

BASES OF CALCULATION OF THE COST PRICE OF EDUCATIONAL SERVICES

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Calculation of the cost price of educational services is one of the most common problems. The author suggests conducting cost price calculation according to the administrative account, i.e. with allocation responsibility and the centers of expenses. Calculation of the cost price for educational services is conducted on a speciality for a year, at rates, per one student. The given technique allows to calculate the cost price of educational services, to estimate economic benefit from granting educational services and to reveal the reasons for the developed situation. Application of the given methodical recommendations will promote effective improvement of quality of higher school management.

With transition to market relations the education has been more and more considered by the population as the important economic resource providing self-realization, social mobility, material well-being. In modern Russia prestigiousness of vocational training is extremely high. The aspiration of the population to be educated testifies to high value of education in mass consciousness of a modern Russian society. In a society there is a stable opinion, that education is the advantageous and perspective investment. It, promotes the growth of prestige of intellectual property of the person in a society. Such tendencies cause growth of need for expansion of the educational services market. However the society faces such serious problems as availability, quality and efficiency of education.

One of the most important aspects for the existence and development of higher schools is pricing on the market of educational services. Now educational establishments apply various methods of pricing, such as a method focused on competitors, on demand for educational services.

The market of educational services dictates the rules of an establishment of the prices rigidly. The HIGHER SCHOOL at the generated demand for various educational services, cannot raise the price higher than the competitors'. Thus there is a necessity to estimate unprofitability of specialities and the reason, of the developed situation. As well as any goods -the preparation of experts with higher education for a speciality has the cost price. For estimation of the cost price educational establishments use expendable method. But this creates a certain number of problems:

◆ Complexity of allocation of direct and indirect expenses;

◆ A choice of bases of distribution of expenses;

◆ Absence of the standard method of calculation of the cost price of educational services.

As a result the administration of higher school has to make administrative decisions on available data which often come to calculation of the actual cost price - division of expenses which have been made according to the accounting reporting per number of trained students. The given information enables to see if, the preparation of experts with higher education is profitable or unprofitable, but does not open the reason for the situation.

The cost price is a complex of the direct costs connected with manufacturing a product; all kinds of the expenses suffered by manufacture and realization of a certain kind of production (works, services).

At any stage of the company existence there is a problem of the account, analysis and management of expenses. Data of the account of costs of production (manipulation) and calculation of cost prices of production (works, services) are the important means of revealing industrial reserves, the constant control over material, labour and financial resources used to increase the profitability of manufacture. It determines that the site of the costs of production (reference{manipulation}) and calculation of cost prices of production (works, services) is the most important in the system of the organization.

Construction of the account of industrial expenses and choice of methods of calculation

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of cost prices of production (works, services) substantially depends on the feature of branch, type and a kind of manufacture, type of its organization and technological process, a variety of the produced products, carried out works and rendered services, mass character of release, objects of calculation, structures of the organization and other conditions.

The provided information determines the order of documentary registration of expenses, grouping and ordering of the given primary documents, construction of the analytical account, ways of calculation of the cost price of concrete kinds of products (works, services).

Calculation of the cost price of production is a problem which is far from being new and is solved practically at each enterprise. The way of calculation of the cost price is taken over and just as the kind of epic parable causes trust without any proof. The fact that all expenses are necessary to divide according to the kinds of products is an indisputable question. The difficulty arises with a question, by what principle is used to conduct the division of expenses.

Classification of expenses is made by a number of attributes:

- ◆ Primary elements of expenses;
- ◆ Items of charges (clause of accounting);
- ◆ A way of reference of expenses for the cost price of production
- ◆ A functional role of expenses in formation of the cost price of production;
- ◆ A degree of dependence on change of volume of manufacture;
- ◆ A degree of uniformity of expenses;
- ◆ Dependence on time of occurrence and reference on the cost price of production;
- ◆ Relative density of expenses in the cost price of production.

Classification of expenses according to primary elements characterizes the division of the cost price of production into the simple standard elements of expenses:

- ◆ Material expenses (minus cost of returnable waste), including purchased products, the semifinished items completing products, auxiliary materials, fuel from without, energy without;
- ◆ Expenses for a payment;
- ◆ Deductions for social needs;
- ◆ Amortization of a fixed capital;
- ◆ Other expenses.

The element of "Material expenses" includes cost of raw materials, the basic materials (minus returnable waste), completing products and the semifinished items which are bought for production, and also an expense for fuel and energy of all kinds got from without, spent both on the technological purposes, and on service of manufacture.

The element " Expenses for a payment " includes expenses for the basic and additional wages of all industrial personnel, and also the workers who are not in the of the enterprise.

Deductions for social needs reflect deductions for the established norms to the Pension fund, the State fund of employment, on medical and social insurance.

"I sum of amortization deductions on the established norms from full initial cost of all industrial fixed capital of the enterprise, including the accelerated amortization of their active part. Enters into the "Amortization of fixed capital".

"Expenses which cannot be carried in one of the listed elements: travelling and living expenses, taxes and tax collections, payment of services of communication , etc. enter into "other expenses".

Each of the listed standard elements includes similar expenses irrespective of a place (sphere) of their application and industrial purpose. Therefore classification according to economic elements is the foundation of estimation of general estimate of expenses for production of the enterprise that allows to coordinate this section with other sections of business-plan of the enterprise.

Classification of expenses according to items of accounting is the division on industrial purpose and a place of occurrence during the manufacture and realization of production, has recommendatory character and includes following typical expenses:

- ◆ Raw materials and materials;
- ◆ Returnable waste are products deducted;
- ◆ Purchased products, semifinished items and services of industrial character of the foreign enterprises and the organizations;
- ◆ Fuel and energy for the technological purposes;
- ◆ Expenses for a payment of industrial workers;
- ◆ Additional wages of industrial workers;

- ◆ Deductions for social needs;
- ◆ Charges for preparation and development of manufacture;
- ◆ Charges for the maintenance and using of the equipment;
- ◆ total industrial charges;
- ◆ total economic charges;
- ◆ Losses from spoilage;
- ◆ Other production costs;
- ◆ Other charges.

There are bulk of expenditures and overhead expenses according to the functional role in the formation of the cost price of production. Bulk of the expenditures are directly connected with manufacturing certain products. There are expenses for (raw material, materials, fuel, energy, wages of workers). Overhead expenses are expenses which are connected with the creation of conditions necessary for the functioning of manufacture with its organization management and service. Overhead expenses are generally industrial charges, general economic charges other charges.

According to the change of volume of manufacture expenses are divided into (conditionally-variables) and disproportionate (conditional {(conditionally)-constant}).

Proportional (conditionally-variables) are expenses dependent directly on change of volume of manufacture (wages of industrial workers, expenses for raw material, materials, etc.). Disproportionate (conditional {(conditionally)-constant}) are expenses the total size of which does not change or changes a little (amortization of buildings, fuel for heating, energy for illumination of buildings, salary of the administrative personnel). When the volume of manufacture is changed, constant (disproportionate) costs are subdivided on starting and residual. That part of constant costs which arise with manufacture renewal and production realization is concerned as a starting. That part of constant costs which the enterprise keep on having in spite of the fact that manufacture and realization of production are completely stopped for some time is concerned as residual. The sum of constants[^] and variable costs makes total costs of the enterprise.

According to the similarity of expenses, they are divided into elementary and complex. Charges which cannot be divided into components (expenses for raw material, the basic materials,

amortization of a fixed capital) are concerned to elementary.

Items of expenses consisting of several similar expenses (charges on the maintenance and operation of the equipment, total industrial, total economic, onher costs) which can be spread out to primary elements are concerned as complex.

Depending on time of occurrence and reference cost of production of an expense can be current, the future periods and forthcoming. Current arises mainly in the given period and concerns the cost price of production of this period. Charges of the future periods are made on the given interval of time, do not concern the cost price of production of the subsequent periods in the certain share. Forthcoming expenses are the expenses which have not arisen yet in the estimate-normalized order (payment of holidays, seasonal charges etc.) are reserved. This kind of classification allows to prove the even distribution of expenses to manufacture and selling of production.

According to the relative density of expenses in the cost price of production material-intensive, fuel-intensive, power-intensive, fund-intensive, labour-consuming production and to branches are distinguished.

Classical calculation of the cost price of a unit of production assumes the passage of two steps:

1 step is the estimation of the expenses changed proportionally to volumes of manufacture of this or that kind of production (estimation of variable expenses for a unit of production). Calculation is carried out by multiplication of norms of the charge of separate elements of expenses by the cost of their purchase. Classical representatives of variable expenses are the raw materials, the materials, completing, technological energy, price-work wages.

2 step is the summing up all other costs which have been carried out for the

period, and their division into certain kinds of production (division of an overhead charges by kinds of production). Classical representatives of such "other costs" are charges on the maintenance and repair of the equipment, buildings, constructions, solary of the administrative and managerial personnel, depreciation charges, administrative charges. Enumerated "others," are often reflected in special docu-

ments - registers (estimates) total shop, total economic, total industrial charges. As a rule, division of the total expenses into separate kinds of production is carried out proportionally to the wages of the basic industrial workers added according to kinds of production.

The sequence of calculations is indisputable vexed, arises "inside of" steps.

Problem of calculation of variable expenses for the majority of the enterprises is absence of correct and constantly updated normative base of the charge of raw materials and materials (cases when normative bases are not updated by years are frequent). However the decision of the given problem is technical rather than semantic.

The semantic problem arises at a stage of division total industrial (total economic, total shop) charges by kinds of production. As there was an approach of division of these charges to proportional wages, any economist can not recollect and explain. However at the most of the enterprises it is used by default.

On economic sense, expenses should concern to this or that kind of production according to that, how these expenses are connected with manufacture of this or that kind of production.

Thus, calculation of the cost price of production is expedient for making in the following order:

1 step of estimation of variable expenses for manufacture of a unit of production (raw material, the materials, completing, technological energy, price-work wages) on norms {rates} of the charge. It is necessary to include taxes from proceeds from the realization, included in the cost price of production (the tax to users of motorways).

2 step- of allocation in the structure of total industrial charges of those expenses which can be carried directly on a concrete kind of production (connected with manufacture of a concrete kind of production). Estimation of expenses per unit by the division of their absolute size into volume of manufacture of the given kind of production.

3 step-of summation of all other, not concerning to a certain kind of production, expenses for the period. Division into concrete kinds of production is in proportion of chosen base - for example, to volumes of realization or wages of the basic industrial workers.

For distribution of the other expenses which are not concerned as a certain kind of production, it is also possible to offer bases for distribution. For example, expenses for repair and service of the equipment, its amortization probably to divide in kinds of production in proportion to the lathe-hours spent by manufacture of certain kinds of production on the given equipment. Expenses for illumination and heating of industrial rooms are in proportion to the areas and a cubic capacity of the shops which are occupied when concrete kinds of production are produced.

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