

# **FINANCIAL-ACCOUNTING APPROACHING OF THE INCOMES FROM THE RETAKING OF THE SUBJECTS AT THE LEVEL OF THE ACADEMIC INSTITUTIONS**

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**Abstract:** In the last years, the accounting of the public institutions passed through major transformations in the middle of which were the passing from the accounting based on money to the engagement accounting. These generated “the decrease in the accounting field” of the public institutions including the ones from the university education of which purpose was to offer the public service called education. In the paper “Financial – accounting approaching of the incomes from the retaking of the subjects at the level of the academic institutions” we approach the next problems: (i) sources of insurances of the financial resources for the institutions of university education (are the ones from the own incomes and subsidies from the budget); (ii) the panoramically imagine on the incomes from the retaking of disciplines (incomes received, operational, from services offered, current made, public etc.); (iii) some accounting references (accounting recognition, the call the budgetary classification for the technical elements codification necessary to the incomes accounting from the retaking of disciplines, the use of a specific numerical code in order to indicate the origin and destination of those incomes). The last part is reserved to the findings regarding the way the incomes of accounting are made from the retaking of disciplines and at the superior stage in which the public institutions are in the raise of financial resources.

## **The sources of insurances of the financial resources for the academic institutions**

The university is an institution of superior education of which degree fields specializations and forms of education are accredited or have authorization according to the law; a form of organization of the social reports, according to the juridical norms settled for education as an activity field.

The mission of a university is the educational services made, by the didactic process scientifically research activity and other services specifically to the institution. In order to concretize this mission, the universities need financial resources, resource that they get by different financed ways.

At the general mode, the notion of financing reflects the process that assures the money funds that are needed for the objectives in nature of economics, social, cultural, educational etc. pre-established.

The finance of the public institutions can be made either integral from the one of the budgets that compose the national public budget, or from the own incomes and subsidies from the “budget”, or integral from the own incomes.

The public institutions of academic education are a part of the institutions that are financed from subsidies and own incomes.

In connection with the financing especially from the subsidies those institutions, represented by the Rector, have the quality of tertiary ordinator of budgetary credits, occupying the base position in the pyramids hierarchy. In the absence of the

intermediary way the budgetary credits are received through distribution from the principal ordinator of the Education, Resource and Youth Ministry and given in two ways: base financing and complementary financing.

The public ordinator is „the person who in the name of the state, of a collectivity or a public establishment has the quality to contract to find to sellout a claim or a debt in order to receive a claim or to pay a debt”. The budgetary credit represents the maxim limit to which that can be done the expenses settle in the budget.

The base financing is realized on the institutional contract settled between the Education, Resource and Youth Ministry and the rector of each academically institution and it has the role to assure the financial resources for the next destinations: staff costs (including internal and international traveling expenses); material expenses (the practice of the students, medicine and other medical materials, upkeep costs, materials and services with functional character, material of inventory, ordinary repairs, books and magazines, refresher courses for the employees, protocol and work security).

Complementary financing has as a purpose to assure the financial resources for the: capital outlays (investments in constructions, restoring buildings, investments in equipments for the education and resource process); material expenses (capital repairs, students transport, cultural - scientifically actions); scholarships; subsidies for the students hostel and dining rooms, co-financed projects from the budget and from external sources.

We have to say that the complementary financing is made with the sums from the state budget and with the external sources, own incomes donations and sponsoring etc.

Structural in the structure of the own incomes we identify between others: study taxes, license taxes, master taxes, taxes from the retaking of the subjects, enrolment taxes, taxes from the retaking of the labs, re-enrolment taxes, conferences taxes, payment penalty of the study taxes, taxes for the diploma supplement etc.

### **A panoramic image of the incomes from the retaking of subjects**

#### **Conceptual delimitations**

The incomes represents the total flows of economical benefits of entering and the potential services from the period of the report with the exception of the entering flows from the contribution of the owners (the state or the local public administration, in the case of public institutions).

The expression future economic benefits and potential services is consecrated in the international accounting norms for the public sector and it refers to the goods used in order to obtain the flows of money entering (potential benefits), and the ones used to produce the goods and the rendered services according to the objectives of the institution, but which does not generate in a direct way the flows of money entering (potential services).

According to the accounting settlements for the public institutions the incomes represents the taxes, the contributions and other sums collected according to the law, as well as the price of the goods sold and the services rendered, of that period of time.

The incomes from the retaking of subjects can be define as taxes collected in the account of services that are provided by the students who request the resumption of the studies at the subjects that they did not promoted.

### **The localization of the incomes from the retaking of subjects**

As we mentioned previous the incomes from the retaking of subjects are identified in the frame of the own incomes of the university institutions.

There are by, other elements of localization of those to which we will refer further on:

- ✓ from the point of view of the formation (appearance) of incomes, made incomes recognized in the moment of revenue of the taxes of retaking subjects, for which the claims were not recorded;
- ✓ from the generator activity, represents an operational income from the services rendered;
- ✓ depending by the nature of the generator element (source) of incomes, is an incomes from the services rendered;
- ✓ if we refer at the moment of the hiring of incomes, they are in the category of the current incomes, being a constant income and registered in the period for which the calculation of the patrimonial result are made. Also the incomes from the retaking of subjects are reimburse totally on the result of the same exercise;
- ✓ depending of the moment of registration of the incomes in the accounting, it is an income realized, received.

The accounting recognition of this income coincides with the moment of its receiving.

Further to finish the incomes category from the retaking of subjects we mention only the fact that those are public incomes, because they are made by the public sector with the purpose to cover the public service called education.

### **Some accounting references**

The accounting can be considered to be a decisional and an informational reference point for the performance financial management – accounting that determines the management of the activities in order to assure the right use of the funds according to the standards defined by the probability and regularity.

A considerable part of the information used in the managerial processes is in kind accounting. Those lead to the elaboration of the decisions in time, according to the reality and contribute to the resolve of the complex problems of the economic-financial activities existent in any patrimonial entity.

Accounting implementation of the own incomes is not realized separated on each source, but on global, following that in the moment of the financial resources allocation to be done individually.

→ The collection of the taxes for the retaking of subjects:

5311.01	=	704.01.33.01.05	36.120
“House in lei Own incomes”		“Incomes from the works made and services rendered. Taxes and other incomes in education”	

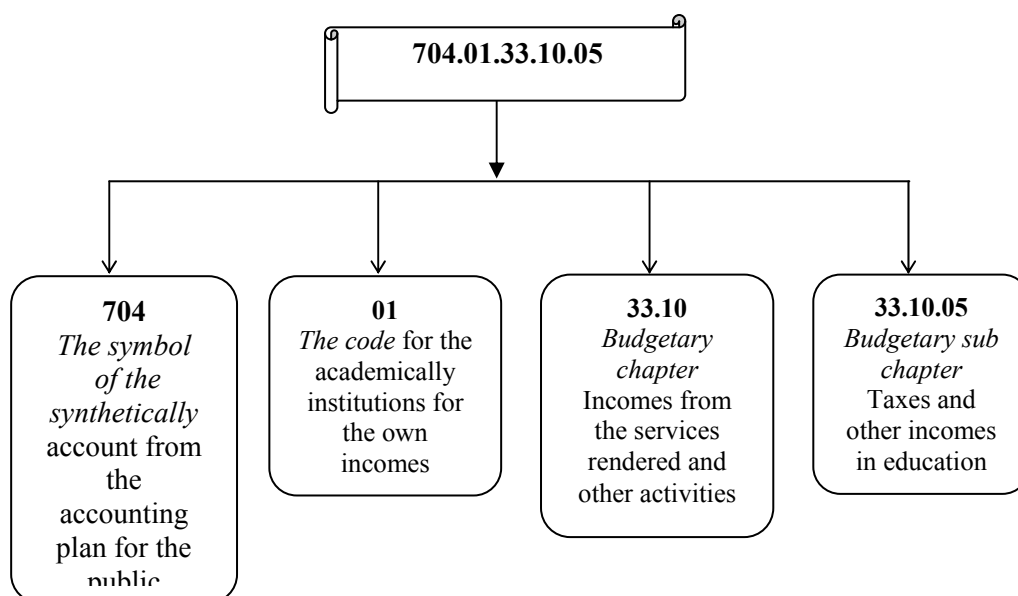
→ Depositing the sums collected in the account open at the Treasury:

581	=	5311	36.120
“Internal bank transfer”		“House in lei” Own incomes”	

560.01.99 = 581 36.120  
 “Disposal of the institutions financed from the own incomes and subventions.  
 Own incomes” “Internal bank transfer”

Financial resources made on the incomes from the retaking of subjects have the destination, between others the payment of the salary expenses and the meal vouchers, the payment of the traveling expenses, delegations, transfers, upkeep costs, material costs and services rendered with functional character, and other expenses.

The way of forming of the numeric symbol for the account 704.01.33.10.05, used previous, is presented in the next scheme:



**The scheme no. 1 The way that the analytical account 704.01.33.10.05 formed**

For the other income sources the numerical codes are in the consistence of the analytical accounts symbol are the next: 02 - base financing, 04 - research, 05 - complementary financing (at this are attached the codes for each destination for which the financing has received: 01 - capital repairs, subsidies for the students hostel and dining rooms; 03 - equipments and other investments, 04 - scholarships, 05 - transport etc.), 06 - micro production activity, 07 own incomes from the hostel and dining rooms, 10 non-refundable funds received from different agencies of implementation.

Incomes collected cumulative, as we mentioned earlier are transferred on the patrimonial account 121.10 “The patrimonial result – public institutions and activities financed complete or partial from the own incomes” at the end of each trimester.

But to know the part from the own incomes that was used for a certain destination in the moment of the payment of one expense is made also the transfer of the money in a distinct staff account. This has attached to the synthetically account symbol a numerical code that indicates the nature of the payment.

60.01.10.01.01	=	560.01.99	25.130
“Disposal of the institutions financed from the own incomes and subventions. Base salaries.”		“Disposal of the institutions financed from the own incomes and subventions. Own incomes”	
421	=	560.01.10.01.01	25.130
“Personal salaries debt”		“Disposal of the institutions financed from the own incomes and subventions. Base salaries.”	

From this information there is one on the hole that does not give the possibility to know the exact source of the income which financed this expense (can be study tax or reenrollment tax or any other from the composition of the own incomes).

Under accounting aspect, technically is remarking a simple manner of accounting reflection of the incomes from the retaking of subjects, by knowing the moment of money generation.

If we pass behind the appearances boundaries, we notice the neglecting of the possibility that in certain circumstances a tax received does not know the counter trade in an expense or that the public service is not rendered.

It is ethical to recognize the sum as an income from the moment in which this is collected? Is it in equal positions the institution and the tax payer?

In the assumption in which the service is not rendered: Who is made the connection of the expenses to the incomes?

General accounting does not offer only a global information regarding the own incomes dimensions, without making possible the knowing of the each size of the incorporated income. The income quantum from the retaking of subjects can not be known only by the management accounting, which does not offer information's regarding the way in which the financial resources are administrated.

Under the evolutionary aspect we have to point the ascendant weight that the incomes registers from the retaking of subjects in the total of own incomes. Between the causes of this fact we can put the low level of the students, shown on the “boom” numerical content of those in the last years, phenomenal that appeared from easy entering at the university. Even if this dynamic can be interpreted as a rise of the financial base, we do not have to neglect the reverse of the medal, namely the educational fact, the education will suffer.

Possibility attachment of the results waited is a fundamental aspect of the economical life in the public institutions. Own incomes, represents affirmation way of the managerial capacity of an academically institution because does not carry the influence of the superior authority decision, and the external impact on the solutions adopted can be reduced.

At the universities level and not only there the management by financial-economic information represents the quintessence of each economical action. The accounting as an instrument used in the management and in the organization of those must satisfy the social needs that are in continuous growing fact that impose a rigorous and efficient management of the mobilized resources, indifferent of its source.

## Conclusions

The aspects presented allows us to make the conclusion according that the collecting of own incomes at the level of the academically institutions are not made different on each source of income, and the uses does not take into account only the destination criterion without taking into account the correlation with each financial component.

It seems that the public sector is consolidating its “superiority” on the counter trade on which the income was recognized a certain level of incertitude hangs. We refer to the fact that there does not exist the possibility in the hypothesis of the not rendered services that the retaking subject has (from objective reasons) to be recognized as made only a part of the income, other said it is about the temporal matching between the moment of the knowing of the income and the rendered public service.

Starting from the fact that in nowadays the computer science is under some important changes, subordinated to the conditions to create optimum conditions by using the calculus technique in the manufacture of the dates (including the accounting ones) we can affirm through it that the possibility of accounting transformation in a very strong source of informing that gives away the subjectivism and promotes rigorous and exactly in the reflection of the financial- economical phenomena's, including the ones we referred in this paper.

The computer science programs are called to resolve in future not only the accounting problems but to incorporate the analyze programs too, which to give and to explain the results of an activity period, the causes and the factors.

In this way the decision made can have the opportunity characteristics efficacy and adapting to the request of the actual socio-economical environment. Also the information becomes operative, precise and allows the adequate resolving of some multiple problems that involves a great number of variables with complex and dynamic characteristics etc.

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