



PFM: Bringing Data to Life
| Issue 2

DRIVING NEW DIRECTIONS IN GOVERNMENT ACCOUNTABILITY

VOLUME 1 EDITION 2

GIFMIS and Treasury Single Account Designs

On September 12, 2012, over 62 government managers were familiarized on the challenges of the current PFM environment. Key challenges of expenditure management include silo operations resulting to severe redundancies from data recording to preparation of reports, multiple sources of facts, parallel operation of manual and automated processes, high transaction costs and weak control on expenditure. To address these concerns the systems solutions were presented.

GIFMIS Conceptual Design

Building up towards a full cycle GIFMIS system, redundancies of activities will be eliminated from preparation of the budget to audit transactions the following can be achieved:

Expenditure Management

1. Single source of truth
2. Data capture once, provide needed reports anytime to authorized personnel
3. Significant reduction in efforts, time and cost in transaction processing and reporting

4. Online ,updated and ready access to allocations, expenditure, liability, payments, balances

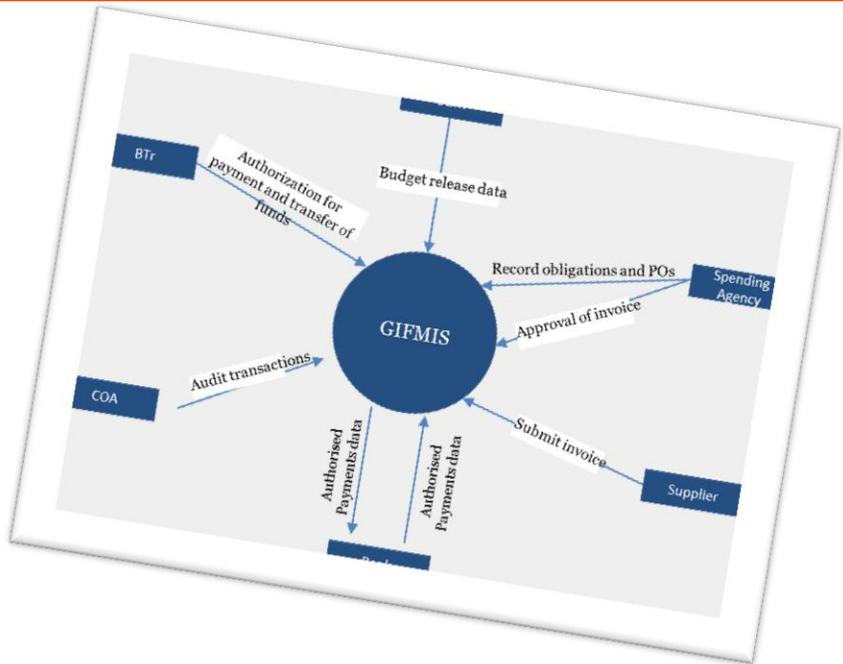
Auditing

Supplier Payment Transaction will provide controls to be configured in GIFMIS to ensure transaction integrity that reduces workload for 'Audit' Teams' **SUBSTANTIALLY.**

Policy Decisions needed

- ✓ Creating permanent structures with staff for GIFMIS implementation phase
- ✓ Identify Project Champion/lead from each stakeholder (including BIR, BOC for revenue data)

- ✓ Finalization of reengineered processes for PFM and scope of GIFMIS
- ✓ Specialized teams for fast track completion of Procurement for GIFMIS
- ✓ Recognition of electronic documents, signatures
- ✓ Role rationalization for stakeholders based on reengineered processes for optimal utilization of staff
- ✓ Common reporting formats and standards



FAST FACTS

62

Government managers from oversight and spending agencies attended the PFM Planning Workshop

IUEEUE

Irregular, Unnecessary, Excessive, Extravagant, Unconscionable Expenses.

FOR MORE INFORMATION

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Treasury Single Account design

Reality shows an inefficient execution of budget system due to partially outdated legal environment and complicated macro financial situation with increasing public deficit and excess liquidity in the economy.

The TSA pursues 5 main targets:

1. Ensure comprehensive control over Government cash balances
2. Facilitate Government Cash management
3. Substantially reduce transaction costs
4. Facilitate reconciliation between banking and accounting data
5. Introduce the same monitoring for other public institutions.

TSA will substantially improve public finance

- ✓ Manage the public debt more efficiently
- ✓ Manage budget more efficiently
- ✓ Improve the transparency in local Government finance
- ✓ Improve the transparency of GOCCs finance
- ✓ Reintegrate off budget accounts (OBAs)
- ✓ Improve substantially the financial markets.

Steps to be Undertaken to consolidate Treasury Accounts

- ✓ Discuss with banks to replace the float on collection accounts by fees
- ✓ Diminish the seed fund
- ✓ Cancel dormant accounts
- ✓ Management of the bond sinking fund to the requisites of the TSA
- ✓ Set-up new accounting organization to control all budget operations
- ✓ Implement GIFMIS to control operations in real time and reconciliation with other agencies
- ✓ Implement a capacity building program to allow the Treasury staff to handle the new instruments to be implemented.

