

Transparency and Accountability in Portuguese Public Universities

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ABSTRACT

Universities are one of the most important institutions in our society. They are knowledge-creating organizations that contribute to the social and economic development of society through new concepts, ideas, applications, and inventions. They play a key role in social criticism, identifying key issues and contributing to informed public debates. Governance is a relatively new concept in the approach to the literature on public management. It is related to the way in which a society or organization is governed or to the creation of conditions for the existence of a social order, triggered by collective actions. In this article we will study the models of university governance and analyze the problem of accountability in its context, with a view to assessing the transparency with which financial information is currently disseminated in Portugal, by public Higher Education Institutions.

Keywords: Governance, university, higher education, accountability, performance

INTRODUCTION

Universities are considered one of the most important institutions in our society. They are knowledge-creating organizations that contribute to the social and economic development of society through new concepts, ideas, applications and inventions. They play a key role in social critique, identification of key issues and contributions to informed public debates.

Universities, by the breadth of their goals and missions, have evolved to become one of the most complex organizational forms that human nature has ever created. Given the enormous importance and complexity of the university, the question of how universities should be governed is a recurring issue in Higher Education (HE).

Governance is a relatively new concept in the approach to public management literature. It is linked to the way in which a society or organization is governed or to the creation of conditions for the existence of social order, caused by collective actions (Jessop, 1998; Bouckaert and van de Walle, 2003; Rhodes, 1996 and Stoker, 1998).

Governance has always been an important issue in the context of higher education, but in recent times it has become more prominent as public universities increasingly receive public scrutiny. At the end of the 20th century, universities had a relatively protected existence, in an environment in which they served markets and guaranteed financial support from governments (Parker, 2011).

For the European Commission, governance refers to the rules, processes and behaviors through which interests are articulated, resources are managed, and power is exercised in society (European Commission on Governance and Development, COM, 2003).

Governance is therefore crucial for HE, although it may still be an abstract concept for many people. The importance of governance has significantly increased due to the various scandals that have taken place in the private sector in recent decades. Hence, corporate governance reform has come to be seen as an important mechanism for rebuilding trust between the company and its shareholders, strengthening and supervising financial decisions and improving performance.

Governance is essential for the role of HE at all levels, from the basic academic unit of the department (micro level) to the organizational level (meso level) as well as at the HE level (macro level). It is in this way that order is created in the academic world with a view to achieving the goals of educating, researching, and satisfying multiple audiences. At the micro and meso levels, governance is related to the daily functioning of universities and the way they organize their activities with management tools that facilitate decision-making and the desired organizational performance. At the macro level, through governance mechanisms, the State seeks to ensure that the higher education system achieves the desired goals.

That is, governance structures must be designed to help a university fulfill its mission. In general, it is considered that the better the governance, the greater the benefits arising from it and the greater the possibility of the organization achieving its mission.

In all European countries, overall responsibility for higher education rests with the relevant ministry, ie a government department headed by a minister. In Portugal, the Ministry of Science, Technology and Higher Education is responsible for HE.

In this article, we will study university governance models and analyze the issue of accountability in their context, to assess the transparency with which financial information is currently disclosed in Portugal by public Higher Education Institutions (HEIs).

PROBLEM CHARACTERIZATION AND WORK OBJECTIVES

In the Middle Ages, the concept of “university” was associated with the enormous prestige given to education by society at the time. The emergence of universities occurs when Europe re-emerges, in the 11th and 12th centuries. The origin of universities dates to the end of the 11th century, in Italy, more specifically in the city of Bologna, where there was already a center of culture thanks to the “School of Liberal Arts”. Later, other episcopal, monastic, and private schools emerged, in which law was taught, and the University of Bologna later emerged (1088) (Simões, 2013). Later, at the end of the 11th century (1096), the University of Oxford emerged. In the twelfth century, schools in Paris already reached an extraordinary development and, in the centuries that followed, there was an expansion of universities. In 1920, and in subsequent years, Europe was covered with universities, which were organized based on a model that included courses in law, medicine and philosophy. Universities came to specialize in the teaching of classic subjects, useful to society, which, according to Caraça (1999), is the simultaneous root of their strength and weakness.

Currently, universities are involved in changes that can affect their identity and institutional structure. The purposes of the university, its organization and governance, the financial base, work processes and its role in modern society are at stake (Magro, 2011).

In the 21st century, universities will be under strong pressure and facing challenges (internal and external) (Coulson et al, 2018; Curaj et al., 2018), such as: the need to boost postgraduate studies, the internationalization of research, changes in the form of state financing, greater productivity, greater relationship with the market and university-industry interaction. Thus, in this century, we will see universities not only in a process of change and adaptation, but also as an organization different from others, endowed with characteristics that make it a particular type of organization.

For Baldrige (1980), Baldrige (2001) and Scott (1992), universities and their faculties are complex institutions with fragmented professional teams that use a wide range of skills to deal with routine problems. In general, members of academia and academic staff have extensive knowledge and experience in a specific domain or subject and are empowered to make decisions within an institution. Sporn (1998) and Jenks and Riesman (2002), explain this complexity with problems of slowness in the decision-making process, internal bureaucracy, corporatism, and unprofessional management, conducted by people not necessarily endowed with the capabilities for such purposes.

In the same line of thought, Lockwood (1985) defines the university as a complex organization, with complex objectives, limited ability to measure results, autonomy of professionals who form the core of the organization, as well as a diffuse structure of authority and internal fragmentation.

Some fundamental characteristics of universities are defined by Maassen and Van Vught (1992), such as: (a) their

main activities are knowledge-based; (b) they have a highly fragmented departmental structure, due to the division by area of knowledge, organization of knowledge and research methodologies; (c) Decision-making processes are highly diffuse, with different subunits tied to their own goals and objectives and not aligned with organizational strategy; (d) Within each specific academic area, universities can be innovative and adaptable, even when most innovation is incremental. But in structural terms, the university is highly resistant to change; (e) Organizational characteristics cannot be separated from the environmental conditions that affect universities.

It can be said that universities have weaknesses in terms of the importance given to the definition of goals and objectives, problems related to the exercise of authority, lack of coordination of decision-making power, excess of personal styles, lack of precision in communication and interaction. in their internal and external environments (Cohen and March, 1974; Becher and Kogan, 1992). Therefore, there is an inherent complexity in the organizational structure of universities, with different processes and independent activities that are interrelated.

Austin and Jones (2016, p. 22) argue that "(...) an organization's mission defines its purpose. For a university, this mission helps create meaning. It helps people answer questions like: Who do we serve? What is our job? And how do we do our work? (Kezar and Lester, 2009), all micro and meso level issues. At the macro level, there is also philosophical guidance to guide a higher education system and its educational achievements. Fenske (1980) offers a useful definition of mission in higher education:

"Mission is often used to express the often-undeclared efforts that society has for higher education institutions. These aspirations are consensual and represent the general level of hopes and expectations that people generally have in colleges and universities."

HIGHER EDUCATION IN PORTUGAL

In Portugal, the current reference framework for the governance of higher education institutions is supported by the Constitution, the Basic Law of the Educational System and the Legal Regime for Higher Education Institutions (RJIES), created in 2007. This legislation introduced changes significant changes in the governance and management model of institutions, which until now was characterized by collegiate options, with the academic community being responsible for electing the rector. The coordination of Higher Education policy is the responsibility of the Ministry of Science, Technology and Higher Education.

In the area of higher education governance, the RJIES contains changes in relation to the model adopted previously. The process of transforming the university's governance model after the approval of the diploma required profound changes, such as the restructuring of the university's organic structure and internal power. The governing bodies are now the rector, the general council, which is a restricted body and composed of representatives of professors, students and external personalities, and the management council. The Senate, a crucial body broadly representative of faculty, students, and staff, is now optional and merely advisory. In turn, the Scientific Council, which included all PhD holders, now includes only elected representatives. With the RJIES, the dean's powers are reinforced (Marques, 2012).

The main transformations introduced by the RJIES, which went from an internally based collegiate model, with multiple seats of institutional governance, to a model in which responsibilities for strategic governance are assigned to a general council, of mixed constitution, with elected internal members and external parties co-opted by them. The dean now assumes the role of promoting a vision for the institution and leads the implementation of policies, strategies and action plans approved by the general council. This body is also responsible for monitoring and critically analyzing the dean's work, which must be based on guiding tools, strategies, plans, and budgets approved by the general council (Pedrosa et al, 2012).

However, more than ten years have passed since the RJIES was approved. The objective of this important reform was to modernize higher education institutions, making them more autonomous, qualified, open, transparent, and accountable. In a very innovative way, the RJIES, in article 185, introduced the need to evaluate its application five years after its entry into force.

In this regard, expressions of interest in the revision of the RJIES, in the extinction of the foundational regime, in the alteration of the binary system of organization of higher education, among other issues, have emerged in the public debate. However, moving towards an amendment to the diploma without a formal and substantive preliminary assessment, which should contain a reflection on what needs to be changed or what, without changing the law, simply needs to be regulated.

As a result of the application of the RJIES, it is known, through studies that have been published, that there are positive results, but it is also known that some issues related to the functioning of the organs have arisen. The general

council, which includes elements external to the university, was defined as the institution's strategic guidance and general supervisory body. Among other things, it is responsible for appreciating the actions of the rector and the management board. However, as Rodrigues (2017) points out, in practice, in many universities, the dean plays an active role in the creation and composition of the Council, making it an extension of its power and making the balance and separation of powers provided by law difficult.

In the RJIES, the accountability mechanisms of the external members of the governing bodies of the universities are insufficient. The governmental powers of intervention and guardianship were greatly diminished. Without inspection and appeal mechanisms, the only way to solve problems is to resort to administrative courts, with everything that is negative and ineffective (Rodrigues, 2017). On the other hand, the mechanisms to protect or guarantee the principles of separation of powers and autonomy of the internal governing bodies of universities are insufficient. The author further states that it may not be necessary to change the law, but it will require a rigorous and transparent assessment exercise and an effective complementary regulatory effort.

GOVERNANCE MODELS

The concept of governance, being a social and human concept, does not yet have, like many other social concepts, a general definition that is accepted by all researchers or specialists in the field. Recently, governance has gained an increasing space within the scope of Cooperation and Development policies, with the World Bank in 1992 defining governance as one of the mechanisms through which the management of public resources is implemented and whose ultimate objective is to influence economic development and growth. In the understanding of this organization, good governance is seen as a fundamental component in development processes. It refers to the way decisions are made and implemented, consisting of a set of 6 indicators (Rowlands, 2017; Wilkins, 2017; Rymarzak and Alexi Marmot, 2018, OECD, 2020):

- Citizen participation.
- Respect for the law.
- Transparency.
- Consensus orientation.
- Equity and inclusion of all groups.
- Effectiveness and efficiency and accountability.

For the European Union (2000), governance reproduces an environment in a political and institutional context that preserves human rights and is governed by democratic principles and the rule of law. According to this organization, the main governance indicators are the following:

- Transparency.
- Responsible management of human, natural and economic resources.

EU indicators must lead to balanced and sustainable development.

For IFAC (2009) governance is the set of responsibilities and practices exercised by the Board of Directors and executive body ("the governing body") to: (a) ensure strategic direction; (b) ensuring that objectives are achieved, (c) ensuring that risks are properly managed, and (d) verifying that the organization's resources are used responsibly. In their view, this definition reflects both the performance and compliance aspects of governance.

Governance is essential for the functioning of higher education at all levels, from the basic academic unit of the department (microlevel) to the organizational level (mesolevel) and to the level of the higher education system (macro level). It is the means by which order in academia is created to achieve the goals of educating, researching, and providing services to wider audiences. At the micro and meso levels, governance is related to the day-to-day functioning of universities and the way they organize their affairs through management tools that facilitate decision-making authority to achieve desired organizational performance outcomes. At the macro level, it is through governance mechanisms that the state seeks to ensure that its higher education system achieves the goals set by the state.

Governance has always been an important issue in the study of higher education, but in recent times it has gained more prominence as public universities receive more public scrutiny (Farazmand, 2013; Hénard and Mitterle, 2010;

Magalhaes et al, 2013).

The interest of theorists in the management of universities as a research question was investigated until the 1960s in the USA. Until then, the prevailing view in the academic world focused on its members rather than its institutions and was dominated by the Mertonian approach (Musselin, C., 2016).

Kast and Rosenzweig (1985), to explain university management, presented a structure based on four main areas:

- Academic management – for the exercise of academic functions (teaching and research).
- Management of educational services – which includes the acceptance and maintenance of students, as well as the implementation of their academic records.
- Business Management – which includes activities ranging from financing, accounting, purchases and management of support services to maintenance operations for university facilities, etc.; and
- Public Relations - integrate institutional relations with the media, alumni, companies, government entities and other interested parties.

Considering this type of organizational structure, and with a view to university management, management models were developed for this type of organization, based on management models for complex organizations.

The first model is the academic bureaucracy, derived from Max Weber's bureaucratic model and adapted by Henry Mintzberg (2003) to other professional organizations. It is based on research carried out by sociologists such as R. Merton (1940), A. Gouldner (1935) or P. Selznick (1949), who discussed the Weberian theory of bureaucratization. Following a similar line of investigation, P. Blau (1973) inserted such an approach in universities. He showed that it is a kind of decentralized bureaucracy, more directed to the teaching organization itself than to research. Mintzberg (2003) took up this concept in higher education institutions, considered as places where bureaucratic characteristics and rational logics can also be found, having defined them as professional bureaucracies.

An example of this model in universities is the management of peripheral services (management of bars, libraries, dormitories, among others) and administrative management (purchasing, registration, financial decisions, accounting, etc.).

Another model of university governance is the collegiate model. This is based on ideological assumptions of democratic management, which took hold after the democratic transformations (and some of their excesses) in post-war Italy and, recently, in Portugal, Spain and Greece. Similar reasons lead to the use of this model in eastern countries, although offset by their current fascination with American society. It is the most widely adopted framework by academic organizations around the world, in which community participation is effective. As examples, we can mention the members of the Senate and the Administrative Council that are present in most traditional universities, especially public universities.

In the original version (Goodman 1962; Millett 1962), they considered the existence of an academic (scientific) community that share the same norms and values and, therefore, capable of making consensual decisions and overcoming individualisms and private antagonisms. Clark (1971, 1972), on the other hand, expanded this conception and, in his opinion, collegiality does not refer only to academic professional norms and values, but more broadly to those that are participated by all actors involved in the same community, that is: faculty members, administrators, students, directors, etc., of the institution.

This consensual view, based on university values, was strongly contested by G. Baldrige (1980), who emphasized the political nature of decision-making processes and concluded that neither academic nor institutional values were able to reduce the divergent interests in question. For this author, universities are full of conflicts and power relations that must be considered, in order to better understand the negotiations and political exchanges that structure decision-making. Pfeffer and Salancik (1974) and Salancik and Pfeffer (1974) adopted a similar perspective and further praised the role of power in these organizations, concluding that the more a department was able to obtain support from the environment, the stronger it was in negotiation. of resources. This investigation of universities became the starting point for a theory called resource dependence theory that they later developed (Pfeffer and Salancik, 1978), in which they extended their earlier work on universities to other organizations.

Following a different logic from most texts dealing with corporate governance, the theory of resource dependence places the manager in the position of an active agent, so that, instead of acting (monitoring), he uses the so-called governance mechanisms to guarantee efficiency: the indispensable resources for organizational survival. All this was theoretically supported by the resource dependence perspective.

In the political model, the university is a political system in which interest groups use their power for their own

benefit. A good example is the university budget process which often results in the highest levels of funding for those who have the most power and are not the most relevant in terms of size or even reputation (Mainardes, Alves and Raposo, 2011).

Thus, for this theory, organizational behavior is directly related to resource constraints and resource interdependencies, depending on organizational management (Pfeffer; Salancik, 1976). According to these authors, discretionary action would conveniently manage environmental restrictions and the environment itself by organizational interests. Some changes in the environment are partly due to the determination of organizational managers, as they consider the characteristics of the environment compatible with the specific interests of their organizations (Rossetto & Rossetto, 1999). The function of management is to direct the organization to a more favorable environment, manage and establish negotiated environments, which are advantageous for the organization (Pfeffer; Salancik, 1976).

The rational and political essence of decision making in universities was strongly contested by M. Cohen, J. March and J. Olsen (1972), who developed the anarchic model (or garbage can model) and described universities as organizations characterized by multiple goals, unclear technology and fluid participation (Cohen and March, 1974). In this model, organizations are not coherent in the face of situations experienced, because problems and decision solutions are triggered and decisions result from the gathering of independent flows of problems, solutions, participants, and situations, by choice. Choo (2003) explains that: the anarchic decision model can be compared to a garbage can, where different types of problems and solutions are thrown by individuals as they are generated. The decision is made when problems and solutions come together. We note that this is a model that does not follow any structure and/or sequence because it is governed by chance and luck. In the anarchic model, decisions are made in three ways: a) Resolution: it is the decision that occurs after thinking about the problem for a certain time; b) Inadvertence: a choice is quickly adopted and, incidentally, to find other choices; c) Escape: occurs when problems leave the choice, when there is no resolution of the problem (Choo, 2003). Such a model can be applied in non-academic situations, as Padgett (1980) advocates for an extension of hierarchies and bureaucracy, for an application in a Department of Education, or the well-known adaptation of this thesis to public policies conducted by Kingdon (1984); Mintzberg (2003).

Some dynamic hypotheses were proposed by McNay (1995) who suggested that collegiality and bureaucracy are two successive stages of universities before moving, more recently, to social and business models.

This last perspective already refers to the change that developed in the 1980s. Previously, sociologists used universities as extreme case studies, which allowed the identification of organizational models developed in some cases and adapted to other organizational situations. The last decades were marked by a refusal of university specificity and the importation of non-academic models (corporate model, entrepreneurial model, management model, etc.) to universities.

Mano and Marques (2012) argue that the European model of shared governance is recent (except for the United Kingdom and Ireland), with some countries, notably the Scandinavians, the Netherlands and Switzerland, which a few years ago proposed some values and ways to get around the American model.

This model aims to correct the deficiencies of traditional European governance systems and, to that end, will seek organizational and functional solutions for the modern theory of organization and institutional management or for the functioning of American universities of excellence. However, due to the variety of these solutions and the different ways in which they have been adapted to national realities, the model cannot be descriptively defined by its principles and criteria alone.

Hardy and Fachin (1996) argue that it is rare to find universities with just one model. What is found in higher education institutions is a mixture of all models, with a tendency for one to prevail over the others.

The new model that Portugal adopted in 2007, with the approval of the new legal regime for higher education institutions (RJIES), somehow defends this perspective in the context of a revised autonomy.

On this issue, Amaral and Teixeira (2000) refer that the market has emerged as an important figure in political discourse, both at the state and institutional levels, noting that, although it has gained autonomy, the State maintains a firm hand in the regulation of education. This results in what is called a hybrid regulatory model. Van Vught (2009), on the other hand, argue that state regulation policies, via market mechanisms, are still not clear and that, according to Dill (2014), the superiority of these mechanisms over traditional mechanisms of public regulation has not yet been proven. .

Thus, the figure of stakeholders - representatives of the various interests that coexist with the university - is formed in its governance structure, to provide adequate responses to the outside world and to make institutions more relevant. The participation of representatives of social interests outside higher education institutions in government bodies of public universities can be seen in the RJIES through the participation of external entities in the General Council.

ACCOUNTABILITY AND PERFORMANCE IN UNIVERSITIES

The movement of reforms and restructuring of higher education systems in Europe since the 1990s, occurred with the aim of better adapting to the new needs of societies, differentiating the offer to meet the growing demand for higher education. More recently, especially in the 2000s, there have been changes to respond to inadequate public resources dedicated to this sector, while, at the same time, autonomy has been strengthened to respond to growing concerns about the independence of public higher education institutions and their inherent academic freedom (Eurydice 2020). In fact, institutional leaders face greater demands for effectiveness in results, efficiency in the management processes of financial resources allocated by governments, and for public accountability (Pedrosa et al, 2014).

Accountability is a difficult term to define (Sinclair, 1995) because it can mean many different things to different people (Bovens, 2007). In its simplest sense, accountability refers to a relationship in which people explain their actions and take responsibility for them (Roberts and Scapens, 1985). In this sense, Edwards and Hulme (1996, p. 967) define accountability as "the means by which individuals and organizations report to a recognized authority (or authorities) and are responsible for their actions". This view assumes that a party has certain "rights" to make requests regarding another person's behavior and to know the reasons for the actions taken (Goddard, 2005). This implies certain expectations about what this person or organization should be able and required to explain, justify, and take responsibility for (Cooper and Owen, 2007).

The concept of accountability is still not consensual and is treated in a varied and comprehensive manner. Accountability is an English term, difficult to translate into a single word for Portuguese. The term accountability can have reciprocal references with responsibility and answerability. Pinho and Sacramento (2009), seek to understand the meaning of the term through extensive research in English-language dictionaries and characterize that it "encloses the responsibility, obligation and accountability of those who hold a position to render accounts according to the parameters of the law, being involved the possibility of burden, which would be the penalty for non-compliance with this directive" Generally used with reference to the supervision and control of the public agent, it is not clear in the delimitation of objects, subjects, means and purpose.

In ethics, accountability and answerability are the same... that is, if someone is responsible, then that someone is answerable, but the main difference is between responsibility and accountability, in that responsibility can be shared while accountability cannot.

HEI ACCOUNTING INFORMATION SYSTEM

The accounting system of universities and HEIs in general, until 31 December 2017, was based on the POC – Educação (approved by Ordinance 794/2000, of 20 September) which follows the approval of the Official Public Accounting Plan (POCP) (Approved by Decree-Law nº 232/97, of 3 September), whose model serves as its basis. The POC-Education contemplates the adaptations to this plan understood as necessary, to be applied by the entities of the education sector.

Currently, these entities are obliged to adopt the Accounting Standardization System for Public Administrations (SNC-AP), approved in 2015 by Decree-Law 192/2015, of 11 September.

In 2015, public accounting was reformed, and the SNC-AP was approved through Decree-Law No. 192/2015, of 11 September. Its approval, in addition to helping to resolve the fragmentation of the information that existed until then, based either on the POCP or on the sectoral plans, was a way of filling the existing accounting instability. In addition to the above benefits, there was the implementation of accounting harmonization, the alignment of public accounting with national accounting, contributing to the satisfaction of the information needs of the various stakeholders of the Public Administration, about accounting and financial reporting. The expansion of the SNC into the public domain brought the rigor and transparency that public management lacked. The following **Figure 1** gives an overview of the current public accounting system, based on the SNC-AP:

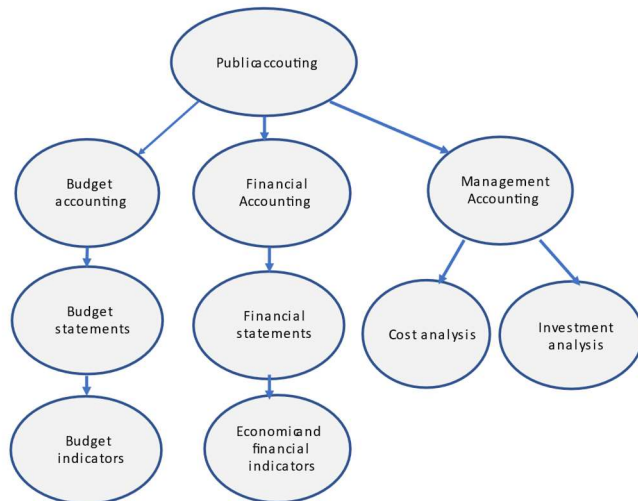


Figure 1. Composition of the Public Accounting System

Source: Prepared by the author

However, public accounting in general has a more complex character than private sector accounting, consisting of three accounting subsystems: budget accounting, supported by Public Accounting Standard (NCP) 26 – budget accounting and reporting, financial accounting composed of 25 Standards (NCP) based on IPSAS and management accounting – NCP 27. The obligation to maintain three accounting systems emerged from the Accounting Standardization Commission for Public Administration (CNCAP), now integrated into the Standardization Committee Accounting – (CNC) which, at the time, determined that management accounting would be essential to obtain information about costs by activities, functions, goods or services; financial accounting to obtain information about changes in assets, liabilities, equity, income, expenses and cash flows; and, finally, budget accounting would be essential for recording the budget of revenue and expenditure and their execution.

In addition to the NCPs, the SNC-AP includes a Conceptual Framework (EC) for public financial information, models of Financial Statements (FD), Budget Statements (OD), Annexes and a Multidimensional Chart of Accounts (PCM). It also includes a simplified regime and a regime for micro-entities. Budget accounting is on a cash basis, while financial and management accounting are on an accrual basis.

METHODOLOGY

For this study, a qualitative investigation was chosen, using observation as data collection techniques. The observational data collection method is a method in which the researcher observes participants in their natural environment or in "artificial" contexts created for that purpose. Qualitative observation is a more exploratory approach that is open when the investigator takes field notes, hence an unstructured observation. In this case, the researcher can assume different roles, depending on the objectives he intends to achieve, participating in this context.

Thus, the methodology followed to assess the accountability of public universities about the dissemination of management documents was based on the institutions' web pages and the information placed there, with a view to assessing their transparency.

In Portugal, in terms of university institutions, we find 13 public universities and one distance learning university. The SNC-AP, through NCP 1 - Structure and Content of Financial Statements, defines as a complete set of individual or consolidated financial statements: (a) A balance sheet; (b) An income statement in nature; (c) A statement of changes in equity; (d) A statement of cash flows; and (e) Notes to the financial statements (notes comprising a summary of significant accounting policies and other explanatory notes).

Certain disclosures are required in the financial statements, and the term "disclosure" is used in a broad sense, encompassing both items presented in the balance sheet, the income statement, the statement of changes in equity and the statement of cash flows, and in the annex (point 6 of NCP 1). On the other hand, it is mentioned that any opinions or disclosures made must be transparent (point 6 of Decree-Law No. 192/2015).

The universities mentioned here report to the Court of Auditors (TC), the Ministry of Finance and the National Institute of Statistics, and information may be required by other entities such as the General Inspectorate of Finance.

Following the adoption of the SNC-AP, the TC published Instruction no. 1/2019-PG those required by the SNC-AP, which universities (as well as other entities to which they apply) must satisfy. Here, too, several disclosures are required.

To answer the question posed in this article about university governance models and accountability, to assess the transparency with which financial information is currently disclosed in Portugal by public Higher Education Institutions (HEIs), a collection was carried out of data from various sources, including annual reports and websites of all public universities for the present study. Data on the status of the HEIs in question were collected from their websites and from the annual reports of all 14 universities.

Section 14 of Public Accounting Standard (NCP) 1 defines what a complete set of financial statements (individual and consolidated) is. Instruction n^o 1/2019-PG of the Court of Auditors, of February 13, is a single instruction, intended for all entities that report to the Court and that apply one of the following accounting systems:

- Accounting Standardization System for Public Administrations (SNC-AP).
- Accounting Standardization System (SNC).
- Accounting and Financial Reporting Standard for Non-Profit Sector Entities (SNC-ESNL).
- International Accounting Standards (IAS/IFRS).

To ensure the principle of transparency in financial, budgetary and asset management, and without prejudice to what is legally established, the Court of Auditors encourages entities subject to accountability to disclose the respective accounting documents on their website, as well as other relevant documents for greater clarity and transparency of its activity.

As universities are subject to the SNC-AP, they must present their accounts in accordance with the principles indicated above.

Since this is a wide range of documentation to be presented to superior Organs and supervisory bodies, the items identified below for the year 2018 were selected for analysis, as they are understood to be those that, in general, meet the information needs of the users about the assessment of accountability and transparency in the management of the entity. Therefore, the following documents were selected: Activity Report, Individual Accounts Report, Consolidated Report and Accounts, Financial Statements, Budget Statements, Single Auditor's Report and Opinion, Single Auditor's Report and Opinion (Consolidated Accounts), Legal Certification of Accounts, Legal Certification of Accounts (Consolidated Accounts), General Council Resolution, Plan for the Prevention of Corruption Risks and Related Infractions and Adoption of the SNC-AP.

The data obtained are shown in **Table 1** below.

Table 1. The university accounts

Accountability	Year 2018															Obs.
	ISCTE - Instituto Universitário de Lisboa FUNDAÇÃO	Universidade Aberta	Universidade dos Açores	Universidade do Algarve	Universidade de Aveiro FUNDAÇÃO	Universidade da Beira Interior	Universidade de Coimbra	Universidade de Évora	Universidade de Lisboa	Universidade da Madeira	Universidade do Minho FUNDAÇÃO	Universidade Nova de Lisboa FUNDAÇÃO	Universidade do Porto FUNDAÇÃO	Universidade de Trás-os- Montes		
Activity Report	X	X	X	X	X	X	X	X	X	n/a	n/a	X	X	X		
Individual Accounts Report	X	X	X	X	X	X	X	n/a	n/a	n/a	n/a	X	X	n/a	(a)	
Consolidated Report and Accounts	X	X	X	X	n/a	X	X	n/a	X	n/a	n/a	X	X	n/a		
Financial Statements	X	X	X	X	X	X	X	n/a	X	n/a	n/a	X	X	n/a		
Budget Statements	X	X	X	X	X	X	X	n/a	X	n/a	n/a	X	X	n/a		
Single Auditor's Report and Opinion	n/a	X	X	n/a	X	X	n/a	n/a	n/a	n/a	n/a	X	X	n/a		
Single Auditor's Report and Opinion (Consolidated)	n/a	X	X	n/a	n/a	X	n/a	n/a	n/a	n/a	n/a	X	X	n/a		
Legal Certification of Accounts	n/a	X	X	n/a	X	X	n/a	n/a	n/a	n/a	n/a	X	X	n/a		
Legal Certification of Accounts (Consolidated Accounts)	n/a	X	X	n/a	n/a	X	n/a	n/a	n/a	n/a	n/a	X	X	n/a		
General Council Resolution	n/a	X	X	n/a	X	X	n/a	n/a	n/a	n/a	X	n/a	n/a	n/a		
Plan for the Prevention of Corruption Risks and Related	X	X	X	X	X	X	X	X	X	n/a	X	X	X	X	b)	
Adoption of the SNC-AP	X	Não	X	X	X	X	X	n/a	X	n/a	n/a	Não	n/a	n/a		

(a)- Fundação Universidade de Aveiro presents two accounts for 2018: one on May 7, 2018 and another on December 31, 2018.

b) At the University of Lisbon there are corruption plans by Organic Unit

n/a - Information not available on the University website for the year 2018

Source: Prepared by the author

DISCUSSION OF RESULTS

Regarding the legal status, it was observed that of the 14 universities analyzed, 9 are legal entities governed by public law, while 5 universities are public foundations under private law.

Regarding the documents that make up the financial report, it appears that the documents disclosed by each of the institutions (Management report, activity report, etc.) are quite different, with no uniformity in the information disclosed. The location of the HEI web page where the information is placed is different from university to university, and in none of them is the information easy to locate. It can also be seen that the information provided is more complete in some than in others.

ISCTE - Instituto Universitário de Lisboa, made the disclosure of the elements subject to study, except for the Report and Opinion of the Single Auditor, Report and Opinion of the Single Auditor (Consolidated Accounts), Legal Certification of Accounts, Legal Certification of Accounts (Accounts Consolidated) and the General Council Resolution. The University of the Azores and the University of Beira Interior released all documents selected for analysis. Universidade Aberta and Universidade Nova did not adopt the SNC-AP in 2018, thus not complying with the legally required accounting information system. The University of Algarve did not disclose the Report and Opinion of the Single Auditor, Report and Opinion of the Single Auditor (Consolidated Accounts), Legal Certification of Accounts, Legal Certification of Accounts (Consolidated Accounts), Deliberation of the General Council. The University of Aveiro presents two accounts for the year 2018: one on May 7, 2018, and the other on December 31, 2018, however it did not provide the Report and Consolidated Accounts, Report and Opinion of the Single Auditor (Consolidated Accounts) and the Legal Certification of Accounts (Consolidated Accounts). The University of Coimbra did not disclose the Report and Opinion of the Single Auditor, Report and Opinion of the Single Auditor (Consolidated Accounts), Legal Certification of Accounts, Legal Certification of Accounts (Consolidated Accounts) and the General Council's Deliberation. The University of Évora in relation to 2018 did not disclose most of the documents under consideration in this study, having only inserted the Activities Report (which does not include the items under consideration in this study) and the Risk Prevention Plan on the website. of Corruption and Related Offenses.

As for the University of Lisbon, it was found that it did not disclose the Individual Accounts Report, the Single Auditor's Report and Opinion, the Single Auditor's Report and Opinion (Consolidated Accounts), Legal Certification of Accounts, Legal Certification of Accounts (Consolidated Accounts) and Deliberation of the General Council. The University of Madeira did not disclose any of the items provided for in this study, relating to the year 2018. The University of Minho, for the year 2018, only released the General Council Deliberation in which the accounts and the Risk Prevention Plan were approved. Corruption and Related Offenses. Universidade Nova de Lisboa released all the items under study, except for the General Council Decision. Likewise, the University of Porto released all the elements contained in the analysis, only missing the General Council Resolution and information on the adoption of the SNC-AP. On the other hand, the University of Trás-os-Montes and Alto Douro, did not disclose the elements referring to the year 2018 under study, having only disclosed the activities report (which does not contain the information recommended here) and the Plan of Prevention of Risks of Corruption and Related Infractions.

CONCLUSIONS AND LIMITATIONS OF THE STUDY

In terms of governance, universities around the world are moving towards "commercial" governance structures (Lokuwaduge and Armstrong, 2015). The current funding system, which covers most of the costs of universities, requires an appropriate public accountability framework to ensure that governments and the community can have confidence in higher education and in the efficient and effective use of public money, hence the good governance is important.

Taking into account the elements of the 2018 financial report selected for analysis, we can conclude that there are universities that have a higher level of transparency and accountability than others. In the present study, it can be said that the Universidade Aberta, the Universidade dos Açores, the Universidade da Beira Interior, the Universidade Nova de Lisboa and the Universidade do Porto released more information about the management and accounts for the year 2018 than the remaining universities. Even so, ISCTE - Instituto Universitário de Lisboa, the University of Algarve, the University of Aveiro, the University of Coimbra, and the University of Lisbon, proceeded to disclose relevant information to users, such as the budget and financial statements, among others. However, the University of Évora, the University of Madeira, the University of Minho and the University of Trás-os-Montes and Alto Douro did not publish relevant documents for the assessment of accountability.

As for the fact that there are universities with the status of foundation, there were no significant differences in relation to the other universities, as regards the presentation and disclosure of the financial report and other decision-making and accountability items.

This study has, however, some limitations. Much of the information obtained was only obtained after several searches and with the selection of different keywords. In this sense, we understand to refer as a limitation the fact that there may potentially be information on the websites of the HEIs in question that was not obtained because it is difficult to access.

General Conclusions

In recent years, there have been considerable developments in the areas of corporate law and corporate governance.

The governance of universities and the role of their governing bodies are unique and regulators should exercise caution when drawing parallels with the business sector. The governing bodies of universities are different from the Board of Directors of any other private sector organization.

Changes in university management have highlighted the importance of financial resources, the need for operational efficiency and strong internal governance, as well as requiring increased responsibility for accountability, decision-making and transparency.

Concerns about sustainability, efficiency, effectiveness and competitiveness, lead to greater disclosure, so the disclosure of annual reports constitutes a mechanism of external accountability and transparency. University governance structures play an important role in increasing accountability.

As universities become more entrepreneurial, future studies should explore the implications of the private governance model for the “business” activities of universities, which they develop beyond traditional teaching and research performance.

The practical contribution of the study aims to present the current level of transparency practices in the dissemination of annual management reports of public universities, encourage the introduction of improvements in the provision of public information on management reports and encourage full compliance with disclosure practices mandatory, a condition for proper accountability of managers.

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