

### Webinar on:

# FINANCIAL ACCOUNTABILITY IN HIGHER EDUCATION



Dr. Prof. Pasquale Ruggiero

**Department of Business and Law** 





# For What and Why?

#### What?

- Financial resources
  - To spend (ex-ante);
  - Spent (ex-post).

### Why?

- Compliance purposes (legislation and internal regulation);
- Controlling/coordination purposes;





#### To whom?

### External accountability:

- Ministry of University and Research;
- Other Funders; Students; Citizens.

### Internal accountability:

Departments and other autonomous centre of responsibility





### By what means?

### Language:

Financial Accounting

Channel of Communication:

Accounting system and reporting



### Financial Accounting Language in HE

### Accounting basis:

- Cash-based accounting;
- Obligation based accounting;
- Accrual-based accounting.

•In the Italian HE system there is a mixed situation (coordination with the government accounting and national accounting).





## Channel of communication

### Budget:

- Language used: accrual-based accounting;
- Period of reference: year and multi-year (3) budget;

#### Financial Statements/Reports:

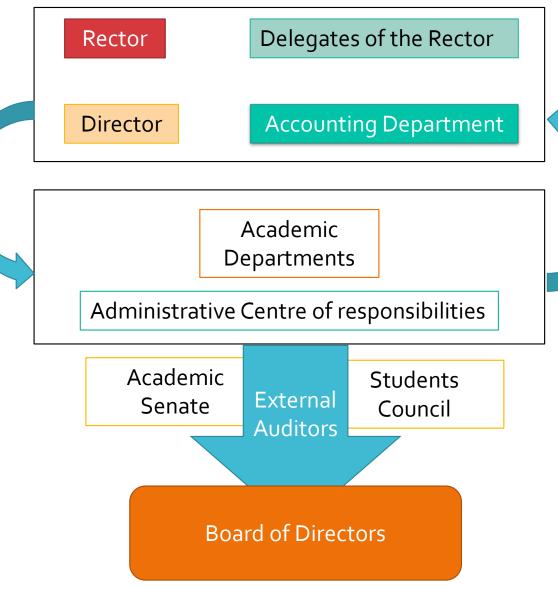
- Language used: accrual-based accounting;
- Balance Sheet; Income Statement; Cash-flow Statement;

Both the budget and the financial reports must be translated into financial-based accounting reports.





Channel of communication: e.g. Budgeting process



Ministry Plan
Univ. Strategic Plan
Multi-year budget
Financial Statements
(July-August)

Budget proposals (September) Budget negotiations (October-November)

Budget proposals (Early December)

Budget approval (Mid-December)

