

Piloting and **Execution**

Manual for the **Budget Programme**

January 2013







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FOREWORD

The piloting and execution manual is a practical document with main objective to provide guidance for the implementation of the programme budget from January 2013.

It describe the way the programme, essential element of the performance based budget will be managed. The setting up of a management dialogue is a system of permanent dialogue set up to ensure that the activities implemented by the different stakeholders contribute to the achievement of the expected results. It also outline the traditional phases of the execution of the budget highlighting the modifications brought in by the adoption of programme budgeting. Finally, this manual presents the new vision of internal control whose objective is the mastery of budgetary operations and management processes to achieve the objectives of public policy.

Without claiming to be a substitute for the law enforced and the budget execution circulars, this guide is based on law n° 2007/006 of 26 December 2007 on the state's fiscal regime and supported by different circulars especially instructions relating to the execution, monitoring and control of the execution of the state budget, of public administrative institutions, decentralised local authorities and organs under subvention It also take into account the regional convergence criteria that apply in member countries of CEMAC, most particularly guideline n° 1/11-UEAC-190-CM-22 relating to the finance law of member countries and n°02/11-UEAC-190-CM-22 relating to the general regulations on public accounting.

This guide is directed to all actors in the expenditure chain: the authorising officers, the accountant, finance controllers, managers of resources, revenue collectors, heads of programmes, heads of action, heads of administrative units, heads of activities and those in charge of public contracts. It is likely going to meet the expectations of those who are more or less directly concerned with the management of public expenditure or by those who desire to acquire or perfect their knowledge within a short period of time.

This manual is basically a working tool which evolves with time depending on the necessities that arises by the gradual implementation of the programme budget and the total integration of the CEMAC guideline in the Cameroonian judicial environment.

THE MINISTER OF FINANCE

ALAMINE OUSMANE MEY

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List of abbreviations and acronyms

AC	Authorised Commitment
TCAO	Treasury Centralising Accounting Officer
ANTILOPE	National Computerised Application for the Management of State Personnel
ARMP	Public Contract Regulatory Agency
BOP	Operational Budget for Programme
PB	Program Budget
CADRE	Auxiliary Accounting of State Expenditures and Revenue
AB	Audit Bench
MTEF	Mid-Term Evaluation Framework
CEMAC	Economic and Monetary Commission of Central African States
FC	Finance Controller
CPAF	Classification of Public Administrative Functions
MA	Management Account
SGA	State General Account
GSA	General Stores Account
IBC	Internal Budgetary Control
IBAC	Internal Budgetary and Accounting Control
IAC	Internal Accounting Control
ICPE	Interministerial Committee for Programme Evaluation
PA	Payment Appropriation
SSA	Supreme State Audit
DEPMI	Computerised Price List on Public Expenditures

Liste des abréviations et des acronymes

GESP	Growth and Employment Strategy Paper
ECOFI	Economic and Financial Information
LC	Legal Commitment
EPA	Public Administrative Institutions
FCFA	CFA Franc
MR	Resource Managers
IBIS	Computerisation of Budget and Management of State Expenditures
FL	Finance Law
RL	Settlement Law
LSFR	Law on State Fiscal Regime
MINFI	Ministry of Finance
PC	Public Contracts
OCED	Organisation for Cooperation and Economic Development
PATRIOT	Applied Programme on the Computerisation of Treasury Operations
PIP	Public Investment Programme
CCP	Credit Consumption Plan
APP	Administration Performance Project
CAP	Contract Award Plan
APW	Annual Plan of Work
GPW	Global Plan of Work
PREBIC	Budgetary Preparation Based on Information Centers
PREPABIC	Preparation of Public Investment Budget
APR	Annual Performance Report
SFR	State Fiscal Regime
SG	Secretary General
SIGEFI	Integrated System of Public Finance Management
STC	Strategic Trend Chart
GT	General Treasury
PG	Paymaster General



GENERAL OVERVIEW

Aperçu Général

1.1 LSFR: VECTOR OF A REFORMED PUBLIC MANAGEMENT

For several years now, the Republic of Cameroon has embarked on the a vast scheme to reform the management of public finance crowned by the adoption of law No 2007/006 of 16 December 2007 on State fiscal regime (LSFR) which comes fully into effect on the 1st of January 2013.

The ambition of the LSFR is to proceed in modernizing the preparation, execution and monitoring process of the budget, and the integration of management-based on performance in the administration through budgeting.

Henceforth, the State budget is drawn up, adopted, and executed by programmes that portray public policy, and to which objectives and corresponding indicators of results are associated.

Beyond structuring budget by programmes, the LSFR specifically aims at ensuring a better understanding of public policy, improving operational performance, reinforcing the role of the Parliament in the area of evaluation and control of public policy, adopting the Cameroonian budgetary and accounting regime to the regional and international standards and practice in budgetary execution.

The LSFR does not only come to buttress the conventional principles of public finance management which target the compliance and consistency of operations, but also introduces new principle which are more or less adopted in member countries of OCED and some countries of the sub region.

The LSFR introduces new principles (see box below) targeting the reinforcement of budget credibility and the link between the budget and public policy, auto evaluation, transparency and accountability.

Besides, the LSFR leads to a reform of the role of public expenditure actors and the advent of new actors responsible for results in exchange to a better flexibility in the execution of the budget attributed to their programmes.

Budgetary Principles

Conventional principle

Authority: at each stage of the budgetary process, the one who holds the power of decision is specified. The supremacy of the legislation in the domain of public finance is an integral Part of this principle.

Yearly: budgetary authorisations are given for a period of 12 months.

Unity: the finance law presents income and expenditures in a single document

Universality: (i) in the budget, income and expenditures are presented in their gross sum, without set-offs among them and (ii) revenues are not attributed to any predetermined expenditures.

Speciality: credits are allocated to determined expenditures.

Balance: expenditure is balanced by income, loans and the needs for State financing and the modalities for covering them are outlined.

Modern principles

Sincerity: exhaustiveness, coherence, and precision of the financial information supplied by the State. This principle is based on private accounting law.

Performance: efficiency, effectiveness and relevance in the budget management.

Transparency: the duties of the different State organs are clearly established. Budgetary information of financial and non-financial nature is available to the public at the right time. Budgetary terminology is well explained.

Stability: budget and public debts are have assigned objectives which are in line with a mid-term financial framework which is periodically updated, on international commitments, like convergence pacts. The tax revenue base and other duties remain relatively stable.

Source : Loi portant régime financier de l'Etat-Cameroun ;Gestion des dépenses publiques dans les pays en développement – Daniel Tommaso – AFD – Août 2010

2 THE PLACE OF THE PROGRAMME IN THE BUDGET MANAGEMENT SET UP

The State budget brings together all the means for financial intervention of the public administration which involves many bodies working together to attain State objectives. The demarcation of the field of intervention of public administration can be done on the bases of functional nomenclature which classifies expenditures by outcome of public action.

Aperçu Général

At the level of the budget of each chapter (ministry) credits are presented by, sections, programmes, actions, articles and sub-sections.

The programme groups credits for the implementation of an action or a coherent group of action, from the same chapter, to which are associated specific objectives. The programme makes up credits specialisation units (section 10, Paragraph 1 of LSFR) and the stage for limitation of expenditure authorisation, in commitment and in payment. Besides, the programme is an operational piloting framework for public policy.

For reasons of operational piloting, programmes correspond to groups of Departments, divisions, and clearly identified services in the result chain which allow for better coordination. These groups must appear in the demarcation of each programme (see section 2.2.6).

An action being the elementary component of a programme to which are associated specific objectives which are self-explanatory and measurable by performance indicators, demonstrates how an administration intends to accomplish the programme.

Illustration :

Ministry of Public Work	Operational Methods
Programme : Construction of road network	Action 1. Tarring of structuring network Action 2. Engineering works Action 3. Tarring of non-structuring networks and rural networks Action 4. Opening of access roads

3 LEGAL FRAMEWORK OF THE BUDGET PROGRAMME

The execution of the finance law is structured by several judicial texts. First amongst which is the Constitution. The constitutional measures on public resource management are completed by other more precise texts which exclusively concern public finance.

Amongst these, we can specifically site law D°2007/006 of 26 December 2007 on the State fiscal regime which constitute the cornerstone for setting up of budgeting by programme based on performance.

The setting up of budget by programme based on performance, object of the aforementioned law, is equally in line with directives from the harmonised framework for managing public finance of CEMAC, inspired from good international practices in this domain.



1 BUDGET PROGRAMME PILOTING FOCUSED ON PERFORMANCE

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The approach of budgeting by programme based on performance relies on a logic that requires that from political orientations, the expectations of citizens (tax payers and public) the manoeuvre possibilities and mobilisable resources, each ministry sets strategic objectives and programme objectives. These objectives are outlined in the Performance Project of Administration (PPA) which is the main document for strategic and operational piloting.

The PPA is a programme drawn up by a ministry, presenting a summary of programmes that serves as the basis for budgetary defence. The PPA accompanies the draft law on finance to better inform the Parliament on the content of programmes, it outlines on the one hand, national priorities, past results, strategic objectives, etc. and on the other hand, for each programme, objectives, indicators and targets, and the solicited budgetary credits in AC and PA.

From the results obtained, one measures the differences and gives an account in the Annual Performance Report (APR). It consists of a vicious circle in which management based on performance is recorded, and helps to correct differences in the results.

Going from this global process of budgeting by programme focused on performance, management, programme follow-up and control, centers around this same logic of intervention and continuous improvement.

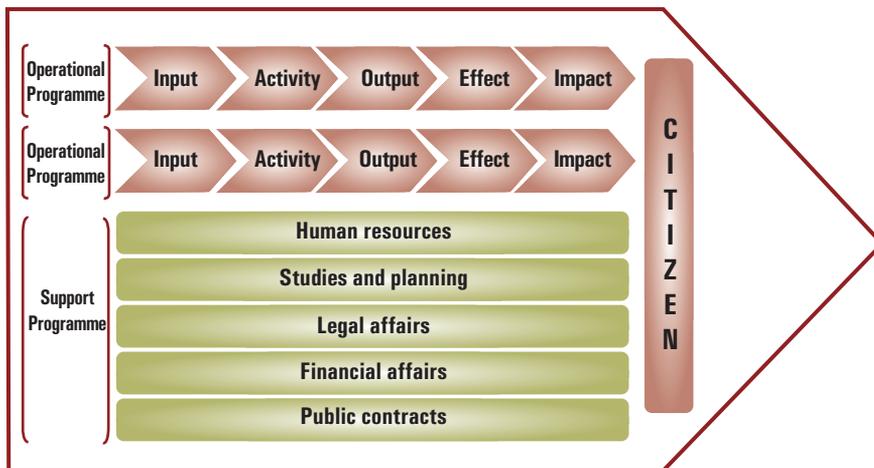
From the Budget Programme classification, programmes are broken down to actions, and actions to activities and activities to tasks.

The programme is the base of the Programme Budget, the platform for projecting public policy objectives. The programme is a collection of actions to be implemented in an administration for the achievement of a determined public policy objective within the framework of a function. Programmes are based on objectives and are supported by a clear strategy for their implementations.

Classified in two categories; operational programmes and support programmes. Programmes group together a collection of credits

destined for the execution of a set of coherent actions within the same ministry or constitutional organ. This excludes the option of inter-ministerial programmes whose actions depend on several ministries or constitutional organ and which will need to be treated later.

Diagram 1: Support Programmes and Operational Programmes



As shown in diagram 1, operational programmes are directed towards achieving results that will permit the satisfaction of citizens, and support programmes are directed towards operational programmes by the mobilisation of a cross section of means, permitting them to timely mobilise inputs and activities so as to reach their objectives.

Programme and Project!

« The LSFR defines programme as « a collection of actions, to be implemented within an administration in order to achieve defined public policy objective, in a Particular position».

This definition can give the impression that a programme is a project, with a beginning and an end; a timetable and objectives to achieve at a given period. This is not the case.

In the budgetary reform logic, a programme is a platform for presenting budgetary credits

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according to their socio-economic results. It defines the budgetary framework for the implementation of public policy. It consists of a global and limitative credit allocation.

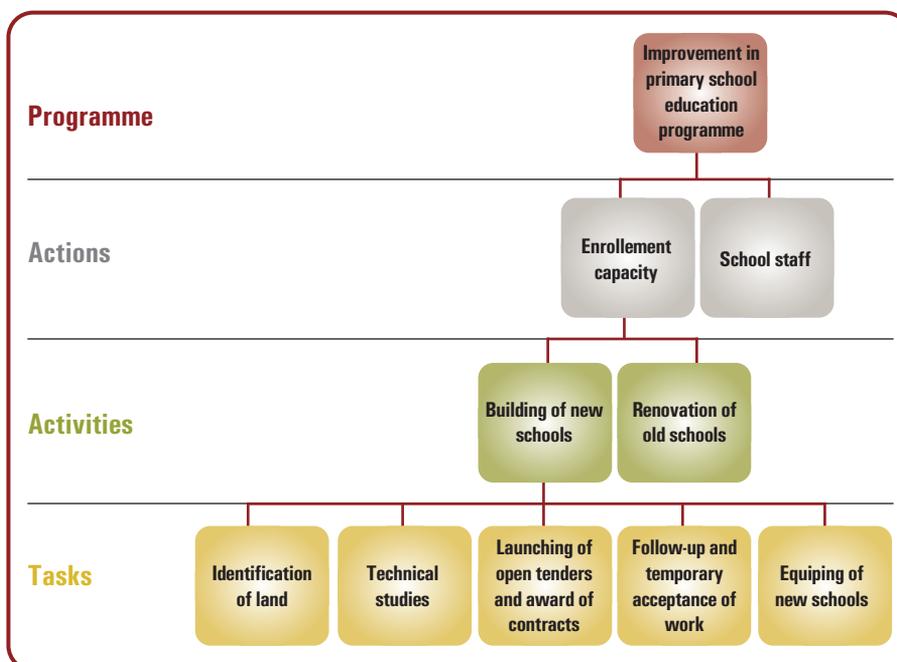
If its perimeter can be adopted according to the evolution of public policy, the programme is not called to end with the completion of a given project. It is a budgetary framework which should benefit from some amount of stability.

Source : Assurer la mise en œuvre du nouveau régime financier de l'Etat du Cameroun et la convergence avec le futur système régional de gestion des finances publiques – Xavier rame, Maximilien Queyranne et Marine Camiade – FMI – Février 2012

As the elementary component of a programme, the action aims at achieving an intermediary objective of a programme of which it is a Part. The action consists of a collection of activities to be executed within the framework of its implementation. Every action should be attached and remain under the responsibility of only one administrative unit, even if several administrative units contribute to their implementation. In the case where several administration units contribute to the implementation of a single action, a single administrative unit should be appointed head of the others, who shall be answerable to the head of programme for the objectives of the action and implementation of the entrusted activities.

Besides, it should be noted that activities (broken down in tasks) must be attached to only one operational service. One operational service can be responsible for implementing one or several tasks, but one activity can never be accomplished or implemented by several operational services. Hence, from diagram 2 that follows, the “construction of new schools” or the “renovation of old schools” can only be entrusted to a single administrative unit.

Diagram 2: Elements of the Programme



1.1 Actors of Performance

By actors of performance, we mean those involved in piloting, managing and monitoring performance at the level of the programme. It should be underlined that those said to be “functional” actors are also in charge of performance but exercise a supportive role in the area of performance.

Under the authority of the minister, the hierarchy pyramid, in the budget programme management mode, includes the head of programme, the head of action, the head of administrative unit, and the head of activity.

1.1.1 Heads of Programme

The Minister as the main vote holder of the Ministry, has responsibility for the proper execution of the programme and the production of the Ministry APR.

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For operational reasons, he appoints a head in charge of coordinating actions, activities and tasks of each programme. In this case, the head of the programme plays a piloting and coordinative role for the entire programme.

In the light of the results expected from the head of programme, it is necessary on the one hand that, he/she be appointed specifically by name and on the other hand that he have proven technical competence in programmes field of intervention. Besides, it is vital for the programme head to identify key actors within his team, responsible for managing actions and activities so as to better coordinate their implementation.

In practical terms, the programme head is in charge of:

- Drawing up the strategy, objectives, and performance indicators of the programme
- Selecting and putting programme activities in order;
- Ensure the sufficiency of resources for the programme result
- Support the definition of the constitutional frame work for the implementation of programmes
- Finalising the programme for its integration in the PPA ;
- Prepare the different reports to be produced within the framework of the programme
- Coordinating and managing the programme.

In order to coordinate and manage the programme, the Programme Head is expected to:

- Set up the strategic piloting and operational structure ;
- Prepare a management protocol at the level of programmes ;
- Identify within his/her implementation team, actors for the coordination of certain actions or a collection of activities.
- Coordinate the implementation, the monitoring and evaluation of programme actions, activities, and task.

- Collect and process the programme data for the production of the trend chart;
- Produce follow-up reports and the APRs in the aspects related to the programme ;

According to the new budgetary system, the heads of programmes are those responsible for programming, executing and monitoring objectives and their achievement. On this basis, they should be the authorising officers of their programmes budgets.

Head of Programmes and Payment Orders

For him/her to fully play his/her role, the programme head must be the authorising officer for the programme. On this basis, the Minister (principal authorising officer), delegates to the programme head the power to authorize payment for the programme he/she heads in accordance with section 4 (3°) article 51 of LSFR.

1.1.2 Head of action

For the coordination of each of the programme actions, the head of the programme is assisted by a head of action, who is responsible for piloting services. He is the operator required to execute the activities linked to the implementation of action and to collect and process data for the production of a consolidated implementation report of the action.

1.1.3 Head of Administrative Units

There are several types of administrative units, but in this present manual, heads of administrative units are heads of decentralised administrative units:

- At the level of local authorities, we have regional delegates, divisional delegates, heads of diplomatic and consular missions.
- At the decentralised level, we have general managers of public administrative institutions.

These leaders are special in that they answer for activities that can

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depend on different programmes. To this effect they are required to produce consolidated activity reports linked to their corresponding programmes.

1.1.4 Head of Activity

The head of activity is the one in charge of the operational service that carries out activity in the Budget Programme. The activity head justifies his/her results before the head of the administrative unit.

It should be pointed out that the function of the head of activity is dissociated from that of credit head. For reasons of efficiency, the credit for an activity can be managed by a third party, appointed discretionarily by the principal authorising officer or his secondary. The activity head must:

- Pilot the implementation of the programme till the end;
- Break down the activity into tasks, and evaluate the cost;
- Provide information on the timetable for implementation of the activity to facilitate monitoring by the head of programme ;
- Identify and supply information to monitor indicators of activity to ease the assessment of progress towards results;
- Provide necessary information, and report on the implementation of programmes.

1.1.5 Management Controller

The Management Controller is a key actor in the performance piloting set-up. He/she plays a central role in the management process of the budget programme. The activities of the management controller are important in the preparatory phase and the execution phase.

In the preparatory phase of the Budget Programme, the management controller ensures that all technical conditions are present to measure the performance of the programmes in the PPA. He/she must verify:

- The coherence of the objectives with the goals of public policy;
- The relevance of indicators in relation to objectives and their ability to report on the evolution towards the results of the programmes;
- The quality of activities, with regards to objectives and actions of the programmes;
- The relevance of the expected results of each activity in view of monitoring the performance of the administrative units;
- The homogeneity in the evaluation of the cost of activities and the quality of budgetary allocations.

Before the execution of the Programme Budget, the opinion of the Management Controller is very important in establishing the contracting process.

During the execution phase, the Management Controller has the duty of collecting, treating and commenting on the most relevant information on the implementation of all the programmes. This is to help the principal authorising officer take strategic decisions, focusing every action towards results. This duty consists of:

- Centralising all the operational trend charts of the programmes;
- Synthesising all the trend charts to make up a strategic piloting tool;
- Evaluating differences and the risk of failure in performance and propose corrective measures ;
- Keeping a cost accounting, in view of evaluating the cost of programmes;
- Producing Annual Performance Reports (APR) in close consultation with heads of programmes.

The stakes and challenges of the programme head is to be able to coordinate the implementation of the programme taking into account the hierarchical, organizational and regulating measures. Each of the actors mentioned above plays a specific role and it is

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up to the head of the programme to identify attributions and obligations for each of them at the activity and programme level, as well as the expenditure chain. This mission incumbent to the programme head imposes on him to have a synoptic table of actors clearly drawing out the attributions and missions of each actor on the results chain.

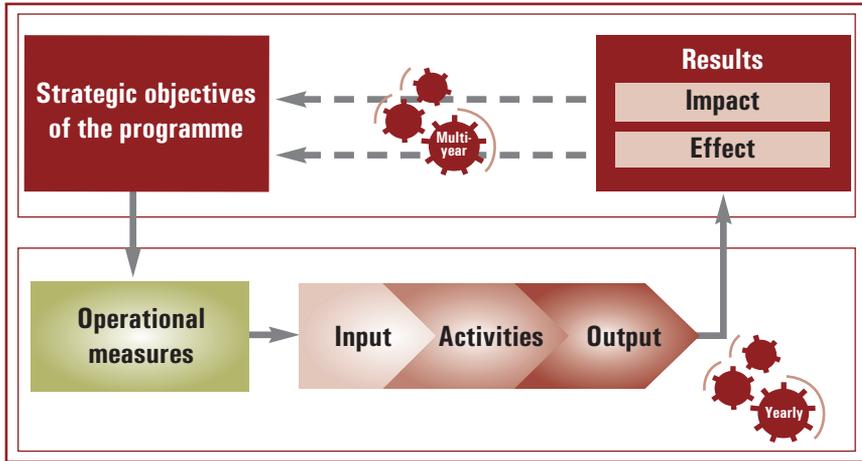
1.2 Strategic Piloting Setup

Strategic piloting is a monitor system set-up by each programme head to make sure that the programme under his/her responsibility is effectively and efficiently implemented in order to achieve the strategic objectives of the ministry. The monitoring system is not meant to get involved in the operational management of the programme, but aims specifically at providing the programme leadership, a framework for making strategic decisions, guaranteeing the fulfilment of the programme objectives.

The global plan involving the programme logic of intervention requires that, from the global and specific objective, the programme head must make operational arrangements so as to plan for provisions in terms of resources (human and material) to organise the activity and tasks necessary to produce outputs (products) which have an effect (intermediate results) and consequently, an impact (final result) of social and economic nature.

The strategic piloting setup is part of an approach by which, performance objectives are broken down at the operational level so as to make sure that operations are carried out in an orderly manner, to point out differences, and take corrective measures according to a coherent information organisation.

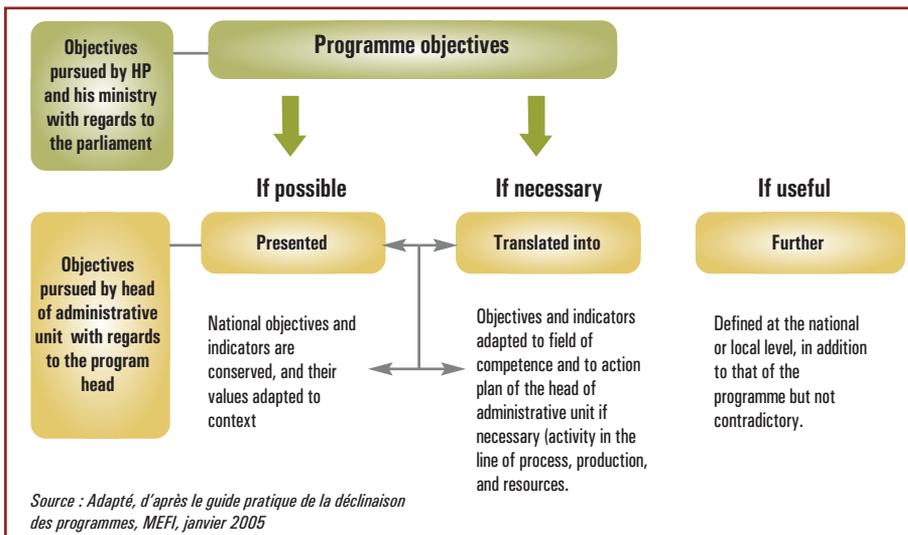
Diagram 3: Elements of the Strategic Piloting Setup



2.2.1 Outline of Programme Objectives

Objectives presented at the operational level (intermediate objectives or complementary objectives) must necessarily contribute to the achievement of the programme objectives and consequently the strategic objectives. Operational objectives are those pursued by operational managers (head of administrative unit and head of operational service) with regards to heads of programmes.

Diagram 4 : Outline of Programme Objectives



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Illustration :

Supposing we are in a programme: “improvement of penitentiary administrations”:

1.Objective 1 : “promoting professional integration of convicts” measured according to indicator of “number of convicts not qualified by a training”

2.Objective 2 : “reinforcing the security of penitentiary institutions” measured by the “number of prison escapes”

Objective 1 will be presented as it is at the level of action, it will be taken as it is by the head of administrative unit who ensures the monitor of indicators from each penitentiary institution. He will have to follow up the “percentage of convicts’ failing to qualified after going through a training”. The main average from all the establishments shall appear in the indicator at the programme level.

Objective 2 will be presented as intermediary and complementary objectives. In fact, to reinforce the security of penitentiary establishments, the head of administrative unit must set as objective “to carry general and sector searches” per regional head quarters. These intermediary objectives, enables amongst other intermediary objectives, to reinforce the security of penitentiary establishments.

This same administrative unit head reckons that other support actions can lead to the “reinforcement of security of penitentiary establishments like the training of agents”. For this, he provides for another complementary objective which is to “develop continuous training for staff” measured by the number of training days per agent”.

Definition of objective is capital for strategic piloting to find its place in the daily function of the programme head. To pilot objectives, actions, activities and the necessary resources, you must have the best objectives and indicators at every level.

Programme Objectives Conveyed into Intermediary Objectives

Programme 468: “Road Network Maintenance” has the strategic objective of clearly improving the road network services. This objective will be presented in the programme as follows:

- Ensure the best safety conditions for traffic ;
- Ensure proper maintenance of the network

To reach the programme objectives, administrative units must implement maintenance, construction works etc.

For these administrative units, the operational and intermediate (level I) would be :

- Increasing the frequency of road maintenance.

This action gives birth to different activities whose works are controlled by engineering and the management of subcontracted works, support activities for running of service etc. for these activities the operational or intermediate objectives (level II) will be (for example) to :

- Reduce the delivery time for subcontracted works

Strategic piloting depends on the working of objectives and actions; in this capacity, the programme head must depend on certain trend charts which help to integrate action levers in the cause and effect chain according to a logical framework.

For the purpose of operational intervention, this logic must be described in a logical framework Matrix, drawn-up by each programme head. This helps to:

- Improve the programmes logic of intervention
- Increases the probability of reaching results ;
- Verify if the interventions are sufficient to build the result chain
- Reduce the influences of hypothesis and risks ;
- Determine follow-up indicators and questions of strategic evaluation.

Objectives as performance indicators described in the LFM help to mobilise teams; and must be presented as objectives and indicators which are directly linked to action levers at the operational level.

To better align activities at the operational level on the programme objectives, the programme head must primarily defined the level of results; then present the results of activities to be implemented and finally the resources to mobilise for the deployment of these activities.

1.2.2 Identifying Elements that Determine Action

Each programme head identifies action levers which help to reach national objectives. Action levers materialise amongst others by

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adjustment in internal processes, by reallocations of means and resources, by administrative reorganization, or by continuous amelioration of service quality, etc.

What is an action lever?

An action lever is every performance amelioration factor, that is to say, either a modification of resource allocation helping to increase the volume of activity, or modification process which helps to improve the socio-economic efficiency.

According to the means provided, the achievement of a socio-economic objective can therefore come by :

1. A structural adjustment, namely by revision of the concerned public policy concept itself (for example, a modification of the criteria or the modalities for considering a measure of intervention) ;
2. An adjustment in established law, of processes and activities linked to the implementation of public policy (for example : granting operational agents a greater latitude to select the most appropriate set-up for intervention, training of agents, adapting the employment structure to the necessary qualification ...)

Actions levers concerned at the action and activity level, are non D-budgetary and are based on organisation process, tools, relevance, training etc.

Source: adapted from circular D°DAGPB/AF2/2007/60 of 2 February 2007 relating to the Ministerial Reference for Management Control – Ministère de l'Emploi, de la Cohésion sociale et du Logement Ministère de la Santé et des Solidarités - République française.

Action levers must result from a careful follow up of trend charts. In fact every programme head is required to draw up a synoptic table which brings out all the actors (head of programme, head of action, head of administrative unit, and head of activity) the objectives and performance indicators. This table helps the programme head to have a general view of the stakes and the challenges of his programme and indirectly identifies action levers which help to improve results.

1.2.3 Management Dialogue

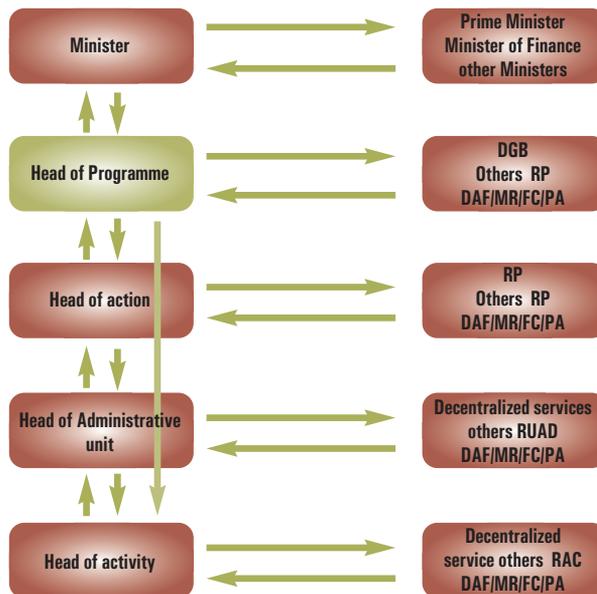
The Management dialogue is a structure for permanent consultation set-up within the framework of a programme to ensure that activities

implemented by different actors of the programme work together for the accomplishment of the expected results. This structure is set up to facilitate communication between different actors to reduce administrative sluggishness and favour a better participation of various parties in the accomplishment of its objectives.

Management dialogue falls out of delegation of responsibilities and is managed by programme heads according to the following main axis

- A horizontal axis between a programme head and other operational programme heads or support programmes ;
- A vertical axis between the programme head and operational heads (head of administrative unit and operational services) responsible for the implementation of action and activities ;
- At the territorial level, management dialogue covers local actors like chiefs of regional and local authorities ;
- Management dialogue also extends to operators (public institutions) concerned by the realization of the programme objectives.

Diagram 5: Process of management dialogue



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Management dialogue is all the exchange processes between two levels of hierarchy or management in relation to the volume of means and the assigned objectives, that is, “setting up objectives and means”. In practical terms, it is based on the approach of performance, on the programming of activities, and on means. It is actually registered in a budget calendar (budgetary calendar) and organises the new roles of the management chain.

Organizing Management Dialogue

“As to what concerns the actors and the periodicity of meetings in the framework of management dialogue, care must be absolutely taken not to fall in conferences. Management dialogue comes to complement traditional communication channels within the administration. That is why you should avoid to adopt an over systematic approach in the implementation of management dialogue”.

Globally, it has to do with the setting up of an organisation that helps different actors to exchange on all programme aspects according to a predefined timetable. Tools for running management dialogue include ministerial charter for management dialogue, management protocol, trend charts, execution reports, financial statements etc.

A dialogue forum is the best place to discuss the conditions for implementing a programme to overcome all difficulties in managing activities. This forum must consequently bring together, the main actors, directly or indirectly involved in the technical or financial execution of programmes. It offers programme heads a real opportunity to make the programme a dynamic reality.

The programme head is the key person in the performance centred Budget Programme and reports to the Minister, as he/she is responsible for the implementation and fulfilment of programme objectives at the operational level. In this capacity, he/she must have a certain amount of autonomy and prerogatives to allocate the resources placed at the disposal of the programme.

Programme management should be respectively delegated to

administrative head and to head of operational services that play a management role of the parts of the programme assigned to him/her and accounts to the programme head for the part of the programme under his/her responsibility.

This is a chain of responsibility centred on performance which involves the mobilization of all the agents around performance. This chain also extends to other actors, namely managers of resources, public accountants, financial supervisors, who maintain their respective roles in the expenditure chain.

Management dialogue also extends in a constant manner to the heads of support programmes. Support programmes represent the structure that ensures the role of finance, budgetary, HR, studies and planning, legal matters etc. within a ministry or institution.

Support programmes are mainly in charge of coordinating the preparation, execution and budgetary follow-up. It is made up of public agents having a mastery of the subject of finance and expected to assist other programmes (operational) in the financial execution of their activities with a desire to ensure efficiency in the execution of public expenditure. This function is not to be confused with that of “credit head” who has the power of decision in the use of budgetary credit

Conditions for Success in Management

A set up for management control:

Each programme head uses a management control to improve the relationship between committed means and activity developed or the results obtained; within the framework determined by the programme strategy.

A performance comparison exercise:

Indicators help each service to verify its results by comparison with other, within the programme and with regards to other actors out of the programme. It is a means of detecting good practices, key factors for success and improvement margins. The determination of the result to be targeted can not only be by an authoritative decision taken at the central level. It must be the result of commitment taken by each service in view of increasing performance levels taking into account the means that are allocated to it. Convergence is thus progressively

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organised for all the services toward the level of performance achieved by the most effective amongst them.

Staff association:

The mobilization of each service around its commitments supposes a wide internal preliminary consultation, namely through joined technical committees

Source: http://www.performancepublique.budget.gouv.fr/fileadmin/medias/documents/ressources/guides/guide_performance.pdf

In order to put in place management dialogue at the ministerial level, it is indispensable for the organisation and the coordination of this dialogue to be entrusted to a single head, namely, the Secretary General of the Ministry, who holds a reasonably high position in hierarchy granting him this responsibility.

Management dialogue should be worded in the ministerial management charter, widely propagated within the Ministry. Management dialogue must lead to the continuous improvement of this charter so as to correct incoherencies which appear and/or take account of possible evolutions in the organisation chart or attributions. The ministerial management charter must integrate the function of management control and piloting performance in the administrative process.

Illustration :

Organisation of management dialogue in the French Ministry of Agriculture: the key role of the Secretary General, head of "support" programme

"To structure management dialogue, the Minister of Agriculture uses in a unique way, objectives and performance indicators of support programmes which are discussed with the heads of other programmes in a manner that properly takes into account their expectations."

The Secretary General of the Ministry in charge of support programmes therefore, pilots management dialogue from the angle of ministry efficiency. This evolution was accompanied by a voluntary deployment of management control at regional and divisional level with creation of post).

The modalities and calendar of management dialogue were thus defined:

- The first semester is devoted to ministerial exchanges for the allocation of means to programmes ;

- As from September, dialogue with the head of BOP is specified on the bases of a pre-notification of allocation (in October) and the programming (compulsory) of activities;
- After local validation of activity programming, the final notification of the means is fixed (November ending)

While permitting the development of bilateral dialogue between each programme head and each regional director of agriculture (the territorial head of BOP) the Secretary General organises formalised meeting between field actors and all the heads of programmes in two forms:

- A meeting in June between all the heads of programmes, two representatives of the regional head offices and two representatives of operational units, to draw lessons from the past management and prepare the BOP of the following year ;
- A meeting in September between all the programme heads and the heads of BOP (especially all regional directors) to specify modalities for the drawing up of the budget for the next financial year.

Management Dialogue should also be organised at the level of each programme and formalised in a document called management protocol.

Organization of management dialogue at the programme level is incumbent on the programme head who ensures its formalisation in a management protocol. This management dialogue concerns both operational as well as support programmes.

Illustration :

Perimeter of management dialogue at the programme level, management of the cash position of the government and debts, public accounting and financing of the economy

Within the frame of the strategy for « consolidation of decentralization process of MINFI, programme III management of the cash position of the government and debt, public accounting and financing of the economy , the programme head of which is the Director General of the Treasury, and of Financial and Monitoring Cooperation (DGTFMC) has adopted as objectives:

Objective 1. Ensure effective execution of public spending in the safest and quickest conditions

Objective 2. Ensure the adequate financing of the growth and employment strategy in the best conditions of costs and efficiency.

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Actions contributing to objective 1 are :

- Execution of expenditure : which has for objective (level 1) to reduce the dateline of payment for public expenses, responsibility of fulfillment of which pertains to the administrative unit “public accounting head office”
- Public sector accounting : which has for objective (level I) to supply reliable budget execution situation as soon as possible, responsibility for accomplishment belong to the administrative unit “ Directorate of Public Accounts” (DPA)

The activities of action 1 are as follows :

Expenditure control and approval : which has as objective (level II.i) to reduce the number of irregularities;

Payment of expenses : which has as objective (level II.ii) to define payment dateline suitable to the accountant ;

Establishment of management account : which has as objective (level II.iii) to draw-up reliable accounts ;

Creation of ministerial paymasters: who have as objective (level II.iv) to create five operational ministerial paymaster offices.

The responsibility of the implementation in this case lies under the division of the State budget and Account Regulation Division which implements a number of tasks to be share amongst:

- Management Account Services (MAS) ;
- The State Budget Regulation Service (SBRS) ;
- Account Results Analysis and Exploitation Service (ARACS) which is responsible amongst others for the coordination of the activities of network accountant; Accountant of the Regional and Local Authorities (ARLA) and Accountants of Public Authorities API

We notice a presentation according to a descending approach at the level of the chain of results and a chain of responsibility of programme objectives. The fulfillment of these objectives depends on the implementation of actions, activities and the tasks at the operational level. All actions cited above and many others, namely the computer division (CD) and the General Affairs Division (GAD) contribute to the implementation of the strategy and objectives outlined in the operational level and make up an integrated part of the process of management dialogue.

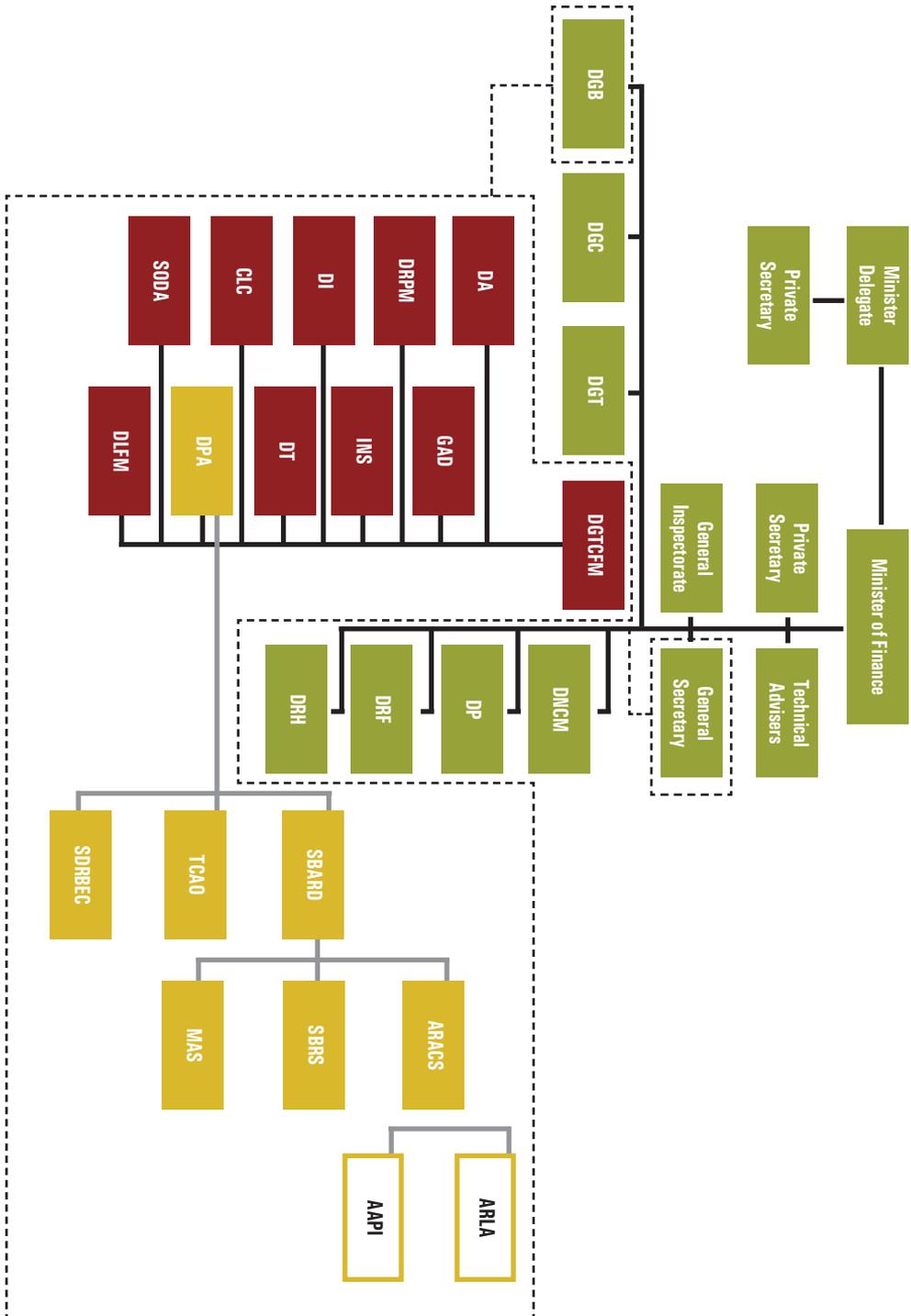
Other actors out of the perimeter of the programme (the Directorate General of Budget DGB and the Secretary General (SG) are also Part of management dialogue so as to bring together all conditions for the fulfillment of objectives.

The process of management dialogue also includes actors at the decentralized level (ARLA) and actors at the level of operators such as EPA’s and (AAPI’s).

Hence management dialogue is an information exchange process and consultation at the vertical and horizontal levels which helps through ascending and descending communication channels the accomplishment of programme objectives.

Source : Eléments de la performance tirés stratégie du MINFI – ADE – Octobre 2012

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1.2.4 Formalising Management dialogue

Formalizing management dialogue at the ministerial and programme level is done through the drawing up of two distinct documents: the ministerial management charter and the management protocol at the level of each programme.

Ministerial Management Charter

Ministerial management charter is a multiyear ministerial document which formalises the roles and responsibilities of the different actors who contribute to the implementation of programme objectives. The charter specifies areas of autonomy and the responsibility of actors, rules and sharing channels as well as information circulation.

Some elements that constitute the ministerial management charter

Presentation of the new management principle specific sharing of roles and responsibilities

- Performance actors
- Functional actors

Management calendar

- Budgetary calendar and performance stage
- Scheduled deliveries and deadlines

Performance piloting

- Modalities and calendar for drawing up PPA
- Organization of management dialogue
- Modalities for drawing up performance documents
- Modalities and information circulation channels
- Modalities for management control
- Modalities for drawing up APR and accounts of administration.

Management roles and financial reporting

- Modalities and the calendar for drawing up Budget Programme
- Mechanisms and actors of internal control

Coordination mechanisms within the ministry

- Vertical coordination mechanism
- Horizontal coordination mechanism

Appendixes.

Appointment of actors.

Directory ROP/RUAD/RSO/etc.

Directorate of functional actors (MR/PA/FC/etc.)

Procedure for the revision of management charter

As a multiyear framing tool, the management charter must be stable over time so as to ensure the consolidation of good practice. Its content must be very simple to be used practically and accessible to all stakeholders.

Management Protocol

The function of coordinating management dialogue is the duty of the head of programme, supported by the management Controller who contributes to the progressive improvement of this dialogue and formalise it at the programme level within the framework of a “management protocol.”

Management protocol is a document which organises within a programme the process of operational planning, actions, activities, means, communication network and the process of follow-up and reporting. The management protocol drawn-up at the level of each programme organises management dialogue within the programme and serves as a communication apparatus that harmonises the working process.

Management protocol enables clarity within programme, rules of the game and responsibility between the different actors, specifies the autonomy of each actor and determines the rules of publication and circulation of information.

1.2.5 Contractualisation

Contractualisations results in the conclusion of a contract of objectives and of resources (or others) between the minister and the operators responsible for their execution.

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Public institutions and public cooperation, those that receive allocations from State budget are operators who contribute directly or indirectly to the accomplishment of the ministerial programme.

Characteristics

- Form : Existence of a legal transaction bearing the stamp of concerned Parties in the implementation of the contract ;
- Obligation: Clear wording of the commitment of each concerned party
- Control: Involves indicators for the implementation of the contract clauses.

In this capacity, against allocation attributed, formalised performance contracts can be signed between the head of programme and his operators so as to agree on the resources to be mobilised in the short term (three years) against the expected results.

This approach has the advantage to renovate and modernize the relationship between the supervisory authority and operators and reorganize the process of budget preparation of operators, by orientating them towards results.

Why contractualise?

- Guarantees a better visibility of public action
- Privileges a logic of results over that of means
- Make operators responsible
- Modernizes public management.

The logic for setting-up contractualisation is to ensure that, the institutional framework for the implementation of programmes through formalisation of commitments is clarified between actors to achieve specific programme objectives. The bases for the setting-up of contractualisation are consequently the strategies and the programmes registered in the PPA.

The contract signed must have a multi-annual validity (mid-term), to give time to operators to achieve expected objectives. Multi-annual stated here represents three years; this will permit the operator to make provision for mobilisable resources within the framework of mid-term expenditures of the sector.

Elements of a three year performance contract

General context

Fundamentals of a multiyear performance contract

Diagnostics and situation report

subject of contract

Line 1 :

Objective 1.1 :

Objective 1.2 :

Line 2 :

Objective 2.1 :

Objective 2.2 :

Coherence of the contract objective with the operators strategy

Commitment of operator

Three year budget

Self-generated resources

Allocation on State budget

Three year action programme

Follow-up and evaluation structure

Achievement indicator

Adjustment mechanisms

Appendixes

Past contracts

Regulatory texts

Action plans, etc.

Contractualisation is not part of the process of denationalization of public service, on the contrary, it is a tool that seeks to consolidate public services through a synergy of actors for the accomplishment of shared objectives. Contractualisation potentially concerns all

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operators directly or indirectly involved in the implementation of programme strategy.

Ingredients of a good contract.

Objectives :

The writing of a contract requires a clear identification of the objectives to be achieved.

Means :

To attain objectives, we need means.

Management control :

Commitments based on objectives or on means has little significance if the contractors do not know what is really going on.

One of the three preceding levels is at times absent in some contracts. A contract can be negotiated or subject to an amendment: this is the normal life of a contract, the contractual approach seeks more efficiency than perfection..

Source: Délégation interministérielle de la réforme de l'Etat – France – Guide méthodologique sur la contractualisation dans le cadre du contrôle de gestion.

The implementation of such a process requires the determination of persons and units in charge of the operations planning stage, the implementation, the monitoring, and finally, the rendering of accounts and reactions.

1.2.6 Programme Map

Every programme head is held by the organisation chart of the ministry, to draw up his/her programme map. That is, to identify all the ministerial structures (head office, central services, decentralized services etc.) or the operators (public institutions, supervisory bodies etc.) or project management units which are responsible for managing projects for the implementation of all or a part of the programme.

Example of Programme Map

Ministry : Ministry of Economy, planning and Regional Development

Programme : support programme

Head of programme : Secretary General

Services of the Headquarters

Private secretaries
Technical advisers

Joined services

Inspectorate General
Legal affairs Division

Public Relations and Communications Division

Computer Division
Follow-up Division
Translation Unit
Division of Documentation and Archives
General Affairs Division

Decentralized services

Regional Delegations
Divisional Delegations

Institutions and attached bodies

National Institute of Statistics
Technical Committee and Follow-up of PAS

1.3 Management Control Setup

The management control structure aims at mastering activities for the expected results to be achieved. The management controller has the mission to facilitate within the framework of a real culture of results, piloting in the administration under the performance approach.

Management control is inherent to the strategic piloting process of programmes. It helps to make provision, follow up and analyse each programme. The goal of control structure is not to detect irregularities (repressive control) but to make sure the risk for non-performance is minimal, through a permanent follow-up in view of reaching the objectives of the programmes.

The operationalization of management control requires the setting up of an operational planning system, based on the monitor of indicators and analysis of final costs from public accountants (general accounts and cost accounts). Her implementation is facilitated by contractualisation and the performance monitor structure.

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Management control is placed by the programme head to facilitate strategic piloting of the programme.

Characteristics:

- Institutional framework: the function of management control is ensured by a structure or a management controller, appointed by the programme head.
- Structure: It relies on a technical information and financial system of programme follow-up built around indicators of implementation.
- Tools for communication: Piloting data of programmes are kept in a general table (trend chart) which help to ensure a smooth execution of programmes.

Management Control

"Management control is a setup which supply and direct management dialogue between different levels of an administration, by bringing knowledge of cost of activity and results which helps to improve the relationship between commitment means and results obtained."

Concretely, the management controller place at the level of the programme heads, facilitate piloting by:

- Participating in the definition of programme objectives and indicators ;
- Preparation of the strategic piloting framework for the programme;
- Coordinating the formalisation and the presentation of performance objectives and indicators at the operational level.
- Coordinating the writing of the PPA and APR ;
- Overseeing the setting-up, follow-up and evaluation system within a programme ;
- Conception and providing informations for the trend chart of programmes ;
- Identification of mobilisable action levers and corrective measures to improve performance ;
- Analysis of budget execution and differences in results ;
- Organize the communication of good practice in the area of performance based management.

Positioning of Management Control

The setting-up of management control requires the creation of a management control cell within each Ministry attached to the the SG and the appointment of a management controller by each head of programme. At the Secretary General this service is led by an officer who manages and pilots the work of the management controllers placed by the programme heads.

The team is made up of high level senior staff with confirmed competence in the subject area of finance management to evaluate the cost of programmes. Operationalization of management control requires the setting-up of an operational planning system by monitoring indicators and analysis of end results of public accounts (budgetary, general and analytical accounts), its implementation is facilitated by contractualisation and the management dialogue structure.

1.4 Operational Piloting Set-up

Within the framework of Budget Programme centred on performance, organizational functionality requires the setting-up of 3 independent but intimately linked structures:

- A strategic piloting set –up of programme under the competence of a Ministry or institution so as to guarantee the attainment of strategic objectives ;
- A control set-up to facilitate the strategic follow-up of programmes ;
- An operational piloting set-up capable of bringing together all actions, activities and tasks implemented in the framework of a programme.

These three structures integrate perfectly in the process of global piloting through performance.

The planning set-up at the level of the programme head, involved preparation, the support of PPA, a synoptic table of the programme objectives (see appendix 2) which give a general view of the programme objectives by actions and activities for each level,

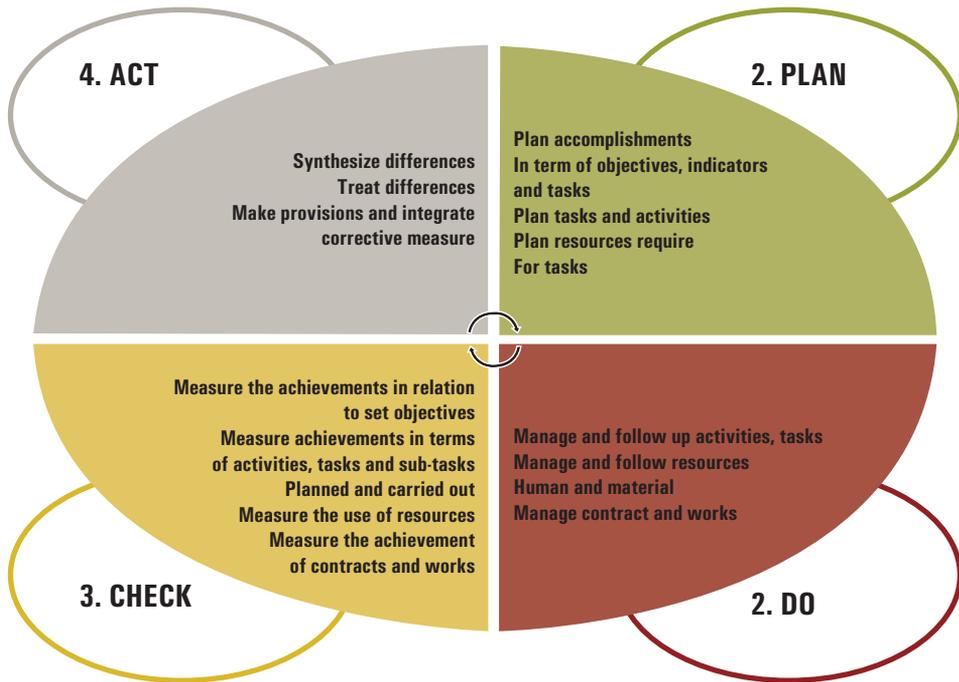
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objectives and indicators to measure performance (see illustration in appendix 3). The programme head must make provision within the programme to ensure a network supply system of indicators which permits the supply of verifiable and reliable data.

In addition, the planning set-up equally involves the drawing-up of another trend chart which traces the means put at the disposal of the programme, actions, activities and tasks. In this case, the synoptic table of means (see appendix) carries a quarterly sharing of authorised commitments and payment appropriations which help to follow-up their use.

Diagram 6: Piloting process for BPA (detailed diagram)



These tables help the programme head to draw up at the beginning of each year, after the voting of the FL, a summary table of programmes with all the elements that is ; the actions, the objectives and the performance indicators as well as the means put at the disposal of the programmes.

Summary Table of a Programme

Ministry :

Summary table of a programme

Summary presentation of the programme strategy :

Logical framework register :

	IOV	Source of verification	H&R
Global objective			
Specific objectives			
Expected results			
Activities			
Tasks			
Total means :..... Thousands of FCFA			

Table of means per action

	D-1		D		D+1	
	AC	PA	AC	PA	AC	PA
Action 1						
Use of goods and services						
Salaries and other staff expenses						
Common transfer and running allowance						
Fixed assets of the State						
Investment subventions						
Action 2						
Action 3						
Grand total (Thousands of FCFA)						

Table of Indicators

	Unit	D-1	D	D+1	Target Value D+ X
Objective 1					
Indicator 1.1					
Indicator 1.2					
Objective 2					
Indicator 2.1					
Objective 3					
Indicator 3.1					

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In terms of follows up, this table should be supplied in an accountant or non-accountant approach with the credit consumption undertaken by activities, which helps to notify of possible transfer, withdrawal or cancellation of credits on time. This consequently helps to bring out at the programme level credits (in Ac and PA) transferred (in + or in -) deferred, withdrawn or cancelled.

Certainly, the supply of elements to the table for monitoring means (see appendix 5) is done by the movement of information from bottom upwards through reports and tables supplied respectively by heads of activity and heads of administrative units.

Once, the programme head has a corporate vision of the programme, actions, activities, and tasks as well as the objectives and the means of achieving them, he proceeds (in collaboration with the head of administrative unit and the head of activity, with the support of the management controller) to carry out operational planning of objectives and indicators (see appendix 6). This table help to follow the achievement of indicators throughout the year and correct eventual delays observed.

The programme head proceeds to summarize the annual plan of work of the different heads of activities in a general plan of work (GPW) which helps to follow-up the implementation of tasks (see appendix 7). The GPW is presented as a time chart of task and serves as a means of cross checking task outlined in the different APW and equally to verify the coherence of all the tasks (all activities together). This helps to avoid duplication.

The implementation of activities of a programme depends on the unequivocal definition of the expected outputs, the re-examination of budgetary credits associated with the activity from the perspective of the economic nature of the expenditure and the organisation of work, as well as its execution.

1.4.1 The Operational Planning Process

On the bases of the job done during the preparation of the budget, the operational planning process begins once the FL is voted.

Concretely, the work consists of breaking down the actions into activities and the activities into tasks.

At this stage, the head of activity under the supervision of the head of administrative unit and the head of the programme have to

- Identify operational objectives for the year, with indicators and targets ;
- Plan the tasks necessary to reach those objectives;
- List out the human, material means necessary for the accomplishment of these tasks.

This work gives rise to the production of three fundamental documents namely:

Annual Plan of work

The APW helps to ensure an effective execution of the annual instalment of the BP. It is a reference document for the follow up and evaluation of activities during the budget year.

The APW (see appendix 8) takes the form of a table with many columns, including amongst others, activities broken down into tasks, an execution time chart, rating (the weight of each task in the activity), the mode of execution, services in charge, credits opened etc.

Credit Consumption Plan

CCP (see appendix 9) gives the commitment plan or withdrawal to carry out for each activity and for each period of the year (per month). The CCP is established by activity in a consolidated manner, by action and by programme and gives in relation to APW, the level of projected consumption (monthly) of allocated credit.

Plan for Contracting Services

PCS (see appendix 10) gives the calendar of contracts to be awarded in the framework of the execution of projects considered

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in the current year programme. The PCS helps to give a global vision of all the contracts to be awarded within each ministry during a year with the goal for better management.

These plans should be consolidated at the level of each head of administrative unit and at the level of programme head. Hence each head of administrative unit should have a consolidated APW, a consolidated CCP and PCS for all activities, and each programme head has an APW, a CCP and a consolidated PCS for the entire programme.

1.4.2 The Implementation Process

The introduction of budgeting through programme centred on performance brings innovation in the public management process. Parliamentary authorisation through the finance law is not simply an authorisation to spend but above all an obligation for results.

Drawing from this observation, the activity of Government which was formerly examined and evaluated at the political level is presently taken into account in the finance law through programmes and actions with matching objectives and indicators of results.

Each activity implemented within an administration is supposed to contribute directly to the achievement of the objectives of a programme. The programme is presented thus as a framework for the running of activities and services. Each programme is piloted by a head of programme who becomes the key actor on the execution of the budget.

The implementation consists of following activities, tasks, resources, contracts and works. The head of activity is at this level the first person responsible for the execution of tasks. To this effect, he has to keep the daily monitor record, of tasks, contracts and work to be done (follow-up the deadlines and deliveries etc.). He must also ensure the mobilization of resources (human and material) necessary for the smooth execution of tasks.

At the budgetary level, budgetary credits are mainly open within the

framework of programmes whose implementation brings into play many administrative units. Hence, credits for a programme are shared between several administrative units generally, developing functional links amongst them. This is even more possible in a programme where the actors are at the decentralized level or operating out of the ethical sphere. The first issue in budget execution is to ensure maximal and coordinated use of budgetary credits for the same goal as the objectives and expected results of programmes.

Besides, once the same administrative unit benefits from several budgetary credits shared amongst different programmes, the issue for each administrative unit is to use all its credit and give accounts if its results in the programme in which it participates. Within the administrative units, there are common means with specific results.

1.4.3 The Monitoring and evaluation Process

It is a continuous process of collection, treatment and analysis of data of a programme with the goal of estimating and as the case may be correct its implementation with regards to the results desired.

Follow-up does not consist simply of periodically communicating information to programme piloting actors, but involves the setting-up of a system of information notably a set-up to collect and diffuse data as well as specific related tools.

Characteristics:

- Goal : helps to assess and identify corrective measures so as to guarantee expected results;
- Coverage : it is specific to each programme ;
- Impact : covers all the activities of a programme ;
- Tool: needs the setting-up of an information system oriented towards the production of the trend charts.

The follow-up structure is not designed to get involved in operational

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management of programmes but targets more specifically to offer heads of programmes a framework for the taking of strategic decisions to guarantee the achievement of programme objectives.

Follow-up

"Follow-up can be defined as 'the continuous process of systematic collection of information according to chosen indicators, to supply to managers and to stakeholders of an on-going action, collection of elements on progress achieved, objectives attained and the use of allocated funds.'

Source: OCDE/CAD, glossaire des termes de suivi évaluation

Follow-up consists of comparing results obtained against results projected, bringing out differences, and identify the origin of differences and corrective measures to remedy them. Follow-up is done on the basis of the trend chart and results are stored in the follow-up report to be submitted to the head of administrative unit and to the head of programme.

As to what concerns procedures and implementation tools, they are all focused on production and analysis of a strategic trend chart (STC). The strategic trend chart is the result of all the trend charts produce within the framework of programmes, actions and activities.

STC has the peculiarity to focus and group together sufficiently pertinent indicators which give account of the evolution of programmes towards results. Orientations for the construction of trend charts are given in the section on programme follow-up.

The follow-up trend chart (see appendix 11) is designed as a synoptic table of progressive analysis presented in a systematic manner in the short term the level of attainment of projected objectives. The follow-up trend chart is directly the image of APW.

The follow-up trend chart is useful at all levels (level of heads of programme, heads of administrative units and head of activity) just

as it is useful at the level of central administration as well as decentralised administration. This chart can also serve entities responsible for projects that appear in PIP.

Key Questions to Ask in Monitoring

1. Was the result obtained partially or fully? (Achievement expressed in terms of performance indicators. The related references and the beginning line).
2. Is the implementation on track or corrective measures needed to be taken?
3. What are the products (out puts) generated so far? Are they as effective and efficient? How did they favour the obtaining of results?
4. What about the Partners? Are they Participating in the implementation as expected? Have we worked with new Partners? Are there Partners with whom we have not worked whereas that was scheduled?
5. What are the challenges of risks encountered in the implementation? In which way did they influence the implementation of activities? What measures can we take to face this challenge or risk or to surmount them?
6. Were the questions and problems identified addressed?
7. Who effectively benefit from the implementation? Are the beneficiaries those that were programmed? Are they involved in the implementation as projected?
8. Did we encounter difficulties in the collection of data on performance indicators projected to appreciate progress on expected results?
9. What is the amount of expenditure? Does it correspond to projections? Are resources necessary?
10. Are the members of the team enough to ensure implementation? Are recruitments required? ?
11. Have opportunities facilitated the implementation?
12. What are the lessons learned? How can they be taken into account in the future?
13. In which way have the results obtained contributed to the obtaining of results at higher levels/ of the African global priority/ global priority on gender equality/ the inter-sectorial platform indicated during programming? Are expected results still relevant and effective in obtaining results at a higher level?
14. If relevant, has the activity/project contributed to a documentation of join programming at the level of countries as projected? If yes, which and how ?
15. If relevant, will results perhaps been obtained more effectively with another approach of implementation (cost effective)
16. If relevant, what are the necessary conditions to accomplish or maintain the benefits of the programme activities/ of the projects once the assistance of the organisation would have ceased durability)

Source : Approche de la programmation, de la gestion et du suivi axés sur les résultats (GAR/RBM) telle qu'elle est appliquée à l'UNESCO – Principes directeurs – P41

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The follow-up trend chart is adopted quarterly and biannually and must serve as a base to draw up the APR. The APR is a document of reporting and evaluation of PPA at the end of the budgetary year. It is a document that gives account of execution results of programmes appearing in the PPA joined to the settlement law. It is produced by each principal authorising officer politically responsible before the parliament.

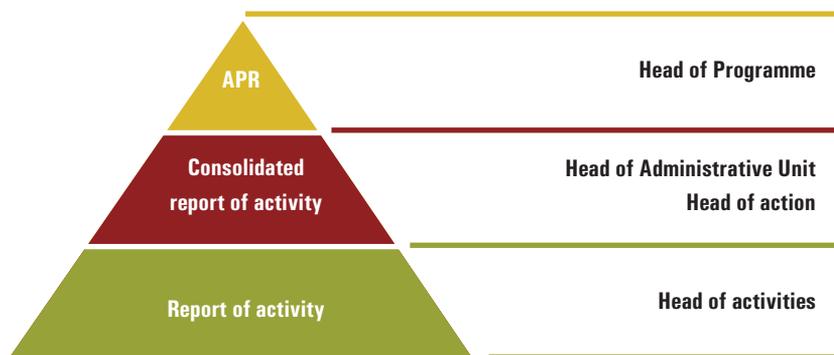
1.4.4 Reporting and Action Process

Reporting has to do with giving account, in drawing up an activity report (see appendix 12) of the achievements with regards to intentions. The use of reporting is to demonstrate to what extent the results obtained are not conform to expected results, to bring out the differences to propose corrective measures to limit the risk of failing to reach objectives.

The different reports thus drawn by the heads of activities are then consolidated by the head of administrative unit, in a consolidated activity report. The consolidated activity report (see appendix 13) is synthesized at the level of action, the results obtained at the level of activity to which it belongs and proposes ways of improvement and correction.

The consolidated activity report helps the head of programme to draw up the APR of his programme to be submitted to the Minister. The APR drawn up by each head of programme are then consolidated in the APR of the Minister which shall be submitted to Parliament.

Diagram 7: Reporting Chain



Annual Performance Report

The APR (see appendix 14) of the Ministry, an integral Part of the annual administrative accounts, is a document that gives account of the result of the execution of programmes appearing in the PPA. To better render accounts of the implementation results of programme and for reasons of transparency, the APR of the Ministry is produced according to a structure similar to that of PPA.

In accordance with law D° 2007/006 of 26 December 2007 relating to the State fiscal regime, the APR is produced as appendix to the settlement law.

In fact, section 22 Paragraph 3 of the law which provides for an exhaustive list of annexes, stipulates that the draft settlement bill is accompanied by the annual performance report of administrations drawn up by the principal authorising officer.

Thus, the later give account for each programme, the execution of authorised credits and payment appropriations provided in the finance law of the year. It present and explain the effective achievements concerning all the means gathered in a programme and allocated to a public policy; in this regards, it helps to appreciate the quality of public policy management.

The APR of the Ministry has six parts (06):

- Introduction;
- A presentation of credits and fiscal expenditures ;
- A reminder of presentation of programmes ;
- For each programme, the expected and results obtained from indicators and an analysis of results;
- Justification of the last francs CFA;
- Presentation of total cost of programmes and actions.

The reporting process is a process of passing up information. In this regards, the head of activity is held to give accounts to the head of administration unit (head of action) who in turn gives account to the head of programme. The head of the programme is responsible for

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the drawing up of APR, gives accounts to the Minister who in turn gives accounts to the Parliament.

From the reading of the different activity reports, the head of programme is able to evaluate the out-put with regards to eight objectives that all heads of programme (see infra) are able to set, and thus in consultation with heads of administrative units will be able to decide to

- Take appropriate measures by virtue of his responsibilities and his level of authorisation ;
- Ask from hierarchy (Minister) decisions to be taken and to the heads of administrative units and heads of activities, recommendations on the accomplishment of tasks.
- Order a modification in the plan for obtaining resources and means ;
- Change certain components of the APW
- Readapt operational objectives if need be.

Key Questions to Be Asked by the Head of Programme

Objective	What question to ask
Evaluate	What is the degree of performance at the level of my programme?
Control	How can I ensure that my staff does what they need to?
Budget	In what way should my programme spend public funds?
Motive	How can I motivate the staff, the actors and stakeholders to take the necessary means to increase performance?
Promoting	In what way can I convince my minister, the Parliament and the citizens that my programme is doing a good job?
Celebrate	What aspects in our performance can we celebrate or praise?
Discover	Why do certain things function and others do not?
Ameliorate	What can we do differently to increase performance?

Adapté, d'après BEHN (2003)

The answer to practically all of these questions must future in the APR to be submitted to the Minister and to the Parliament.



2 Executing Budgetary Operations and Financial Reporting

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Exécution des opérations budgétaires et reporting financier

2.1 Technical Framework for Executing Budgetary Operations

Preparing, executing and accountability of public expenditures management is done technically, by a certain number of computerised applications each taking charge of a specific stage.

The preparation of the budget (including the Programme Budget) is done on two applications, notably PREBIC (Preparing the budget on information centre in MINFI), for the operating budget and PREPABIC (Preparing the public investment budget in MINEPAT), for the investment budget. Both applications enable the computer recording of budget drafts and publication of documents for control and for budget presentation. After the adoption of the FL, files are extracted from the applications to inform the central database at the level of IBIS (Computerisation of budget, management and services).

IBIS is the central application for executing expenditure. Operationally, it covers the commitment securities, liquidation and scheduling stages. It enables the editing of commitment, settlement and associated slips. Moreover, IBIS equally assures the processing of operations linked to transfers and credit delegations. Finally at the central level, IBIS permits the follow-up of the budget implementation, thanks to the budget statements which are produced there and on which the payment stage is based. IBIS was put in place within a context where the expenditure process was much centralised. Authorising officers and credit managers interact with IBIS only through printed materials.

DEPMI (Computerised pricelist on public expenditure) was created to compensate for lapses in IBIS by enabling the extension of computer processing to authorising officers and Financial Controllers at the central and decentralised levels. DEPMI is made up of three modules, a module for the follow up of files, a module devoted to the monitoring and control of expenditure and a module for the monitoring of cash advances. At the central level, the functioning of DEPMI depends on IBIS for the validation and publication of documents in the administrative phase of

expenditure, notably credit confirmation title. At the decentralised level, DEPMI functions independently on the bases of files containing delegated credits supplied in advance by IBIS.

DEPMI not being configured on a programmatic basis, a new application PROBMIS (Programme Budgeting Management Information System) has been developed for the execution of the programme budget.

Regarding the management of salaries, control, liquidation and the preparation of documents for payment, they are provided by the ANTILOPE application (National Computerised Application for the Management of state Personnel). As for SIGIPES (Computerised Integrated management System for State personnel and of Balance) it supplies the ANTILOPE system with information on the carrier management of state agents..

At the accounting level, the keeping of subsidiary accounts and general accounting are respectively carried out on CADRE (Auxiliary Accounting of State expenditures and revenue) and on PATRIOT (Applied Programme on the Computerisation of Treasury Operations)

Credit Notes from IBIS are assigned to the general pay office of the treasury, which thus ensures that they are taken into account through CADRE after accountant control. Payments by bank transfers are centralized and carried out by the Central treasury Accounting Agency (ACCT) through the SYGMA and SYSTAC payment systems. As for expenditures made by Cash Voucher, they are paid by the General Treasury.

CADRE consist of three interfaces a first upstream with IBIS through transfer of files, a second downstream with PATRIOT for the production of general accounting, and a third with the SIGMA and SYSTAC payment systems which are equally done through the transfer of files.

CADRE, PATRIOT found at the end of the chain, is divided into two versions, one exploited at the central level and the other at the local

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level. PATIOT is used in the keeping of general accounts, and helps after a certain number of restitution to produce the overall balance of the treasury. The quality of general accounting strongly depends on the coherence of upstream data. (DEPMI, IBIS and CADRE)

The overall observation is a fragmentation of the public finance computer management system. The SIGEFI (Integrated System for Public Finance Management) project, conceived with goal to constitute an economic and financial (ECOFI) data base did not get to its end result.

To resolve this situation the ministry of finance came up with a master plan in the month of June 2012. The objective of this exercise is the setting up of an integrated computing and the organisation of a mutualisation plan for computer resources in a way to assure the availability and coherent information in real time. The validated action plan for the 2013 to 2015 period provides among others, the renovation of communication infrastructure (network) the setting up of a unique overall identifier, the setting up of a system to manage human resources to replace SIGIPES and ANTILOPE, a reform of public finance management applications, (budget preparation, budget execution, treasury, accountancy and finance, management of taxes) the extension of SYDONIA throughout the national territory and the setting up of control and piloting tools (DATAWAREHOUSE) enabling the production of SFOT (TOFE) and different trend charts.

2.2 Nomenclature of Budget Operation Executions

The budget nomenclature established by Decree D° 2003/011/PM of 09 January 2003, provides a classification of expenditures according to the budgetary exercise (fiscal year), the destination of the expenditure (chapter / section), the economic classification (cost of expenditure), and the operational classification (based on destination).

With the introduction of the Programme Budget, the destination function was extended to support the programmatic classification

(programme and actions). The budget nomenclature is thus extended to 22 positions instead of 17, excluding the fiscal year and makes up three segments, namely the classification of the expenditure destination (administrative and programmatic), the classification by economic and operational classification (secondary).

Exercice	Classification of Destinations				Economic Cost	Operational Classification
	Administrative	Programmatic		Administrative		
Financial Year	Chapter	Programme	Action	Provision	Paragraph	Section

Illustration

The budgetary allocation in 22 positions for an operation to purchase hardware for the Division of Budgetary Control, Audit and Quality of Expenditure during the 2013 fiscal year bears the following codification:

2013 financial year: Fiscal Year 47, Ministry of Finance: Chapter 20

Programme 274: modernisation of budgetary management.

Action 02: Executing the Programme Budget

Article 330013: Division of Control and Budgetary Operations

Paragraph 6102 (accounting chart): Purchasing computer equipment

Budget implementation section (subdivision of operational nomenclature): 333

Term	Classification of Destinations				Economic Cost	Operational Classification	
	Administrative	Programmatic		Administrative			
Financial Year	Chapter	Programme	Action	Provision	Paragraph	Section	
	4 7	2 0	2 7 4	0 4	3 3 0 0 1 4	6 1 0 2	3 3 6

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2.3 Actors in the Expenditure Chain

2.3.1 Authorising Officers

The Authorising Officer is a government agent with power of decision and direction in the management of state budget of government bodies. We can distinguish three categories: Principal authorising officers, secondary authorising officers and delegated authorising officers.

Principal authorising officer

The principal authorising officer is politically responsible for the achievement of programme objectives under his/her jurisdiction. This is by no means a shared responsibility. In order to face his/her responsibilities, He/She needs to rely on a dynamic team headed by the programme Head. The principal authorising officer must make sure that the programme Head sets up a management process that is adapted to the realities of each programme.

The principal authorising officer's group is made up of, Ministers or equivalent and Presidents of a constitutional body. In their capacity, they are responsible (politically) for the programmes under the jurisdiction of their respective organizations and are answerable to the government and the Parliament for programmes executed and their performances.

In terms of accountability, the principal authorising officer is required to produce an Annual Administrative Summary, reporting his/her management decisions and an Annual Performance Report, reporting results of the programmes under his/her responsibility.

In conclusion, each principal authorising officer is ultimately and solely responsible (politically) for the achievement of programme objectives under his/her jurisdiction.

Secondary authorising officers and Delegates

Secondary authorising officers and delegates act as management support to the principal authorising officer.

Secondary authorising officer

Secondary authorising officers are responsible for the decentralized services of the State that receive expenditure authorisation from principal authorising officers.

Example: Governors, Divisional Officers, Regional Delegates, sub divisions, Court Judges,

Delegated authorising officer

Delegated authorising officers are those appointed by the principal and secondary authorising officers for matters specifically defined. This delegation takes the form of an administrative act by the principal or secondary authorising officer.

Example: SG, Director General, Directors....

2.3.2 Resource Managers

In each institution or government Department, a specific unit or structure in charge of organising financial management is established. Called Support Structure, it has the following main roles:

- Preparing and executing the budget;
- Carrying out certain common expenditures;
- Managing human, financial and material resources;
- Maintaining buildings and equipment;
- Monitoring the process of contract awards
- Material organisation of ceremonies.

Resource managers should be appointed at the head of these structures, whose role will be, responding to any requests from the principal authorising officer, with regards to developing, executing and monitoring the budget.

The Resource manager supports the authorising officer by technically executing the programmes and ensuring that

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programmes have the necessary means to be implemented in due time. It is not for him/her to interfere with the opportunity to spend, but to ensure the regularity and efficiency of the expenditure. On the basis of a regularity-ensuring function and of expenditure efficiency, the Resource manager has the following responsibilities:

- Supporting the credit managers in executing the expenditure;
- Establishing the budget lines that need a specific accreditation (grouping of budget lines) in an effort to be efficient;
- Maintaining budget and general financial records, accounting for the implementation of programmes ;
- Drawing up of annual administrative accounts for the vote holder;
- Check trend charts for aspects related to the financial implementation of programmes;
- Keeping receipts for expenses to be archived by the vote holder;
- Preparing authorisations for expenditures;
- Ensuring compliance to transfer operations, in line with the requirements of the law on the financial system of the State.
- Monitor contract awards

2.3.3 Store Accountants

The Store Accountant is a government official in charge of monitoring operations, handling and disposal of movable and immovable property acquired by the State, decentralized territorial units and public institutions. He/she thus receives the various supplies and services delivered, resulting from agreements with suppliers, service providers, sellers and donors. He/she stores these acquisitions in the appropriate place in order to distribute them to the beneficiary services if demanded by the authorising officer.

Guarding the goods, the Store Accountant is in charge of ensuring their security and maintenance and when the goods become obsolete, he/she proposes them for a change. He/she is equally an account bookkeeper. In accordance with the SFR he/she is

expected to produce a commodities account annexed to the administrative account of the vote holder.

Before the advent of the financial system of 26 December 2007, the Store Accountant reported to the Minister of Finance. Evolution has now reassigned him/her alongside the authorising officer, as a collaborator.

In accordance with circular num.002/CAB/PM of 19 February 2008 relating to the interim management of stores accountant activities, the agent appointed by the authorising officer must have been trained in the techniques of stores accounting.

2.3.4 Public Accountants

Section 58 paragraph. 2 of LSFR stipulate that "Public accountants are government agents generally in charge of accounts and / or financial recovery, saving and handling of funds and securities." Paymasters have a personal and financial responsibility on:

- The money and the securities under their charge;
- Recovering of current tax levies ;
- Payments made;
- The accuracy of the books they keep.

The main state accountants, CTDs and EPAs are obliged to produce an annual management account which is subject to the assessment of the Court of Auditors.

Various Paymaster Categories

There are three broad categories of paymasters:

Direct Treasury Accountants: operating under the direct authority of the Minister of Finance, all revenue and expenditure operations of the General State Budget, Budgets annexes, Special Accounts of the Treasury and budgets of government agencies This category of Paymasters is differentiated according to jurisdiction at the territorial level :

- At the central level, this position is held by the TCAO Paymaster General and special ministerial paymasters.

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- In the regions , the position is held by the PG
- At the level of Divisions, a Finance Revenue Collector holds the position
- In the Sub-divisions, the Collector acts as a Paymaster
- at the diplomatic representations, paymasters at diplomatic missions

Accountants Of Decentralized Territorial Units And Accountants Of Public Institutions:
They perform all budget revenue and expenditure operations of the public body to which they are assigned, as well as all cash transactions

Accountants of financial administrations which function under the direct authority of the minister of finance, all revenue operations, which include;

- tax collectors
- customs duty collector,
- collector of land duties

2.3.5 Financial Controllers

The Financial Controller is an agent of the Ministry of Finance assigned under one or several administrative structures in order to facilitate the execution of public expenditure in the context of the decentralization of the State financial management. The Financial Controller ensures the fiscal sustainability and regularity of commitment operations and scheduling.

The Financial Controller is involved throughout the administrative phase of the expenditure where he/she is in charge of:

- Controlling the accreditations of the various authorising officers;
- Ensuring the control of legality and regularity of expenditure at the commitment and liquidation stages;
- Evaluating the regularity of detailed accounts done on the contracts;
- Implement budgetary regulations
- Ensuring the monitoring and auditing of imprests accounts.

- Ensuring the centralisation of budgetary accounts of sectoral ministries under which they are placed.

In the performance based Programme Budget, a new function is assigned to the Financial Controller in view of providing support by advising the authorising officer in the elaboration and execution of the budget.

2.3.6 The Imprests

The imprest accounts are structures established in some jurisdictions with the aim of facilitating the final settlement of certain categories of expenditure that are urgent and special and whose payment cannot be subject to ordinary execution procedures.

The imprest account holder is appointed at the creation or reopening of an imprest account by order of the Minister in charge of finance, at the request of the head of the concerned government department.

The imprest Administrator is in charge on behalf of the Paymaster, of receipt and payment operations. He/ she proceeds to the payment of expenditures authorised by the manager, in exchange of sufficient and regular justifying document that are necessary for his/her bookkeeping. He/she thus produces quarterly accounts, as the case may be at the end of operations. This accountancy is inscribed in the wordings of the state accountant attributions

2.4 Provision of credits

Adopting the Finance Bill through the Parliament does not allow it to be automatically implemented. Some important provisions must be made by the executive before budgetary appropriation.

Like other bills passed by Parliament, a decree shall be made by the Head of State on the enactment of the Finance Law. A circular of the minister of finance, specify the modalities to implement the law.

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At the operational level, technical provisions are also made by the Ministries of Finance and Planning, to ensure proper execution of the budget including the loading of the budget, provision of budgetary booklets, pre-prints, implementing authorisations to manage, the holding of seminars on capacity building, conferences on programming, etc.

In addition to these prerequisites, other equally important provisions must be made by the sectorial ministries, notably on the delegation of credits and authorisations to manage credit.

2.4.1 Delegation of Credits

To allow secondary authorising officers have the credits allocated to them in time and use it at the earliest, they are automatically delegated immediately after the budget is prepared.

Moreover, regarding instant delegations, they must be performed diligently, within the time frame recommended by MINFI through the circular carrying instructions for the implementation of the budget, both in respect of capital expenditure and operating expenses. Beyond this period, a MINFI authorisation is formally required.

2.4.2 Authorisations to Manage Budget

The Budget Accreditation is the designation by the principal or secondary Authorising officers, public agents authorised to carry out operations in the expenditure cycle. Accreditation endorses the recognition of the public official to the Finance Minister, to perform administrative actions in the execution of public expenditure.

Budget accreditation has a significant impact on the one hand, on the quality of budget management and on the other, on the use of funds. The aforementioned makes it possible to clarify the responsibilities of actors in the expenditure chain, consequently initiating the use of funds. Budget accreditation also enables to clearly establish which State officials are authorised to conduct

operations in the expenditure cycle, as delegated authorising officers.

Each Minister or official of an agency recipient of State financial support must submit from the beginning of the fiscal year, specimen signatures and the matriculations of officials designated for each of the budget headings relevant to the concerned Department or agency. This should be done within the timeframe fixed by the circular on the execution of the budget, in the financial and accounting services.

As regards secondary authorising officers, their credentials are given by the competent heads of administrative jurisdiction on the territory during that same period.

2.5 Procedures for Executing Public Expenditure

The generic procedure for executing public expenditure starts with the expression of needs by the secondary authoring officer, and ends with the payment of the expenditure by the Paymaster.

2.5.1 The Normal Procedure

This procedure of executing public expenditure is divided into four stages, each with a different purpose. The first three stages are: commitment, validation and scheduling making up the administrative phase and the last step which is the payment stage, is the accounting phase.

The procedure for executing expenditure in an organisation is set up to effectively execute public expenditure in accordance with the legal provisions in force. These legal provisions are mainly a result of the Law on the State Financial Regime, the decree on public accounting, and various finance laws.

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Table 1: Expenditure Execution Phases

Commitment	This is the expenditure initiative phase, which consists in creating or finding an obligation placing the expenditure under the Treasury. In practice, the commitment of expenditure is established when a command or a contract is awarded. Commitment of expenditure assumes that goods are delivered or services rendered and an invoice will later be paid. The commitment phase is undertaken by authorising officers within the limits of the delegations of credits granted to them.
Liquidation	Liquidation implies that the goods were delivered in whole or in Part, in accordance with the contract concluded or the services provided and the invoice received. For this to happen, the authorising officer has the huge financial and administrative responsibility of verifying the invoice and its annexes. He/she carries-out the pre-liquidation of the expenditure by verifying the regularity of the order with its delivery as well as making sure the invoice is submitted by the vendor. The final liquidation of the expenditure is done by the authorising officer's competent financial Department.
Payment Order	Payment order is the act of ordering the payment after checking the regularity of the operation. With the aim of empowering and increasing accountability of authorising officers, the payment order for the expenditure is directly done by the latter after verification of regularity of the expenditure by the relevant Departments. After authorising the expenditure, the financial Department sends the file to the financial controller for the continuation of the process.
Payment	The objective of this phase is to releases the administration of its financial obligations towards its creditors. After checking the complete record of the expense, the Paymaster pays the actual expense: he/she proceeds by checking payment orders and supporting documents of the commitment as well as those for the liquidation of the expenditure and signs on the payment order. This signature is equivalent to the agreement in settlement of the expenditure.

2.5.1 The Simplified Procedure

Simplified procedure differs from the normal in the sense that the four stages are carried out in a single phase.

In the simplified execution procedure, the various phases are connected. This procedure is set up to solve cases of Particular expenditure as is the case with mission allowances, fluids (lubricants and fuel...), subsidies, etc.

2.5.3 The Procedure Without Prior Authorisation

This is the procedure where the expenditure chain boils down to payment itself. This procedure greatly reduces the execution time of the expenditure, but requires a regularisation of the expenditure at the end of the fiscal year. This is particularly in the case of staff costs and debt.

2.5.4 Cash Advances

Cash advances concern particularly relevant expenditures done in exceptional circumstances. The release of the advance is subject to the presentation of a decision of the Minister of Finance accompanied by a certificate of availability of funds clearly indicating the budgetary allocation of the expense.

2.6 Budget Execution Rules in AC and PA

Budget authorisations differentiate on the one hand, the commitment of expenditure based on the Authorised Commitments (AC) and the payment of expenses based on payment appropriations (PA) (Article 15 Paragraph 1) with the exception of evaluative expenditures whose amount cannot be known in advance and are budgeted in grants (debt interest, civil remedies, guarantees granted by the State, disasters and natural calamities).

Table 2: Calibration of AC and PA

Budgeting Method	Nature of Expenditure	Calibration of AC and PA
In AC and PA	Operating Expenses	AC = PA
Allocations	Interest on debt holdings Civil Remedies Guarantees granted by the State Natural disasters	
In AC and PA	Capital Expenditures	AC = PA AC > PA AC < PA

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Capital budgeting should be made taking into account the need for AC to cover a coherent task likely to be commissioned or performed without addition. For this to be done, the AC investment budgeting must cover all the financing corresponding to an operational segment. The Operational segment is the minimum level of achievement required for the investment to be useful. Unnecessary AC storage should be avoided because ACs that has not been used should be cancelled.

Remember this

ACs are necessary for State obligations legal coverage and can be measured while the PAs correspond to cover the cash needs of the Treasury and payment of expenses already incurred. It is important to dissociate these two mechanisms that have different purposes.

Each year funds are allocated in commitments to meet the legal obligations (LC) of the State and in payments, in order to meet the payment obligations arising from the Authorised Commitments consumed by the legal commitment.

Legal Obligations

"The legal commitment is the act by which an established public body or one that signs out an obligation which may result in charges." It is taken by an official who is authorised to take such a commitment (principal, delegate or secondary authorising officer), and has a financial impact (purchase order, contracts, etc.). It is the founding principle of spending and the quality of accounts "

The AC traces the expenditure which the State intends to carry out during the period, therefore enabling at the voting stage of FL to clarify the scope of the Parliamentary authorisation of the State's financial commitments and to give more viability to those thereof.

The multi-year nature of the budget is exercised through the MTEF that may contain AC and PA projection for over three years. As for the budget execution timeframe, it remains annual and allows through the mechanism of AC, to manage the multi-year nature of certain expenses including capital expenditures.

Illustration :

The construction project of a power plant - a 550 million FCFA contract - Execution scheduled to cover five years - The D-year +1 will be devoted to studies (100 million FCFA) - The D-year +2 D year+ 4 will be devoted to work (350 million CFA francs) - D-year +5 for equipment (100 million CFA francs)

	D+1	D+2	D+3	D+4	D+5	Total
AC	100	350	0	0	100	550
PA	100	100	150	100	100	550

Thus, AC 350 (D+2) is used to cover the commitment of the State embodied by the deal in (D+2) with the company that will execute the contract, and the other Parts to order and pay, according to the pace of implementation (100 D year 2-150 D year 3-100 D year +4) for PA. ACs consumed during the D year +2 cover the legal commitment (contract of execution) of the State, and have a multi-annual range since they cover the PA that will be scheduled and paid during the D year +2 D +4.

This mechanism is only possible for capital investment, especially for projects whose execution exceeds the budget year. Moreover, supposing that we are in the D year +2 and we are Preparing the draft budget for the D year +3, credits up to D year +3 are AC = 0 and PA = 150. PAs to consume D+3 are covered by AC consumed and D+2 are of the order of 350 million CFA francs.

ACs are especially useful in cases where the legal commitment spans to several years but they are also useful if the commitment

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period is less than or equal to the calendar year but, part of the PA will be paid on the next D-Year for instance due to treasury constraints. As for the PAs, they correspond to the cash requirements of the relevant financial year given the pace of implementation of charged legal commitments (whether these legal commitments were taken during the year of execution or previous years).

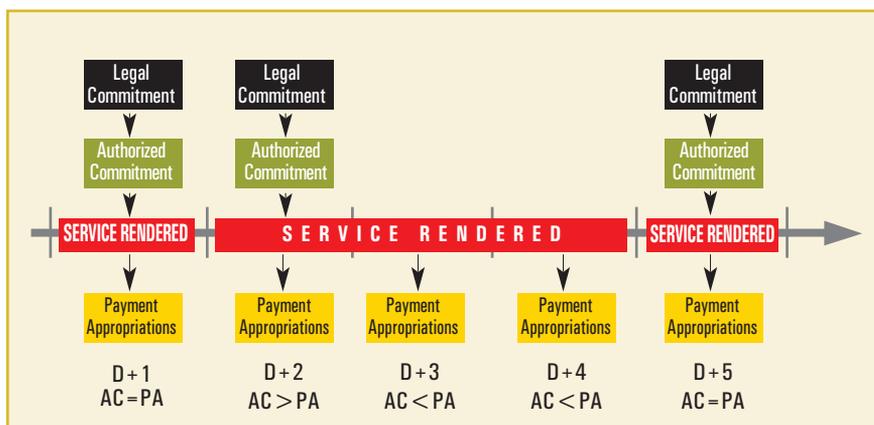
2.7 Modalities for Executing Budget in Ac and Pa

2.7.1 General Rules for Use of AC's and PA's

As noted above, it is the LC (signature of a public contract, hiring decision, etc.) that consumes ACs. The LC is the consumption generating effect of ACs, which differs from the accounting commitment of PAs (which in practice is a PA reservation without consumption).

Subject to the special treatment (see below) the LC is the founding act of expenditure and it is the AC that enables the covering of LC, undertaken by the authorising officers across a year or over several years. The amount to be withheld in the AC for LC coverage is the firm tranche, that is, the minimum amount to which the public body is engaged.

Diagram 8 : AC and PA Stakes



According to forecasts, the amount to be entered under the AC is that of the administration estimates corrected if there are any revisions of the price, or taking into account inflation, etc. At the level of forecasts, ACs are the support of the LC from which expenditure arises. At the implementation stage, the public body cannot legally commit except ACs were voted and registered into the budget (subject to special treatment)

With regards to the execution, AC consumption occurs when the authorising officer makes a firm LC. It is at this stage that the control of budget availability and regularity of acts shall operate on behalf of the Financial Controller. That said and prior to the effective realization of the LC, the Financial Controller shall issue a certificate authorising the commitment that attests to the availability of the ACs needed.

PAs are also attached to the principle of annual budgeting. PAs are set up in each fiscal year for a validity period of one year (subject to Credit deferrals). Budgeting PA is exclusively made according to the logic of cash management that is, given the pace of implementation of legal commitments. Thus each fiscal year, registering a PA is not automatic and is subject to various stages of budgetary decisions.

PAs are the highest limit of expenditure that may be authorised or paid during the year to cover commitments (Article 15 Paragraph 3 of the LSFR). Thus, expenses may be incurred within the limits of open ACs and paid within the limit of open PAs. PAs are considered to be consumed when the accountant operates all controls, supports and affixes the visa «passed for payment" on the spending act.

In addition, the consumption of AC is limited to 30 November each year and the scheduling to, 31/12 each year (Article 50 of the LSFR article 1 and 2) except, of course, in complementary period during the processing of Particular cases.

In fact, this is a simplified procedure during which, the regularisation

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of advance may be an AC and PA consumption during a supplementary period. That said it is not possible to use the AC in complementary period during normal procedure.

To be Remembered

AC consumption is done during the validation of LC and PA consumption occurs at payment time (taken into account by the accountant and approved "seen right for payment").

2.7.2 Specific Rules for the Use of ACs And PAs According to Categories of Expenditures

Salaries and Other Expenses Related to Personnel

Staff expenses are paid without prior authorisation and accounted for in the budget by the payments made. As such, these expenses are not, initially covered by the AC. The AC, in this Particular case, only covers payments for the year and are consumed up to the level of payments made. AC and PA are budgeted and consumed so that $AC = PA$.

Consumption of goods and services

Two procedures are possible in the consumption of goods and services: the purchase order and / or the government contracting procedures. ACs are consumed at the time of issuance of the administrative purchase order or when signing government contracts. PAs are consumed at the time of payment. During the fiscal year, if the payment of costs is not carried out by the Paymaster (especially for half-executed contracts) the result is consumption where $AC \neq PA$.

Current transfers and operating grants

In the simplified procedure, the costs of current transfers and operating grants are budgeted so that $AC = PA$ and are generally consumed so that $AC = PA$. When they follow the normal procedure

for the execution of expenditures, the rules on the consumption of AC and PA shall follow the basic rules of execution of the budget in AC and PA.

Investment Costs

Investment costs include the following:

- The fixed State assets,
- Investment subsidies,
- Purchases of shares and Participations.

For this type of expenditures, the budgeting of ACs must cover the financing of an operation corresponding to a firm legal commitment and not systematically the entire project. This is to say, that which can be financially quantified with certainty in the contract and that which requires minimum payment (accept termination of contract).

As an illustration, in the example described above, the technical studies to be carried out during D-year +1, the work earmarked for D-years +2 to D +4 and equipment planned for D-year + 5 are three firm legal commitments that will be effected respectively in D +1, D +2, and D+ 5.

PAs enable ACs to be covered and follow the pace of the contract. In fact, according to the same example above, PAs planned for D-year +1 enable the ACs for that same year to be carried out and are consumed completely because the service is rendered during the year. On the contrary, it is clear that the PAs provided during the D-years +2 to D +4 are implemented at a pace which reaches cruising speed in D- year +3.

2.7.3 Rules on the Consumption of ACs And PAs in Public Contracts

For public contracts, the most important item is the fixed amount, that is to say, that which must be paid "whatever the case may be". When the public contract involves a multi-year commitment, ACs are consumed from the first year of the execution of the contract and PAs are consumed as the contract is implemented.

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For contracts that include renewal clauses, ACs are consumed for the first year corresponding to payments for the year. The time span of the initial commitment does not include any renewals but price review and renewals shall be covered by additional commitments when necessary. For public contracts subdivided into several batches, the ACs are consumed according to the commitment of each batch by the signing of the contract.

With regard to public contracts of unit prices, renewable or non-renewable contracts and purchase orders, ACs are consumed as service orders or purchase orders issued are accepted while PAs are consumed during the invoice regulation.

For ordinary contracts which are renewable annually, ACs are consumed corresponding to the amount paid for the minimum duration without renewal while PAs are consumed as the year's payments are made. Upon renewal of these contracts, ACs will be consumed corresponding to the amount paid for the duration of the extension with the possible inclusion of the impact of price fluctuation.

Finally, in the case of contracts of firm and conditional phases, ACs are consumed corresponding to the amount for the firm phase initially, and then, for the possible penalties on forfeiture; PAs are consumed corresponding to the payments to be made that year. Completion of a conditional phase shall result in additional consumption of ACs up to the legal commitment on the conditional phase minus the amount of any possible forfeit.

In addition, for large investment projects, the AC must cover a coherent whole and must be budgeted so that they can be commissioned or implemented without any adjunction. It is therefore, imperative to plan and programme the ACs necessary to cover the phase being executed to ensure its completion. To ensure the continuity of the phase being executed, ACs allocated to such investments shall be entitled to deferral.

Illustration :

Suppose a project of the construction of a University Hospital Centre is composed of the following:

- Reception and Admission lobby
- Consultations and hospitalization
- Surgical and Intensive Care Unit
- Emergency and Ambulatory Surgery
- Pharmacy
- Medical analysis and imaging laboratory
- Research Institute of Virology

The following components are considered functional phases:

- The 1st functional phase shall consist of the reception and admission lobby, consultations and hospitalization, pharmacy, medical analysis and imaging laboratory;
- The 2nd functional phase shall be composed of the operating theatre and intensive care unit;
- The 3rd functional phase shall be composed of the emergency Department and ambulatory surgery;
- The 4th functional phase shall be composed of the Research Institute of Virology.

It must be précised however that for projects where the execution time for the operational phase is more than three years, it is important to sign a contract or make a deal, with fixed and conditional payment period. The fix payment period covering the three year limit provided for reservation of AC during budgetary programming and conditional payment period on the other years of project execution.

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Type of Document	Amount of AC consumed
Renewable contracts	For ACs consumed in the first year corresponding to payments for that year, the time span of the initial commitment does not include any renewals Price reviews and renewals shall be covered by additional commitments
Contracts by the batch	ACs consumed during the implementation of each batch
Contracts of unit price, renewable or non-renewable contracts and purchase orders	ACs consumed as service orders or purchase orders are accepted and the PAs consumed during invoice regulation.
Ordinary contracts which are renewable annually	ACs are consumed corresponding to the amount paid for the the minimum duration without renewal while PAs are consumed as the year's payments are made. Upon renewal of these contracts, ACs shall be consumed corresponding to the amount paid for the duration of the extension with possible inclusion of the impact of price fluctuation.
Fixed and conditional phase contracts	Finally, in the case of contracts of firm and conditional phases, ACs shall be consumed corresponding to the amount for the fixed phase plus that for any compensation on forfeiture; PAs are consumed corresponding to the payments to be made that year. Consolidation of a conditional phase gives rise to additional consumption of ACs up to the legal commitment on the conditional phase less the amount of any possible forfeit

2.7.4 The Special Case of Public-Private Partnership Contracts (PPP)

Partnership contracts are administrative contracts signed to cover a relatively long period (usually covering the period of depreciation of the structure or equipment included in the contract) by which public entities entrust to a third Party a task generally related to the following:

- The construction works or equipment or transformation of these;
- Their servicing, maintenance, operation or management;

- Other services included in the mission of the public service;
- Financing of intangible works or equipment which is achieved through deferred payments spread over time.

The grouping of services entrusted to one candidate (or group of candidates) regulated by law No. 2006/012 of 29 December 2006, is based on specially planned models that demand the payment of a rent by the public entity which consists of:

- A "rent" corresponding to investment: the amount differentiates on the one hand, the depreciation of investments (construction cost of the asset) and, on the other hand, interests during construction. The various components of the investment costs specified by the contract.
- "Rent" on operating costs (maintenance, operation)
- "Rent" related to the financing provided by the private Partner.

The PPP contract allows the administration to have buildings, equipment or services rapidly without increasing the financial need and this is achieved through spreading the fiscal burden over a long period.

The PPP contract manages risk-sharing between the government and the private Partner. This aspect is reflected during the development of contract in the costs related to the investment operation and financing of the transaction.

The duration of deferral of payment corresponding to the initial investment must not exceed the economic life of the asset. As for the financial depreciation of the operation, it is reflected in annual instalments made so as not to defer large amounts to the expiry date of the contract.

Generally, PPP contracts are reflected in the budget plan in the payment of rent even when they are entirely or in part investment operations. ACs related to the corresponding rents cover all the LCs in the year in which the contract is concluded.

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In cases where the PPP contract includes a firm and conditional phases, the corresponding ACs must cover the amount for the firm phase plus the amount of possible indemnities and penalties for non-completion of conditional phases.

The completion of a phase mandates AC coverage of the phase completed minus the corresponding penalty for forfeiture or non-completion.

In the case of rent corresponding to the operating costs and those relating to the financing provided by the private Partner, ACs must cover the amount of the annuity payable during the year.

Table 3 : Rules on the consumption of ACs and PAs in PPP contracts

Type of Mission	Approval of Commitment		Payment Credit
	First Year	Annually	Annually
Investment	Complete Cost	None	Rhythm of Implementation
Operation	Share of annuity related to operation		Amount of annuity
Funding	Share of annuity related to the funding		Amount of annuity
Penalty	Amount of penalty defined by the contract	None	Amount of penalty defined by the contract

2.8 Budgetary Modifications

2.8.1 Transfer of Credits

Transfers of appropriations, validated by Article 53 of the LSFR, seek to introduce more flexibility in budget management. Four major limiting constraints have been linked to the fungibility of credits in the above mentioned article:

- The 15% limit of transfers of appropriations within a programme:
"Transfer of appropriations may be made within programmes by

order of the Minister concerned within the limit of 15% of the initial allocation"

- The overall limit is 5% for the aggregate amount of transfers of appropriations in any situation: "The aggregate amount, during a single year, of appropriations transferred must not exceed 5% of appropriations defined by the Finance Law of the year for each of the sections"
- Advance information of the Minister of finance on transfer of appropriations: "With the risk of cancellation, no movement of appropriations may be carried out without the Minister of Finance being informed in advance."
- Personnel costs should not be reduced in favour of other expenses: "Unless provided for by a Finance Law, no movement of appropriations may be made from personnel costs in favour of other expenses "

The transfer of appropriations shall not alter the initial balance of the Finance Law. It is basically paperwork consisting in taking an amount from a budget heading to be transferred to another.

Credit transfers are valid for commitment authorizations as well for payment appropriations.

Flexibility management granted by the legislature to the executive results in Partial fungibility of appropriations defined in the Finance Law. Article 53 of LSFR authorizes the movement of appropriations from one chapter to another, a programme to another and then within the same programme.

2.8.2 : Credit deferrals

Same as the transfer of credit which constitutes a derogation (weakening) to the principle of budget speciality, Credit deferrals alters the principle of budgetary annuality by giving more flexibility of management to the persons in charge of programmes. Hence, by the terms of the aforementioned law, article 15 al. 4 stipulates that: «payment appropriations may be carried over to the next

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financial year, under the conditions set out in section 56 of this law”.

The weakening of the principle of budget annuality is not risk free as regards to the quality of the management of public finances. That is why the legislator insisted on reaffirming the principle of annuality of the finance law through Article 56 (Paragraphs 1 and 2) which stipulates that: "without prejudice to provisions relating to commitment authorisations, appropriations opened under a given year shall not give entitlement in subsequent years". "Commitment authorisation available at the end of a given period may not be carried forward" . This equally applies to the PA initially planned to cover the corresponding payments in the mentioned AC.

However the LSFR plans the possible carryover of PAs under certain conditions according to Article 56:

- **Paragraph 3:** " appropriations brought forward may not cover personnel expenditure”
- **Paragraph 4:** « payment appropriations allocated for a programme and available at the end of a given year shall be carried forward to the same programme, or to a programme with similar objectives. The amount of appropriations carried forward shall fall within the framework of a provision included in the finance law”
- **Paragraph 5:** " Appropriations allocated in a section as contribution and available at the end of the year shall be carried over in the section..... within a ceiling equal to the difference between the income and the expenditure concerned”

When an expenditure has been incurred but unpaid (whether liquidated or not, authorised or not), the available PA, opened as support medium for the payment of this expenditure, can be brought forward.

These Credit deferrals take the form of a provision constituted in the finance law of the following year. It is specified that the unpaid liquidated expenditure (for which the service was carried out) are a priority as concerns carry over.

Concerning an expenditure incurred but unpaid during a budgetary year which lead to registration of a carryover of a PA by the mechanism provided in the finance law, the expenditure chain continues on the following budgetary year without the need to proceed to a new commitment.

2.8.3 Withdrawals of Commitments

The budgetary execution of the AC is impacted by the operations of withdrawals of commitment. Indeed, a withdrawal (Partial or total) of commitment can be realized to:

- Fit the legal commitment to the reality of the expenditure;
- Close the commitment because of an impossibility to finish the operation (for example, due to the inability of the supplier to deliver the service);
- Rectify an error of budget item on the legal commitment.

In this framework, it is advisable to distinguish: withdrawals made on commitments of the on-going year, which have as consequence to restore available AC for another commitment, or withdrawals made on commitments of the previous years which do not have to end in an increase on the available AC for commitment of the year by virtue of the principle of the annuality of the AC voted by Parliament.

2.8.4 Budgetary regulation

The principle of budgetary regulation

Budgetary regulation is an indispensable tool in public finance management. In fact budget is an act of forecasting revenues and expenditures. During its execution several favourable or unfavourable factors may intervene to justify a deviation from forecast. When these differences are relatively large, a corrective finance law has to intervene. In contrast when they are marginal, that is say, able to be corrected during the year, a good budgetary regulation permits the budget to be executed according to predictions.

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According to the terms of article 45 of the state fiscal regime, the minister of finance, ensures the proper execution of the finance law. This article is completed by article 49 which stipulates that “under the authority of the prime minister, the minister in charge of finance shall regulate budgetary expenditure, at the level of issuing expenditure authorizations and commitments”.

Budget regulation consists of modifying the rhythm of consumption of commitment and payment credits or to proceed to the cancellation of necessary credits. Budgetary regulation can be done formally by placing credits in reserve or cancellation. Other regulatory procedures are more informal through the establishment of a commitment plan. The regulation of commitments is through financial control and the regulation of payment by the public treasury.

Formally, article 55 of the fiscal regime stipulates that, “ an appropriation may be cancelled by a decree on the recommendation of the minister of finance to maintain budgetary equilibrium.....”. In practice this provision of the law is used carefully to avoid compromising the implementation of programmes. Consequently informal budget regulatory tools are preferred.

Box 1: Banking Concept

In many countries the initial finance law may provide that a percentage of the credits be placed in reserve, for example, a % of operational credit and a % of staff credits (in general the first credit percentage is superior to the second, for example 6% and 2%)

Ministries generally have the possibilities of sharing the banking concept between different expenditure posts. Credits placed in reserve will be made available during the financial year, unless in the case of financial problem like resources falling lower than the predictions. A permanent blocking of budgetary reserve is the sign of a poor quality budget elaboration.

Source : Pr Jean Mathis, Gestion et finances publiques en Afrique francophone, 2011

Tools for budgetary regulation

Budgetary regulation during a year can take several forms;

- Instituting commitment quotas per quarter
- Blocking certain categories of expenses',
- Regulation of the treasury by putting in place a payment plan

Commitment quotas: at the beginning of every quarter, a commitment quota is fixed for every ministry. This commitment quota is instituted on the bases of the seasonal nature of revenue depending on the mobilisation of financial resources. This helps to control the rhythm of commitments and in consequence the constitution of arrears which is extremely harmful to the economy. This method of regulation is equally more flexible, for it gives latitude to authorising officer to decide on spending opportunity with regards to his priorities. Due to budgeting by programmes, the application of commitment quotas in ministries and institutions must be done by programme and not by nature of expenditures. This boils down to setting commitment quotas to each programme according to their importance. On the computerisation level, the setting up of this new system should greatly facilitate the application of this mode of regulation by simply reducing the commitment authorisation ceilings in the computer system.

Credit blocking: this procedure can take place at any period of the budgetary year. It consists of freezing certain categories of credits rather than a percentage, to deal with eventual difficulties in cash flow or as a result of unexpected expenses. Freezing of credit is a temporary process but when difficulties in execution persist, it can be final so as not to compromise budgetary balance (ref. article 55 of state fiscal regime). Frozen credits are therefore cancelled, unless in the case of a deferred payment credits. The regulatory process is totally under the control of the minister of finance who proposes to the prime minister the categories of expenses that can be cancelled without greatly compromising the implementation of the programme.

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Regulation of cash flow: by this mechanism, a treasury committee is put in place for the monitoring of budgetary execution. This committee meets at regular intervals to regulate cash flow through orientation on the management of expenditure commitments or their payment. The implementation of this regulation is the responsibility of financial controllers and public treasury accountants. In this wise the financial controller at the ministries watches to slow down the rhythm of commitments or to block them in consultation with the principal authorising officer. Regulation through the public treasury, consist of establishing priorities for complete or partial payments in cash to avoid cash flow tensions.

Application of commitment quotas in ministries and institutions

Budgetary regulation, be it formal or informal is intrinsically unavoidable for good management of public finances. Public revenue are mostly subjected to rules for managing flow than for stocks, for tax revenue are mobilised as the budget execution progresses, but a budget regulation implemented in an unpredictable manner and in an inappropriate setting draws risks of poor programme performance. These risks are high in ministries and institutions where the budgetary setting is lacking or embryonic.

To do this each ministry or institution must see to it that transparent and effective modalities for the regulation of budget execution are established. These modalities must certainly be in line with the management dialogue to be set up for the piloting of the programme. Through this structure, the actors responsible for the implementation of the programme, who also have the spending initiative, can better plan their activities based on budgetary constraints.

With regards to commitment quotas, once they are set by the ministry of finance, each ministry and institution must necessarily set commitment quotas per programme. The breakdown of quotas per programme must take several criteria into consideration:

1. The importance and urgency of the activity to be implemented within the programme.
2. The technical programming of the activity to be implemented
3. The financial cost of the activity to be financed

The financial cost of an activity helps to insure on the one hand that the activity to be implemented in an intermittent manner will not be stopped due to credit insufficiency, and on the other hand that quotas will not be absorbed by one programme, relegating the others to marginal execution. The taking into account of these criteria also helps to avoid the predominance of support programmes in the management of commitment quotas.

The setting of commitment quotas per programme necessitates that heads of operational programmes dialogue with participants in the programme with regards to the stakes.

Budgetary revision or finance law amendment

Conditions for the amendment of the finance law

The initial finance law is an act of predicting the resources and the expenditures on which many hypotheses have been made. In its execution favourable and unfavourable events may come in to divert budgetary prediction from their recommended paths. That is why the legislator has authorised the movement of credits in the form of transfers and credit deferrals as well as budgetary regulation to take into account the necessity for marginal modification of the budget during the course of its execution.

Meanwhile when the need for modification becomes greater and threatening to radically disrupt the initial budget equilibrium, the normal tools mentioned above seem ineffective. A finance law amendment can be adopted during the year so as to modify the initial finance law. Article 19 of the new fiscal regime prescribes the conditions for the adoption of a finance law amendment. "Without prejudice to this law, only amending finance law may, during the year, amend the provisions of the finance law of the year. They shall

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ratify amendments made by decree to appropriations provided by the last finance law”.

Several factors can justify the adoption of amending finance law:

- A revision of internal revenue predictions
- A revision of external revenue predictions
- A revision of macroeconomic perspectives
- Unplanned expenditures

The number of finance law amendments that can be adopted during a year are not limited in the law on state fiscal regime, but frequent resorts to budgetary revisions (more than one per year) or major budgetary corrections are signs of a poor budget elaboration and undermine the credibility of the state budget.

The effect on the draft performance of administrations

In general principle, every modification basic or at the scale of the finance law in the case of credit transfer and deferrals, or in an amended finance law, must automatically be taken into account by the PPA. For the PPA is not only an explanatory document of the finance law but it also serve as a tool for the managing the execution of the budgetary.

In practice it will not always be necessary to proceed to the modification of the PPA especially when the modifications are marginal. The annual performance report which gives on the outcome of the implementation of the PPA, offers the right setting to explain the modifications of the finance law which have impacted the execution of the programme.

This recommendation is however moderated in the case where an amending finance law is put in place. In fact when a finance law amendment modifies considerably the credits of a ministry or institution, the expected performances of programmes can no longer be the same. In this case there is need to revise the PPA of the concerned structure to take into account the credit

modifications. Besides, in the case where the credits of a programme are reviewed upwards, a consultation with the ministry in charge is necessary to set level of performance expected from the additional allocations.

2.8.5 Budgetary cancellations

Budgetary cancellations consist of a definitive abolition (deletion) of credits with the aim of protecting the balance in the budget (because of errors in forecast) as defined by the FL of the concerned year or simply because the credits object of the cancellation became groundless (article 55 of the LSFR alienated 1). It should be underline that the total amount of the cancelled credits cannot exceed 5 % of the credits opened in the FL (article 55 of the LSFR Paragraph 3)

2.8.6 The twelfths provision

The provisional twelfths is a short-term standby budget permitting in the event of a delay in the voting of the annual budget in which it will later be inserted, credit openings and authorisations to collect taxes and public revenue necessary for the continuation of services.

In accordance with the state fiscal regime, if the finance law of the year is not adopted before the beginning of the financial year, the president of the republic can by a ruling, carry forward in twelfths the budget of the previous year, until the adoption of the new budget. (Paragraph 42 LSFR)

In this case expenditures are carried out within the limits of a twelfth of the existing credit in the budget of the previous year.

2.9 Recording of Operations and Financial Reporting

2.9.1 Recording of Expenditures in AC and PA

The LSFR establishes three types of accounting: a budgetary accounting of revenues and expenditures, a general accounting and a cost accounting. Article 62 of this law specifies that the budgetary

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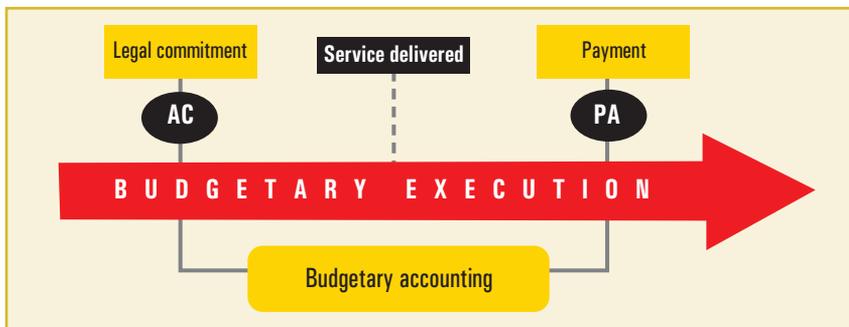
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accounting is respectively kept by the authorising officer and the accountant, and outline its different phases which respectively bear the operations of revenues and expenses.

The budgetary account of expenditures is jointly handled by the authorising officer and the accountant. The presentation of the budgetary account of expenditure is determined by the structure of the budget whose execution has to be retraced.

Credits being specialised within every chapter by section, by programme, by action, by article, by Paragraphs and by activity as shown out in Articles 9 and 10 of the LSFR, the budgetary accounting restores at the same time by chapter, by section, by programme, by action, by article, by Paragraph and by activity, the data's relating to the consumption of credits in AC and in PA.

Diagram 9 : Budgetary Accounting Field



The duality of the budgetary authorisations, in AC and in PA involves retracing them one after the other in budgetary accounting: openings authorised by the finance law at the same time in AC and PA on one hand, the consumptions of the AC and the PA on the other hand. This plan seeks to verify the respect of Parliamentary authorisation and to ensure the coherence between the general accounts and the budgetary accounts.

The accounting of the AC retraces the opening of the AC planned in the budget and their consumption during the notification of the legal acts which commit the State, at the level of the strict amount of the commitment. It is indeed the LC which, unless exception, consume the AC. They materialise the birth of the State's obligation, from which will result expenditure (any founding act of a commitment and not the delivery date).

Concretely, the accounting of the AC will restore by chapter, section, programme, action, article, Paragraph and activity the AC planned in the finance law as well as the various modifications operated during the year.

The accounting of the AC helps to determine at the end of a budgetary year, by linking it with payments, the rests to be paid, namely the consumed AC not settled by payment. The rests to be paid thus allow the precise evaluation of the payments which will intervene on a later exercise and which will be imputed on the execution of the future budgets.

As concerns the consumption of the PA, it is recorded in budgetary accounting at the time when the Paymaster proceeds to the payment of the expenditure. This helps to retrace payments associated to the LC which were the concern of a service rendered (delivery, completion of a service or work, maturity date of a subvention) and which consequently results to a responsibility. In the case of a LC running on several exercises, the consumption of the PA is also spread out over several budgetary years.

The setting up of the budgetary accounting needs the recovery of information especially concerning payment. The accounting of ACs is presently done on the information application DEPMI and that of PAs on the computer application CADRE. In order to ensure a better follow up of the PAs, an automatic or non-accounting recovery of information on the consumption of PAs from CADRE towards DEPMI is needed.

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2.9.2 Financial Reporting

The actors involved in the budget execution chain are supposed to give an account of the operations carried out through the production of accounts of the budgetary execution produced by the various actors who intervene in the chain that is the Finance Minister, the authorising officer and the accountants.

2.9.2.1 Mid-term budget execution report.

The mid-term budgetary execution is a written information from the Government to parliament latest the 30th of September of the current year. This report helps members of the finance commission to have the necessary element to prepare their questionnaires for the members of Government.

Annual Administrative Account

The authorising officer is bound to produce an Annual Administrative Account, (AAA) outlining his/her management acts and a programmes performance report under his/her responsibility. AAA is an account of the management of the authorising officer for the past year; it outlines the credits opened by programmes in the finance law at the beginning of the year on the one hand, and the achievements attained by the authorising officer at the end of the financial year on the other hand.

The administrative account produced by the authorising officer accompanies the management account produced by the signatory accountant. If a main public accountant is signatory to several principal, secondary or delegated authorising officer's administrative accounts, the latter will accompany all the management accounts of the accountant concerned.

The obligation to attach the administrative account to the management account seeks to enable the audit bench to have an overview on the budgetary and accountant management. This goes therefore beyond simple control of the regularity of accounts; rather the verification of coherence and consistency must be the focus

between the administrative account and the management account. It also examines the observance by the two main actors in the chain (the authorising officer and the accountant) the respect of the rules and procedures regarding public orders etc.

The AAA is produced at the end of year and is made up of two (02) components; a management report outlining management acts on the one hand and a performance report of programmes (see annual performance report above) under his responsibility.

The management report presents the local and international environment in which the budget was executed. It presents an outline on the rules and procedures that were used throughout the year to demonstrate that the budget was executed in strict respect of conservative budget practice. Furthermore it brings out in a summary way the performances achieved compared to the authorisations in the finance law presented by programme.

The irregularities and/or incoherencies observed in the AAA during the judgement of the management account by the audit bench are brought to the attention of the Budgets and Finance Disciplinary Council.

On the AAA of the principal authorising officer, is attached the Stores Management Accounts (SMA) produced at the end of the year by the principal, secondary or delegated authorising officer.

Drawn up on the 31st December of the year, the SMA marks the end of the budgetary year. The SMA file consists of:

- A copy of the General Basic Inventory (GBI) approved by the head of the structure (principal authorising officer of the concerned structure.)
- An appreciative account presented according to nomenclature summary, the amount of each operation received (entry) and send out (exit)
- An appreciative account drawn up for the accounts of the first semester,(01 January to 30 June) and second semester (01 July to 31 December)

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- Justification papers to support appreciative account (entry order, reception report, delivery note, exit order etc.) of the management account which traces in values and inventory
- A management account which outlines only in value, the actual situation as of 31 December of the past year and that of 31 December of the current year obtained through a difference between entries and outings.
- Inventory that gives the actual situation as of the 31 of December, of durable material in service and in stock (that is to say, still to be put into use) supplied with the unit prices and values.

Management Account

Management account (MA) is a collection of documents which renders account of the operations carried out by the main accountant for a budgetary year and submitted to the audit bench of the Supreme Court.

The MA produced by the principal authorising officer is made up of three distinct parts (ministerial instruction No 00001451/MINFI/CAB of 20 April 2008) made up respectively of:

- General documents which supply information of a general order on management account submitted to accounts judge for judgement. The exhaustive list of documents contained in the ministerial instruction sited above. They are subdivided into permanent documents and annual documents.
- A figures account made up of numerical data which represent an accountancy outline of cash flow throughout the year in question. This data are contained in 04 summary statements which make up the figures account namely: the annual general balance accounts, a statement on the evolution of budgetary revenue, a statement on the evolution of budgetary expenditures and annexes (the list of annexes is found in the ministerial instructions)
- The documentations account is made up of different justifying documents of the figures contained in the figures account. Absolute coherence and concordance is demanded between the figures accounts and the documentations accounts. The

documentations account is a summary statement on budgetary revenue and a summary statement on budgetary expenditures, and justification documents on the budgetary expenditures.

The constituent elements of each of these sections as well as the structure of each of them are contained in the ministerial instruction on management account mentioned above.

The management account must be submitted to the audit bench within three months of the closure of the budgetary year. (Section 26 of law No 2003/005 of 21 April 2003, setting the attributions, organisation and the running of the audit bench of the Supreme Court). Considering the additional period which can go until 28 February of budgetary year n+1, the 03 months corresponding to the 1st of June year n+1. A failure in the preparation of the MA by form or by deadlines shall draw pecuniary judgement.

Three types of judgement can be rendered after judging the MA. A discharge or quittance (final discharge of accountants) a debit judgement (the bench being the debtor accountant) advance judgement (the bench postpones the discharge of the accountant pending a planned settlement within the following month)

State General Account

The Minister of Finance, through the network of Paymasters under his/her responsibility, is liable at the end of the year to the production of the State General Account (SGA), that describes all the commercial accounting of the State traced for a Particular year.

The SGA is a set of summary reports from the general ledger, produced at the end of the year. Beyond the regularity and fairness of the accounts, these statements that describe all past transactions in general ledger accounting of a year, seeks to faithfully restore the image of the State patrimony and its financial situation. The SGA produced at the end of the year, aims at describing the set of commercial accounting of the State relating to the year.

The SGA consists of the overall balance of accounts, the balance sheet of the State, the table of cash flows, the income statement

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and the statement attached. The SGA supports the settlement bill. It is therefore subject to the same deadline which is on 30 September of the current year at the latest. Before tabling in Parliament, the SGA, which is attached to the settlement bill, is subject to review by the Audit Bench of the Supreme Court, just as is the settlement bill.

While the monitoring of the settlement bill by the Audit Bench focuses on budgetary accounting and cost accounting aspects, SGA monitoring is based on the State's general ledger accounting variables.

The SGA cannot be a judge by the Audit Bench like the judgment made on the management accounts produced by the various Senior Accountants of the State but a certification for at least three (03) reasons:

- The SGA is simply a set of consolidated financial statements from the accounts of the various Senior Accountants whose management accounts are judged by the Audit Bench;
- The SGA is produced not by a Senior Accountant, personally and financially responsible, but by the Minister of Finance through his competent technical services;
- The SGA only has the figures of patrimonial accounting, which bears no justifying documents.

Certification must be done by the audit bench, which acts as the certificatory body for state accounts. Hence after several controls, three types of decisions may be rendered by the audit bench:

- Full certification of SGA: in this case there exist no discrepancies or the discrepancies observed are not significant after verifications. The certification was not limited in its verifications.
- Partial certification of the SGA; in this case the certifying body (the audit bench) has identified limitations or discrepancies but these are not sufficient to prevent a verdict or to bring to question the regularity, sincerity and faithfulness of the account.
- A refusal of certification of the SGA: in this case the limitations of discrepancies are such that, they tarnish the sincerity, the regularity and the faithful image of the state accounts

Settlement Law

The settlement law (SB) is a law different from the finance law of the year, as such; it is the object of a vote separate from that of the FL. The SL observes the execution of the last finance law to report faithfully the execution of the various authorisations. It is above all a law of observation according to article 20 of the LSFR, the SL:

- Ratify the changes made by decree in advance to credits opened by the last finance law;
- Fixes the final amount of revenue and expenditures of the budget to which it is connected as well as the result (profit) which ensues from it;
- Fixes the definitive amount of resources and the treasury charges that contributed to the achievement of the financial balance of the corresponding year;
- Observes the differences in the implementation of the programmes on the basis of the objectives and the corresponding indicators;
- Observes the statement of results (profit and loss account) of the exercise made from the resources and charges mentioned in Article 12 above;
- Allocates the accounting result of the year;

If necessary the law of settlement:

- Contains all the measures to inform the Parliamentary control of the management of public finances, State accounting and in the pecuniary liability of public services agents;
- Fixes where necessary, the special account balance not carried over to the next fiscal year.

The draft SB and its annexes have to be deposited at the Parliament latest on September 30 of the year following that of the fiscal year to which it is related to and is subject to an inspection and a vote from Parliament which is later promulgated by decree of the President of the Republic.

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Before its transmission to parliament, the audit bench gives its opinion on the draft settlement bill.

The report that the audit bench sends to the parliament on the draft settlement bill, consist mainly an appreciation of the compliance of the budget executed to the voted budget. The audit bench certifies the regularity, sincerity and the faithfulness of the financial statements. She evaluates the management and the budgetary results in general as well as the report on the execution of programmes.

Finally, the audit bench can offer recommendations and opinions on the management of ministries and as the case may be on their programmes.

Settlement Bill Format

First Part: Presentation of motives

The presentation of motives is supplied by the socio – political, economic and financial data which present respectively the international, regional and internal context in which the finance law of the concerned year was executed. Generally, this part gives a brief overview of:

- Authorisations and budgetary performances in revenues, expenditures and in treasury operations,
- the budgetary balance obtained,
- Incidents that occurred during the year (modification of credits created);
- Programmes set up in conformance with the said year,
- Etc. ...

Second Part: body of the settlement bill

The body of the settlement bill is made up of a set of articles which retrace all the information that must appear in the settlement bill. The latter is presented as follows:

- Article 1: it ratifies the modifications brought by decree in advance to the credits opened by the last finance law;
- Article 2: revenues presented under the same format as the finance law, they are

outline by budgetary imputation, the forecast, the collections as well as the rate of the collections attained respectively per line and the general rate;

- Article 3: expenditure: presented under the same format as the law of finance, they bring out the initial subsidies, transfers, the final subsidies, the commitments, the liquidations, the scheduling as well as the execution rate by line and the general rate;
- Article 4: differences in the implementation of programmes on the bases of corresponding objectives and indicators.
- Article 5: expenditures: presented by business sectors, they integrate the initial subsidies, the transfers, final subsidies, commitments, liquidations, scheduling, payments and the execution rate.
- Article 6: the budgetary balance obtained by difference between expenditures and revenue;
- Article 7: the treasury situation obtained by difference between the treasury resources and the treasury responsibilities;
- Article 8: the statement of results (profit and loss account) obtained by difference between responsibilities (class 6) and products (class 7);
- Article 9: allocating accounting results.

Third Part: Appendices

They constitute 07 components and are produced by different administrations involved in the budget execution channel. They are respectively:

- Appendix 1: explanatory appendix of the budgetary revenue.
- Appendix 2: explanatory appendix of budgetary expenditure
- Appendix 3: state of the expenditures by programme
- Appendix 4: the administrations annual performance reports
- Appendix 5: explanatory appendix by appendix budget and by special account
- Appendix 6: state of realization of the investment projects by administration and by region.
- Appendix 7: the statement of results of the year elaborated from the responsibilities and resources.



3 MASTERY OF BUDGETARY OPERATIONS AND MANAGEMENT PROCESSES

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The new Programme Budget system is meant to ensure a better budget management that gives greater freedom to actors involved in the expenditure chain while achieving increased accountability and a charge-and-discharge statement following the results.

Control (Audit) is a crucial function in the setting up of programme budgeting. In the traditional context of management, Audit focuses on expenditure allocation accounting procedures and financial statements. In other words, it focuses on consistency and total control. The traditional function of control, (audit) seeks to ensure that expenditures are engaged and executed according to the law enforced..

Added to the traditional role of audits (consistency and compliance control), are new systems required by the modernisation of public management and the introduction of the Programme budget, especially internal control and audits.

Thus, the introduction of Programme budgeting based on performance, which aims at effectiveness and efficiency of public action leads to the renewal of consistency control and to the integration of internal audits, whose objective is the mastery of processes with a view to achieving the goals of public policy.

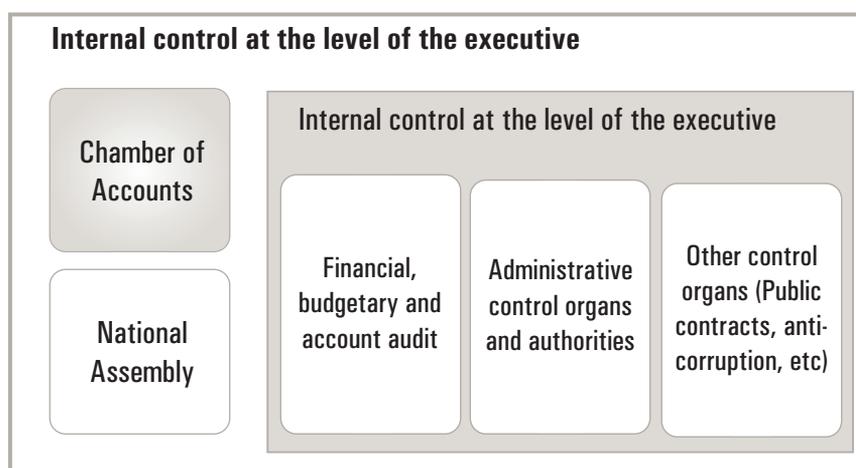
The term “Control” is used here in the English sense. It is therefore part of the global risk management mechanism.

3.1 ORGANIZING INTERNAL AND EXTERNAL CONTROL

Just like many countries, Cameroon’s public finance management system has numerous control mechanisms which include administrative controls falling within the competences of the executive and external audits conducted by the Audit Bench and the National Assembly.

The audit system can be divided into pre-control, concomitant control and post-control. These controls are essentially consistency controls and are composed of:

- Traditional pre and concomitant controls of budget execution (expenditure initiation controls carried out by the financial controller, the accounting control of payment order conducted by Paymasters)
- Post control carried out by the Division of Budgetary Operation, Audit and quality of Expenditures of the Directorate General in charge of Budgets and the Department of Norm and Stores Accounting as well as the control structure or MINEPAT.
- To this should be added the controls done by the organs and authorities in charge of control namely, inspectorate generals, services of the Supreme State Audit, and the Ministry of Public Contracts.
- Other aspects of control involve other institutions like the national anti-corruption committee, and the national financial investigation agency.



This system which is made up of different organs and authorities should be explained, bringing out the attributions and the missions of each control body, as well as its place in the internal audit system geared towards risk management.

As such, it is important to review the Cameroonian control system,

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not its structure, but rather the functions. From there, one can distinguish between three essential executive functions of internal control namely, internal control, auditing and inspection.

Internal control refers to a set of facilities implemented by a manager to achieve his objectives. Internal controls are just as important as the defining of processes, the organisation of governance or the control of performance.

Internal audit is not a control either, rather, it is an assessment, by a multidisciplinary team, of the effectiveness of the internal control system put in place and the improvement of the system through recommendations.

Inspection, which is usually ministerial and sometimes inter-ministerial, carries out control missions on the spot and on documents in order to verify the management of public funds and control organs that receive public funds. Its powers are broad and its duties should increase progressively: As such, they can carry out audits, public policy evaluation missions, and the harmonisation of the internal control system at the level of the executive.

As to the external control at the level of the executive, there exists jurisdictional control conducted by the Audit Bench and parliamentary control carried out by the parliamentarians at the National Assembly, “citizen” control carried out by local follow-up committees and the civil society.

Table 4: Inspection, Audit and Internal control

	Inspection	Audit	Internal Control
1. - Frequency	Sporadic, or even improvised (secret)	Periodic and systematic (according to approved schedule)	Permanent
2. - Level	External to the service or even supérieur to it	Internal	Integrated
3. - Target	Personal transactions	Result-focused system (MCS)	Risk management
4. - Aim (main concern)	Compliance (uncover irregularities)	Efficiency	Control

5. - Method	Guides	Standards	IC reference documents (audit trail, AP)
6. - Consequences	Sanctions	Recommendations	Regularizations (action plan)
7. - Responsibility	Insurance	Option, reasonable assurance	Accountability
8. - Duty	Policing	Consultant	Manager
<i>Source : Alain-Gérard Cohen, « Une nouvelle façon de gérer l'Etat et l'Administration : contrôle interne et audit publics »</i>			

3.2 The internal control system at the level of the executive

The internal control of the executive is made up of a set of control and verification processes whose purpose is to ensure that the State mechanism conducts its activities, within the legal and normative framework, and achieves the goals set in its mission.

These control processes are organised around three main missions, namely internal control, internal audit and inspection, which are devolved to a certain number of entities and organs, whose attributions should be specified at this level.

3.2.1 The Ministerial internal control, a risk management mechanism

The new budgetary management framework (earmarking of funds at the level of programmes, fungibility, performance monitoring, etc.) makes the accountability chain to be result-focused, thus replacing the means-focused approach which strips managers of public funds of any sense of accountability.

The accountability approach for actors in the performance chain, especially the programme manager, requires that controls be readjusted by setting up internal control which aims at “ensuring that an organisation conducts its activities within the legal framework of its competence and that it achieves the goals set in its mission” (OCDE, 2005: 1).

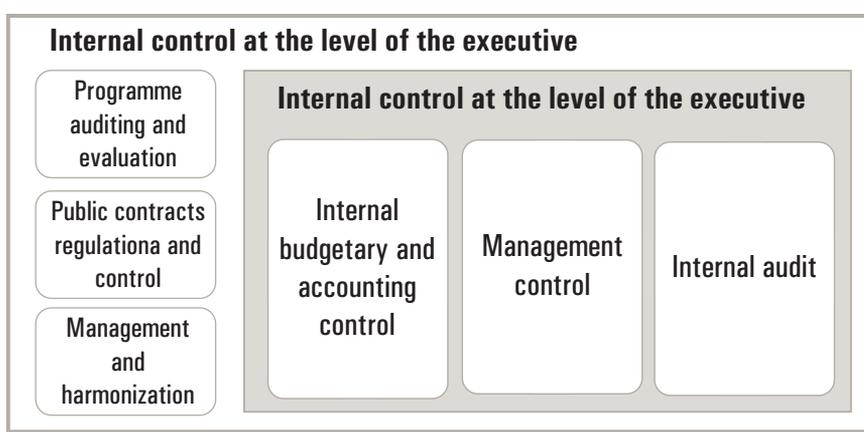
Internal control is a structured management tool which should be

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set up within each institution (ministry, public institution, council) and materialises through the establishment of an integrated process, implemented by those in charge of an institution, and aimed at handling risks and providing reasonable insurance at the level of the realisation, within the framework of the institution’s mission of:

- General objectives in the performance of organised, ethical, economical, efficient and effective activities;
- Respect of the principle of accountability;
- Compliance to applicable laws and regulations and;
- Protection of resources against loss, poor management and damage.

The process of management control is treated above in the piloting section of the Budget Programme centered on performance, and at this level, we are particularly concerned with the process of internal budgetray control accountant and internal audit.



Internal budgetary and accountant control

The internal budgetary and accountant control (IBAC) refers to a set-up which groups together the internal institutional formalised processes designed to supply a reasonable assurance for the

accomplishment of operations, to the reliability of finance information (budgetary and accountant) and to the respect of regulations.

Intergrated within every ministry and placed under its responsibility, IBAC is implemented by the officials for the functioning of their activities. At the budgetary level, it has to ensure the quality of budgetary accountability, budgetary sustainability, programming, budgetary management and execution. On the accountant stand point, control is meant to ensure the quality of general accounting.

Internal Budgetary Control

Definition internal budgetary control

Internal budgetary control are all the formalised and permanent measures decided by each ministry and implemented by the head of all levels to ocntrol the fonctionnig of their activities with the view of supplying a reasonable assurance of the quality of the budgetary account information and budgetary sustainability.

Objective of internal budgetaury control

Internal budgetaury control aim at giving a reasonable assurance of the attainability of the following objectives :

- 1-The quality of budgetary account, in its different components as defined by the budgetary account frame of reference (authorisation in AC and PA, employment, revenue evaluation, consumption in AC and PA, ETPT, revenue, functional installment, financial staement) which is outlined according to the analogue operational system to what applies in the area of accountant quality.
- 2-Budgetary sustainability from the quality of budgetary programming at mangement onset, of its monitoring and its management uptaling until the sustainability of the management itself.

Source : LOLF France – le dispositif de contrôle interne budgétaire – cadre de référence ministériel – juin 2011

Organised piloted and implemented by the Directorate General of Budget, internal budgetary control (under the umbrella of IBAC) aims specifically to give reasonable assurance as to the reaching of the two objectives of the quality of budgetary accounting and budgetary sustainability.

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On the level of bugetary accounting quality, it is about appreciating the quality of budgetary entries in AC and PA as well as their consumption. The modalities of entering revenue and the quality of financial statements.

The quality of budgetary accounting is appreciated according to the following criteria :

- The consistency of the financial operations which leads to the registrations in conformity with the laws and regulations in force.
- Precision, that is to say, correct evaluation of commitments, payments, collections and their consumptions;
- Complete coverage by ensuring that all the authorisations, commitments collections are registered without contractions;
- Correct and regular charging of operations in expenditures and in revenue;
- Linking of operations to budget voucher, to current year voucher and to legal commitment voucher, finally
- The sincerity which shall be assessed by degree of translation of the reality and the importance of accountant elements.

On the level of budgetary sustainability, this is evaluated by the quality of initial programming. Its monitoring, its updating during management and the management sustainability in itself.

Budgetary sustainability is assessed according to the following criteria:

- The quality of budgetary programming, to assess if this is based on realistic hypothesis, taken into account the strategic objectives and programmed objectives in the multi year framework presented in MTEF;
- The quality of budget monitoring and modifications in ongoing management by appreciating the coherence of programming which management acts and with budgetary modifications in ongoing management, as well as by appreciating the quality of the credit consumption plan.

- The sustainability of management in terms of measuring its ability to cover compulsory expenses, legal medium term commitments, as well as the impact of past commitments on the future years.

The deployment of internal budgetary control calls for a development in the function of financial control towards the easing of a priori control and to focus on categories that represent major financial stakes. The function of financial controller must equally evolve towards the function of adviser and assistance to the authorising officer.

Organised, piloted and implemented by the public accounting head office, internal budgetary control (under the umbrella IBAC) aims particularly at giving reasonable assurance of the quality of State accounts.

The quality of State account is appreciated by the faithful image of its accounts. Several indications contribute to give a faithful image of State accounts. In fact, a faithful image can be verified by :

- Its regularity, which implies the conformity of financial operations leading to computer recording in conformity to the laws and regulations in force;
- Sincerity in rules to translate the knowledge responsible for preparing accounts, of the reality and relative importance of accounting elements (the case of evaluation and calculations based on element outside accountancy);
- Precision through the correct evaluation of figures, commitments as well as the expenses and the products recorded in accounts;
- Complete coverage of accountant records which must give in the total rights and obligations of institutions;
- Charging State rights and obligations to the right sub-division on the accounts or appendix level;
- Linking operations to financial year voucher

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IAC is made formal by references which apply to the entire expenditure and accountability chain. This reference must be backed by a cartography of accountant risks updated by those concerned.

Directives for Drawing up Norms for Internal Control

The International Organisation of Supreme Audit Institutions (INTOSAI) has published a collection of general and detailed norms which define the minimum conditions to meet for an internal control system to be acceptable.

General norms

- Specific control objectives must be identified for each activity of the organism and must be appropriate, exhaustive, reasonable and integrated to the general objectives of the organism.
- Governing bodies and agents must maintain at all times an attitude of adhesion to internal control and show prove of integrity and sufficient competence to be conformed to it. The system must guarantee to a good extend the accomplishment of the internal control objectives.
- Governing bodies must constantly verify their operations and without any delay, take the necessary corrective measures.

Detailed norms

- A complete documentation of all transactions on the control system itself must be supplied.
- Transactions and events must be promptly recorded and well listed.
- Execution of transactions and actions must be duly authorised.
- The main duties at different stages of transaction must be entrusted to several persons.
- An appropriate monitoring must be assumed to see to the accomplishment of the objectives of the control.
- Access to resources and to file must be restricted to authorised persons who have responsibility over their keeping or their use.

Source. FMI. Manuel sur la transparence des finances publiques, p. 109

The setting-up of IBAC implies a refocusing of the function of financial control to a control of the availability of AC, an availability judged in function of the initial programme. This refocusing is also

done for the control of the consumption of AC, which is restricted to issues and to expenditure positions considered to be at risk.

Besides, the control of consistency and expenditure carried out by the public accountant at the payment stage is not brought to question, and must be equally refocused on the main risks and financial stakes.

The setting-up of IBAC also requires a conception of norms for internal control and a cartography of risks in the institution. In the absence of these two elements, the internal auditor cannot write out recommendations to this effect.

Internal Audit

Internal audit is an activity carried out in an independent and objective manner which gives each institution an assurance on the degree of mastery of its operations and brings advice to it for improvement. Internal audit also assures that the IBAC set up is effective. Given that it must be entrusted to actors of the very institutions, internal audit must be entrusted to the inspectorate general of Ministries . Thus, in addition to the function of inspection of service, the function of internal audit must be clearly identified in the attribution of its control members.

Internal Audit

“Internal audit is an independent and objective activity which gives an organisation an assurance of the level of mastery of its operations, bringing to it, necessary counsel for improvement, and contribute in creating added value. It help this organisation to reach its objectives by evaluating it by a systematic and methodic approach, its risk management process, its control, and the piloting and by making proposals to reinforce effectiveness”

Source IFACI (institut français de l'audit et du contrôle interne)

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Internal audit covers several functions (financial and accounting, HRM, institutions, legal etc.) and is managed around three audit types:

- Audit of consistency
- Audit of process (including the process of internal control)
- Audit of programme performance (appreciation of results)

Audit missions answer one or several of the following objectives :

- An objective of consistency to verify that the audited subjects conformed to the laws, regulations and instructions in force or to modalities, procedures and operational methods provided to this effect.
- An objective of effectiveness to evaluate the performance of processes ascribed to programmes;
- A strategic objective to appreciate the sufficiency of means and results of programmes with regards to strategic objectives.

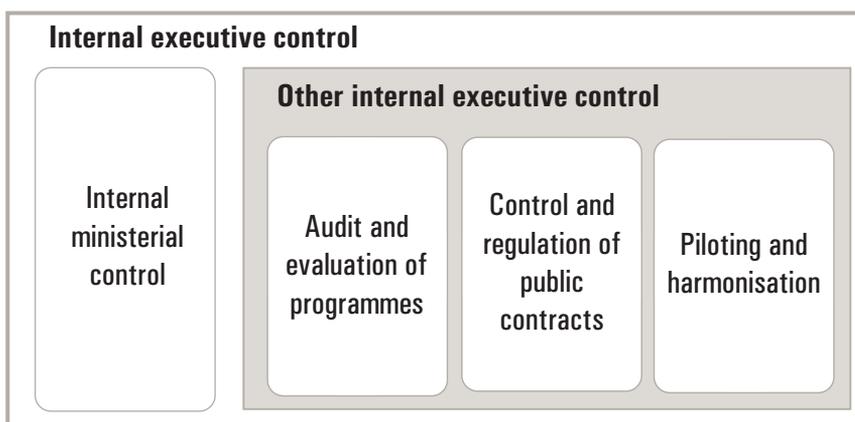
The present function of inspectorate general has similarities with audit activities and are closest to audit of performance with which they share several tools and methods. Internal audit and particularly audit of performance must be expressly entrusted to them in addition to their traditional attribution of inspections.

3.2.2 Other Modalities for Internal Executive Control

Internal executive control is shared amongst several control organs and authorities out of the Ministry of Finance which acts in separate domain without any harmony.

The attributions of these organs lead at time to a costly administrative overlaps in terms of means and losses in terms of efficiency. In an attempt to understand the structure of internal executive control, it is necessary to reposition its control organs and authorities in terms of functions.

In this capacity, with the exception of IBAC, we distinguish three main functions of internal executive control: a function of audit and of programmes, a function of monitoring and of regulation of public contracts, and a piloting and harmonising function.



Audit and Evaluation of Programmes

Programmes play a central role in the new public finance management. Programmes make up an important element of parliamentary information. Their designing is perogative, engaging the responsibility of Gouvernement; finally, it is the specialisation unit of credit which imposes itself on Ministries.

This central character of programmes demands that during their implementation, it must answer to the unquestionable issues of quality. Besides the examination of the conditions for their achievement must be within the context of objectivity, neutrality and reliability.

Drawing from this observation, operating a permanent audit and evaluation of programmes proves to be vital. This control function must be entrusted to an interministerial committee composed of multidisciplinary expertise and having a high sense of analysis and a sound experience in the subject area.

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This committee carries out two types of audit

- Initial audit which takes place at the moment programme projects are presented and after each time a new programme is put in place or substantially modified. The goal of this type of audit is to verify the implementation of the quality criteria of the programme.
- Audit of the annual achievement of programmes which are carried out in line with the PPA and APR. it consists of testifying the reliability of results figures and to guarantee that the commentaries in the light of differences observed between the objectives and the achievements are impartial and have properly taken into account all elements for analysing the reality.

The committee equally evaluates the coherence of the programme with the objectives of the public policy, with the major strategic instruments of the State, namely the Growth and Employment Strategy Paper (GESP), and with the principles laid down by the LSFR on the bases of a reference frame for validating programmes.

Thus, Audit and Evaluation missions can be realised within the framework of interministerial committee for examining programmes (ICEP). To do this, it is necessary to enlarge the composition of this committee and specify the audit and evaluation missions reserved for ICEP.

The interministerial dimension of CIEP is determinant and help to give a homogenous appreciation on the audited programme, no matter the ministries concerned. ICEP may not have the audit means to function in this case it will function with auditors put at her disposal by inspectorate generals or services of the Supreme State Audit for the duration of the mission.

Finally to guarantee discipline and homogeneity in its actions, ICEP must draw up a reference frame for audit and evaluation of programmes to guarantee a better transparency with regards to audit services.

Control and Regulation of Public Contracts

Public contracts make up one of the major modalities for executing expenditure. Control and regulation of public contracts is handled by the Ministry in charge of public contracts in conjunction with the beneficiary administration.

The Minister of Public Contracts is responsible to carry out control of the execution of public contracts (contract of infrastructure, supply, services and intellectual services).

In general this control concerns the following :

- The validation of contract documents prior to execution (execution plan, action plan, supply schedule etc) ;
- Validation of documents relating to the contractual stipulations (date lines, quantities and cost) ;
- Control the execution of services on the field ;
- Stamping of prior approval visas on all payment documents ;

Precisely, the control of the execution of services in the field is done by the ministry of public contracts in conjunction with the concerned administration. This involves a series of activities, the most significant concern:

- The verification of the authenticity of the documents required by contractors in accordance with the contractual terms (deposit, insurance, etc.).
- Verifying the compliance of personnel and equipment deployed by contractors in relation to their tender, and the means deployed to execute the service ;
- Verifying the effectiveness, compliance and quality of interventions of contractors, contract engineers ;
- Verifying the compliance of work place installation with respect to contractual stipulations;
- Verifying the effectiveness, compliance and quality of services on the ground, if necessary, tests and trials on contract of

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infrastructure and test of technical conformance to supply contracts ;

- Taking note of irregularities and infringements during raids announced or unannounced on-site, accompanied by reports of findings for reparations or sanction by the competent authorities;
- Monitoring compliance with the terms of warranty.

Regarding the prior visa approval affixed by the Minister responsible for public contracts on payment documents, it is obtained within three (03) days after ascertaining the relevance of effectiveness, the completion of the work and compliance delivery of public procurement.

Control on the implementation of the budget by the Division of Budgetary Control, audit and quality of expenditure MINFI

Missions of DCOB generally seek to ensure the respect of the orthodoxy of Public Finance management by the authorising officers and agents in the expenditure chain. As such :

- On the budgetary plan: To control the regularity of expenditures, the use and discharges of cash, respect the regulations on public contracts, the accreditation of officers, mercurial prices, specialty of budget lines. These controls lead to the establishment of statistics on execution of expenditure and collection revenue ;
- In terms of store's accounting: To ensure the effective designation of store's accountant by the authorising officers in accordance with Circular No. 002/CAB/PM of 19 February 2008 concerning material management, especially, effective and consistent service delivery and the provision of materials;
- In terms of Salaries: To control the regularity in the treatment of salaries, if any, the impact of salary variation on the payroll of the controlled administration;

This triple plan (budget, stores accounting, and salary) ensure classification and storage of administrative, financial and accounting documents and materials.

Monitoring/ Follow-up programs and projects of MINEPAT

The organs of control of MINEPAT are responsible for:

In terms of monitoring,

- Monitoring the implementation of programs and projects of public investment;
- Monitoring unscheduled public investment projects;
- Observatory of public investments realized and requiring rehabilitation in conjunction with the relevant authorities;
- Exploiting reports of the control brigade;;
- Launch and supervision of a posteriori control of public investment transactions conducted by private firms or individual experts;
- Drafting of quarterly monitoring reports and annual public investment budget.

In terms of control

- Inspection of physical realization of programs and projects of public investment;
- Monitoring public investment projects

Piloting and harmonisation of Internal Executive Control

The setting-up of internal public control requires the creation of a harmonisation unit, of coordination and piloting of the process of control, auditing, and evaluation within the executive.

The harmonisation unit defines pilots and develops norms and methodology. It determines financial decisions and operations submitted for a priori financial control, as well as procedures and control principles. It assures coordination between services and mutualises good practices.

Highly place in the hierarchy level, the harmonisation unit determines control and audit norms as well as the code of practice.

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She prepares and develops guides for audit procedures and develops methods of evaluation of risks.

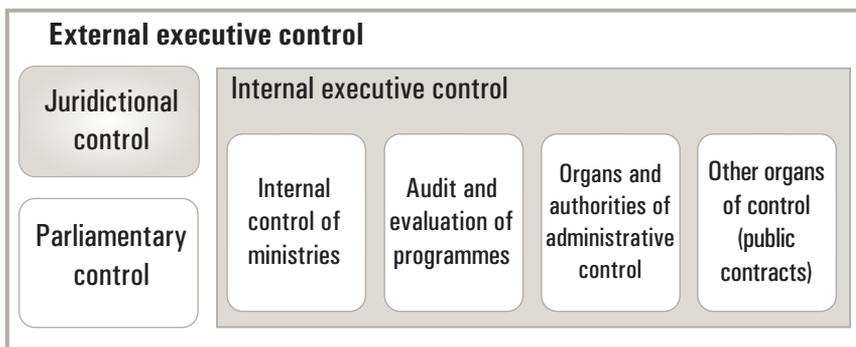
The function of piloting and harmonisation of internal executive control are the responsibility of the Supreme State Audit. Her attributions are:

- Verification, at the highest level of public services, regional and local authorities, public and Para public companies, as well as organisations, institutions, religious bodies or secular groups who benefit from financial aid, endorsement or State grants, or other public corporate body, on the administrative financial or accountant level;
- The control of the execution of State budget by exercising control of conformity and consistency, financial control, performance control, evaluation of programmes, control of environment, and specific control.

The services of the Supreme State Audit also play a role in promoting transparency counselling and management support, of piloting and harmonisation of the process of internal audit. Its functions must clearly appear in their attributions and in the texts that carry their organisation

3.3 Measures for External Executive Control

Measures for external executive control include jurisdictional control assured by the Audit Bench which comes under the Supreme Court, and Paliamentary control assured by the National Assembly.



3.3.1 Jurisdictional Control

According to section 41 of the Constitutional Law of 18th January 1996, "the Audit Bench is competent to control and give ruling on public accounts and those of public and Para-public companies. She shall pass verdict beyond any appeal on decisions taken at first and last instances by lower jurisdiction of accounts. She masters every subject matter that has been expressly entrusted to her by the law". This mission is confirm by Law No. 2003/005 of 21 April 2003 laying down the responsibilities, organization and functioning" of the Audit Bench of the Supreme Court

Jurisdictional control and the judgment of the Audit Bench (AB) duels on the accounts of the public accountant. The AB declares and discharges accounting facts, produces sentences to fine, and rules beyond appeal in annulment on appeals against final judgment from lower jurisdiction

The new Budget Programme approach leads to an evolution in the function of the jurisdictional control of the AB towards:

- Financial auditing;
- Performance control which include (external) audit of performance and audit of APR produced by the executive;
- An assistance mission to the National Assembly to analyse the reliability of information contained in budgetary documents, notably to certify the respect or non-respect of parliamentary authorisation during the execution of the budget.

Besides, the attributions of the AB will evolve towards the certification of State accounts. The certification of accounts is an external audit mission of accounts which consists of giving an opinion on the conformity of accounts to the applicable accountant reference frame. This opinion is not limited to the consistency of accounts, but goes far beyond to give an opinion on their sincerity, this gives an additional assurance to the National Assembly as to the quality of State accounts.

3.3.2 Paliamentary Control

Parliamentary control carried out by the National Assembly is a post control carried out by special rapporteur and the commission of inquiry during the voting of the settlement law.

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At the beginning of the first session of the year the finance committee appoints a rapporteur for revenues and rapporteurs for public expenditures and the use of public funds as well as public development funds. They have the power to carry out control on the spot and no document can be kept away from them except those containing secrecy information related to national security.

Parliament may designate a commission of inquiry on subjects related to public finance for a period not exceeding six months. These commissions have the same powers as the rapporteurs mentioned above.

The settlement law (SL) helps the National Assembly to be informed on the reality of the budget execution and to compare them with initial credits to verify if the execution was not so different from the authorisation given; the National Assembly can then engage the responsibility of the Government.

Through the Budget Programme set-up, the Parliamentary control has been reformed, given that it goes beyond the examination of figures contained in the SL to examine and evaluate performance of administrations. This control takes place on the Performance Document, DPP, and on the APR submitted by the Executive Power.

The APR is a rendering of accounts of achieved results, in comparison with the expected objectives and on the basis of which the Legislative Power authorised credits.

The evolution of the role of the Parliament in the area of examining and voting of the SL through the examination of the DPA and the APR, demands a reinforcement of ties between these institutions and the AB founded on a corporation of counsel and assistance.



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Appendix 1: Logical Framework Matrix

Level	Item	Objectively verifiable indicators	Sources of verification	Reference Data	Target values	Risks possibilities
1	global objective					
1.1	Specific objective 1.1					
1.1.1	Expected result 1.1.1					
1.1.2	Expected result 1.1.2					
1.2	Specific objective 1.2					
1.2.1	<i>Expected result 1.2.1</i>					
1.2.1.1	Activity 1.2.1.1					
1.2.1.1.1	Task 1.2.1.1.1					
1.2.1.2	Activity 1.2.1.2					
1.2.1.2.1	Task 1.2.1.2.1					
1.2.1.2.2	Task 1.2.1.2.2					
General Approach						

Appendix 2 : Synoptic Table of Programme Objectives

Strategic Level		Operational Level							
Ministry	Programme objectives	Performance indicators	Actions	Operational objectives level 1	Performance indicators	Activity	Operational objectives level 1	Performance indicator	
Programme k	Objective 1	PI 1.1	Action XY Person in charge :	Operational objective 2.1	PI 2.1.1	Activity FCD Person in charge :	Operational objective 1.1.2	PI 1.1.2.1	
					PI 2.1.2			PI 1.1.2.2	
								PI 2.2.1.1	
		PI 1.2		Operational objective 1.1	PI 1.1.1	Activity NGU Person in charge :	Operational objective 1.1.1	PI 1.1.1.1	
					PI 1.1.2			PI 1.1.1.2	
								PI 2.1.2.1	
	Objective 2	PI 2.1	Action ZEF Person in charge :	Operational objective 2.2	PI 2.2.1	Activity OVE Person in charge :	Operational objective 1.2.1	PI 1.2.1.1	
					PI 2.2.2			PI 1.2.1.2	
								PI 2.1.1.1	
		PI 2.2		Operational objective 1.2	Activity KLM Person in charge :	Operational objective 2.2.1	PI 1.2.1	Operational objective 2.2.2	PI 2.2.2.1
							PI 1.2.2		PI 1.2.2.2
									PI 2.2.2.1

Appendix 3: Synoptic Table of Programme Objectives (illustration)

Strategic level		Operational level					Operational objective Level II	Performance indicators
Programme	Programme objectives	Performance indicators	Actions	Operational objective level I	Performance indicator	Activity	Operational objective Level II	Performance indicators
Primary education Operational head programme :	Improvement in literacy level Objective XYZ	Number of students	Enrolment capacity RAUD :	Improvement of enrolment capacity	Rate of schools that respect EQF norms	Construction and renovation of schools RAC :	Reduction in regional disparities	Rate of schools constructed in rural zones
					Number of schools with five functional classrooms			Equipping schools RAC :
					Rate of schools equipped with necessary activity material	Mobilisation of teaching staff RAC :	Improvement in the system of planning and recruitment	
					Rate of schools equipped with necessary activity material			Adaptation of pedagogic content RAC :
					Rate of repeating classes	Rate of school drop out	Rate of teacher replacement	
					Rate of school drop out			Number of teaching staff RAUD :
					Rate of school drop out	Number of teaching staff RAUD :	Rate of revitalization of programmes and teaching tools	
					Rate of school drop out			Number of teaching staff RAUD :

Appendix 4 : Synoptic Table of Programme Resources

	Voted credits		PA load	Projected schedule for credit consumption							
				T 1		T 2		T 3		T 4	
				AC	PA	AC	PA	AC	PA	AC	PA
Action 1	AC	PA	%	AC	PA	AC	PA	AC	PA	AC	PA
Activity 1.1											
Task 1.1.1											
Activity sub total 1.1											
Activity 1.2											
Task 1.2.1											
Task 1.2.2											
Activity sub total 1.2											
Total action 1											
Action 2											
Activity 2.1											
Task 2.1.1											
Task 2.1.2											
Activity sub total 1.1											
Total action 2											
Programme Total											

Appendix 5 : Synoptic Table for Monitoring Resources

	Voted credits		quarterly state of credits voted and consumed														
			T 1			T 2			T 3			T 4					
	AC	PA	P	C	PA	AC	P	C	PA	AC	P	C	PA	AC	P	C	
Action 1																	
Activity 1.1																	
Activity 1.2																	
Action sub total 1																	
Transfer +/-																	
Deferred																	
Withdrawal/cancellation																	
Disbursements																	
Action 2																	
Activity 2.1																	
Activity 2.2																	
Action sub total 2																	
Transfer +/-																	
Deferred																	
withdrawal/cancellation																	
Disbursement																	
Programme																	
Transfer +/-																	
Deferred																	
Withdrawal/cancellation																	
Disbursement																	

P : Provided C : Consumed

Appendix 6 : Schedule for Accomplishing Programme Objectives

Objective/Indicator	Unity	Schedule for accomplishment												
		J	F	M	A	M	J	J	A	S	O	N	D	
Programme objective														
Indicator 1														
Indicator 2														
Operational objective level I-1														
Indicator 1														
Indicator 2														
Operational objective level I-2														
Indicator 1														
Indicator 2														
Operational objective level II-1														
Indicator 1														
Indicator 2														
Operational objective level														
Indicator 1														
Indicator 2														

Appendix 7 : Schedule for Accomplishing Activities and Tasks

Action/Activity/Task	Person in charge	Schedule for accomplishment														
		J	F	M	A	M	J	J	A	S	O	N	D			
Action 1																
Activity 1.1																
Task 1.1.1																
Task 1.1.2																
Action 2																
Activity 2.1																
Task 2.1.1																
Task 2.1.2																
Task 2.1.3																
Activity 2.2																
Task 2.2.1																
Task 2.2.2																
Action 3																
Activity 3.1																
Task 3.1.1																
Task 3.1.2																
Task 3.1.3																

Appendix 8 : Model of Annual Plan of Work.

Intitulé du programme :

Code	Actions / Activity / Task	Monitoring Indicator	Financing (in millions of FGA)		Execution schedule												Weight (%)	Service in charge	Method of execution
			Montant (NB/EP)	Source	J	F	M	A	M	J	J	A	S	O	N	D			
1	Title of action 1																		
1.1	Title of activity 1																		
1.1.1	Title of task 1																		
1.1.2	Title of task 2																		
1.1.3	Title of task 3																		
1.1.4	Title of task 4																		

1. NB : National Budget – EF : External Funding
2. Method of execution : public contract / purchase order / Cash release / etc. ...

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Appendix 9 : Model of Credit Consumption Plan

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Code	Actions /Activity	Source (SB/EF)	Allocations (in thousands of FCFA)												Observations											
			PER ¹	GS ¹	TR ¹	INV ¹	J	F	M	A	M	J	J	A		S	O	N	D							
1	Title of action 1																									
1.1	Title of activity 1.1																									
1.2	Title of activity 1.2																									
1.3	Title of activity 1.3																									
1.4	Title of activity 1.4																									
2	Title of activity 2																									
2.1	Title of activity 2.1																									
2.2	Title of activity 2.2																									
2.3	Title of activity 2.3																									
2.4	Title of activity 2.4																									

1. PER : Personal – BS : Goods and services – TR : Transfers – INV : Investments

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Appendix 11 : Model of Quarterly Monitoring Table

Programme :

Code	Actions/Activit y/Task	Service in charge	monitoring indicator	Level of advancement attained during quarter	Level of withdrawals	Reasons and justification for disparities	Measures proposed
1	Title action 1	X	X	Quantitative (%) X	X	Planned	X
1.1	Title activity 1	X	X	X	X	X	X
1.1.1	Title task 1						
1.1.2	Title task 2	X	X	X	X	-	X
1.1.3	Title task 3						
1.1.4	Title task 4						

Appendix 12 : Model of Activity Report

Title of activity :

Name and surname of person in charge :

I. Presentation of activity

II. Description of task

III. Resources and means made available

Description of means and resources/tasks	Value			Comments
	Predictions	Achievements	Difference	
Task ...				
Task ...				

Explanation of differences

IV. Place the activity with regards to other activities

V. Summary of persued objectives and indicators

VI. Table of tasks

Task	Value			Comments
	Predictions	Achievements	Difference	

Explanation of differences

VII. Problems encountered and solutions proposed.

Task	Problem		Proposition of solution
	Nature of problem	Description of problem	
	Environment		
	Material		
	Method		
	Labour, etc.		

Explanation of solutions proposed

VIII. Other recommendations

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Appendix 13 : Model of Consolidated Activity Report.

Title of action:

Name and surname of head of administrative unit :

I. Presentation of action.

II. Presentation of objectives and indicators

III. Description of activities and tasks

III. Means and resources made available for action

Description of means and resources/activity	Value			Comments
	Prediction	Achievement	Difference	
Activity ...				
Activity ...				
Activity ...				

Explanation of differences

IV. Place of action with regards to other actions

V. Summary of pursued objectives and indicators

VI. Table of tasks

Activities	Value			Comments
	Predictions	Achievements	Differences	

Explanation of differences

VII. Problems encountered and solutions proposed

Activities	Problem		Proposition of solution
	Nature of problem	Description of problem	
	Environment		
	Material		
	Method		
	Labour, etc.		

Explanation of proposed solution

VIII. Other recommendations

Appendix

Appendix 14 : Simplified Model of the Annual Performance Report of a Programme.

Programme title:
Name and surname of program head :

I. Presentation of programme

II. Presentation of credits and tax expenditures

III. Strategic programme report

Summary analysis and explanation of results

IV. Detail table of objectives and indicators (objective by objective)

Objective

Indicators	Target Value (N-1)	Achievements			Proj. N	Target			Difference (VC N-1 vs REAL N)	Comments and Proposals
		N-3	N-2	N-1		N+1	N+2	N+3		
Indicator ...										
Indicator ...										

Detailed analyses of difference and explanation of corrective measures

V. Description of actions

VI. Table of objectives and indicators by action

(same model as those used by programme)

VII. Programme financing table (by action and by economic nature of expenditure)

Action/credits	Prediction		Achievements		Differences (+/-)		Comments
	AC	PA	AC	PA	AC	PA	
Action ...							
Staff							
Goods and services							
Transfer							
Investment							
Action ...							
Total							

Explanation of differences and proposals for deferrals/cancellation ...

VIII. Table of workers

Action	Total number Fin n-2	FL n-1		Changes n-1		Comments
		Authorisation	Achievements	+	-	
Action ...						
Managerial staff						
Control staff						
Workers						
Action ...						
Total						

Explanation of differences and proposals (redeployment/recruitment)





Glossary of Terms Used

Glossaire de termes utilisés

Action	An action is the elementary unit of a programme to which are associated specific objectives, clear and measurable by performance indicators. In the hierarchy of objectives, Action targets the achievements of an intermediate objective of the programme. (Level 1 operational objective) of which it is a consistent part. In terms of content, it is a collection of coherent activities requiring human and financial resources for the production of goals and services
Activity	Activity is a coherent collection of tasks requiring human financial and material resources for the production of a good or service. Activity must be entrusted to a single administrative unit who becomes responsible for its achievement. Whereas, an administrative unit can be responsible for several activities.
Yearly basis	Principle of budgetary law setting a year as duration for a budgetary exercise (authorising expenditure, revenue forecast and execution of State budget).
Article	An article determines an administrative unit to which revenue or expenditure is destined.
Audit	Independent review and examination of accounts and activities of an organisation to evaluate conformity to established policy and to procedures, matching expenditures and objectives so as to recommend necessary changes.
Authorised Commitment	Authorised Commitment (AC) consists of upper limits of expenditure which can be committed during a period not exceeding three years. AC's beyond the budgetary year generally fall under expenditure budgeting, however, it should be noted that all investment expenditures are not systematically subject to AC beyond the budgetary year. The AC amounts for the current expenditure besides interest on debts, is equal to the PA amounts opened. AC's are granted for specific actions within a program.
Running Budget	The portion of the global budget devoted to expenses out of investment (example: staff cost, rental cost, material and supplies, other costs : lease, water, electricity, telephone, internet etc.)
Investment Budget	It is generally the annual instalment of public investment programme. It should include all the projects no matter their financing (internal, external, gift or loan)
Budget of Means	<p>Its logic is the allocation of means to administrations according to expression of their needs, that is to say the allocation of a minimum credit to ensure the functioning of each structure irrespective of the activity level of each of them (voted service/new measures). It is characterised by the presentation of budget according to administrative destination and by the economic nature of expenses (salary, supplies etc.);</p> <p>It presents several shortcomings: weak connection between the budget and national priorities; inadequate consideration of the grassroots population, difficulty in previewing</p>

the goals of expenditures in the budget ; poor information on the quality of public expenditure ; difficulty in measuring the impact of public expenditure ; the absences of a demand on performance, automatic renewal of means from one year to the other etc.

Budget Programme The Budget Programme (BP) is a public finance management tool consisting of drawing up and executing the finance law on the base of a programme. The BP organises budgetary choices around public policy by comparing the cost and the results of programmes so as to select and implement the most effective and the most efficient with regards to national priorities. The combination of effectiveness and efficiency in the BP helps to grow performance in the achievement of public policy.

Central Mid Term Expenditure Framework The central MTEF identifies State mid-term resources, (internal resources derived from growth an from fiscal policy, HIPC, C2D, external resources etc.) which work together to finance the State financial operations table (SFOT) and determines for each Ministry and institution the necessary resources in the mid-term for running and investment as a function of their respective needs, but also of the priorities outlined by the Government and availability of budgetary credits.

The mid-term expenditure framework MTEF is an instrument for allocating resources to different sectors of State involvement compatible with the budgetary frame and representing a collection of mid-term State priorities. It is at the same time global as it is sectoral and permits for:

(i) to reconcile strategies, policies and budgets by the cost factor ; (ii) to effectively manage resource constraints; (iii) to associate running cost and investment; (iv) to move from the vision of budget as an instrument of financing and to make it an economic policy; (v) To facilitate conflict management in the allocation of budgetary resources; (vi) to facilitate the search for financing with regards to targeted needs.

Ministerial Mid-term Expenditure Framework A multi-year (3 years) programming tool of expenditure at ministerial level. It takes into account indicators of MTBF communicated resources and proposes a mid-term allocation of resources between programs, actions and activities with the view of attaining set objectives. This intra ministerial objective takes into account the priorities of programmes and actions in the ministerial strategy.

Results Chain Following relationship of cause and effect which leads from a development action to the expected result. The result chain begins by making available resources (inputs) followed by activities and their outputs. It leads to effects and impacts and results in a feedback.

Glossaire de termes utilisés

Chapter	A chapter represents a ministry, constitutional organ, a homogenous group of services, or an administrative unit implementing programs or a group of operations of a specific nature.
Target	Presents what an organism intends to achieve within a given period. The target is precise, measurable and realistic. It is drawn up on the bases of an indicator selected in the formulation of the objectives to which it refers. The target is a value or a state of indicators measuring the level of performance within the framework of a program. The target is expressed as a result to be attained within a definite period. It is the expected results in the framework of the implementation of a programme or an action.
Payment appropriation	Payment appropriation (PA) is the upper limits of expenditures that can be committed and authorised during a budgetary year for the covering of commitment contracted in the framework of AC's. Each year credits are allocated to take care of payment obligations. The PA in principle constitutes the annual installment of AC.
Effect	Mid-term result that helps to appreciate the changes on the target population and their environment which can be directly or indirectly attributed to the program implemented. It consists of tangible changes on the behavioral institutional and social levels which occur over a three to six year period, following a coordinated investment on the short term carried out in individual organisational capacity building for main actors.
Effectiveness	It is the consensual and optimal level to which the programme action, activity are achieved. It is the measures of effectiveness and directly linked to the capacity to measure objectives (see characteristics of objectives in the preparations manual). Hence effectiveness can only be appreciated in relation to an objective that can be quantified or qualified in the form of indicator of result.
Efficiency	It is the measure of the ability to reach objectives during the optimal consumption of resources (human, material and financial). The notion of efficiency relates therefore to measure the productivity and output. Productivity makes a comparison between results achieved and the resources used, while output establishes the link between these results achieved and the time limit for production.
Commitment	For the credit manager or his delegate, the commitment of an expenditure consists of creating and noticing at the level of public treasury an obligation which will result in spending. Commitment phase begins by spending initiative to be followed by obligation to pay. Practically, the commitment of expenditure is created once an order is made or a contract is awarded. The commitment of expenditure supposes that goods will be delivered or services rendered and that a bill will have to be cleared later. It is concluded

by the production of an administrative document establishing the legal commitment of the State.

Evaluation	Evaluation is a periodic assessment of a programme project in terms of effectiveness, efficiency, impact, reliability, and the importance in the set goals. Generally they appear as independent analysts dwelling on the context, the objectives, the results, the activities and the means deployed so as to draw lessons that are likely to orientate decision making. In addition, it is an exercise that is limited in the time (period) which aims importance and the impact of the intervention due to the programme, project etc. ongoing or completed.
Output	It is a tangible production or a direct service resulting from an activity, action or programme action. In the programme construction logic of improvement of primary school facilities (diagram 8), for example, the out put will be 250 new functional schools; the effect: 120000 educated children and impact improvement of growth level and poverty reduction.
Function	All the activities that represent the collective fundamental needs of the nation are the different domains of State intervention.
Management Focused on Results	A State management approach which places the goal on achieving objectives and expected results of public policy, an efficient allocation of resources, the responsibility of giving accounts, taking risks and lessons drawn from experience into account.
Impact	Long term results which characterise the changes observed following the implementation of a project/programme and other associated actions.
Indicator	It is a quantitative or qualitative variable helping to evaluate and appreciate the level, dimension or change of a situation, or the state of a phenomenon. An indicator must be objectively verifiable (IOV). In general, we distinguish four types of indicators; indicator of inputs, outputs (or products) indicators of results and of impact.
Liquidation (settlement)	<p>This operation consists of fixing an exact amount of expenses to pay after certification of job done in conformity with the legal commitment clauses and towards the establishment of creditor vested rights. Supposing that the goods have been partially or totally delivered or that the services to be rendered have been assured.</p> <p>The settlement of a public expenditure brings together two distinct and complementary operations: on the one hand the verification of the reality of debt, that is to say the attestation of job done and on the other hand, the determination of the exact amount of the expenditure.</p> <p>The settlement is done totally under the responsibility of the credit manager or his</p>

Glossaire de termes utilisés

	delegate who verifies the delivery in conformity to the contract clauses and sets the final amounts to be paid. The settlement phase is complete by the apposition of the mention of service rendered and the final amount on the bill.
Logical Framework Matrix	The logical framework matrix is a conceptual diagram which helps to arrive at a specific formulation and a uniform understanding of a project/programme and /or development strategy. The LFM leads to the achievement of a diagnosis, definition of global, strategic and specific objectives and to draw up a strategy outlined in programmes and actions to reach the expected objectives. It is a tool that aims at improving the conception of action, often at the level of projects. It helps to bring out the strategic elements (resources, outputs, effects, impact) and their causal relationship, indicator as well as external factors risks which
Budgetary Nomenclature	Structure the classification of revenue and expenditures by budgetary year and economic nature.
Objective	An objective is a written statement describing as the case may be, the effect or the result that we want to reach. Strategic (or goal) objectives translate the (result) that we want to achieve in the mid-term or long term. Specific (tactical) objectives describes the results or intermediate products whose achievement leads to that of the strategic objectives. Operational objectives lead to processes that should give rise to specific objectives. Objectives must be formulated in a smart manner SMART (S=specific ; M=measurable ; A = accessible; R=realistic ; T = time limit
Global Objective	The objective that we set with regards to expected results in the long term (impact) and is for the entire project/programme or strategy.
Payment Order	<p>Payment order is ad administrative act given in conformity with settlement results, order given to the public account to pay the public debit.</p> <p>Payment order are under the responsibility of the main Vote Holder or Delegate. He must consequently ensure the conformity of all the operations carried out by the credit manager and proceed to payment orders. This payment order can take the form of an authorization or a money order.</p> <p>We talk of payment order when the payment order act emanates from the main Vote Holder and the money order for the other cases, namely for secondary Vote Holders or Delegates.</p>
Payment	It is the act by which the State frees itself from her financial obligations towards her creditors. This phase is implemented by the public accountant who proceeds to ultimate verification of the expenditure and carries out payment apparatus. This payment apparatus is operated in cash, check, or electronic payment from.

Paragraph	The paragraph corresponds to the economic nature of the revenue or expenses.
Performance	<p>Performance is a synthetic notion which at the same time measures programme objectives and production process of the results obtained. This measure is complex by nature, for in practice, it is difficult to find a variable which at the same time takes account of objectives reached and of the quality of the production process.</p> <p>To do this, the programme of public management is evaluated along three main lines:</p> <ul style="list-style-type: none"> - Effectiveness: the measure of the impact or the final result with regards to the objective. - Efficiency: the measure of the relation between the resources used and the results obtained; - The quality of service rendered to public service user. <p>The combined analysis of these three levels of measures helps to evaluate performance of an organisation in public management.</p>
Plan of Action	<p>A plan of action is the functional grouping of a limited number of programmes.</p> <p>The collection of global and specific objectives that can only be attained through the accomplishment of some amount of programmes and projects and institutional measures.</p> <p>The plan of action is a matrix which describes in a forecasting manner the process and the calendar for the achievement of these programmes, projects and measures. It is also found in the definition of a budget and the appointment of a head for each programme, programme and measures, it can be sectoral, regional/local or by actor.</p>
Planning	Planning consists of projecting into the future possible evolutions in the socioeconomic development of the nation over a given horizon and to draw-up a global action framework.
Strategic Planning	The idea of strategic planning lays emphasis on possible strategy analysis (options) to be submitted to the competent authorities for decision. Strategic planning therefore helps the authorities to choose the 'right' strategic. The adjective 'right' points us to the question of a balance between the available resources and the strategy to achieve, how suitable the pursued objectives are, to the needs of the changing environment. This process is an integrated part of planning by objective. Through the abuse of language strategic planning is sometimes used to mean planning by objectives.
Operational Planning	It allows for implementation of a development strategy, through the projects which result from it. It is concerned with aspects of form and details concerning objectives and the drawing up of the criteria for their evaluation: (i) the definition of operational

Glossaire de termes utilisés

	<p>objectives and the drawing up of the criteria for their evaluation ; (ii) the determination of the different activities and operations to carry out ; (iii) drawing up the schedule of activities fixing the logical sequence of operation as well as their duration of execution; (iii) the allocation of necessary resources for the accomplishment of activities/operations; (iv) the continuous monitoring and evaluation of activities and resources as well as the prospects of achievement and; (v) the definition of responsibilities in terms of carrying out activities/operations.</p>
Public Policy	<p>The action of an authority invested with public power and governmental legitimacy over a specific domain of society or territory.</p> <p>A public policy aims at resolving a specific societal problem or more globally precised a part of the domain of State competence and inline with the economic model in force. In this set-up, the State develops a public action plan with a strategy, actions and results on the bases of pursued results. It also puts in place a strategy for financing the said policy.</p> <p>Before implementation, the State action must initially be approved by the national representation which gives it mandate to act (i.e the Parliament).</p>
Programming	<p>The fragmentation or division and the scheduling of actions according to the timetable of their execution. This timetable haven been established in function of the availability of financial resources and the duration of implementation of actions.</p>
Programme	<p>A programme is a collection of action to be implemented within an administration for the production of determined results within the framework of a function. The programme groups together credits that are intended for the implementation of a group of coherent actions that are under the same Ministry or institution and to which are associated specific objectives.</p>
Draft Performance of Administration	<p>A draft bill of budget deposited by the Ministry or institution and comprising harmonised information for the drawing up of the draft finance law. The DPA to the draft finance law presented to Parliament during the budgetary session. It is presented according to a prototype and consists mainly of: (1) objectives, programmes and actions resulting from strategy documents; (2) The breakdown of actions into activities with their cost evaluated and programmed within the framework of the Ministry MTEF; (3) Budgeting actions on the bases of budgetary nomenclature.</p>
Results	<p>The result is the concrete changes that follow the implementation of actions that helps to appreciate the achievements of the objectives of a programme. There are three levels of results:</p> <p>Short term results, which are outputs in tangible terms or direct services resulting from programme actions;</p>

-	Effets which are id-term results helping to appreciate direct or indirect changes that can be attributed to programme.
-	Impacts are long term results which characterize the general structural change following the implementation of programmes and other related actions.
Reporting	Reporting is a collection of result indicators, set-up after action, in a periodic manner, so as to inform hierarchy of the performance of a unit within the framework of a decentralised management. Reporting helps to verify that responsibility centers respect their indentures
Section	The functional destination of an expenditure
Job Done	The certification of job done is the recognition by the administration of the execution of a job, the delivery of goods, supplies, rendering of ordered services by the competent credit manager sanctioning by the establishment of an administrative document certifying a job done.
Strategy	<p>A strategy is a declaration of the means by which the objectives will be reached.</p> <p>Example: For the objective ensure durable water supply to village 'V', the strategies (which complement each other) could be : the drilling of water wells, the organisation of community towards the management of structure, building up local capacity towards the maintenance of the infrastructure, communication to promote the appropriation of the project by the local population etc.</p>
Follow-up (monitoring)	It is a continuous process of collecting and processing information to correct abnormalities during execution and to bring corrections. Monitoring is an integral component of the strategic planning process. In other words, it is an internal activity of the programme/action. Also see evaluation.
Trend Chart	A piloting tool for programmes, actions or activities in the form of a synoptic table containing the main actors, the commitments the time frames and permanent events helping to ensure monitoring.
Task	Task is the elementary operational part of an activity in a programme. A task must be immediately evaluated and link to one economic nature of expenses in conformity with the budgetary nomenclature. The definition of task marks the last phase of programming.
Administrative Unit	It is the service for which an expenditure is destined. That is to say the beneficiary of the work, service, supply, equipment financed by budgetary credits.

