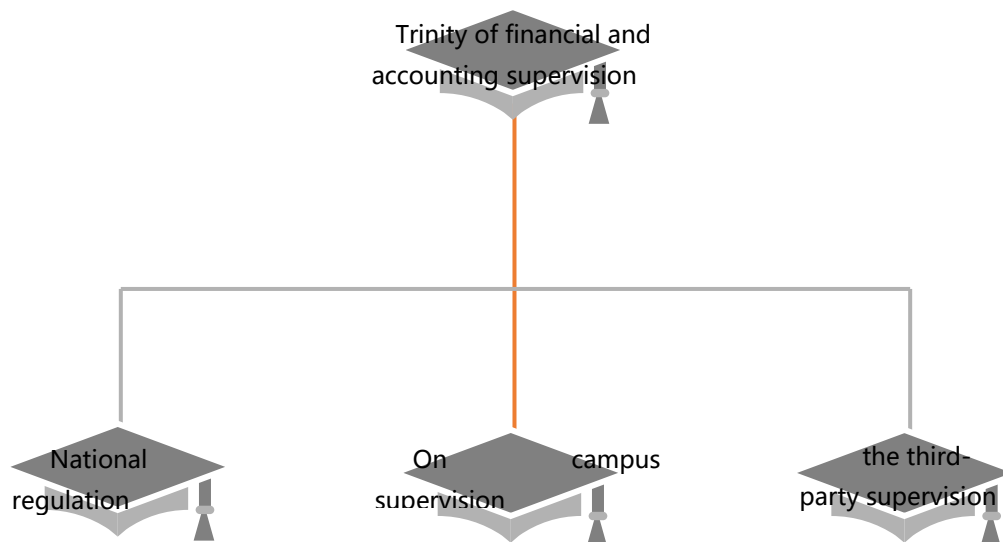


Figure 1: Financial Supervision and Management System of Local Universities in the New Era

Taking the internal financial and accounting supervision system as an example, schools should further improve the detailed rules for financial disclosure in the system in accordance with the needs of financial and accounting supervision and management in the new era. The principle and content of financial disclosure should be clarified in the system, that is, the financial disclosure of the school should follow the principle of legality, effectiveness, authenticity and timeliness, and should be made public on the school's official website and WeChat official account. The public content includes the school's income and expenditure, changes and disposal of fixed assets, declaration and implementation of large expenditures such as scientific research funds, content and basis of legal fees, collection and payment of funds. The distribution of performance-based salaries for teachers, student grants and scholarships, and other funding issues of concern to teachers and students. Financial disclosure should be open to all faculty, parents, and student representatives. It is necessary to strictly follow laws, regulations, and systems such as economic responsibility and financial information disclosure, and regularly carry out financial disclosure work in accordance with institutional norms. In addition, the responsibilities of all parties involved in financial supervision and management should be clearly defined in the system. For example, the principal needs to be responsible for the financial supervision of the school's logistics, strict financial discipline, and approval and inspection of the school's financial expenses; Well, the accounting and auditing personnel in charge of the school review the significant income and expenditure situation of the school's collection and management fees each semester, and conduct argumentation and review of the financial statements. They should supervise the implementation and execution of financial income and expenditure, budget and final accounts, and promptly provide relevant information and suggestions from faculty and student representatives to superiors[7-8].

#### 3.2 Cultivate composite financial and accounting supervisors

The financial supervision work in the new era requires composite financial supervision talents,

financial accounting and other management personnel, with solid professional knowledge of financial accounting and good information literacy. Even financial supervision personnel responsible for scientific research project fund management need to be proficient in scientific research fund management and project management knowledge and skills. Therefore, local universities should pay more attention to the cultivation of composite financial supervision personnel.

According to the needs of financial and accounting supervision in local universities under the new government accounting system, first of all, local universities should actively organize accounting and other financial and accounting supervision personnel to learn the theory of socialism with Chinese characteristics and Marxist ideology in the new era. They should deeply understand the significance of the achievements of sinicization of Marxism for social and economic development, cultivate a group of financial and accounting supervision teams with strong political qualities, and improve the sense of responsibility of financial and accounting supervision personnel Rule of law awareness[9].

Secondly, local universities should also strengthen professional training for financial and accounting supervision personnel, including the learning of new accounting theories such as management accounting and financial supervision theories in the training content. They should also do a good job in knowledge and skills training, as well as summarizing and testing after training. They should urge financial and accounting supervision personnel to study the training knowledge seriously, and actively exchange and share experiences with other participants in the training, Continuously improve one's own business level. At the same time, local universities should also add common financial supervision software applications, big data technology knowledge, and other content to professional training to improve the information literacy of financial supervision personnel. In the era of the Internet, local universities should combine information technology with online training, allowing financial and accounting supervisors to independently arrange time for targeted learning based on the objects and content of supervision. For example, personnel responsible for supervising university research project funds can learn about research fund management and project management policies and the latest management concepts and methods through online thematic learning, and increase their knowledge reserves, Gradually grow into a versatile financial and accounting regulatory talent. Only by training and cultivating more versatile financial and accounting supervision talents in local universities can we timely identify the financial risks that exist in the field where the school is located, and improve the effectiveness of analyzing and solving problems in the financial and accounting supervision process[10].

### **3.3 Accelerate the informatization construction of financial and accounting supervision**

In the context of computerized accounting, local universities should also improve the utilization of advanced information technologies such as big data in financial supervision work. In the process of independently developing or collaborating with third-party enterprises to develop financial software and financial supervision modules, they should fully consider the needs of financial supervision work, and design multiple supervision and audit interfaces that can be skipped by administrative departments, Enable department managers to timely search and calculate financial data through unified interfaces and big data and cloud computing technology, fulfill regulatory responsibilities in a timely manner, and reduce information asymmetry among administrative departments. At the same time, local universities should also collaborate with their information technology personnel or third-party enterprises to strengthen the design of real-time network monitoring systems. Advanced information technologies such as data encryption algorithms should be used to reduce the risk of loss or leakage of important financial data, improve the level of paperless office work for financial supervision personnel, and utilize advanced information technology to achieve dynamic daily supervision of the operation of local university funds.

## **4. Conclusion**

At present, the financial and accounting supervision and management of local universities have

entered a new stage. In response to the existing regulatory system deficiencies and other issues, it is necessary for the leaders and management personnel of local universities to update their management concepts, strengthen infrastructure and institutional construction, attach importance to the cultivation of composite financial and accounting supervision personnel, and improve the effectiveness of supervision.

## References

- [1] Wei Yaqi, Meng Fugen. Exploration of Total Cost Accounting in Universities under the Government Accounting System - Based on Resource Consumption Accounting [J]. Financial and Accounting Communication, 2022 (8): 172-176
- [2] Zhang Pengkai. Reflections on the Supervision of University Funds from the Perspective of Financial Supervision - Based on the Application of Big Data Platform for Fund Monitoring [J]. Encyclopedia Forum Electronic Journal, 2023 (13): 358-360
- [3] Shandong Guozi Software Co., Ltd. Research on the Innovation of Financial Management Models in Universities under the New Government Accounting System - Analysis of the Integrated Platform of Industry and Finance in Universities [J]. Administrative Assets and Finance, 2018 (23): 22-23,94
- [4] Li Jiali, Chen Junzhong. Exploring the Mechanism of Financial Information Disclosure in Universities under the Background of Government Accounting System Reform [J]. China's Collective Economy, 2019 (34): 141-142
- [5] Zhang Xianxian. A Brief Discussion on the Innovation of Financial System in Higher Education Institutions: A Study Based on the Establishment of a Budget System at the School and Department Levels [J]. Contemporary Accounting, 2021 (14): 120-121
- [6] Zhuo Dandan, Zhao Guangquan. Analysis on the Improvement of Financial Management in Universities under the Background of the New Government Accounting System [J]. Investment and Entrepreneurship, 2022, 33 (3): 78-80,131
- [7] Shi Na, Meng Fanhong, Zhang Siqi, etc. Research on Improving the Implementation Progress of Financial Special Funds in Universities under the Project Library Management Model - Taking the Special Project to Improve Basic Educational Conditions as an Example [J]. Research on Education Finance and Accounting, 2023,34 (3): 54-59
- [8] Shang Ying. Collaborative Research on Financial and Accounting Supervision, Audit Supervision, and Discipline Inspection Supervision under the "Two Laws and One Regulation" [J]. Modern Economic Information, 2023,38 (8): 128-130
- [9] Yang Shufang. Research on the Collaborative Path of Financial and Accounting Supervision, Audit Supervision, and Discipline Inspection Supervision in Universities [J]. Business Accounting, 2023 (9): 88-90
- [10] Geng Xiaoxia, Sheng Lijun, Liu Qiwei, et al. Reflections on the Financial Supervision and Management of Higher Education Institutions under the New Situation - Taking S University as an Example [J]. Research on Education Finance and Accounting, 2022,33 (5): 79-82,93