FINANCING HIGHER EDUCATION INSTITUTIONS IN UKRAINE:

ALTERNATIVE SOURCES

Education is the basis for the development of national economies. Success is achieved by those countries that have been able to ensure a high level of educational development, produce new knowledge, use new technologies. For many of them, higher education is a priority area of the economy, in which significant financial resources are invested to ensure its development. There are many problems in our country related to the financing of higher education institutions, which requires the introduction of alternative sources of funding.

The scientific works of these scientists are a significant contribution to the development of theory and practice of financing educational institutions, but the latest processes and phenomena in educational activities form a demand for scientific rethinking of existing conceptual approaches to building a mechanism for their financial support. This is especially true for the search for alternative sources of funding for higher education institutions in Ukraine.

The purpose of the article is to identify alternative sources of funding for higher education institutions in Ukraine.

The article analyzes the amount of funding for higher education institutions in Ukraine. The dynamics of expenditures on education and higher education in Ukraine in 1991-2019 is reflected. According to the current legislation, the state undertakes to ensure allocations for education of at least 7% of GDP from the state, local budgets and other sources of funding not prohibited by law. However, only in 2010 this article was implemented, and the figure was 7.4%.

Alternative sources of funding for higher education are considered. The model of educational crediting is characterized, which takes into account the best world experience and provides access to paid higher education of different segments of the population. The practical implementation of such a model will contribute to the diversification of banking, improving the quality of educational services of higher education institutions in Ukraine, as well as creating conditions for healthy competition between them. The introduction of educational lending by Ukrainian higher education institutions will help attract additional funds for their development and identify and forecast the needs of young people for certain specializations.

Today in the world practice endowment funds (trust capital funds) are widely used in the implementation of financing of higher education institutions, which are trust funds intended for non-commercial use. Endowment differs from charitable financing by the targeted nature of activities and the focus on generating income by investing funds. The Endowment Fund, as evidenced by the practice of countries that use in practice this type of funding in the field of education, is an effective tool for financial support of intellectual activity.

Creating appropriate conditions for the development of education, increasing funding for education and science is the key to effective development of the state as a whole.