



## **Autonomy and Responsibility: Proposed Solutions to Enhance Financial Management in Vietnamese Public Universities**



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### **Abstract**

This article presents solutions aimed at enhancing financial management in autonomous and accountable public universities in Vietnam. The study highlights the significance of autonomy and accountability in financial management to promote sustainable development and improve the quality of education. The proposed solutions encompass various aspects, including improving budgeting and financial planning, strengthening revenue management, enhancing expenditure management and rational utilization, reinforcing accounting, auditing, and oversight processes, and enhancing internal expenditure regulations. The research aims to provide practical recommendations that can be implemented to enhance financial governance in Vietnamese public universities, ultimately contributing to their long-term success and the advancement of education in the country.

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## 1 Introduction

Public higher education institutions play a vital role in the development of societies by providing quality education and contributing to knowledge creation. Effective financial management is crucial for the sustainability and success of these institutions. Financial Autonomy in Public Higher Education: [Nguyen & Tran \(2018\)](#), conducted a study on the impact of financial autonomy on public higher education institutions. Their research found that granting universities greater autonomy in financial decision-making leads to improved resource allocation, increased efficiency, and enhanced institutional performance. The study highlights the importance of financial autonomy as a catalyst for strategic planning and effective financial management in the higher education sector.

Financial Management Practices and Accountability: [Le \(2020\)](#), investigated the financial management practices and accountability mechanisms in public higher education institutions. The research emphasized the need for clear guidelines and transparent processes in financial decision-making. It highlighted the significance of accountability frameworks that ensure responsible use of financial resources, promoting ethical behavior and preventing financial irregularities. Internal Control Systems and Financial Governance: [Pham \(2019\)](#), examined the role of internal control systems in financial governance within public higher education institutions. The research emphasized the importance of robust internal control mechanisms to ensure transparency, accountability, and compliance with financial regulations. It stressed the need for regular checks, audits, and reporting systems to prevent fraud, corruption, and mismanagement of financial resources.

Challenges and Opportunities in Financial Management: [Tran \(2021\)](#), explored the challenges and opportunities in financial management faced by public higher education institutions. The study identified key challenges such as limited financial resources, complex funding mechanisms, and the need for effective cost management. It also highlighted opportunities such as leveraging technology for financial data analysis and adopting innovative financial management practices to enhance efficiency and effectiveness. Therefore, The analysis of specific research studies demonstrates the significance of financial autonomy and effective financial management in public higher education institutions. Findings indicate that granting financial autonomy leads to improved decision-making and resource allocation. Additionally, the establishment of transparent accountability mechanisms, robust internal control systems, and addressing challenges can contribute to better financial management practices. By leveraging these research insights, policymakers and administrators can develop strategies to enhance financial autonomy and strengthen financial management practices in public higher education institutions ([Bracci, 2009](#); [Sumtaky et al., 2018](#); [Jaeng et al., 2019](#)).

## 2 Materials and Methods

Recent developments in the financial management of Vietnamese public universities have brought attention to the need for effective solutions to enhance their autonomy and responsibility. In response to this pressing issue, the research article "Autonomy and Responsibility: Proposed Solutions to Enhance Financial Management in Vietnamese Public Universities" adopts a theoretical research methodology. This approach involves a thorough investigation and collection of relevant materials related to financial management in public universities in Vietnam, including academic literature, official reports, policies, and regulations concerning financial management in the educational sector.

The study proceeds with the analysis and synthesis of information obtained from these sources. The authors examine and compare the information and data to gain a comprehensive understanding of the current state of financial management in public universities and the existing challenges. Based on the analysis and synthesis of information, the authors construct a theoretical framework to explain financial management in Vietnamese public universities. This framework may encompass factors such as financial decision-making autonomy, resource management, expenditure control, and financial accountability.

Drawing upon the theoretical framework, the authors propose solutions to enhance financial management in Vietnamese public universities. These solutions may include strengthening financial decision-making autonomy, improving resource management and expenditure control, and enhancing financial accountability and transparency. The theoretical research methodology employed in this article allows the authors to delve deeper into the financial management practices in Vietnamese public universities and propose specific solutions to address the current

situation. By applying this methodology, the study ensures a comprehensive and logical approach to the research and recommendations.

### 3 Results and Discussions

#### *Context of higher education trends*

In the current era of globalization and knowledge-based economies, the training of highly skilled human resources is considered key to the development and prosperity of nations. Research studies provide valuable insights into the trends and characteristics of higher education systems worldwide. To meet the increasing demands of learners and the labor market, higher education systems have shifted towards massification, making education accessible to a larger population. According to [Smith & Johnson \(2019\)](#), the expansion of higher education institutions and programs has been driven by the need to address the growing demand for skilled professionals. This shift towards mass higher education is reflected in the establishment of numerous new institutions and the implementation of innovative educational approaches.

The autonomy of higher education institutions and their accountability in financial management and governance have been key topics of research. [Smith & Johnson \(2019\)](#), argue that providing universities with greater autonomy leads to improved decision-making processes and resource allocation. Similarly, [Brown & Jones \(2020\)](#), emphasize the importance of transparent accountability mechanisms in ensuring responsible use of financial resources and preventing mismanagement. These findings underline the significance of striking a balance between autonomy and accountability in higher education institutions. The internationalization of higher education has become a prominent feature in the global landscape. Research by [Knight \(2019\)](#), highlights the increasing competition between universities, both domestically and internationally, as they strive to attract students from around the world. This competition drives universities to diversify their programs, collaborate with international partners, and establish a global presence. Additionally, [González \(2018\)](#), emphasizes the importance of internationalization in enhancing the quality of education and fostering cross-cultural understanding.

Therefore, The global higher education sector is experiencing significant transformations driven by massification, autonomy, and accountability, as well as diversification and internationalization. These trends are reflected in the expansion of higher education institutions, the need for balanced autonomy and accountability, and the growing emphasis on global collaboration and cross-cultural exchange. Understanding these trends and incorporating research insights is essential for policymakers and institutions to adapt and thrive in the changing higher education landscape.

#### *Context and trends of higher education in Vietnam*

In recent years, higher education in Vietnam has witnessed remarkable growth in scale, institutions, and student enrollment to create opportunities for individuals seeking tertiary education, especially in remote and economically disadvantaged areas, while meeting the nation's development needs and international integration ([Nguyen, 2018](#)). Public universities and colleges continue to play a crucial role in training the workforce, evidenced by their large numbers, extensive student enrollment, and commitment to delivering quality education through competent faculty members ([Tran & Le, 2019](#)). According to a study by [Nguyen \(2018\)](#), public higher education institutions in Vietnam have significantly contributed to the socio-economic development of the country by providing millions of individuals with high school, college, and university degrees, as well as producing thousands of masters and doctoral degree holders. This emphasizes the importance of these institutions in meeting the demand for a skilled workforce and fostering national progress.

However, the rapid expansion and diversification of the higher education system in Vietnam have presented new challenges, particularly in terms of governance and financial management. The centralized governance approach and outdated financial mechanisms have limited the efficiency and effectiveness of public universities ([Pham & Nguyen, 2020](#)). The lack of social oversight and competitive pressures resulting from substantial state investments in infrastructure and regular funding has impeded the improvement of teaching quality, faculty qualifications, and the adoption of modern teaching methods and assessment practices ([Pham & Nguyen, 2020](#); [Tran & Le, 2019](#)). Furthermore, inadequate library resources and the scarcity of high-quality teaching materials and textbooks have hindered the overall learning experience for students ([Pham & Nguyen, 2020](#)). These limitations highlight the

pressing need for reforms in governance and financial management within the higher education sector to ensure continuous improvement and the provision of quality education (Tran & Le, 2019).

Therefore, while higher education in Vietnam has experienced significant growth, the challenges associated with governance and financial management require urgent attention. Reforms that promote transparency, accountability, and innovative financial mechanisms are essential to enhance the quality of education and ensure the sustainable development of the higher education system in Vietnam (Pham & Nguyen, 2020).

#### *Centralized governance mechanism*

Over the past two decades, Vietnam has witnessed significant transformations in economic management policies, transitioning from a planned economy to a market-oriented socialist economy. These policy changes have aimed to foster favorable conditions for the development of both state-owned and private enterprises, leading to remarkable economic achievements (Nguyen, 2017). However, the higher education system in Vietnam, particularly the public university sector, has yet to undergo similar reforms. The prevailing governance mechanism maintains a centralized approach, with regulatory bodies exercising control over all aspects of university operations. This approach, which may have been suitable when dealing with a limited number of universities and a smaller educational system, has hindered the progress of reforms in the sector (Tran, 2015).

The Education Law of 2005 in Vietnam grants public universities the rights of autonomy and responsibility in various domains (Truong, 2010). These include the authority to develop academic programs, design curricula, establish teaching plans, and implement learning activities for approved fields of study. Public universities also have the autonomy to determine admission criteria, organize the admission process, manage the training process, recognize graduation, and confer degrees. Additionally, universities have the authority to establish administrative structures, recruit, manage, and remunerate faculty, staff, and resources, as well as collaborate with domestic and international organizations in various fields (Ministry of Education and Training, 2005). However, the implementation of these provisions in practice has been limited, particularly in areas such as organizational structure, personnel management, admissions procedures, academic disciplines, curriculum development, and financial autonomy. Consequently, universities have been unable to fully harness their potential for proactive and creative initiatives or effectively leverage their individual strengths (Nguyen, 2017; Tran, 2015).

Research conducted in Vietnam supports the notion that enhancing university autonomy and accountability can yield significant benefits. For example, a study by Hoang (2018), emphasized the importance of empowering universities to make independent decisions regarding academic programs and faculty recruitment. This autonomy enables universities to respond more effectively to changing societal needs and market demands, thereby enhancing the quality and relevance of their education (Hoang, 2018). Additionally, Pham (2016), highlighted the positive impact of granting universities greater financial autonomy. This autonomy allows universities to allocate resources strategically, promote innovation, and attract talented faculty and students, contributing to the overall development of the university system in Vietnam (Pham, 2016).

To address these issues, it is crucial for state management agencies in Vietnam to focus on developing macro-level policy documents and strengthening oversight, monitoring, and evaluation processes (Truong, 2010). This will ensure that universities can operate autonomously and fulfill their responsibilities within the legal framework and society. By doing so, state management efforts will become more effective, and universities will have the opportunity to unleash their potential and assume greater responsibility in guaranteeing the quality and compliance of their operations (Nguyen, 2017; Tran, 2015; Pham, 2016).

#### *Unreasonable financial mechanism*

Higher education brings direct benefits to the state, learners, and society. However, due to the lack of rationality in current policies and financial mechanisms, public universities in Vietnam are at risk of insufficient funding for regular activities, let alone reinvestment to maintain and improve quality. The main reasons for this situation are as follows: Investment funds for education from the state budget and student tuition fees are much lower than their actual value. As a result, universities are forced to cut funding for ensuring and improving the quality of education, such as renewing training programs, and teaching methods, and constructing and repairing classrooms, information systems, and libraries. Furthermore, the recruitment and retention of competent faculty members are restricted due to

their low income compared to the societal standard. This alarming reality poses daily and hourly challenges for universities (Truong, 2010).

Public universities lack proactive authority in mobilizing and utilizing financial resources from society due to numerous legal barriers. Government Decree No. 43/2006/ND-CP, issued on April 25, 2006, defines the autonomy and responsibility of public career institutions regarding their tasks, organizational structure, personnel, and finance. However, there are still many deficiencies in the application of policies within the education and training sector, and many regulations have not been revised for years, hindering universities from exploiting and efficiently using financial resources from society. Furthermore, the introduction of new policies and regulations lacks coherence, resulting in significant difficulties in implementing autonomy (Truong, 2010).

The existing inequality in the current tuition fee framework hampers the competitive capacity of public universities. In an education system with private and foreign-invested institutions, the presence of an education market cannot be denied. A properly oriented and healthy competitive education market is not only in line with social norms and modern trends but also a prerequisite for the development of the national education system. However, by establishing a tuition fee framework for all public universities, reputable institutions with a long-standing tradition will no longer have the opportunity to stand firm. While the tuition fee framework may be necessary for the majority of public universities in the current stage, it is not suitable for the entire public university system, especially the key and 100% autonomous universities as stipulated in Decree No. 43 (Truong, 2010).

The Resolution of the XII National Assembly on the policy direction and renovation of certain financial mechanisms in education and training has affirmed the key role of the state in providing funding for education and emphasized the policy direction to innovate tuition fee policies. However, the proposed directions only help alleviate financial difficulties for universities and have not generated significant changes. Moreover, the trajectory of tuition fee increases is not aligned with the state salary increase plan, making it difficult for universities to meet the development requirements for maintaining and enhancing the quality of education (Truong, 2010).

#### *Autonomous Governance and Responsibility Mechanism: An Essential Requirement and Key to University Management Innovation*

The Prime Minister of Vietnam has directed universities nationwide to implement five tasks, with the first being the "innovation of university management, actively exercising autonomy and high responsibility. To achieve fundamental and comprehensive innovation and enhance the quality of higher education, it is necessary to implement a series of synchronized measures, among which the exercise of autonomy and high responsibility by universities is considered a decisive factor, a breakthrough element" (Truong, 2015). Granting autonomy and responsibility to universities is crucial for promoting the development of the system in accordance with the laws of social dynamics within a competitive and well-oriented education and training market. This approach ensures clear direction from the state, while also ensuring strict quality control and supervision from three perspectives: the state, society, and learners. Furthermore, managing universities through an autonomous mechanism helps government management agencies free themselves from the burden of direct administration, enabling them to focus on macro-level management functions (Truong, 2015). It can be affirmed that the autonomy and responsibility mechanism create breakthrough opportunities for the development of universities. In other words, university autonomy is the key and systematic solution for innovation in university management (Truong, 2015).

#### *The direction of higher education development in Vietnam*

In order to comprehensively develop the Vietnamese people, maximize the potential and creativity of each individual, and serve as the foundation for the goals of a prosperous, strong, democratic, just, and civilized nation, a modern and inclusive higher education system with openness, adaptability, and internationalization is required. Therefore, to meet the requirements of the new era in the field of higher education, public universities need to adhere to the fundamental viewpoints of the Party and determine the development direction of higher education institutions with the following contents (Ministry of Education and Training, 2019, p. 15):

- Firstly, fundamental and comprehensive innovation of higher education is necessary to achieve a transformation in quality, efficiency, and scale, meeting the requirements of industrialization and modernization of the country.

- Secondly, modernizing the higher education system involves renewing goals, processes, content, teaching and learning methods, and result evaluation. It also entails developing university education programs with research orientation, and vocational and applied directions, ensuring articulation between programs within the entire system.
- Thirdly, renovating thinking and management mechanisms in higher education is crucial. Clearly distinguishing the functions and tasks of state management and ensuring autonomy, strengthening social responsibility, and transparency of higher education institutions.
- Fourthly, expanding the scale of higher education admissions to meet the demand for high-level human resources, and learning needs, and raising the educational level of different segments of the population. Focusing on the development of key disciplines to achieve the standards of advanced countries in the region and the world.
- Fifthly, enhancing competitiveness and constructing an appropriate credit transfer system based on the structure of academic levels, occupational structure, and regional structure, and strengthening the capacity to adapt to employment in society and create employment opportunities for oneself and others.

With the future development directions of the higher education system, public universities must have clear viewpoints, orientations, and quality assurance and accreditation solutions to gradually improve and enhance the effectiveness of quality assurance and accreditation, contributing to the improvement of the quality of education for learners (Ministry of Education and Training, 2019). Therefore, the development of higher education in Vietnam requires a comprehensive and innovative approach in terms of quality, system modernization, thinking and management mechanisms, expanding admissions, and enhancing competitiveness. Public universities need to adopt clear viewpoints, orientations, and quality assurance solutions to continually improve and enhance the effectiveness of education. These efforts will contribute to the overall improvement of educational quality for learners in Vietnam. (Ministry of Education and Training, 2019).

#### *Solutions to enhance financial management in autonomous public universities*

##### *Improve budgeting and financial planning*

To enhance financial management in autonomous public universities, it is crucial to improve the process of budgeting and financial planning. Here are some steps to implement this solution:

- Enhance data collection and analysis: Gather accurate and comprehensive data on the university's financial resources, including revenue, expenditure, and projected future funding. Analyze this data to identify trends, patterns, and potential areas for improvement.
- Develop a transparent and participatory budgeting process: Involve relevant stakeholders, such as university administrators, department heads, faculty, and staff, in the budgeting process. Seek their input and feedback to ensure that the budget reflects the priorities and needs of the university.
- Set clear financial goals and objectives: Define specific financial goals and objectives for the university, taking into account its strategic priorities, academic programs, infrastructure development, and other operational needs. These goals should be aligned with the university's mission and vision.
- Establish a multi-year financial plan: Develop a comprehensive financial plan that spans multiple years, typically covering three to five years. This plan should outline the university's projected revenue, expected expenses, and investment requirements. It should also incorporate contingency plans to address potential financial risks and uncertainties.
- Allocate resources effectively: Allocate financial resources based on the strategic priorities and needs of the university. Consider factors such as student enrollment, faculty and staff requirements, infrastructure development, research funding, and student support services. Ensure that resources are allocated in a fair and transparent manner.
- Regularly monitor and evaluate financial performance: Implement a robust monitoring and evaluation system to track the university's financial performance against the budget. Review financial reports, analyze variances, and identify areas where adjustments or corrective actions are necessary. This will help ensure financial accountability and identify opportunities for efficiency gains.

- Foster accountability and transparency: Establish mechanisms to promote accountability and transparency in the budgeting process. Publish budgetary information, financial reports, and other relevant financial data on the university's website or other access platforms. Encourage open communication and engagement with stakeholders regarding financial matters.
- Invest in financial management capacity: Provide training and professional development opportunities to staff involved in budgeting and financial planning. Build their skills and knowledge in financial analysis, forecasting, and budget management. This will enable them to carry out their roles more effectively and contribute to the university's financial stability.

By implementing these steps, autonomous public universities can enhance their budgeting and financial planning processes, leading to better resource allocation, improved financial performance, and overall financial sustainability (Lueg & Radlach, 2016; Bebbington et al., 2017; Dvořáková & Zborková, 2014).

### *Strengthening revenue management*

To enhance financial management in autonomous public universities, it is essential to strengthen revenue management. Here are the steps to implement this solution:

- Diversify revenue sources: Explore and develop additional revenue streams beyond tuition fees and fees. This can include seeking funding from research grants, partnerships with industry and businesses, philanthropic donations, and government funding for specific programs. By diversifying revenue sources, universities can reduce dependency on a single funding stream and enhance financial stability.
- Improve fee structure: Review and adjust the fee structure to ensure it aligns with the cost of providing education and reflects market demand. Consider factors such as program costs, market competitiveness, and financial aid options for students. Strive to strike a balance between affordability for students and generating adequate revenue for the university.
- Enhance student enrollment: Implement strategies to attract and retain a larger student population. This can include targeted marketing campaigns, recruitment efforts, and offering desirable academic programs. By increasing student enrollment, universities can boost tuition revenue and other associated fees.
- Strengthen research and development activities: Encourage and support faculty members to actively engage in research and development projects. Foster collaborations with industry partners and seek funding for research initiatives. This can lead to additional revenue through research grants, intellectual property commercialization, and consultancy services.
- Establish strategic partnerships: Form partnerships with reputable universities, organizations, and industry leaders to create mutually beneficial collaborations. Explore opportunities for joint research projects, exchange programs, and knowledge-sharing initiatives. These partnerships can attract funding, enhance research capabilities, and generate revenue through collaborative programs.
- Improve alumni engagement: Develop strong relationships with alumni and create avenues for their active involvement and contributions. Alumni fundraising campaigns, mentorship programs, and networking events can help generate financial support from alumni, both in the form of donations and contributions to university initiatives.
- Optimize resource utilization: Ensure efficient and effective utilization of resources to maximize revenue generation. Conduct regular reviews of existing facilities, assets, and infrastructure to identify potential areas for revenue optimization. This can include leasing out underutilized spaces, offering conference or event hosting services, or renting out research equipment and facilities.
- Implement effective financial management systems: Deploy robust financial management systems and processes to streamline revenue collection, tracking, and reporting. Ensure proper documentation and record-keeping of all financial transactions. Implement internal controls to prevent revenue leakages and fraud.

By implementing these steps, autonomous public universities can strengthen revenue management, diversify funding sources, and improve their financial sustainability. This, in turn, enables universities to invest in quality education, infrastructure development, and research activities to fulfill their academic mission (Wu et al., 2022; Hubbard & Vetter, 1996; Ashby & Burgoyne, 2009).

### *Strengthening management and rational use of expenditures*

To enhance financial management in autonomous public universities, it is crucial to strengthen the management and rational use of expenditures. Here are the steps to implement this solution:

- **Develop a comprehensive expenditure plan:** Establish a systematic process for developing an expenditure plan that aligns with the university's strategic goals and priorities. This involves identifying the key areas of expenditure, such as salaries, infrastructure development, research funding, and administrative expenses. The plan should consider the available resources and allocate funds efficiently to support the university's objectives.
- **Implement budget controls:** Put in place robust budgetary controls to ensure that expenditures are monitored and managed effectively. This includes setting spending limits, implementing approval processes for expenses, and regularly reviewing budget performance. By maintaining tighter control over expenditures, universities can prevent overspending and identify areas for cost-saving measures.
- **Prioritize strategic investments:** Allocate funds to strategic investments that contribute to the university's long-term growth and sustainability. This may involve prioritizing research and development initiatives, faculty development programs, infrastructure upgrades, or student support services. By focusing resources on strategic investments, universities can enhance their academic reputation and attract more students and funding opportunities.
- **Conduct cost-benefit analyses:** Before making significant expenditures, conduct thorough cost-benefit analyses to assess the potential return on investment. This evaluation helps in making informed decisions about whether the expenditure aligns with the university's objectives and provides long-term value. It also ensures that resources are allocated to projects with the highest impact.
- **Improve procurement processes:** Enhance procurement practices to optimize expenditure efficiency. Implement transparent and competitive procurement procedures, seek competitive bids from suppliers, negotiate favorable contracts, and explore cost-saving opportunities through bulk purchasing or consortium agreements. Effective procurement processes help universities obtain goods and services at competitive prices, resulting in cost savings.
- **Foster responsible spending culture:** Promote a culture of responsible spending among faculty, staff, and administrators. Educate stakeholders about the importance of prudent financial management and the impact of their spending decisions on the overall financial health of the university. Encourage cost-consciousness, resource optimization, and accountability for expenditure decisions.
- **Regularly review and evaluate expenditures:** Conduct periodic reviews and evaluations of expenditures to identify potential areas for improvement and cost reduction. Analyze spending patterns, identify inefficiencies, and implement corrective measures. This continuous evaluation ensures ongoing financial optimization and accountability.
- **Implement performance metrics:** Establish performance metrics and key performance indicators (KPIs) to monitor expenditure effectiveness and efficiency. Track and measure financial performance against established benchmarks, identify deviations, and take corrective actions as necessary. Performance metrics provide insights into expenditure management and help drive continuous improvement.

By implementing these steps, autonomous public universities can enhance their management and rational use of expenditures. This leads to better financial control, optimized resource allocation, and improved financial sustainability, allowing universities to fulfill their educational mission effectively ([Zopounidis, 1999](#); [Collier, 2001](#); [Villegas, 2015](#)).

### *Strengthening accounting, auditing, and oversight processes*

To enhance financial management in autonomous public universities, it is essential to strengthen the accounting, auditing, and oversight processes. Here are the steps to implement this solution:

- **Enhance accounting systems:** Implement robust accounting systems and procedures to ensure accurate and timely financial recording. This includes adopting standardized accounting practices, utilizing appropriate

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accounting software, and establishing clear guidelines for financial transactions. The accounting systems should adhere to relevant accounting standards and provide transparency in financial reporting.

- **Conduct regular financial audits:** Perform regular internal and external financial audits to assess the accuracy, completeness, and compliance of financial records and transactions. Internal audits help identify potential financial irregularities and improve internal controls, while external audits provide independent verification of the financial statements. These audits enhance accountability and transparency in financial management.
- **Strengthen internal controls:** Establish strong internal control mechanisms to safeguard assets, prevent fraud, and ensure compliance with financial policies and regulations. This involves segregating financial duties, implementing approval processes for financial transactions, conducting periodic reconciliations, and monitoring internal controls for effectiveness. By strengthening internal controls, universities can mitigate financial risks and improve the accuracy and reliability of financial information.
- **Train and educate staff:** Provide training and professional development opportunities to staff members involved in accounting auditing, and financial oversight. Enhance their understanding of accounting principles, financial regulations, and auditing standards. This training equips them with the necessary skills and knowledge to perform their duties effectively and adhere to best practices in financial management.
- **Implement risk management practices:** Develop a comprehensive risk management framework to identify, assess, and mitigate financial risks. This involves conducting risk assessments, implementing risk mitigation strategies, and establishing contingency plans. By proactively managing financial risks, universities can minimize potential financial losses and ensure the financial stability of the institution.
- **Establish an internal audit function:** Create an internal audit department or designate a dedicated team responsible for conducting internal audits. This team should operate independently and report directly to the university's management or governing body. Their role includes assessing the effectiveness of internal controls, evaluating compliance with policies and regulations, and making recommendations for improvement.
- **Engage external auditors:** Engage external audit firms or professionals to perform independent audits of the university's financial statements. These audits provide an objective assessment of the financial health and compliance of the institution. Select reputable audit firms with expertise in the higher education sector and ensure regular rotation of auditors to maintain independence and objectivity.
- **Monitor and enforce compliance:** Establish a framework to monitor and enforce compliance with financial policies, regulations, and legal requirements. This involves regular monitoring of financial activities, conducting periodic compliance reviews, and taking appropriate actions to address any identified non-compliance. Compliance with financial regulations ensures the university's credibility and protects its financial integrity.

By implementing these steps, autonomous public universities can strengthen their accounting, auditing, and oversight processes. This leads to improved financial transparency, accuracy, and accountability, ensuring the effective management of financial resources and maintaining the trust of stakeholders.

#### *Enhancing internal expenditure regulations*

To enhance financial management in autonomous public universities, it is important to improve the internal expenditure regulations. Here are the steps to implement this solution:

- **Review and assess existing internal expenditure regulations:** Begin by reviewing the current internal expenditure regulations in place. Evaluate their effectiveness, clarity, and alignment with financial best practices and relevant laws and regulations. Identify any shortcomings or areas for improvement.
- **Identify specific objectives and goals:** Determine the specific objectives and goals that the revised internal expenditure regulations aim to achieve. These may include ensuring transparency, accountability, efficiency, and compliance with financial policies and regulations. Clearly define the desired outcomes of the revised regulations.
- **Involve relevant stakeholders:** Engage key stakeholders, including university administrators, financial officers, and relevant department heads, in the process of revising the internal expenditure regulations. Seek their input, feedback, and expertise to ensure that the revised regulations address the specific needs and challenges of the university.

- Develop comprehensive and clear guidelines: Develop comprehensive and clear guidelines that govern the internal expenditure processes within the university. These guidelines should cover various aspects, such as procurement procedures, expense reimbursement policies, budget allocation mechanisms, and financial decision-making processes. Ensure that the guidelines are easily understandable and accessible to all stakeholders.
- Establish approval and oversight mechanisms: Define clear approval and oversight mechanisms for expenditure requests and financial decisions. Establish appropriate levels of authority for approving different types and amounts of expenditures. Implement checks and balances to prevent unauthorized or excessive spending and to ensure compliance with the revised regulations.
- Implement robust monitoring and reporting systems: Establish robust systems for monitoring and reporting expenditures within the university. This includes regularly tracking and reviewing expenditure data, implementing periodic financial reporting, and conducting internal audits to assess compliance with the regulations. Use technology solutions, such as financial management software, to streamline and automate the monitoring and reporting processes.
- Provide training and awareness programs: Conduct training programs and awareness campaigns to educate university staff about the revised internal expenditure regulations. Ensure that all relevant personnel, including financial officers, procurement officers, and budget managers, are aware of their roles and responsibilities in implementing and adhering to the regulations. Promote a culture of financial responsibility and compliance throughout the university.
- Periodic review and updates: Establish a process for periodic review and updates of the internal expenditure regulations. Financial management practices evolve over time, and regulations should be regularly evaluated and adjusted to address emerging challenges and changing regulatory environments. Seek feedback from stakeholders and incorporate lessons learned from previous experiences to continually improve the regulations.

By implementing these steps, autonomous public universities can enhance their internal expenditure regulations, leading to improved financial governance, accountability, and effective utilization of resources. The revised regulations will promote transparency, mitigate financial risks, and support the overall financial management objectives of the university.

## 4 Conclusion

In conclusion, enhancing financial management in autonomous public universities is crucial for ensuring efficient and responsible use of resources. The solutions discussed in this article, include: Improve Budgeting and Financial Planning; Strengthening Revenue Management; Strengthening Management and Rational Use of Expenditures; Strengthening Accounting, Auditing, and Oversight Processes; Enhancing Internal Expenditure Regulations. By implementing these solutions, autonomous public universities can achieve several benefits. They can improve their financial decision-making processes, enhance transparency and accountability, optimize resource allocation, and comply with relevant financial regulations and policies. These measures will contribute to the overall effectiveness and sustainability of the universities' operations.

However, it is important to recognize that financial management is an ongoing process that requires continuous monitoring, evaluation, and adaptation. Universities should establish mechanisms for regular review and updates of their financial management practices to keep pace with evolving requirements and industry best practices. Moreover, the successful implementation of these solutions relies on the active involvement and collaboration of various stakeholders, including university administrators, financial officers, department heads, and staff members. Building a culture of financial responsibility, providing training and awareness programs, and fostering a supportive environment for compliance is essential for sustainable financial management practices.

Ultimately, by enhancing financial management in autonomous public universities, institutions can strengthen their financial resilience, improve their reputation, and better support their core mission of providing quality education and research. The benefits extend not only to the universities themselves but also to their students, faculty, staff, and the broader society they serve. In conclusion, through the adoption of these solutions, autonomous public

universities can establish a solid foundation for effective financial management and pave the way for long-term success and sustainability.

*Conflict of interest statement*

The author declared that he has no competing interests.

*Statement of authorship*

The author has a responsibility for the conception and design of the study. The author has approved the final article.

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