

Показатель	2006	2008	2011
Число студентов	10490,9	127516,6	112244,5
Доходы на студента	35,28	39,24	41,05

Ol'ga LYUTA

candidate of economic sciences,
associate professor,

SHEE "Ukrainian Academy of Banking of National Bank"

Nataliya PIGUL

candidate of economic sciences,
associate professor,

SHEE "Ukrainian Academy of Banking of National Bank"

ANALYSIS OF THE FINANCIAL ENSURING OF HIGHER EDUCATION INSTITUTIONS IN UKRAINE

The article analyzes the current condition of financial support of higher education institutions in Ukraine. The peculiarities of budget financing of higher education are defined in the article. Authors proved possible directions of improvement of financial maintenance of higher education institutions in Ukraine.

Keywords: financial support, higher education institutions, financial maintenance, scientific-industrial association.

Introduction. Effective development of the country's economy depends on the quality of education. International practice shows that over 50 % growth of GDP per capita provides by increasing of labor productivity, education, professional qualifications and skills of citizens. Key position in the ensuring of the effective development of the economy is higher education which can give to the national economy wider potential for reaction on various national needs from the point of view of research and innovation. Higher education institutions are training the qualified professionals which are capable for creative work, professional development, mobility in mastering and applying the latest high-tech and information technology. Most of universities in Ukraine belong to the public sector. The effective functioning of institutions of higher education is impossible without a sufficient level of financing their activities.

Considerable contribution into the study of problem of higher education financing made by the following foreign scientists: Bogolib T., Bogach Yu, Volkov N, Plahotnikov L., Timoshenko O. and others.

However, there is an objective need for further scientific developments relating to the improvement of financial support of higher education in Ukraine based on the diversification of financial sources.

The purpose. The purpose of the article is the analyze of financial support of institutions of higher education in Ukraine and grounding the possible directions of its improvement in current conditions.

Research results. The demand for specialists with higher education is growing, due to the following factors: a gradual increase of production volume, which requires qualified experts in different spheres, aspiration to get deep professional knowledge, understanding that education is an important factor in achieving a high level of welfare and proper social status. As a result of the impact of these factors the share of population with higher education significantly increased.

Information in the Table 1 illustrates that the total number of students for the period of 1996-2011 increased on 919,1 thousand people or 58,5 %. This is due to the important role of higher education in modern conditions

of social development. The high value of education caused by the peculiarities of the modern economy, the strategic priority of innovation development, the requirements of economic growth, competitiveness of economy, products production. These factors positively influence on the increase of demand of higher education institutions as the basic subjects that provide these services. Analyzing the dynamics of the number of students in terms of different levels of accreditation of higher educational institutions should note the tendency of increasing the number of students enrolled in higher educational institutions of III-IV accreditation levels, and reducing their number of establishments in I-II levels. This situation is explained by higher demand for masters, specialists, bachelors in the labor market.

Investigating the number of students enrolled in higher education institutions of various forms of ownership, it should be noted that the vast majority of students study in state and municipal higher education establishments.

Determining the influence on the development of higher education has the level of financial support of the educational sphere. According to the Law of Ukraine "About education" the financing of public universities realizes from the relevant budgets, sectors of the national economy, state enterprises and organizations [7]. According to the current legislation universities can raise additional resources including. So, in modern conditions the financing of students' study in institutions of higher education are characterized by multisources. Based on the above, we propose to group the financial resources of higher education institutions in two groups: public and commercial. State financial resources include funds from the State budget, funds from local budgets, central government authorities. To commercial sources of financing of higher education belong funds of legal entities and individuals, such as payment for educational services and other services. It is necessary to say that the main form of financial support of public higher education in Ukraine is budget financing. Indicators of higher education financing in Ukraine are presented in Table 2.

Analyzing the actual indicators of higher education

Table 1. Dynamics of the number of students in Ukraine in 1996 - 2011 years
(thousand of people) [9]

Years	Number of students - total, thousand including:	Including						
		Departments			By ownership of university:		Levels of accreditation:	
		Full time	Part time	Distance	State, municipal	Private	I-II level	III-IV level
1996/97	1571,9	1104,7	33,5	433,6	1487,4	84,5	595,0	976,9
1997/98	1636,3	1132,4	24,3	479,7	1535,9	100,5	526,4	1109,9
1998/99	1713,9	1166,6	18,2	529,2	1588,8	125,2	503,7	1210,3
1999/2000	1789,1	1195,7	14,0	579,4	1649,8	139,2	503,7	1285,4
2000/01	1930,9	1260,3	14,1	656,5	1770,9	160,1	528,0	1402,9
2001/02	2109,3	1344,2	15,7	749,5	1911,4	197,9	561,3	1548,0
2002/03	2269,8	1423,2	16,2	830,3	2031,7	238,1	582,9	1686,9
2003/04	2436,7	1498,6	16,5	921,7	2146,9	289,8	592,9	1843,8
2004/05	2575,2	1553,1	16,2	1005,9	2225,7	349,5	548,5	2026,7
2005/06	2709,2	1607,2	12,3	1089,6	2310,1	399,1	505,3	2203,8
2006/07	2786,6	1635,4	11,5	1139,7	2359,7	426,9	468,0	2318,6
2007/08	2813,8	1627,3	10,7	1175,8	2380,4	433,4	441,3	2372,5
2008/09	2763,8	1622,0	11,1	1130,7	2348,2	415,6	399,3	2364,5
2009/2010	2599,0	1578,8	10,2	1019,4	2280,7	318,3	354,0	2245,0
2010/2011	2491,0	1553,1	9,0	929,2	2464,2	26,8	361,0	2130,0

Table 2. Indicators of higher education financing in Ukraine in 2004-2010 years [3]

Indicators	2004	2005	2006	2007	2008	2009	2010
Consolidated budget, billion.	101,4	141,7	175,3	226,1	309,2	307,4	377,8
from it on education, total	18,3	26,8	33,8	44,3	61,0	66,8	79,8
including for higher education	5,8	7,9	9,9	12,8	18,6	21,0	24,9
The share of expenditures for higher education,% to:							
- consolidated budget	5,7	5,6	5,6	5,7	6,0	6,8	6,6
- expenditures on education	31,7	29,5	29,3	28,9	30,5	31,4	31,2
- GDP	1,6	1,8	1,8	1,8	2,0	2,3	2,3

financing in Ukraine in 2004-2010 years, we can note that expenditures for higher education is constantly rising from 5,8 billion in 2004 to 24,9 billion in 2010, the total increase is 19,1 billion. The share of expenditure on higher education in the structure of the consolidated budget of Ukraine in the period 2004 - 2009 years had a tendency to increase and there was within 5,6 % - 6,8 %, but in 2010 year their share began to decrease and it became - 6,6 %. Evaluating the dynamics of expenditures on higher education within the total expenditures for the sphere we can say that there is no clear trend in expenditures for higher education in 2004-2010 years. Thus, the period of 2004-2007 years is characterized by a gradual decrease of the share of higher education financing. This situation is explained by increasing of pre-school and secondary education financing in this period. However, from 2008 to 2010 the share of expenditures for financing of higher education has increased on 0,7 %. Correlation of expenses for higher education to GDP during 2005-2007 didn't change, but since 2008 this indicator increased and in 2008 it was 2,0 % and in 2009 - 2010 - 2,3%. Overall the increasing of higher education funding connects with the fact that the state activities in this area aims to rising of social protection of employees in higher education, increasing salary of teaching staff and growth of the scholarship fund for students, because of the increased level of scholarship.

Financing of students teaching in universities of all levels of accreditation and ownership at the present stage

is realized from various sources.

The number and the share of students of establishments of I-II levels of accreditation according to the sources of financing of their education are given in Table 3.

The information of the table indicates that the most of students of universities of I-II levels of accreditation study at the expense of budgets of different levels. At the same time we can observe a decreasing of the share of people which receive an education at the expense of state budget from 35,6 % in 2005 to 33,5 % in 2010 and an increasing at the expense of the financial resources of local budgets from 13,5% in 2005 to 18,5 % in 2010.

The number and proportion of students of universities of III-IV levels of accreditation according to sources of their study financing are listed in Table 4.

Analyzing the percentage of students which study in universities of III-IV accreditation levels, it should be noted that during the period of 2005-2010 years the share of students whose education is financed from the budget at various levels is less than the share of students whose education is financed by ministries, departments, organizations, individuals and entities.

However, the attention draws the fact that during analyzing period there is a clear tendency to increasing of the share of students whose education is financed by the state as well as local budgets. In 2005 their share was 35,0 % and in 2010 - 45,6 %.

Table 3. The number and the share of students of universities of I-II levels of accreditation according to the sources of financing of their education [9, p. 64]

Years	Accepted, all	Including the funds:		
		State Budget	Local Budget	Ministries, individuals and entities
Total persons				
2005	169223	60187	22950	86086
2006	151178	54222	23775	73181
2007	142516	50729	23902	67885
2008	114373	44074	23744	46555
2009	93389	35547	23063	34779
2010	129102	43179	24451	61472
In % to total				
2005	100,0	35,6	13,5	50,9
2006	100,0	35,9	15,7	48,4
2007	100,0	35,6	16,8	47,6
2008	100,0	38,5	20,8	40,7
2009	100,0	38,1	24,7	37,2
2010	100,0	33,5	18,5	47,6

Table 4. The number and proportion of students of universities of III-IV levels of accreditation according to sources of their study financing [9, p. 64]

Years	Accepted, all	Including the funds:		
		State Budget	Local Budget	Ministries, individuals and entities
Total persons				
2005	503034	171904	3982	327148
2006	507683	180725	4136	322822
2007	491230	184680	4134	302416
2008	425241	185565	4923	234753
2009	370522	165152	4315	201055
2010	392012	173916	4876	213220
In % to total				
2005	100,0	34,2	0,8	65,0
2006	100,0	35,6	0,8	63,6
2007	100,0	37,6	0,8	61,6
2008	100,0	43,6	1,2	55,2
2009	100,0	44,6	1,1	54,3
2010	100,0	44,4	1,2	54,4

Table 5. Conditions of target preferential government loans providing for higher education

Ownership of university	Who determines loan amount	Who approves loan amount	Credit sources
State	Institution of higher education itself	The central executive body which is subordinate to the university	State Budget of Ukraine, local budgets
Property of Autonomous Republic of Crimea	Ministry of Education of the Autonomous Republic of Crimea	Ministry of Education of the Autonomous Republic of Crimea	Budget of Autonomous Republic of Crimea
Municipal	Department of Education regional, Kyiv and Sevastopol city administrations	Department of Education regional, Kyiv and Sevastopol city administrations	local budgets
Private	Institution of higher education itself	Ministry of Education of Ukraine	State Budget of Ukraine, local budgets

Comparing the correlation between students, whose education is financed from various sources, it should be mentioned that in higher education establishments of I-II accreditation levels the majority of students are educated by budgetary resources, and most students of higher educational institutions of III-IV levels accreditation study at the expense of funds of ministries, agencies, organizations, individuals and legal entities. The presence of a considerable part of private financing of education in the structure of financial support is caused by the necessity of financial resources rise to ensure the

fulfillment of tasks of higher education due to increasing of the role of education as a determinant factor of social and economic development of the nation.

In addition to budget financing and the financing of students at the expense of individuals, last time such form of financial support of the system of higher education as preferential government loans for higher education has spread in Ukraine.

According to the Law of Ukraine «About Education» one of the principles that determine public policy in education is the principle of accessibility and

competitiveness of graduating by every citizen of Ukraine. Providing targeted and preferential government loans to individuals for higher education is one of the ways of realization of public policy in higher education.

Target preferential government loans for higher education can get young citizens of Ukraine from 14 to 35 years old who have successfully passed through the entrance exams or studying at any university course.

Credit is given only once for learning one and the same specialty for education and qualification of junior specialist, bachelor, specialist and master in high school that operates in Ukraine. The amount of a loan is determined annually to April 1. It is based on the cost of training in dependence of learning form (Table 5).

Distribution of target preferential government loans is making by taking into account the following factors [6]: the state order; the need for training of specialists deficient specialties; the number of recipients of credit.

In the provision of preferential loan successful training of the applicant for a loan, ability to assimilate knowledge, participation in contests and competitions are considered. If a student is deducted from a higher educational institute, he loses the right for credit.

The borrower has to repay the loan amount with the payment of 3 % per year during 15 years, starting from the 12th month after graduation of higher educational institute, and if a student is deducted from a higher education institution - from the third month after deduction. The borrower can return it earlier than contract term.

It is necessary to note that if the borrower, who after graduation worked for a specialty not less than 5 years in state or municipal institution or establishment in rural areas, credit and interest on them will not return.

It should be mentioned that lending of higher education by state is widespread in world practice. In developed countries there is a system of higher education lending with low percentage. So in Norway it is 5,6% in the USA - 3,8% of Denmark - 1,6%, Sweden, Chile - 1,0%, in Austria - 0,0%. Foreign experience shows that the government of industrialized countries which takes care about the development has to take financial responsibility for education [2, p. 28].

Exploring the dynamics of state preferential loans for higher education in Ukraine during the last three years, it is necessary to say that there is a tendency to decrease its volume. Thus, in 2007, it was planned 9,1 million gr. for preferential government loans for higher education. In 2008 the volume of targeted preferential government loans for higher education was reduced by 1,0 million and it was 8,1 million. Total sum of preferential lending in 2009 amounted to 7,9 million. It was on 1,2 million gr. less than in 2007. As a matter of fact, the volume of preferential lending declined and this form of financial support does not play a significant role in the financing of higher education.

The expansion of budgetary financing of higher education has significant limitations not only on the current stage of development of Ukraine's economy, but also in the future. That's why it should be necessary to focus the attention on the analysis of opportunities for higher education institutions to receive funds from extrabudgetary sources. This will involve additional investment in educational activity and create opportunities to ensure free competition between high schools. It will have positive influence on the quality of education. To our mind, the problem can be solved

through the formation of appropriate organizational model of higher education institutions which combine educational, research and innovation activity. In this context higher education institutions must change traditional scheme «education + science» on the scheme «Education + science + business innovation». Successful realization of this task is possible only with the creation of scientific-industrial association. A higher education institution should be the main participant of this association. The main tasks of university in the structure of scientific-industrial association are: to provide quality knowledge, development and implementation of modern forms, methods and technologies of learning, creation of organizational basis of students preparation for scientific research, targeted training of specialists for different branches of economy. Thus the creation of scientific-industrial association will give an opportunity to involve additional financial resources.

We also offer to use wider such an instrument of financing of higher education through fundraising as a grant, which is a charitable contribution. Grant is given by donor organization to implement a non-profit project or program. The practice of fundraising using is widespread in the activity of universities in developed countries. For example, budgets of U.S. universities receive nearly a quarter of funds through direct cash inflows in the form of grants for research work. As for European universities, for instance, the Dresden Technical University most scientific research is funded by various foundations, including private.

Conclusions. Thereby, effective functioning of institutions of higher education in Ukraine should be based on the diversification of financial sources which is grounded on the combination of budget financing and commercial funding.

References

1. Голєнков, В. А. Управление качеством образовательной деятельности на основе создания учебно-научно-производственных комплексов [Электронный ресурс] - Режим доступа : <http://bali.ostu.ru/umc/z012003.php>. - Назва з екрана.
2. Данилишин, Б. Інноваційна модель економічного розвитку: роль вищої освіти [Текст] / Б. Данилишин, В. Куценко. - Вісник НАН України, № 5. - 2005. - С. 26-35.
3. Державна казначейська служба України: Видатки за функціональною класифікацією видатків та кредитування бюджету [Електронний ресурс] - Режим доступу : <http://treasury.gov.ua/main/uk/doccatalog/list?currDir=147453> - Назва з екрана.
4. Іщук Л. І. Особливості фінансово-господарської діяльності вищих закладів освіти України різних форм власності [Електронний ресурс] - Режим доступу : http://www.nbu.gov.ua/portal/chem_biol/nvntu/17_3/363Jszczuk_17_3.pdf. - Назва з екрана.
5. Комарова, І. В. Фінансування освіти в Україні з бюджетів різних рівнів [Електронний ресурс] - Режим доступу : http://www.nbu.gov.ua/portal/Soc_Gum/Vbumb/2011_2/24.pdf
6. Про вищу освіту : Закон України від 17.01.2002 № 2984-III / Верховна Рада України [Електронний ресурс] - Режим доступу : <http://zakon.rada.gov.ua/cgi-bin/laws/main.cgi?nreg=2984-14>. - Назва з екрана.
7. Про освіту : Закон України від 23.05.91 № 1060-XU [зі змін, та доп.] [Електронний ресурс] - Режим доступу : <http://zakon.rada.gov.ua/cgi-bin/laws/main.cgi?nreg=1060-12>. 01.06.2010. - Назва з екрана.
8. Романовський, О. О. Удосконалення фінансування вищої освіти та підприємницька діяльність вищих навчальних закладів [Електронний ресурс] / О. О. Романовський. -

Режим доступу : http://www.nbuv.gov.ua/portal/Soc_Gum/Nvpidrpsu/2010_1/2010_1_Romanovskiy.pdf – Назва з екрану.

9. Соціальні індикатори рівня життя населення [Текст] : статистичний збірник. / Державний комітет статистики. – 2011. – 203 с.
10. Україна в цифрах 2010 [Текст] : статистичний збірник. / Державний комітет статистики. – 2011. – 258 с.

РЕЗЮМЕ

Люта Ольга, Пігуль Наталія Аналіз фінансового забезпечення вищих навчальних закладів України

В статті аналізується сучасний стан фінансового забезпечення закладів вищої освіти в Україні. Визначені особливості фінансування державних вищих навчальних закладів та обґрунтовані можливі напрямки його удосконалення.

РЕЗЮМЕ

Лютая Ольга, Пигуль Наталья Анализ финансового обеспечения высших учебных заведений Украины

В статье анализируется современное состояние финансового обеспечения учреждений высшего образования в Украине. Определены особенности финансирования государственных высших учебных заведений и обоснованы возможные пути его совершенствования.

Стаття надійшла до редакції 12.04.2012 р.