

Standardization of Rural Financial Systems under the Rural Revitalization Strategy: A Case Study of a Village in Huairou District, Beijing

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Abstract

This paper takes a village in the northern suburbs of Beijing as a case study. Through field visits, account book reviews, and literature research, it analyzes the current state of financial standardization and its system. The study finds that the village exhibits problems such as the mechanical application of higher-level policy documents lacking practical operability, superficial supervision, part-time and underqualified accounting personnel, and non-standard management of original vouchers. These issues are representative of outer suburban rural areas. Considering the economic characteristics of mountainous regions, the paper proposes a financial standardization system tailored for Beijing's suburban villages, offering a reference for similar areas.

Keywords: Village-level Finance; Financial Risk; Financial System; Financial Standardization

1. Introduction

Against the backdrop of deepening urbanization and the integrated advancement of the Rural Revitalization Strategy, Beijing's rural areas, as crucial carriers of the capital's urban-rural integrated development, are experiencing accelerated flows of various resource factors (Zhang, 2025; Yu et al., 2026). The operational scope of the collective rural economy is continuously expanding, gradually extending from traditional land and mountain forest leasing to diverse formats such as eco-tourism, specialty planting and breeding, and project cooperation (Negi, 2024; Peng et al., 2025). Consequently, the overall scale of operation is steadily increasing. However, traditional rural financial management models are increasingly inadequate for handling increasingly complex economic activities and diverse funding channels, exposing a series of issues such as insufficient financial transparency, non-standardized accounting, weak management capacity, and ineffective supervision mechanisms.

Existing research has given extensive attention to such issues. Zhang (2021) pointed out that current village-level financial management commonly suffers from imperfect systems, non-standardized accounting, and weak supervision mechanisms, severely hindering the healthy development of the collective economy. Li (2019), from the perspective of managing rural collective "three assets" (funds, assets, and resources), emphasized the significant importance of constructing a robust financial supervision system for enhancing village-level governance capacity. Wang (2022) further focused on the accounting and supervision issues of special village-level funds, proposing the need to strengthen categorized fund management and whole-process control to improve the efficiency of fiscal fund utilization. These studies provide an important theoretical foundation and analytical framework for this topic.

Building on this basis, the research team conducted a six-day field investigation from August 21 to 27, 2025, in a village in Tanghekou Town, Huairou District, northern Beijing. Through interviews and discussions with village cadres, members of the village affairs supervision committee, and accounting personnel (covering 8 individuals), reviewing the village's financial account books, vouchers, and public disclosure materials from 2020 to 2024, and field visits to lessees of uncultivated land and vacant village properties, the team comprehensively grasped the actual operational state of the village's financial management system. The investigation revealed significant shortcomings in institutional construction, supervision implementation, talent pool, and foundational work, which possess strong typicality and representativeness. Based on an in-depth analysis of the causes of these problems, combined with literature research and the actual conditions of mountainous rural areas, this paper proposes targeted pathways for financial standardization governance, aiming to provide practical references for the construction of village-level financial management systems in Beijing's suburbs and other similar regions.

2. Case Study Overview

2.1. Basic Information of the Surveyed Village

The surveyed village, located in the mountainous area of northern Huairou District, Beijing, belongs to the core area of the capital's ecological conservation zone (Liu et al., 2014; Peng et al., 2015; Xu et al., 2024). The village has a registered population of 216, with a permanent resident population of 158, predominantly middle-aged and elderly, as the young and middle-aged workforce tends to migrate to Huairou urban area or downtown Beijing. The village's collective economy development centers on an "ecological protection + resource leasing" model. The collective assets mainly include over 800 mu of uncultivated land, more than 1,200 mu of mountain forest, and three vacant collective-use buildings. From 2020 to 2024, the annual income of the village-level collective economy ranged from approximately 150,000 to 200,000 RMB. Funding sources fall into three main categories: first, special fiscal subsidies (ecological protection subsidies, rural revitalization infrastructure subsidies, accounting for about 60%); second, income from collective resource leasing (uncultivated land, vacant building leases, accounting for about 30%); and third, income from small-scale rural tourism supporting services (accounting for about 10%). The village has a "two committees" (Party branch and villagers'

committee) comprising three people and a village affairs supervision committee of three members. Financial work is handled by a village committee member on a part-time basis. Financial accounting in the village centers on closed-loop management of special funds. Taking ecological subsidy funds as an example, the standardized procedure is: ①The village reports project proposals and funding needs; ②The township finance office reviews and allocates funds to the village collective's corporate account, with the village accountant recording it under the "special payables" account; ③Fund usage requires deliberation by the two committees, a vote by villager representatives, and review by the village affairs supervision committee; ④After expenditure, reimbursement is made with formal invoices. The accountant records actual expenditures and maintains a special fund ledger, ensuring dedicated funds are used for designated purposes, accounts match reality, and the entire process is documented.

2.2. Implementation of the Investigation

This investigation employed comprehensive methods including field visits, interviews, and account book reviews. The specific implementation details are as follows:

(1) Interviews and Discussions: One-on-one discussions were held with 8 key personnel, including the village Party branch secretary, village director, part-time accountant, and director of the village affairs supervision committee. The purpose was to understand the actual situation regarding the formulation of financial management systems, implementation of approval processes, financial disclosure, and personnel training, and to record practical difficulties encountered in financial management.

(2) Account Book Review: The village's cash journals, bank deposit journals, accounting vouchers, and financial disclosure statements from 2020 to 2024 were examined. The review focused on the standardization of original vouchers, the use of accounting subjects, fund allocation approval procedures, and the content of financial disclosures.

(3) On-site Verification: Visits were made to contractors leasing uncultivated land and merchants leasing vacant collective properties to verify whether the timing and amounts of lease fee collections matched the records in the financial accounts and to understand practical issues in the collection process.

Through this investigation, a comprehensive understanding of the actual operational state of the village's financial system was obtained, identifying specific problems in areas such as institutions, supervision, personnel, and foundational work. This provides firsthand field data for subsequent problem analysis and the formulation of countermeasures.

3. Problems in the Rural Financial System

3.1. Obvious Shortcomings in Rural Financial Management Systems

Institutional construction is an important prerequisite and fundamental guideline for standardizing financial work. However, many outer suburban rural areas in Beijing still have relatively crude financial management systems with low standardization levels. Taking the

surveyed village as an example, it has not established a proprietary financial system tailored to its own characteristics — namely, a high proportion of ecological subsidy funds and reliance on uncultivated land leasing as the primary operating income. Instead, it simply applies generic financial management system documents issued by higher authorities without clearly stipulating key elements of core businesses. For instance, regarding the leasing of uncultivated land, the system does not specify the deadline for paying contract fees (resulting in actual delays of 3-6 months by contractors), leading to persistent arrears. Furthermore, regulations for reviewing lease invoices are absent, resulting in cases where contractors use receipts instead of formal invoices for accounting. The system also fails to provide detailed rules on the scope of use and expenditure standards for special ecological protection subsidy funds, making implementation difficult due to the lack of specific guidance. Additionally, the system's update pace lags significantly behind the development of the collective economy. The current system lacks provisions for the accounting procedures and fund custody related to these new types of operational income, creating management blind spots.

3.2. Insufficient Implementation of Financial Supervision Procedures

Although many villages have established a dual supervision system involving "village two committees supervision + villager supervision," in practice, these procedures often remain superficial and fail to function effectively. Observations from relevant cases indicate that, in some villages, the financial approval process does not strictly follow the standardized procedure of "signature by the handler, review by the village affairs supervision committee, and approval by the village director." Individual village cadres even bypass supervision and directly allocate collective funds, rendering the established supervision mechanism ineffective. From the external supervision perspective, villager supervision also faces the practical dilemma of "wanting to supervise, but not knowing how, and being unable to supervise effectively." On one hand, villagers generally lack systematic financial expertise and struggle to understand the specialized content in financial statements. On the other hand, financial disclosures in some villages are too general, simply listing total income and expenditure without providing detailed information on specific projects, expense breakdowns, or original vouchers. This prevents villagers from effectively assessing whether fund usage is compliant and reasonable, meaning their supervisory rights cannot be truly exercised.

3.3. Insufficient Professional Competence of Rural Accounting Personnel

Accountants are the executors and implementers of rural financial work. However, the overall development of accounting teams in remote mountainous areas of Beijing lags behind, becoming a significant factor restricting financial management standardization. Due to its remote mountainous location, relatively low salary levels, and limited development opportunities, the surveyed village is unattractive to certified accountants. The village's financial position is filled by a village committee member on a part-time basis. This accountant has not received systematic financial training and lacks proficiency in current accounting standards and Beijing's specialized village-level financial software. When handling tasks like accounting for uncultivated land lease income or aggregating ecological subsidy funds, errors frequently occur, such as using incorrect

accounting subjects (e.g., recording ecological subsidy funds under the "operating income" account) and non-standard accounting treatment. Furthermore, the accountant has a low acceptance of information-based financial systems, often prioritizing manual bookkeeping over software-based accounting, resulting in inefficient financial processing. Moreover, no young villagers are currently willing to take over the financial work, presenting a clear risk of a talent gap.

3.4. Insufficient Standardization in Basic Accounting Work

Basic accounting work is a crucial prerequisite for ensuring the reliability of financial data. However, in some outer suburban rural areas of Beijing, numerous non-standard issues persist in grassroots financial foundational work. In the surveyed village, concerning original voucher management, instances of using informal receipts (white slips) for reimbursement were found in the financial vouchers. For example, collective material purchases were recorded using only simple payment receipts, lacking formal invoices, purchase details, and acceptance inspection vouchers. In some cases, a single handwritten note served as the sole basis for accounting, severely undermining the validity of financial records. Regarding the setup of accounting books, the village failed to establish standardized general ledgers and subsidiary ledgers as required. Instead, it only used simple running accounts to record daily income and expenditure. It did not create separate subsidiary ledgers for ecological subsidy funds and uncultivated land lease income, making it impossible to fully and accurately reflect the true financial situation of collective assets, claims, and debts. Concurrently, the management of financial archives was chaotic. Important documents like accounting vouchers and financial statements were not properly categorized and stored. They were simply piled in an iron cabinet in the village committee office. Some vouchers had become moldy or damaged due to improper storage, hindering historical inquiries and tracing of financial information and posing significant difficulties for the annual financial audits conducted by Tanghekou Town.

4. Analysis of Causes of Rural Financial Problems

4.1. Lagging Construction and Implementation Failure of Financial Management Systems

Outdated system content and management gaps hinder adaptation to new developments in rural areas. Many village-level financial management systems still follow traditional models, failing to incorporate new business formats and diversified funding sources emerging under the Rural Revitalization Strategy. For instance, there is a lack of clear rules regarding account classification, usage standards, income distribution, risk prevention, and asset valuation for special funds related to rural revitalization and environmental improvement subsidies. This leads to a lack of uniform basis in practical operation, resulting in arbitrary fund usage and issues like idle funds, waste, or even loss.

4.2. Insufficient Professional Capacity and Unreasonable Structure of Financial Management Teams

Regulations ultimately rely on personnel for implementation. The generally low overall quality and poor stability of rural financial management personnel are significant human factors causing non-standard financial management. For example, the accountant lacks systematic professional education in accounting, possessing only a superficial understanding of relevant Beijing village-level financial regulations and requirements for accounting ecological subsidy funds. They can only manage simple running accounts, demonstrating significant deficiencies in areas like invoice review and cost accounting. When facing new tasks like accounting for contract payments related to uncultivated land leases or managing income and expenditure from rural tourism, their capability gaps become more pronounced, creating management loopholes.

4.3. New Pressures from Diversified Funding Sources and Increased Management Complexity

During the advancement of the Rural Revitalization Strategy, village-level funding sources have diversified beyond traditional fiscal subsidies and collective operating income to include ecological compensation, social cooperation funds, and rural tourism revenue. The fund composition has become more varied, and management requirements have become more stringent. Taking the surveyed village as an example, its funding sources encompass three categories: fiscal ecological subsidies, uncultivated land lease income, and rural tourism supporting service income. Different types of funds have distinct regulations regarding their scope of use and allocation standards (e.g., ecological subsidy funds cannot be used for village daily operating expenses). However, the village's financial management lacks a mechanism for categorized accounting and whole-process control. It fails to maintain separate accounts for different funds and is inadequately prepared for managing complex funds, leading to inadequate supervision and suboptimal utilization efficiency.

4.4. Changes in Rural Social Structure and Weak Grassroots Governance Foundation

The widespread issues of population aging and hollowing out in rural areas, coupled with the shortage of young, knowledgeable grassroots governance talent, constitute the underlying cause of non-standard financial management.

In summary, the financial management problems in the surveyed village in Huairou District result from the interplay of multiple factors, including imperfect systems, weak talent teams, ineffective supervision mechanisms, and deeper changes in rural social structure. These problems interact and reinforce each other, making them representative of mountainous rural areas. Single measures alone are insufficient to address them fundamentally. A systematic approach and comprehensive strategies are necessary, synergistically focusing on improving the institutional framework, strengthening team building, enhancing supervision mechanisms, and optimizing grassroots governance, to fundamentally standardize village-level financial management and provide solid financial support for rural revitalization in Beijing's outer suburbs.

5. Countermeasures and Suggestions for Solving Rural Financial Problems

5.1. Improve the Customized Institutional System, Strengthen Rigid Implementation and Dynamic Updates

Promoting the transition to "refined governance" in Beijing's outer suburban village-level finance must be fundamentally based on institutions. For the surveyed village, firstly, the financial management system should be comprehensively revised to incorporate new business types like ecological subsidies, uncultivated land leasing, and rural tourism into the regulatory framework, clarifying fund usage scope, collection deadlines, and accounting procedures to eliminate institutional gaps. Secondly, drawing on advanced experience within Beijing, special implementation rules should be formulated, establishing a three-tiered system of "basic institutions + operational rules + assessment accountability". Strict implementation of tiered approval for large funds is necessary, with clear accountability rules for behaviors like delayed payments. Finally, a dynamic institutional update mechanism should be established, ensuring timely revisions based on business format changes and policy adjustments to maintain institutional adaptability.

5.2. Build a Strong Professional Financial Talent Team to Address Talent Shortages and Structural Imbalances

It is necessary to construct a "recruitment, cultivation, utilization, and retention" talent mechanism adapted to mountainous areas. For the surveyed village, firstly, promote a "town management, village utilization" model, where the district or town uniformly recruits certified accountants for assignment to villages, improving salary guarantees. Secondly, leverage Beijing's university resources to introduce professional guidance, and have the township finance office conduct systematic training focused on new systems and new businesses to enhance the capacity of existing personnel. Finally, promote the professionalization management of financial positions, clearly defining responsibilities and achieving segregation of incompatible duties to enhance financial independence and standardization.

5.3. Utilize Financial Professional Theories and Information Tools to Achieve Refined Fund Control

Reliance on professional accounting and information technology is essential. For the surveyed village, firstly, strictly implement separate account accounting, establishing individual accounts for various income sources like ecological subsidies to ensure traceability of fund flows. Secondly, utilize tools such as budgeting and performance evaluation, implementing budgeting, in-process control, and evaluation to enhance fund efficiency. Finally, leverage the municipal-level information platform to achieve electronic voucher management, online approval, and automated accounting, constructing an intelligent fund management model.

5.4. Construct a Dual Governance Mechanism Based on Internal Control and Democratic Supervision

A long-term mechanism combining internal control and supervision needs to be established. At the internal control level, improve mechanisms for authorization approval and asset inventory,

implementing multi-person review for critical funds to create internal checks and balances. At the democratic supervision level, simplify disclosure formats according to village conditions, detailing income and expenditure through bulletin boards, broadcasts, and meeting explanations to ensure villager oversight. Simultaneously, strengthen external audits by the township government, conducting quarterly checks and annual audits to promptly identify and correct deviations, achieving transparent financial operations.

6. Conclusion

This paper takes a specific village in Beijing as a research object, employing field visits, interviews, account reviews, and literature research to systematically analyze the current operational state of its financial system. It identifies specific problems in institutional construction, supervision implementation, talent teams, and basic accounting work, and delves into the causes from four dimensions: institutions, personnel, fund management, and grassroots governance. Finally, considering the characteristics of the collective economy in mountainous rural areas and the policy and resource advantages of the Beijing region, it proposes countermeasures for financial standardization, including a customized institutional system, localized talent teams, refined fund control, and a dual supervision mechanism with Beijing suburban characteristics.

The study finds that the financial system problems in the remote mountainous villages of Huairou District, Beijing, possess distinct regional characteristics. They share common issues with village-level financial management nationwide (imperfect systems, talent shortages, ineffective supervision) but also exhibit unique problems shaped by the capital's ecological conservation zone designation, rural population hollowing, and the high proportion of ecological funds. Solving such problems requires more than simply applying higher-level systems or experiences from other regions. It necessitates constructing a "customized, localized, and refined" financial standardization system tailored to the actual conditions of Beijing's outer suburban villages. This involves leveraging township resources to address talent and supervision issues and refining systems and fund management based on the characteristics of the regional collective economy.

The findings of this study can not only provide a specific implementation pathway for standardizing the financial system of the surveyed village but also serve as a reference for similar remote mountainous areas in Beijing's Huairou, Miyun, Yanqing, and other districts. This can help Beijing's rural areas overcome financial management challenges, promote high-quality development of the village-level collective economy, and provide a solid financial guarantee for the in-depth advancement of the Rural Revitalization Strategy at the capital's grassroots level. However, this study also has certain limitations, as it only focuses on one village in Huairou District. The sample coverage is limited. Future research could expand the scope to include villages from different outer suburban districts and counties in Beijing for comparative studies, further refining the theoretical and practical 成果 on standardizing rural financial systems in Beijing's suburbs.

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The authors declare no conflict of interest.

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