

# Improving Cost Accounting and Internal Audit of Public Higher Education Institutions

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**Abstract:** In the article, equal and quality provision of education is widely recognized as an integral part of socio-economic development. Current theories offer different approaches to explain the impact of education, particularly adolescent education, on economic development.

**Keywords:** Higher education organizations, cost accounting, budgetary organizations, admission quotas.

**Introduction.** In recent years, there have been significant changes in public higher education institutions, especially the granting of financial independence has opened up wider opportunities for them. In addition, the increase in admission quotas in state educational organizations caused changes in its expenses and income. In addition, in accordance with the program for further improvement of the educational system in state educational organizations, work is being carried out on the systematic organization, construction, reconstruction and perfect repair of the activities of higher education organizations.

Equal and quality provision of education is widely recognized as an integral part of socio-economic development. Current theories offer different approaches to explain the impact of education, particularly adolescent education, on economic development. Despite opposition to the idea of assigning returns (especially monetary returns) to specific periods in the development of education, a large body of literature supports the relationship between educational interventions and individual and national productivity.

**Analysis And Results.** The reforms carried out today in state higher education organizations serve for its development. The activities organized in connection with cost accounting and internal audit of state educational organizations are being carried out based on the economic environment of the country. The reforms implemented in all spheres have also caused certain changes in the budget system. The activity of new educational institutions in the educational system, the increase in the number of foreign educational institutions, the opening of new directions, the creation of innovative systems, and the renewal of material and technical support indicate the high attention and demand in this system in recent years. Nevertheless, the presence of some problems indicates the need to develop a more effective direction.

The cost accounting of public educational organizations has been around for many years and is being improved to this day. In the public sector, the internal audit service is a newly established direction and is now considered a developing field.

Improvement of cost accounting and internal audit of state educational organizations is carried out by developing new directions of cost accounting, organizing and conducting activities based on international standards, studying foreign experiences and applying relevant aspects.

The International Public Sector Accounting Standards (IPSAS) international standards include issues of professional ethics, public sector financial reporting, professional skills and qualifications, and the organization of a high-quality, global-level system of accounts. used in countries.

IPSAS has unique aspects that differ in terms and scope from other standards as they are implemented in the public sector. The benefits of IPSAS include:

- increase transparency by providing a complete overview of the activities of budget organizations;
- a high level of accountability by ensuring accurate recording of the activities and status of the budget organization;
- higher reliability due to the fact that budget organizations use uniform accounting standards;
- more effective monitoring of the availability and value of assets and liabilities through effective management of assets and liabilities;
- better alignment of costs with income, including taking into account depreciation of assets;
- make decisions using quality data;

- harmonizing reporting and data across countries;
- comparing financial statements between countries.

Over the years, a lot of work has been done within these standards. The work to be done in each organization is done in a certain sequence. Initially, coordination issues for the introduction of IPSAS in organizations were initiated. An IPSAS Implementation Committee was formed and served to provide direction for these standards. IPSAS secretariat, controller and chief accountant worked for this. Later, its composition expanded, and issues of improvement began on a global scale. In 2010, liabilities and reserves, capitalized fixed assets and their depreciation were calculated from 2012.

Currently, a modified "Accounting" basis is used to prepare the financial statements of the Consolidated Fund. Efforts have been initiated to analyze IPSAS gaps, identify gaps and prepare for upgrading to IPSAS compliance. Because IPSAS accounting - ledger and reporting systems are based on extensive data, the systematic collection, analysis and presentation of data requires a wide range of skills. The skills are based on international education skills.

A lot of work has been done in this regard in the international system. The development has improved year by year. Organizations using these standards have adopted its changes and innovations over time. Adapted to new laws. In order to fully accept and follow its rules in Uzbekistan, it is necessary to find solutions to several problematic situations.

In order to fully implement international standards and conduct activities based on them, it is necessary to eliminate the following problems:

- IPSAS standards translation issues;
- training personnel with the rules and skills to fully use IPSAS standards;
- preparing manuals according to IPSAS, adapting them to the activities of budget organizations;
- establishing a system of certification of accountants for accountants of budget organizations;
- Strengthening the operation based on IPSAS rules and standards with laws and regulations.

First of all, the translation of IPSAS standards remains problematic today. Because this process takes a lot of time and money and is considered the main process. Based on the structure and content of the standards, the most important part of their introduction is to translate them in an understandable way, taking into account all aspects.

One of the next problematic aspects is the introduction of IPSAS content, essence, scope of application and rules as a teaching subject in higher education institutions. In our country, the basics of accounting have been developed in the direction of the budget system, and it is being studied as a science, however, it is desirable to improve it based on international requirements and international standards. Also, it would be possible to eliminate some problematic and unsolved situations that are occurring today.

It is also important that the employees or students in the skill areas are highly skilled and knowledgeable and what is expected of these activities. This knowledge serves to maintain accounting and correctly apply new knowledge. A complete disclosure of the content of the areas of competence analyzed above allows for a more complete definition of their actions (Table 1).

**1 – Table**  
**Description of qualification levels**

Basic	Basic	Result
Describe, explain, generalization, interpretation theories of relevant fields of basic principles technical competence for perform tasks during work be under appropriate supervision; perform assigned tasks appropriate use professional qualification; professional values, ethics and attitude in	<ul style="list-style-type: none"> <li>• Apply independently, compare, analyze basic principles and theories in related fields technical competence for completing work assignments and making decisions;</li> <li>• Combining techniques qualified and professional job completion skills;</li> </ul>	<ul style="list-style-type: none"> <li>• Select and combine principles and theories various fields of technology management skills and leading projects and works, relevant recommendations to the needs of stakeholders giving and completing tasks;</li> <li>• Technician qualified and professional ability to manage and lead</li> </ul>

<p>completing tasks recognition of the importance of tasks; Solving simple problems, and addressing complex tasks or problems to leaders or providing information about those with special expertise; Providing information and clarify ideas verbally and in writing communications.</p>	<ul style="list-style-type: none"> <li>• Application of professional values, ethics, attitude to work and assignments;</li> <li>• Information to accounting and non-accounting presentation to stakeholders and clarify ideas verbally and in writing contact</li> </ul>	<p>integration of projects and work assignments;</p> <ul style="list-style-type: none"> <li>• Sentencing appropriate courses of action based on professional values, ethics and relationships;</li> <li>• Evaluation, research and solving complex problems;</li> <li>• Forecasting, consulting, solving complex problems and other issues respectively and developing;</li> </ul>
<p>Basic level skills depend on: working environments where characterized by a low level of: complexity and uncertainty.</p>	<p>Intermediate skills are relevant to working environments where characterized by an average level of: complexity and uncertainty.</p>	<p>Basic level skills depend on: is characterized by a low level of working environments: complexity and uncertainty. Intermediate skills are relevant characterized by the average level of working environments: complexity and uncertainty. Consistently presenting and persuasively a to a wide range of stakeholders explaining relevant information. Advanced skills are relevant working environments where is characterized by a high level: complexity and uncertainty.</p>

It is appropriate to develop a special code of ethics for accountants and auditors of budget organizations. this code exists for the audit service of economic entities, however, separate organization for accountants and auditors in budget organizations, taking into account their duties and scope of work and work process, increases the work efficiency of employees of budget organizations.

In addition, in our country, a special certification system for accountants working not only in higher education organizations, but also in other budget organizations has not been introduced. Accounting in budget organizations is somewhat more complicated than in other organizations, because the accounting system with several accounts, working with the treasury system, operating on the basis of estimates, and the accounting system based on budget classifications require high qualifications and skills from the accountant. Therefore, it is necessary to increase their qualifications in order to meet special requirements and introduce a certification system.

It is desirable to strengthen the implementation of cost accounting and internal audit in state higher education organizations based on international standards and foreign experience, and to strengthen the operation based on IPSAS rules and standards with laws and regulations. Strict goals established on the basis of legal documents are the basis for development.

There are several aspects that need to be updated, changed and improved in budget organizations. Identifying problematic aspects and conducting research on their elimination is one of the urgent issues of today.

**Conclusions And Suggestions.** Issues of improvement of cost accounting and internal audit of state educational organizations, application of international standards of accounting of budget organizations and international standards of internal audit and adoption of the legislation of our country are explained. Today's specific aspects of The International Public Sector Accounting Standards (IPSAS) are extensively analyzed. Problematic aspects arising from the application of IPSAS in state educational organizations are listed, solutions for them are analyzed, formation of qualifications and skills according to standards and their harmonization, the content of skills by fields, description of qualification levels are widely analyzed.

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