Types of University Financial Governance and Its Embodiment in University Statutes

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ABSTRACT

The types of financial governance in Colleges and universities can be divided into three types: the mode of internal governance, the mode of external governance and the mode of internal and external integration. The three types of financial governance models have their own conditions, mainly the management system, the management team, the source of funds and the strength of the external stakeholders. There are some differences in the formulation of financial governance in university statutes. From the point of view of the arrangement of power structure, the same type of financial governance can also have differences in speech expression, but they have the same financial power structure.¹

THE TYPE OF FINANCIAL GOVERNANCE IN COLLEGES AND UNIVERSITIES

Financial management is an important part of modern university management. University Charter is an important system document in modern universities. It is not only beneficial for colleges and universities to develop financial governance and improve the standard degree of financial governance, but also play a positive role in establishing and improving the management system and strengthening the authority of the University constitution. Therefore, it is necessary to study the mode of financial governance in Colleges and Universities Based on university statutes.

The types of financial governance in Colleges and universities can be divided into three types: 1, internal governance based model; 2, external governance model; 3, internal and external integration model.

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The model of financial governance in Colleges and Universities Based on internal governance is based on the internal supervision of the University, and forms the working mode of the internal policy-making institutions, the executive agencies and the supervision institutions. Under the model of internal governance, the influence of the external stakeholders on the financial governance of colleges and universities is mainly reflected in the indirect constraints on the financial activities of colleges and universities. Even the contributors mainly influence the financial activities of colleges and universities through the influence of managers, but cannot directly determine the financial activities of colleges and universities. The mode of internal governance will require the power constraints between the institutions within the university to reach a full state, that is, any party in the financial governance of colleges and universities can completely block the financial behavior of other parties. The mode of external governance is that the constraints of the financial activities of colleges and universities mainly come from the external stakeholders, and the decision-making, execution and supervision links in the universities are relatively weak, which cannot form a strong balance condition. Under such circumstances, external stakeholders become an important balance force for financial work in Colleges and universities. The external governance model also requires the external stakeholders to restrict the financial activities of colleges and universities to achieve sufficient conditions, that is, in the design of the external governance of colleges and universities, the external stakeholder should be able to block the financial activities of the internal stakeholders through their own behavior. The internal and external model is that the internal interests of the university can form a certain mutual balance, but the internal balance is not sufficient, and the external stakeholders need to form a certain balance constraint on the financial work of the University, so as to form a complete and sufficient financial management mode. In the combination of internal and external governance model, the internal stakeholders in Colleges and universities need to combine with the external stakeholders to form a full financial governance model.

UNIVERSITY FINANCIAL GOVERNANCE MODE OF VARIOUS TYPES OF ADAPTATION CONDITIONS

Of course, these three types of financial governance in universities have their own suitable conditions.

The conditions for the adaptation of the financial governance mode of the university with internal governance are usually the following: 1. The university has a sound internal management system which meets the needs of the development of modern universities. The relevant decision-making, execution and supervision system is very complete, and it can form sufficient management systems needed for internal control and operation checks and balances. 2, colleges and universities have enough high-quality management team. The management team is able to cope with the various tasks required by the financial governance of colleges and universities,
whether the task is internal governance or external governance. The financial management of colleges and universities involves all levels of decision-making, execution and supervision. Therefore, the management team is required to have high management qualities and skills. Otherwise, it may cause the sound system to lose its due role. 3, university funding is extensive and huge. It will not be affected by certain single sources of funds. This means that such universities will not be faced with strong external stakeholders' direct interference in financial activities in Colleges and universities. This will give enough internal management power to the internal management of colleges and universities, and it will inevitably require the universities to form complete internal governance.

The conditions for the adjustment of the financial governance mode of colleges and Universities Based on external governance are usually the following: 1. Colleges and universities are in accordance with the needs of modern university development, sound external governance laws and regulations and strong external stakeholders. These laws and regulations and strong external stakeholders can provide sufficient supplementary functions to the financial decision-making, execution and supervision of colleges and universities, and promote the internal management of colleges and universities to reach a balanced state of governance under external force constraints. 2, colleges and universities do not have a sound internal management system or a sufficient number of high-quality management team, leading to the formation of a complete management system and the personnel needed for the implementation of the management system. 3, universities have fewer sources of capital and will be affected by certain single sources of funds. This means that the providers of university funds can have an important direct impact on financial activities in Colleges and universities. These funds providers are also strong external stakeholders who need external governance as the main mode of financial governance in universities.

The conditions in which the internal and external colleges and universities can adapt to the financial governance of colleges and universities are usually as follows: there are strong external stakeholders in Colleges and universities, and the internal management team with strong management ability. The internal management team has built a sound internal management system which is in line with the development of modern universities. At the same time, the management team has high management quality and skill, and the number is sufficient. The related decision-making, execution and supervision system of the financial activities of colleges and universities is complete. At the same time, universities are facing strong external stakeholders. They are able to play an important role in the financial activities of colleges and Universities.
THE EMBODIMENT OF UNIVERSITY FINANCIAL GOVERNANCE MODE IN THE UNIVERSITY CHARTER

The University constitution is the most fundamental system in Colleges and universities. The University Charter generally determines the basic principles of financial management establishment and budget. The mode of financial governance in universities should be embodied in university regulations. There are some differences in the formulation of financial governance in university statutes.

Generally speaking, the university charter mainly adopts internal governance, most of which will confirm that the source of the school's funds mainly includes the financial aid income, the higher subsidy income, the income, the income of the subsidiary units, the operating income, the income and other income, and the school implements "unified leadership, classification management and centralized accounting". The financial management system should establish and improve the financial management system, such as economic responsibility, financial pre final accounts, internal control, audit supervision and so on. It is one of the principals' duties to strengthen financial management and audit supervision and to manage and protect the school assets. One of the duties of the college, center and Research Institute is to follow the school financial management system. Within the approved budget, the budget and final accounts are independently compiled, and the financial allocation scheme is formulated independently; the two level budget management system and the financial reporting system of the school are carried out, and the financial information is disclosed according to the law. The combination of these articles in the University's articles of association can clearly show that the institutions of higher learning have established a perfect internal governance system for financial work, mainly taking public financial reporting information to accept external stakeholder supervision and restraint.

Most of the university regulations, which are mainly governed by external governance, will confirm the authority of the investors and investors in the school management. Of course, the school will also list financial subsidies, higher income, income, subsidiary units, income, income, income and other income, but the capital of the investor is the main source of school funds. In addition to the management of the regular financial activities of the school, the University articles of association, which are mainly external governance, will also make clear the decision-making and supervision rights of the important external stakeholders, such as the investor and other important external stakeholders, on the annual budget and the use of important funds. For example, the statute stipulates more than 10 million items in the construction of schools, and the majority of the voting rights are required by the contributive parties. The decision of the board of directors or other agencies. The combination of these articles in the University's articles of association can clearly show that the financial governance of colleges and universities depends mainly on the external governance system, and the internal financial decision-making, implementation and supervision should be based on the external governance system.
The University Charter, which combines internal and external governance, needs to clear the channel of mutual supplement and connection between the internal governance system of the school and the external governance system. In general, there are provisions in the articles of association that show that the external stakeholders have a certain way to participate, and even dominate some very important institutions that can have an important impact on the financial activities of colleges and universities. These institutions are represented by external stakeholders and university management representatives, such as teaching support Council, fundraising committee and so on. Through these institutions, the external stakeholders can obtain the nonpublic financial information of colleges and universities, and have an effect on the financial activities of colleges and universities by changing the amount of investment in the future and directly affecting the important managers. Of course, the University constitution which combines internal and external governance also needs to strengthen the internal management, usually requires the formulation of the implementation of the principal responsibility system under the leadership of the Party committee, and clearly put the financial management into the leadership of the Party committee, and improve the collective decision-making system of "three major", the Party committee, the Standing Committee, the School Affairs Council and so on. Major financial matters and other related matters involving budgetary arrangements, large capital use and other related matters are made more clearly stipulated and standardized. These strong internal management teams and strong external stakeholders constitute a financial governance mode within and outside the University.

As the basic management system of universities, the constitution of universities can form three types of financial governance modes in Colleges and universities. Therefore, in terms of power structure arrangement, the same type of financial governance can also have differences in speech expression, but they have the same financial power structure.

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