

IMPROVING THE QUALITY OF EDUCATION AND TRAINING THROUGH THE EFFECTIVE MANAGEMENT OF FINANCIAL RESOURCES AT PUBLIC UNIVERSITIES IN VIETNAM

Nguyen Duc Duong - East Asia University of Technology, Vietnam.
Email: duongnd@eaut.edu.vn

Abstract:

Improving the efficiency of financial resource management for public universities has been a goal and a policy throughout Vietnam's education and training development policies over the past 30 years. Although the financial resources for higher education in Vietnam have continuously increased in recent years, they have not yet achieved the expected results compared to reality. One of the reasons for the above situation is that there are still some limitations and shortcomings in mechanisms and policies in this field. Therefore, improving the efficiency of financial resource management and perfecting tools and approaches to increase the financial resources of public universities established in Vietnam is an urgent issue.

Keywords: Quality of education, public universities, financial resources

1. Introduction

Financial resources are monetary resources or property values that can be exploited and used by entities to achieve certain purposes. Depending on the provider, financial resources for public universities include resources invested by the State and resources from the socialization of higher education.

CTU is a non-business unit with revenue operating in the field of education and training, a level 3 estimating unit, receiving state budget through a level 1 estimating unit. Quality universities are the management of the process of mobilizing, distributing and using financial resources through planning, organizing the implementation of the plan and checking and controlling the financial activities of the university according to the management mechanism of the university. financial management of the State to ensure funding for the implementation of activities.

Management of financial resources in quality universities has the following main characteristics: (1) Management of financial resources of CTU is not for profit but towards the main goal of harmonizing the interests of the public. learners, the interests of the State, the society and the overall interests of the school; (2) The operating budget of CTU depends on the quality of output products as students are evaluated on such aspects as: school brand, training program, training quality; (3)

2. State budget allocation mechanism for public higher education institutions in Vietnam

2.1. State budget allocation based on input formula in Vietnam

State budget allocation is based on the input formula applied in Vietnam for the first time in 1998 and periodically until 2006 when the Government issued Decree No. 43/2006/ND- The Government of Government stipulates the autonomy and self-responsibility for the performance of tasks, organizational apparatus, payroll and finance for public non-business units.

2.2. State budget allocation based on historical data

In recent years, the Government has implemented the policy of gradually reducing the regular state budget allocation to public higher education institutions. This is reflected in two important policies that are:

Firstly, the Government's Resolution No. 77/NQ-CP dated October 24, 2014 on piloting the renovation of the operating mechanism for public higher education institutions in the period 2014-2017 states that there are 23 Public higher education institutions are allowed to experiment with autonomy in management and administration in all aspects (human resource, organization, academic, financial) provided that they do not receive regular state budget anymore.

Second, Decree No. 16/2015/ND-CP dated February 14, 2015 of the Government stipulating the autonomy mechanism of public non-business units, which defines groups of public administrative units (including public administrative units). public higher education institutions) according to the following models: (i) Financial autonomy, for public non-business units, self-finances recurrent and investment expenditures; (ii) Financial autonomy for public non-business units that cover recurrent expenditures; and (iii) Financial autonomy for public non-business units that cover recurrent expenditures by themselves.

2.3. State budget allocation based on output formula

Budgeting based on output formula is generally not applied and not feasible in Vietnam, although it has been mentioned and mentioned in different forums and scopes. Many argue that the output-based budgeting method has more advantages than the previous method (input formula or historical data).

2.4. State budget allocation for specific purposes

Purpose-specific funding has been relatively applied in public higher education finance practice in Vietnam. Programs such as: Foreign Language Project 2020, Program 322, 911... can be considered as budget-based programs for specific purposes. In addition, the planned infrastructure investment submitted to and approved by the units annually (through the regulation of the MPI) can also be considered as a budget allocation mechanism for specific purposes. body.

2.5. State budget allocation under quality contract

Although not really popular, quality contracts have also been used in practice of state budget allocation in higher education in Vietnam. The most prominent program is the Advanced Program, which was applied from 2008-2015 at a number of public higher education institutions in Vietnam (Prime Minister, 2008). Schools participating in this Program had to develop a outline with a commitment to quality indicators (training, research) with the Ministry of Education and Training. On that basis, the selected units must sign a contract with the Ministry of Education and Training before conducting the program.

2.6. Grant scholarships to students according to need

Scholarships for needy students in Vietnam have existed for many years; but is expressed in the form of tuition fee waiver. The content of tuition fee exemption and reduction is specified in the corresponding documents over time, such as Decree No. 49/2010/ND-CP dated May 14, 2010 of the Government on tuition fee exemption and reduction, financial support. study costs and the mechanism of collection and use of tuition fees for educational institutions under the national education system from the 2010-2011 school year to the 2014-2015 school year (or Decree No. 86/2015/ND-CP dated October 2, 2015 stipulating the mechanism of collection and management of tuition fees for educational institutions under the national education system, and policies on tuition fee exemption and reduction, and support for study expenses from the 2015 school year - 2016 to school year 2020 - 2021. Specifically, students can be supported with tuition fee waiver from 50-100% depending on the family's ability to pay.

2.7. Grant scholarships to excellent students

Similar to need-based scholarships, scholarships for excellent students can also be obtained from one of two sources: (i) Scholarships are deducted from the school's tuition fees, as prescribed in Circular No. 31/ 2013/TT-BGDĐT, public higher education institutions must deduct 8% of the total tuition revenue to fund study promotion scholarships for students; (ii) Scholarships awarded by organizations and individuals directly to students or through the school.

2.8. Tuition has a ceiling controlled by the State

Like many countries in the world, Vietnam controls the tuition fee ceiling for students at public higher education institutions. Table 2 summarizes the average monthly tuition ceiling at Vietnamese higher education institutions from 2010 to present and is expected to reach the period 2020-2021. However, the Government also stipulates that higher education institutions are autonomous according to Resolution No. 77/NQ-CP on piloting renovation of operating mechanism for public higher education institutions in the period 2014 - 2017 You can set the tuition fee up to 3 times the aggregate level in the table above. In addition, with a higher level of study, the above tuition fee will be multiplied by the corresponding ratio of 1.5 times for master's and 2.5 times for doctorate.

2.9. Student credit in Vietnam

Since 2007, Vietnam officially has the National Student Credit Program of the Bank for Social Policies implemented, with the loan level of this Student Credit Program at the beginning of 2007 is about 0, 8 million VND/month/student (equivalent to 8 million VND/year/student if 1 year has 10 months of study). This loan rate increases every year and is currently about 1.3 million VND/student/month. The interest rate of this program is currently 0.65%.

In addition to the student credit program conducted by the State, students also have the opportunity to borrow credit in the following forms: (i) Borrow from a student credit program implemented by a public higher education institution from lawful sources of revenue of the University; (ii) Borrowing from private institutions.

3. Results of financial resource management at public universities

The State has determined that university autonomy is an inevitable trend and quality universities are forced to adapt to the new operating environment in order to meet training requirements associated with social needs. The financial autonomy mechanism allows quality universities to develop their own internal spending regulations, this is the legal basis for operating, finalizing funding and controlling expenditures in quality universities, but at the same time, universities also subject to many inherent competitive pressures of the market economy.

Regarding the mobilization of financial resources, the methods of resource mobilization are increasingly diversified and the structure of financial resources has changed positively. From being completely dependent on state budget revenues, CTU has actively exploited other financial resources by enhancing service activities, production labor, consulting contracts, and transferring financial resources. technology transfer, establishment of enterprises. The proportion of revenue from tuition fees, fees and service activities, labor - production increased, while funding from the state budget decreased. Accordingly, up to now, there are 23 out of 236 quality universities that are self-financed and self-sufficient in recurrent expenditures. Other quality universities are also piloting financial autonomy, many of which have secured a portion of recurrent expenditures.

The method of allocating and using financial resources at the elite universities has also changed significantly, specifically, the elite universities have reorganized their organizational apparatus towards a streamlined

and efficient direction; actively sign labor contracts suitable to the workload and financial capacity of the school. The schools have developed internal spending regulations, established norms for the payment of workloads performed in training, and built the sense of responsibility of each individual in the school for thrifty practice. thrifty, anti-waste. The schools have also completed the accounting and transparent disclosure of financial results.

4. Some existence, limitations

In addition to the achieved results, there are some problems in managing financial resources in universities as follows:

First, about mobilizing financial resources. The quality universities themselves have not accurately and fully determined the goals of financial autonomy, have not properly mobilized revenue sources and have not made the most of financial resources for their units. Many high-quality universities collect excess fees, collect wrongly according to regulations, and collect unregulated revenues. According to the State Audit, in 2019, quality universities collected tuition fees in excess of regulations, collecting more than VND 14,567 billion outside regulations.

Second, financial resources are not really used rationally.

Inefficient management and use of assets. Currently, there are still departments/individuals assigned to manage and use property with the idea that it is "common property", leading to waste and loss of property. On the other hand, due to budget constraints, poor physical infrastructure increases maintenance and repair costs and reduces the efficiency of asset use. In addition, the State and QUU still lack sanctions for handling, attaching the accountability of schools and authorities, leading to the preparation and assignment of estimates to schools that are inaccurate and inconsistent with reality. economic.

5. Solutions to enhance the efficiency of financial resource management at public universities

In order to enhance the efficiency of financial resource management at CTUs, it is necessary to focus on implementing the following solutions:

Firstly , on the State side, perfect the system of policies to facilitate the mobilization and improve the efficiency of using financial resources for CTU. It is necessary to develop an appropriate roadmap and proceed to strengthen the autonomy for quality universities on the principle of high autonomy in the fields of finance, organizational structure and training; strengthen the accountability of quality universities and high supervision by the management agencies. Completing the policy system on the development of financial resources from the socialization of other higher education, specifically: (1) Institutionalizing the mobilization of financial resources from the socialization of higher education; (2) It is necessary to have guidelines and policies to develop some new activities in the socialization of higher education and (3) To perfect the policy system to attract foreign investment in higher education.

Second, quality universities need to have specific plans, suitable to their existing resource conditions in order to have the best solutions in developing, managing and using financial resources. Improving financial autonomy capacity on the basis of accurately identifying financial autonomy goals and effectively implementing self-control in accordance with regulations at quality universities. Strengthen the exploitation of financial resources from tuition fees through endogenous factors, such as: (1) Facilities; accumulated skills for students; (2) Roles and attitudes of the coordination and management department; (3) Program content and teaching methods; (4) The quality of the teaching staff...

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