

Directions of Expenditure of Extrabudgetary Funds in Budgetary Organizations

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Abstract. *The article examines the peculiarities of the use of extra-budgetary funds in budgetary organizations of Uzbekistan. The article describes the main directions of spending these funds, such as remuneration and bonuses for employees, the purchase of equipment and materials, repair and construction work, the organization of events, as well as social programs and charity extrabudgetary funds. In conclusion, recommendations are offered to improve the efficiency of their use.*

Keywords: *extra-budgetary funds, budgetary organizations, Uzbekistan, legal basis, remuneration, equipment, repair, events, social programs, charity, financial control, transparency.*

Introduction

In conditions of limited budgetary resources, budgetary organizations are forced to look for additional sources of financing to ensure their activities. In this context, extrabudgetary funds play a key role in enabling agencies to improve the quality of services provided, implement additional projects and programmes, and motivate staff.

The relevance of this topic is due to the fact that the competent and effective use of extra-budgetary funds can significantly increase the financial stability of budgetary organizations and improve their results. On the other hand, irrational spending of these funds can lead to financial losses and a decrease in trust on the part of society and sponsors.

The purpose of this article is to study the directions of spending extra-budgetary funds in budgetary organizations, as well as to analyze their effectiveness. The study will consider the main categories of expenditures, the legal framework for their use, the problems and risks faced by budgetary organizations, as well as offer recommendations for improving the management of extra-budgetary funds.

Extra-budgetary funds are funds received by budgetary organizations from various sources that are not included in the state budget. These funds are used to finance additional needs and tasks that cannot be met by budget financing. In the context of severe budget constraints, extra-budgetary funds play an important role in ensuring the sustainable functioning and development of budgetary organizations.

Extra-budgetary funds are financial resources that come to the disposal of budgetary organizations from extra-budgetary sources. They include income from the provision of paid services, grants, donations, sponsorship, funds from entrepreneurial activities, as well as other revenues that are not related to budget allocations. The main purpose of extra-budgetary funds is to support and develop the main functions of budgetary organizations, to ensure their financial stability and to implement additional projects and programs.

Extra-budgetary funds can be classified according to various criteria, depending on the sources of their receipt and purpose. Let's consider the main types of extra-budgetary funds in more detail:

1. **Income from the provision of paid services.** Budgetary organizations, such as educational and medical institutions, can provide paid services along with basic free services. This may include paid tuition, additional courses, medical services, counseling, and other activities.
2. **Grants and subsidies.** Extra-budgetary funds can come in the form of grants and subsidies from various foundations, international organizations, individuals and companies. These funds, as a rule, are provided on a competitive basis for the implementation of specific projects, scientific research, educational programs and other initiatives.
3. **Donations and sponsorship.** Budgetary organizations can receive donations and sponsorship from individuals and organizations. These funds can be used to support current activities, implement social and charitable programs, modernize infrastructure and other purposes.
4. **Funds from entrepreneurial activity.** Some budgetary organizations may be engaged in entrepreneurial activities aimed at generating additional income. This can include renting premises, selling products, holding events, and other income-generating activities.
5. **Investment income.** Extra-budgetary funds may also include investment income from the placement of temporarily free funds on deposits, securities and other financial instruments.

Each type of extra-budgetary funds has its own characteristics and rules of use, which are regulated by the relevant legislative and regulatory acts. Effective management of these funds requires careful planning, control and reporting from budgetary organizations to ensure transparency and targeted use of the financial resources received.

Legal basis for the use of extra-budgetary funds

The use of extra-budgetary funds in budgetary organizations of the Republic of Uzbekistan is regulated by a number of legislative acts and regulatory documents that ensure their targeted and effective use. The main document establishing the legal framework for the use of extra-budgetary funds is the Budget Code of the Republic of Uzbekistan. This Code defines the general principles and rules relating to the formation, distribution and control of the use of budgetary and extra-budgetary funds.

The legislation also includes acts regulating the control and audit of financial transactions. In particular, the Law "On State Financial Inspection" establishes requirements for the control and verification of the targeted use of extra-budgetary funds. This law provides for regular audits and reporting, which helps to prevent financial irregularities and abuse.

In addition, Uzbekistan has government decrees and ministerial orders that specify the procedure for spending extra-budgetary funds in various areas of activity of budgetary organizations. These regulations provide detailed regulation and control over specific aspects of the use of extrabudgetary resources. Thus, the legal basis for the use of extra-budgetary funds in budgetary organizations of the Republic of Uzbekistan is a set of normative acts aimed at ensuring transparency, legality and efficiency of financial transactions.

Main areas of expenditure of extra-budgetary funds

One of the key areas of use of extra-budgetary funds in budgetary organizations is **remuneration and bonuses for employees**. Extra-budgetary funds make it possible to increase the amount of salaries of employees, especially in cases where the base rates do not reflect the real labor costs and the level of qualification of personnel. Development. These funds can be used to reward the best workers, as well as to stimulate innovation and scientific activity.

Extra-budgetary funds are also used to **purchase the necessary equipment and materials**, which allows state-funded organizations to maintain and improve their material and technical base. This is especially important for educational, health-care and scientific institutions, where constant updating of laboratory equipment, medical equipment and educational materials is required work and training, as well as expanding the range of work and research performed. Extrabudgetary resources allow for a rapid response to needs and the provision of relevant technical resources.

Maintenance of the infrastructure of budgetary organizations in proper condition requires significant

financial costs. Extra-budgetary funds make it possible to carry out current and major repairs of buildings and structures, as well as the construction of new facilities. This includes the repair of educational and medical buildings, the renovation of engineering networks, the creation of new laboratories and educational facilities. The use of extra-budgetary funds in this direction ensures the creation of comfortable and safe conditions for work and training, which in turn contributes to the improvement of the quality of services provided.

The organization and holding of various events is an important area of expenditure of extra-budgetary funds. These include scientific seminars, conferences, cultural and educational events. These events contribute to the professional development of employees, the exchange of experience and knowledge, as well as the promotion of scientific achievements. Events.

Scientific seminars and conferences are key for the exchange of knowledge and experience between specialists in various fields. Such events contribute to the formation of professional communities, stimulate scientific research and innovation. Cultural events, in turn, help to strengthen the corporate culture, promote the integration of employees and create a positive atmosphere in the team. level, which has a positive effect on the image of the organization.

The use of extra-budgetary funds for **social programs and charity** plays an important role in the social responsibility of budgetary organizations. Such funds are used to support the poor, finance social projects and provide assistance to those in need. Social programs may include the organization of free medical examinations, educational projects for children from disadvantaged families, and programs to improve housing conditions.

Charity and participation in social programs strengthen the connection of the organization with society, increase its social significance and image. Philanthropic organizations demonstrate their commitment to the principles of social justice and humanism. Extrabudgetary funds make it possible to implement such initiatives, making them more ambitious and effective, which ultimately contributes to improving the quality of life of society as a whole.

Problems and risks in the expenditure of extra-budgetary funds

Spending extra-budgetary funds, despite its importance and benefits, is associated with a number of problems and risks that can have a negative impact on the efficiency and transparency of budgetary organizations.

Opacity and corruption. One of the key problems is the lack of transparency in the use of extra-budgetary funds. In the absence of strict control and accountability, there is a risk of corruption and misuse of funds. Corruption schemes can include abuse of office, overstatement of the cost of services and goods, and kickbacks.

Misuse of funds. Another problem is the misuse of extrabudgetary funds. This may be due to the lack of clear criteria and regulations defining the purposes for which these funds can be directed. As a result, funds may be used for purposes that are not in line with the strategic objectives of the organization. To address this problem, it is necessary to develop clear procedures and rules for the expenditure of extrabudgetary funds, as well as to regularly monitor and evaluate their use.

Lack of planning and control. The effective use of extrabudgetary funds requires careful planning and control. However, in some cases, there is a lack of these elements, which leads to inefficient use of resources. The lack of long-term planning and a systematic approach can lead to a mismatch between expenditures and the real needs of the organization.

Financial instability. Financial instability is another risk associated with the use of extrabudgetary funds. Unlike budgetary funds, the flow of which is relatively stable and predictable, extrabudgetary funds can be more subject to fluctuations. This can make it difficult to plan and implement long-term projects. To reduce this risk, it is recommended to establish reserves and funds that can be used in the event of a temporary decrease in extrabudgetary income.

Limited resources. Finally, the limited availability of extrabudgetary resources is a challenge. Despite all efforts to mobilize extrabudgetary resources, they may not be sufficient to implement all

planned activities and projects. This requires organizations to seek additional sources of funding and optimize the use of available funds. It is also important to develop partnerships with the private sector and international organizations to attract additional resources.

These challenges and risks underscore the need to develop a comprehensive strategy for the management of extrabudgetary funds, including transparent procedures, monitoring and reporting mechanisms, as well as effective planning and management of resources.

Conclusion

The use of extrabudgetary funds in budgetary organizations plays an important role in ensuring the flexibility and sustainability of financial operations. These funds allow you to expand financing opportunities, implement strategic projects and improve the working conditions of employees. However, for maximum effectiveness, special attention must be paid to legal frameworks, transparency and accountability. Problems related to incomplete control, financial instability and limited resources require a systematic approach and the introduction of modern management methods. Thus, the comprehensive and responsible use of extra-budgetary funds is the key to the successful development of budgetary organizations.

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